

MONTEREY COUNTY MAYORS' ASSOCIATION



CARMEL-BY-THE-SEA



DEL REY OAKS



GONZALES



GREENFIELD



KING CITY
KING CITY



MARINA



MONTEREY



PACIFIC GROVE



SALINAS



SAND CITY



SEASIDE



SOLVANG
SOLVANG

August 25, 2009

Jeanne Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

RE: Cal-Am Draft CDO Hearing Workshop

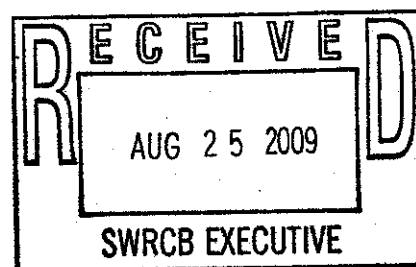
Dear Ms. Townsend:

The Monterey County Mayors' Association ("MCMA") opposes the issuance of the State Water Resources Control Board's ("Board") Draft Cease and Desist Order dated July 27, 2009 ("Draft CDO"), as written, for the reasons stated herein. First, the Draft CDO proposes to reduce the quantity of water that California American Water ("Cal-Am") may divert from the Carmel River Valley regardless of whether interim water supply and conservation measures are able to accommodate the mandatory reductions. The result is likely to be chronic water shortages for the Monterey Peninsula community, with severe social and economic impacts.

The MCMA acknowledges the adverse effects to the Carmel River's in-stream habitat caused by Cal-Am's diversions. The MCMA has also taken a leadership role in regional efforts to develop alternative water supplies to restore the Carmel River, and to provide an adequate and sustainable water supply for each of the communities. However, in balancing the diverse public interests involved, we respectfully urge the Board to structure reductions to occur concurrently with the implementation of new water sources and conservation strategies such that the reductions can be absorbed without severe community impact.

We generally support all reasonable and cost-effective measures to procure new water sources and to further advance conservation within Cal-Am's service area. We object, however, to mandating significant reductions to the water supply available to the Monterey Peninsula community, which is already burdened by significant water challenges (e.g., reductions arising from the Seaside Basin adjudication), and which is already drought hardened (compare average of 17 gallons per day (gpd) per capita use on the Monterey Peninsula with over 250 gpd per capita use within Sacramento and other inland communities). Forcing such reductions without synchronizing them with new water projects and verifiable conservation has a very real potential to jeopardize the public health, safety, and welfare of the Peninsula communities.

Second, the Draft CDO proposes to implement a moratorium on all new or expanded water service within Cal-Am's service area. The MCMA's Board voted unanimously at its August 7, 2009 meeting to request that Board modify the Draft CDO to except the roughly 108 acre-feet of remaining water allocation within the Monterey Peninsula Water Management District's ("MPWMD") Water Allocation Program from the proposed water service moratorium. Eliminating the 108 acre-feet of remaining water allocation would significantly harm each of the Peninsula cities as they have planned upon its availability to support essential in-fill developments including projects of immediate and great social value, such as senior and affordable housing units. Moreover, with the exception of the approximately 108 acre feet of remaining allocation, a de facto water service moratorium is already in place pursuant to the MPWMD's water distribution regulations which provide that no new water service can be initiated within the Cal-Am service area other than pursuant to the limited allocation program. Further, testimony at the CDO proceedings by the MPWMD and others explained that reductions associated with such small amounts of water would be essentially insignificant in addressing issues related to Carmel River habitat.



Until such time as an alternative water supply project(s) can be implemented, the Draft CDO must continue to balance public health and safety needs with those of the Carmel River habitat as provided by law. Reductions independent of real-time water supply projects or conservation, and the proposed mandatory moratorium without consideration to the MPWMD's existing Water Allocation Program, do not reflect a fair balancing of the diverse public interests. Such actions would harm local community health and safety, social and financial welfare, but achieve minimal benefit for the Carmel River's in-stream habitat of.

The MCMA respectfully requests that the Draft CDO be amended to: (1) provide that the proposed reductions follow rather than precede the required new water supply projects and conservation measures; and (2) except the remaining approximate 108 acre feet within the MPWMD Water Allocation Program from any moratorium applied to new or expanded water service within the Cal-Am service area.

Finally, the MCMA also respectfully requests that the Draft CDO be amended to allow the MPWMD, as a representative of the broader community, to petition for relief from the Draft CDO's provisions in the event that severe health and safety impacts result. As currently written, the Draft CDO only allows Cal-Am to petition for such relief. To ensure adequate representation of the community, the MPWMPD should be allowed to independently petition for such relief.

If you have any questions, or would like additional information or comment, please contact me.

Sincerely,



Joseph Russell
Mayor, City of Del Rey Oaks
Chair, Monterey County Mayors' Association

Cc: Monterey Bay Legislators and Governor Schwarzenegger