

STATE WATER RESOURCES
CONTROL BOARD

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DIV. OF WATER RIGHTS
SACRAMENTO

**BEFORE THE STATE WATER
RESOURCES CONTROL BOARD**

In the Matter of the State Water Resources)
Control Board (State Water Board))
Hearing to consider Monterey Peninsula)
Water Management District's (MPWMD))
Petitions to Change Permits 7130B and)
20808 (Applications 11674B and 27614))

Hearing Date: September 24, 2007

Carmel River in Monterey County

TESTIMONY OF HENRIETTA STERN

PROJECT MANAGER / PUBLIC INFORMATION REPRESENTATIVE

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

1 Report and Statement (EIR/EIS) and state and federal permits for the New Los Padres Dam and
2 Reservoir on the Carmel River, and the Environmental Impact Report and Environmental
3 Assessment (EIR/EA) for the ASR Project that is the subject of this hearing. My responsibilities
4 include knowledge of federal, state, and local laws that affect water supply projects; assessment of
5 water supply alternatives; preparation and review of technical reports; and coordination with many
6 governmental agencies, consultants and technical staff.

7 3. Due to the responsibilities enumerated above, I am knowledgeable with the planning
8 and environmental review process which pertains to the ASR Project. I am familiar with the
9 contents of ASR Project EIR/EA, which I carefully reviewed for clarity and internal consistency. I
10 also contributed text to introductory chapters. I worked closely with Jones & Stokes Associates of
11 Sacramento, the environmental consultant who prepared the EIR/EA; MPWMD colleagues who
12 contributed chapter or section text; staff from California American Water (CAW), who contributed
13 information about the temporary pipeline; staff at the U.S Army Base Realignment and Closure
14 (BRAC) Office (federal lead agency); and other entities as part of the public review process.

15 4. In my secondary role as MPWMD Public Information Representative, and as a 20-
16 year employee, I have general knowledge of nearly all facets of the District functions and history,
17 with emphasis on water supply planning, water supply alternatives and environmental programs. I
18 am often the first contact to answer questions from the public and media.

19
20 **Q2. PLEASE DESCRIBE DOCUMENTS WHICH YOU HAVE REVIEWED TO**
21 **PREPARE YOUR TESTIMONY**

22
23 5. The key documents I have reviewed to prepare this testimony include: (1) Draft
24 EIR/EA for Phase 1 ASR Project, March 2006 (Exhibit SWRCB-1); (2) Final EIR/EA for Phase
25 1 ASR Project, August 2006 (Exhibit SWRCB-1); and (3) Resolution No. 2006-04, Certifying
26

1 the Final EIR/EA and Adopting Mitigation Monitoring Plan, August 21, 2006 (**Exhibit**
2 **MPWMD-1**).

3 6. The Draft EIR/EA addresses construction and operational impacts of the proposed
4 ASR Project as well as a temporary pipeline to be constructed by CAW to facilitate water
5 transmission to the ASR injection well site, in compliance with CEQA and NEPA. NEPA is
6 invoked because the project site is currently owned by the U.S. Army, though it is slated to be
7 transferred to the City of Seaside as part of the Fort Ord Reuse Plan. The Final EIR/EA includes
8 13 comment letters or statements, responses to those comments, and related text changes to the
9 Draft EIR/EA that respond to comments and/or enhance clarity and understanding. Resolution
10 No. 2006-04 also includes the CEQA Findings and the Revised Mitigation Monitoring Plan
11 adopted by the MPWMD Board as attachments.

12 7. I have reviewed documents related to the CEQA process for the ASR Project
13 from Fall 2004 through August 2006. These include Notice of Preparation of an EIR, Notice of
14 Completion of a Draft EIR, Notice of Availability of Draft EIR/EA, and Notice of Determination
15 of ASR Project approval (**Exhibits HS-2, HS-3, HS-4 and HS-5**, respectively). An excerpt of
16 the Final EIR text revisions and three comment letters and responses relevant to this proceeding
17 are provided as **Exhibits HS-6 through HS-9**. I have reviewed documents related to the U.S.
18 Army's NEPA process as well as the approval process for other entities (**Exhibits HS-10, HS-11**
19 **and HS-12**). For the historical narrative, I also wrote quarterly updates and staff presentation
20 materials for MPWMD Board meetings, available at:
21 <http://www.mpwmd.dst.ca.us/asd/board/meetings/meeting.htm>. Quarterly water supply project
22 update reports are provided at the January, April, July and October meetings. Key meetings
23 where Board action took place are identified in my testimony. **Exhibit HS-13** provides the most
24 recent quarterly update (July 2007).

1 **Q3. PLEASE DESCRIBE MPWMD'S COMPLIANCE WITH CEQA FOR THE ASR**
2 **PROJECT**

3
4 8. Put simply, ASR entails diversion of excess winter flow from the Carmel River,
5 which is treated and injected into ASR wells in the Seaside Basin for recovery during dry
6 periods. The ASR Project included a new second well (Well #2) to operate in tandem with the
7 existing Santa Margarita Test Injection Well (SMTIW), which has served as a full-scale test well
8 for several years. The EIR/EA for the ASR Project evaluated the ASR facilities proposed by
9 MPWMD as well as a temporary pipeline to be constructed by CAW to enable more reliable
10 water delivery to its facilities in the Seaside area as well as to the ASR Project. The joint
11 document served as a means for the District as CEQA Lead Agency to approve the project based
12 on a certified EIR, and for the U.S. Army, as NEPA Lead Agency, to issue a Right-of-Entry to
13 construct the project on federal land. There is much overlap between CEQA and NEPA for this
14 project; key aspects of the NEPA process are reviewed in Question #4 below. The following
15 paragraphs summarize MPWMD's CEQA process for the ASR Project.

16 9. At its October 2004 meeting, the MPWMD Board directed staff to prepare an EIR
17 on the District's ASR project, and retained Jones & Stokes Associates and Padre Associates to
18 assist in this effort. A Notice of Preparation of an EIR (**Exhibit HS-2**) was issued on December
19 13, 2004. At that time, the NOP envisioned a three-phase project and described the key aspects
20 of each phase. Two public hearings were held on January 12, 2005 to receive comments, and a
21 total of 13 written comments were received. The Board received the consultant's Scoping
22 Report at its February 24, 2005 meeting. Based on comments received, the Board at its March
23 21, 2005 meeting provided policy direction to focus only on the Phase 1 ASR Project in this EIR.
24 At the April 18, 2005 meeting, the Board amended consultant contracts and adopted an EIR
25 scope of work to reflect this goal.
26

1 10. At a December 22, 2005 meeting between the staffs of the U.S. Army, MPWMD
2 and CAW, the Army staff confirmed that the administrative draft EIR/EA adequately addressed
3 the environmental effects of the MPWMD ASR Project. However, the Army also indicated that
4 a Right-of-Entry approval for construction and long-term easement for ASR Project operations
5 could not be issued until another Environmental Assessment was prepared for the temporary
6 CAW pipeline needed to help improve existing CAW operational flexibility and maximize the
7 ASR Project performance. The Army position was a substantive change from previous direction
8 to both MPWMD and CAW. The Army recommended that the CAW temporary pipeline
9 information be incorporated into a joint EIR/EA for the MPWMD ASR Project as the most
10 efficient way to facilitate issuance of two separate Army permits – one to MPWMD for the ASR
11 Project and one to CAW for the temporary pipeline. In January 2006, CAW agreed to
12 separately pay Jones & Stokes to add the pipeline information into the District's EIR and prepare
13 an EIR/EA. The new information was incorporated into the public Draft EIR/EA released in
14 March 2006.

15 11. The identified objective for the ASR Project is to allow changes in water supply
16 operations to (a) benefit the natural resources of the Carmel River and groundwater resources of
17 the Seaside Groundwater Basin; and (b) improve the short-term reliability of the domestic water
18 supply system in the Seaside area. The project was and is viewed as being complementary to
19 other larger, long-term water augmentation projects that were and currently are being explored
20 by various entities. The proposed operation of the ASR Project would result in reduced pumping
21 of the Carmel River in the Summer/Fall; a secondary benefit is increased storage in the Seaside
22 Basin. Both results are considered to be environmentally beneficial. Details of the project
23 description and operations are provided in the testimony of Joe Oliver and Darby Fuerst.

24 12. The Draft EIR/EA described and evaluated several alternatives to the proposed
25 ASR Project:

- 26 (1) No Action/No Project: Existing situation remains.

- 1 (2) **Non-Contiguous Well:** Well #2 would be constructed at an alternative location near
- 2 Fitch Middle School, and about 500 more feet of pipeline would be needed.
- 3 (3) **Local Desalination:** A project once proposed by MPWMD in the Sand City area
- 4 would be pursued.
- 5 (4) **Wastewater Reclamation:** Three potential reclamation projects currently being
- 6 evaluated by local water agencies were described.
- 7 (5) **Off-stream Storage:** Excess Carmel River flow would be stored in one of several
- 8 potential reservoir sites or in the Tularcitos Aquifer in Carmel Valley.
- 9 (6) **Stormwater Runoff:** Large-scale facilities and small-scale options (cisterns) were
- 10 described.

11 13. On March 23, 2006, the District issued the Draft EIR/EA on the MPWMD Phase
12 1 ASR Project, including information on the CAW temporary pipeline for NEPA (Army)
13 purposes. In compliance with CEQA Guidelines Sections 15085 and 15087, a Notice of
14 Completion (**Exhibit HS-3**) was filed and the document was circulated for comments through
15 May 8, 2006; an extension to May 22, 2006 was granted to agencies that requested it. A public
16 hearing to receive oral comments was held on April 17, 2006. A Notice of Availability,
17 Executive Summary and a detailed impact table from the Draft EIR/EA were placed on the
18 District website at: http://www.mpwmd.dst.ca.us/asr/EIREA_NOCmailer_031706.htm. The
19 Notice of Availability is provided as **Exhibit HS-4**; the Draft EIR/EA is **Exhibit SWRCB-1**.

20 14. A total of 12 comment letters were received. Some authors commented twice and
21 there were notices from the State Office of Planning and Research (OPR) that attached comment
22 letters that had already been transmitted directly to the District. Written substantive comments
23 were received from the following entities:

24 Government Agencies – [Federal] National Marine Fisheries Service; [State] California
25 Coastal Commission, California Department of Fish & Game, California Department of
26 Toxic Substances Control; [Local] Monterey Bay Unified Air Pollution Control District,
Monterey County Department of Health.

Groups, Companies or Individuals – California American Water, Carmel River Steelhead
Association, Carmel Valley Association.

1 15. Two oral comments were made at the April 17, 2006 Board meeting: (1) Robert
2 Greenwood provided the Carmel Valley Association letter, and (2) Robert Fisher stated that an
3 oral question he had posed had already been answered by District staff.

4 16. The Final EIR/EA did not reprint the Draft EIR/EA as there were relatively few
5 changes in the document text. The Final EIR/EA document is a companion volume to the Draft
6 EIR/EA, which is incorporated by reference. In compliance with CEQA Guidelines Section
7 15132, the Final EIR/EA volume (Exhibit SWRCB-1) included the following components:

- 8 ➤ **Chapter 1** provides a brief summary and overview of the Final EIR.
- 9 ➤ **Chapter 2** provides text changes to specific sections of the Draft EIR/EA in response to
10 comments received on the Draft document.
- 11 ➤ **Chapter 3** provides the comment letters received and responses to each specific
12 comment identified in the margin of the comment letter.
- 13 ➤ **Chapter 4** provides the Revised Mitigation Monitoring Plan (MMP) to be adopted by the
14 Board. This chapter specifies the mitigation measures to be implemented, who is
15 responsible for carrying out the measures, and who is responsible for monitoring and
16 reporting. The District is the responsible party for nearly all measures, excluding
17 measures associated with the CAW temporary pipeline.
- 18 ➤ **Chapter 5** provides references.
- 19 ➤ **Chapter 6** identifies persons involved with report preparation.

20 17. CEQA Guidelines Section 15088(b) requires that public agencies that comment
21 on a Draft EIR be provided the response to comments 10 days before the date of certification
22 action. Public agencies that commented were provided the full Final EIR/EA document
23 described above on or before August 11, 2006. Non-agency entities who commented were also
24 provided a copy as a courtesy. No comments were received.

25 18. On August 21, 2006, the MPWMD Board at a public meeting: (a) accepted the
26 Responses to Comments and revised text for the Final EIR/EA; (b) adopted the Revised
Mitigation Monitoring Plan for the ASR Project; and (c) adopted Findings to certify the Final
EIR/EA and formally approved the ASR Project, in compliance with CEQA Guidelines Sections
15090 and 15091. Specifically, the Board adopted Resolution No. 2006-04 to certify the Final
EIR/EA and adopting the Revised Mitigation Monitoring Plan (Exhibit MPWMD-1).

1 19. In compliance with CEQA Guidelines Section 15094, a Notice of Determination
2 (NOD) of approval of the MWPMD ASR Project based on the certified Final EIR/EA was
3 transmitted to the Monterey County Clerk and State Clearinghouse on August 23, 2006. The
4 NOD is provided as **Exhibit HS-5**. Once the NOD was filed, other entities used the EIR/EA in
5 their decisions about key elements of the project, as noted in subsequent questions.
6

7 **Q4. HOW DID THE CERTIFIED FINAL EIR FOR THE ASR PROJECT REFLECT**
8 **SETTLEMENT NEGOTIATIONS WITH THE PROTESTANTS AND OTHER**
9 **CONCERNS RAISED BY OTHER PARTIES IN THIS PROCEEDING?**
10

11 20. It is notable that the comments, responses and text changes in the Final EIR/EA,
12 including the revised Mitigation Monitoring Plan, reflected then-ongoing discussions by District
13 staff with representatives from California Department of Fish & Game (CDFG), National Marine
14 Fisheries Service (NMFS) and CAW regarding the terms to dismiss CDFG and NMFS protests
15 on the District's water rights applications (Petitions for Change) for the ASR Project. At the
16 time of certification, it was anticipated that the protests would be resolved in the very near future
17 and the protest dismissal terms would be consistent with the project operations and mitigation
18 measures found in the Final EIR/EA. Efforts were also made to respond to and incorporate
19 suggestions by the Carmel River Steelhead Association (CRSA).

20 21. The Final EIR/EA specifies text amendments made to respond to comments,
21 questions and suggestions made by comment letter authors. Key changes to the Draft EIR/EA
22 chapters identified in the Final EIR/EA include:
23

- 24 ➤ **Executive Summary:** Text changes and revisions to Table ES-1 were made to reflect
25 changes to impacts and mitigation measures in other chapters.
- 26 ➤ **Chapter 3, Air Quality:** Corrections and refinements were made to text and mitigation
measures based on comments received from the Monterey Bay Unified Air Pollution
Control District (MBUAPCD).

- 1 ➤ **Chapter 4, Vegetation and Wildlife:** A minor typographical error was corrected
2 regarding the numbering of a mitigation measure.
- 3 ➤ **Chapter 5, Aquatic Resources:** Refinements to the text were made and a new
4 Mitigation Measure AR-1 was added in response to comments by NMFS.
- 5 ➤ **Chapter 8, Hydrology and Water Quality:** Several paragraphs of text were added on
6 various pages to clarify and explain changes in the District's CVSIM model operating
7 logic that affect project operations and project yield. The text for Mitigation Measure
8 GWH-4 was also refined to clarify the intent of the Phase 1 ASR Project to benefit the
9 Carmel River as feasible. These revisions were made to respond to questions and
10 concerns expressed by CDFG, NMFS, the California Coastal Commission and Carmel
11 River Steelhead Association, and to ensure that water diverted from the Carmel River and
12 injected into the Seaside Basin in the wet season would be extracted from the Seaside
13 Basin (rather than being pumped from the river) in the dry season, thereby benefiting the
14 Carmel River habitat and dependent species. These changes to the CVSIM model altered
15 numerical averages and maximums, but did not change the environmental impact
16 conclusions of the Draft EIR/EA. For example, the average project yield is now
17 simulated at about 920 AFY (rounded) rather than the 1,050 AFY previously simulated.
- 18 ➤ **Chapter 11: Hazards and Hazardous Waste:** Corrections and refinements were made
19 based on comments by the California Department of Toxic Substances Control (DTSC).
- 20 ➤ **Chapter 17, Temporary Pipeline:** Corrections and refinements about the CAW
21 temporary pipeline were made in response to comments by MBUAPCD and DTSC.

22 22. **Exhibit HS-6** provides an excerpt from the Final EIR (pages 2-15 through 2-22)
23 that shows the specific changes made to the Draft EIR Chapter 5 (Aquatic Resources) and
24 Chapter 8 (Hydrology and Water Quality), including new and revised mitigation measures, in
25 response to comments by CDFG, NMFS, CRSA and others. **Exhibit HS-7** provides the CDFG
26 comment letter and MPWMD responses to comments. The response to CDFG Comment 2-3
27 notes that settlement meetings were underway, the majority of CDFG concerns were resolved,
28 and full resolution was anticipated by the time the Final EIR/EA was certified. **Exhibit HS-8**
29 provides the NMFS comment letter and MPWMD responses to comments. **Exhibit HS-9**
30 provides the CRSA comment letter and MPWMD responses to comments. It is notable that
31 MPWMD concurred with several CRSA suggestions, including adding a new mitigation measure
32 and revising the operations model, and took pains to explain the rationale and justification for
33 various statements that were challenged by CRSA. Specific information about these responses to
34 comments and FEIR text changes are provided primarily in the testimony of Darby Fuerst and
35 Kevan Urquhart.

1 **Q5. PLEASE DESCRIBE NEPA COMPLIANCE BY THE U.S. ARMY AND ITS USE**
2 **OF THE EIR/EA FOR FEDERAL APPROVALS FOR THE ASR PROJECT**

3
4 23. Throughout the CEQA process described in Question #3 above, the District and
5 CAW closely coordinated with the U.S. Army BRAC Office, located at the former Fort Ord.
6 The Army reviewed and approved the text of the Draft and Final EIR/EA to ensure compliance
7 with NEPA and other laws before these documents were released to the public, with emphasis on
8 hazardous materials, unexploded ordnance, construction safety, soil and water conservation, and
9 habitat management for the California tiger salamander, a federally protected species. Specific
10 mitigation measures were crafted at the direction of Army staff. The Army used the certified
11 EIR/EA as the documentation to support issuance of a Finding of No Significant Impact for the
12 ASR Project and CAW temporary pipeline, and to facilitate separate issuance of Right-of-Entry
13 (ROE) approvals on September 19, 2007 to both MPWMD and CAW. The ROE is, in essence, a
14 construction permit for work on government property, pending compliance with all conditions
15 set by the Army. Once construction is completed, an amended 50-year easement will be issued to
16 MPWMD operate the SR Project. The ROE is provided as Exhibit HS-10.

17 24. The ROE required specific safety-related plans to be prepared prior to
18 construction, such as a Hazardous Materials List and Spill Response Action Plan. One important
19 condition to be met prior to construction of the ASR Project or temporary pipeline was approval
20 by the City of Seaside, as the City will eventually receive the federal land where the project is
21 located (see Question #5 below). Notably, the Army did not require a water rights permit from
22 the State Water Resources Control Board prior to project construction.

23
24 **Q6. WHAT OTHER ENTITIES RELIED ON THE CERTIFIED EIR/EA FOR ASR**
25 **PROJECT APPROVALS**

1 25. The District and CAW coordinated with the City of Seaside while the EIR/EA
2 was being prepared to ensure that the document met the City's needs for issuance of a
3 Conditional Use Permit (CUP) for the ASR Project and associated pipeline. City concerns
4 focused on construction impacts such as noise, traffic, air quality and safety issues, as well as
5 long-term noise and visual effects. A variety of mitigation measures were developed in
6 coordination with City staff to address these concerns. The City, as a CEQA Responsible
7 Agency, relied on the EIR/EA certified by MPWMD to consider the District's application for a
8 CUP (filed May 11, 2006) to construct the ASR Project wells. The Seaside Planning
9 Commission approved the District application at a public hearing on October 11, 2006, and
10 issued Conditional Use Permit UP-06-18 (**Exhibit HS-11**). The CUP required specific safety-
11 related plans to be prepared prior to construction, such as a Hazardous Materials List and Spill
12 Response Action Plan, Traffic Control Plan, and Noise Control Plan.

13 26. The Regional Water Quality Control Board (RWQCB) does not have direct
14 permit authority over injection/extraction activities which do not constitute a discharge of waste.
15 However, the RWQCB does review injection/extraction activities to ensure that groundwater is
16 protected in compliance with the State "non-degradation policy." The RWQCB reviewed project
17 operations and impacts with emphasis on injection of treated Carmel River water into the Seaside
18 Groundwater Basin and weekly onsite discharges of well back-flushing conducted to prevent the
19 buildup of fines within the well screens and filter pack. In response to a June 19, 2007 request
20 by the District, the RWQCB, in a July 11, 2007 letter (**Exhibit HS-12**), determined that onsite
21 percolation of back-flushing water and injection of Carmel River into the ASR wells is
22 authorized and is covered by a General Waiver (Resolution R3-2002-0115). The letter notes
23 that the General Waiver expires on December 13, 2007, but is expected to be renewed.

24 27. The California Department of Health Services (DHS), now encompassed by the
25 California Department of Public Health regulates drinking water quality, hazardous waste, use of
26 reclaimed water and may advise the RWQCB on discharge requirements. DHS approval is

1 needed for CAW to deliver water extracted from the ASR wells. District and CAW staff have
2 provided requested information to DHS in recent months, and DHS staff is processing this
3 information.

4 28. Please refer to Joe Oliver's testimony for more detailed information on the
5 technical issues reviewed by the entities described above.

6
7 **Q7. WHAT IS THE CURRENT STATUS OF THE ASR PROJECT?**

8
9 29. The ASR Project consists of a second well to work in tandem with an existing
10 full-scale test well at the Santa Margarita Test Injection well site. The District began
11 construction mobilization for the week of December 4, 2006, and received a well construction
12 permit from the Monterey County Health Department on December 13, 2006. A temporary
13 sound wall was constructed and drilling began in early January 2007. The well was completed in
14 early February 2007 and formal production testing subsequently occurred. In early April 2007,
15 while preparations were being made for the final well inspection video, it was discovered that
16 damage to the well had occurred. Repair of the casing was completed in early May, and a final
17 acceptance video of the well construction was conducted in mid-May 2007. The District is
18 currently negotiating a contract with the Marina Coast Water District to obtain a temporary
19 supply of water to test both ASR wells in Fall 2007 as water from local sources is not available.
20 More detailed information on the project status is found in the testimony of Joe Oliver. In
21 addition, the District is working with various financial entities to pursue long-term funding for
22 the project.

23
24 **Q8. HOW DOES THE ASR PROJECT RELATE TO OTHER ONGOING WATER**
25 **SUPPLY EFFORTS BY MPWMD AND OTHER ENTITIES IN MONTEREY COUNTY?**

1 30. The Phase 1 ASR Project has always been viewed as being complementary to
2 other larger, long-term water augmentation projects that are being explored by various entities.
3 Also, the possibility that the ASR Project could be expanded to more well sites and additional
4 CAW transmission facilities was contemplated in the original Notice of Preparation (Exhibit
5 HS-2) in December 2004.

6 31. The water supply goals and objectives in the current MPWMD Strategic Plan
7 reflect the District's dual approach to water supply planning – that is, cooperate with other
8 entities for a long-term regional project while developing near-term projects such as the Phase 1
9 ASR Project to help reduce adverse pressing environmental effects, in light of the many years
10 needed to bring a regional project to fruition. The goals and objectives (with anticipated
11 completion dates in italics) include:

12
13 **Goal: Determine and participate in long-term water supply solution(s)**

- 14 ➤ **LS1:** Continue participation in California Public Utilities Commission (CPUC) Coastal
15 Water Project (CWP) process, including environmental review and Department of
16 Ratepayer Advocates (DRA) processes (*ongoing*).
- 17 ➤ **LS2:** Provide technical support or guidance to the Monterey Regional Water Pollution
18 Control Agency (MRWPCA) for its Groundwater Replenishment Project in the Seaside
19 Basin (*ongoing*).
- 20 ➤ **LS3:** Present to the Board for consideration a Memorandum of Understanding (MOU) for
21 participation in the Monterey Bay Regional Water Solutions Task Force to evaluate
22 regional water supply solutions (*6/30/07*).
- 23 ➤ **LS4:** Present to the Board the Community Advisory Committee Report on projects listed
24 in the matrix of water supply alternatives (*9/30/07*).
- 25 ➤ **LS5:** [Future] Revise the matrix of water supply alternatives (using the quantified supply
26 target) to incorporate results of the revised Bookman-Edmonston/GEI report evaluating
 desalination projects (*November 2007*).

27 **Goal: Complete Aquifer Storage and Recovery (ASR) Phase 1 and Expanded ASR**
28 **Project(s)**

- 29 ➤ **ASR1:** Secure State Water Resources Control Board (SWRCB) water rights permit for
30 Phase 1 ASR Project (if not, team will prepare for water rights hearing) (*was 5/31/07;*
31 *now 10/31/07*)
- 32 ➤ **ASR2:** Complete Well #2 for Phase 1 ASR, including final facilities design and
 contractor selection (*was 9/30/07; now 12/31/07*).

- **ASR3:** Determine the feasibility of a dual-well injection test and report results to the General Manager (9/30/07).
- **ASR4:** Facilitate determination and schedule for completion of necessary infrastructure improvements to the California American Water (CAW) system to ensure they are in place to support Phase 1 ASR (9/30/07).
- **ASR5:** Confirm water storage rights with the Watermaster (9/30/07).
- **ASR-E1:** [Expanded Objective] Complete negotiations with CAW for joint ownership of water rights, to obtain future ASR and other water rights permits (was 6/30/07; now 11/30/07).
- **ASR-E2:** [Expanded Objective] Develop a project description and yield estimate for expanded ASR, and present to the Board (was 8/31/07; now 11/30/07).

Exhibit HS-13 provides the most recent quarterly status report (July 2007) on water supply project efforts carried out by the District and others.

Executed on _____, 2007, at Monterey, California.

MONTEREY PENINSULA WATER
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U:MPWMD/PUC-ASR/Testimony of Henrietta Stern