Agenda: 12-15-05 Item: 10-a

CAL AM:

Water board slows desal debate; Workshops to explore options Monterey Herald – 11/26/05 By Virginia Hennessey, staff writer

When voters overwhelmingly rejected a ballot measure that would have studied a possible takeover of California American Water's local water system on Nov. 8, the Monterey Peninsula water board took it as a clear message that ratepayers are more concerned with developing a new water source.

Board members took that message to heart at their meeting this week, with one board member calling for a desalination partnership with Cal Am's rival, Pajaro-Sunny Mesa Community Services District, and the rest of the board setting a series of workshops that will help it decide which of several proposed projects it would pursue.

Alvin Edwards, recently re-elected to his seat on the Monterey Peninsula Water Management District board of directors, renewed his call for a partnership with Pajaro-Sunny Mesa, a proposal he first made in spring 2004. That proposal is tabled while the county pursues a regional water solution.

On Monday, Edwards said Cal Am's proposed desalination plant is clouded in uncertainty, given its parent company's announcement that it planned to sell its water holdings and Duke Energy's plans to sell the Moss Landing Power Plant -- the site of Cal Am's proposed plant.

"In light of the fact that we don't know what Cal Am's going to do, we need to put up or shut up," he said.

He asked that the district's staff draw up a proposed agreement for the January or February board meeting that would lay out a timeline with incentives and penalties for delivery of enough desalinated water to supply the Peninsula's lots of record, recharge the overpumped Seaside Basin aquifer and meet the state's order to reduce pumping on the Carmel River by 10,730 acre-feet per year.

Board members David Pendergrass and Larry Foy shot down the detailed request, saying the board had not even discussed the matter. But Foy, the board's chairman, agreed to place it for discussion on the Dec. 12 meeting agenda.

Later in the meeting, district staff members seemed to caution the board on a quick pursuit of the Pajaro-Sunny Mesa project. Andy Bell, the district's chief engineer, told Edwards that Pajaro-Sunny Mesa had not supplied the Peninsula water district with any concrete numbers on the costs of its project. And Henrietta Stern, the district's project manager, said no independent analyses had been done on the information provided to the district by either Pajaro-Sunny Mesa or Cal Am regarding their desalination proposals.

Board members agreed that there was a "sense of urgency" over the decision on which water project they would pursue, but eventually agreed they needed to allow time for independent analyses of the projects.

Among the projects the board is considering are partnerships with: Cal Am on its Moss Landing desalination plant; Pajaro-Sunny Mesa's competing desalination project at Moss Landing Commercial Park; a regional water project being pursued by the Monterey County Water Resources Agency, which could be built by either of the aforementioned entities; and the Monterey Regional Water Pollution Control Agency's proposal to recycle highly treated wastewater for landscape purposes and, possibly, drinking water

The board set a workshop on the various projects for May 25, with an additional workshop on June 29 to review the projects' costs and timelines.

On Jan. 25, the board will conduct a workshop on aquifer storage and recovery, a project it is already operating with Cal Am to inject excess winter runs from the Carmel River into the Seaside Basin aquifer. The district and Cal Am have resumed negotiations over a permanent operating agreement on the project.

Workshops were also scheduled for Feb. 22, on the county's proposal for a "Regional Urban Water Supply"; March 23, on existing water needs and water rights; and May 18 on future water needs on the Peninsula. #

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