



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: PC 19-024, **Version:** 1

PLN150889 - CALIFORNIA AMERICAN WATER CO (DESALINATION PLANT-- COMPONENT OF THE MONTEREY PENINSULA WATER SUPPLY PROJECT)

Public hearing to consider a Combined Development Permit for a 6.4 million gallon per day (mgd) desalination plant and related facilities covering an approximately 25-acre area as a component of the overall Monterey Peninsula Water Supply Project (MPWSP).

Project Location: 14175 Del Monte Blvd, Marina CA 93933, off of the private Charlie Benson Road, north of the City of Marina.

Proposed CEQA Action: Consider an Environmental Impact Report/Environmental Impact Statement (EIR/EIS) previously certified by the California Public Utilities Commission for the Monterey Peninsula Water Supply Project (SCH#2006101004).

PROJECT INFORMATION:

Planning File Number: PLN150889

Owner: California American Water Company

APN: 229-011-021-000

Zoning: PG/40-D-S and F/40-D-S

Agent: Christopher Cook

Plan Area: Greater Monterey Peninsula Area Plan

Flagged and Staked: No

RECOMMENDATION:

It is recommended that the Planning Commission:

- a. Consider the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the Monterey Peninsula Water Supply Project, certified by the California Public Utilities Commission on September 13, 2018 (SCH#2006101004).
- b. Approve a Combined Development Permit consisting of:
 1. A Use Permit for a 6.4 million gallon per day (mgd) desalination plant and related facilities; and
 2. An Administrative Permit and Design Approval to allow development in the Site Plan zoning district including the following facilities related to the desalination plant:
 - i. Pretreatment, reverse osmosis (RO), and post-treatment systems;
 - ii. Backwash supply and filtered water equalization tanks;
 - iii. Treated water storage and conveyance facilities;
 - iv. Brine storage and conveyance facilities;
 - v. Administration building and laboratory;
 - vi. Other related operational facilities; and
 - vii. 91,000cy of grading (of 51,000cy of cut and 40,000cy of fill), to be balanced onsite.
- c. Adopt the Mitigation Monitoring and Reporting Plan

SUMMARY:

Monterey Peninsula Water Supply Project (MPWSP) is a project by the California-American Water Company (CalAm) to develop a new water supply for CalAm's Monterey District service area as a means of complying with the cease and desist order issued by the State Water Resources Control Board.

The subject project is a 6.4 million gallon per day (mgd) desalination plant on the upper terrace (about 25 acres) of a 45.5 acre parcel on Charles Benson Rd, a private road off of Del Monte Blvd., located north of the City of Marina. The County has permitting authority over the desalination plant because the desalination plant is located in the inland unincorporated area of the County. The required entitlement from the County is a Combined Development Permit, consisting of a Use Permit, an Administrative Permit, and a Design Approval. The MPWSP has multiple components located in multiple jurisdictions, including the following:

- A source water intake system consisting of subsurface slant wells extending offshore into the Monterey Bay. The system is proposed to be located within the CEMEX mining area within the City of Marina. (City of Marina, California Coastal Commission)
- A 6.4 million gallon per day desalination plant and appurtenant facilities (the subject project) on Charlie Benson Lane, off Del Monte Boulevard, north of the City of Marina. (County of Monterey, PLN150889)
- Water conveyance pipelines and associated facilities, including the Carmel Valley Pump Station (County of Monterey, PLN150653)
- Improvements to the Seaside Groundwater Basin ASR system, including two additional injection/extraction wells, and associated pipelines (U.S. Army, Seaside groundwater basin water master, City of Seaside).

As noted, Monterey County is the permitting authority for this desalination plan as well as a pump station in Carmel Valley, which is being processed under a separate entitlement.

The California Public Utilities Commission (CPUC) is the primary permitting authority for the MPWSP and the co-lead agency with the National Oceanic and Atmospheric Administration (NOAA) for the environmental review under the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). The CPUC, as lead agency, certified the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) and issued a Certificate of Public Convenience and Necessity (CPCN) for the MPWSP on September 13, 2018. The County of Monterey is a responsible agency under CEQA, and as such, is considering the EIR/EIS certified by the CPUC for the consideration of permits for portions of the MPWSP project within the unincorporated areas of Monterey County. As a responsible agency, the County will adopt its own Mitigation Monitoring and Report Plan (MMRP), which requires verification that mitigation measures which apply to the desalination plant have been implemented in accordance with the CPUC adopted MMRP.

DISCUSSION:

Two components of the MPWSP require discretionary approval from Monterey County: the desalination plant, and the Carmel Valley Pump Station. These two projects are located in separate areas of the unincorporated county, involve different potential impacts, and required their own applications and entitlements. The Carmel Valley Pump Station is being processed separately under PLN150653 and will be considered on its own merits.

Additional components associated with the desalination plant are located within the unincorporated areas of Monterey County, but do not require County discretionary entitlements.

These include:

- Source Water Pipeline: The 42-inch-diameter Source Water Pipeline would convey the brackish intake

slant well water from each wellhead located inland of the dunes within the CEMEX Plant property in the City of Marina to the MPWSP Desalination Plant.

- Brine Discharge Pipeline: The 36-inch-diameter Brine Discharge Pipeline would convey decanted brine effluent from the desalination process to a proposed Brine Mixing Box at the existing Monterey One Water wastewater treatment plant before being conveyed to the headworks of the existing Monterey One Water outfall pipeline.
- New Desalinated Water Pipeline: The 36-inch-diameter New Desalinated Water Pipeline would extend northwest from the Desalination Plant and convey desalinated water to the New Transmission Main beginning in the City of Marina and to be conveyed further south to proposed ASR wells. The New Desalinated Water Pipeline will also supply desalinated water to the Castroville Pipeline (described below) within unincorporated Monterey County.
- Castroville Pipeline: The 12 inch-diameter Castroville Pipeline will convey desalinated water from the New Desalinated Water Pipeline to the Castroville Seawater Intrusion Project (CSIP) distribution system and the Castroville Community Services District (CCSD) Well #3 at Del Monte Avenue and Merritt Street.
- Pipeline to CSIP Pond (aka Salinas Valley Return Pipeline): The 12-inch-diameter Salinas Valley Return Pipeline would convey desalinated water from the MPWSP Desalination Plant to the CSIP pond for subsequent delivery to agricultural users in the Salinas Valley.

Subject Project

The subject project is the 6.4 Million Gallon Per Day desalination plant and related facilities, including pretreatment, reverse osmosis (RO), and post-treatment systems, backwash supply and filtered water equalization tanks, treated water storage and conveyance facilities, brine storage and conveyance facilities and an administration building and laboratory facilities. Construction activities include the following (square footage is approximate): a 26,000 square foot Reverse Osmosis and treatment building, a 6,300 square foot administration building, a 3,300 square foot filter building, seven 540 square foot filter vessels, two 50-foot diameter filtered water tanks, two 101-foot diameter treated water tanks, a 1,269 square foot Cal-Flo containment basin, a 700 square foot CO2 tank, a 350 square foot recycle pump station, two 17,000 square foot backwash reclamation basins, a 61,000 square foot Brine EQ Basin, a 560 square foot brine pump station. These combined facilities will be constructed on the upper terrace (about 25 acres) of a 45.5 acre Permanent Grazing Parcel on Charlie Benson Ln, off of Del Monte Blvd, north of the City of Marina, near the Marina Landfill. Construction will involve a total of 15 acres of impervious surfaces. Grading of 51,000cy of cut and 40,000cy of fill will be balanced on-site.

Water will be pulled from the slant wells located at the CEMEX site in Marina to the desalination plant where the water will be treated. From the desalination plant, desalinated water will be conveyed to multiple locations, including: the Castroville Seawater Intrusion Project (CISP) distribution system and the Castroville Community Services District (CCSD), the Ryan Ranch, Bishop, and Hidden Hills water systems, the forest lake tanks for service to Monterey, Seaside, and Pacific Grove, and to six Seaside Groundwater Basin Aquifer Storage and Recovery (ASR) wells for storage.

The project site is bordered on the west and north by agricultural lands and the Salinas River, and to the south by more agricultural lands. To the northwest lies the Dole processing facility and to the southeast lies Monterey Regional Environmental Park. South of the Monterey Regional Environmental Park is the several hundred acre Monterey Regional Water Pollution Control Agency's (Monterey One Water) Regional Wastewater Treatment Plant and drying beds.

The subject parcel is zoned Permanent Grazing (PG) with Design Control (D) and Site Plan (S) overlays. Water

system facilities including wells and storage tanks serving 15 or more service connections are an allowed use with a Use Permit in the Permanent Grazing land use category (Title 21, Section 21.34.050.O).

CEQA:

The California Public Utilities Commission, as the Lead Agency, prepared a Draft Environmental Impact Report (DEIR) for the MPWSP. The DEIR was circulated to responsible agencies and interested parties, including the State Clearinghouse (SCH#2006101004) during the public comment period from January 13, 2017 to March 29, 2017. The CPUC certified the FEIR on September 13, 2018 and adopted a Mitigation Monitoring and Reporting Plan. The CPUC is responsible for implementation of the Mitigation Monitoring and Reporting Plan. A Condition of Approval (Condition 5) has been added to the list of conditions associated with the County of Monterey resolution permitting the desalination plant component of the project, to require the applicant to provide evidence to the County that the mitigation measures that pertain to the desalination plant have been implemented.

The County is a Responsible Agency under CEQA because the County is the permitting agency for the desalination and Carmel Valley pump station components of the project which are located in the unincorporated area of the County and require land use entitlements per County zoning. CEQA requires that a Responsible Agency consider the EIR certified by the Lead Agency and impose all feasible mitigation measures and feasible alternatives within its powers for the part of the project over which County has permitting authority. As a responsible agency, the County must make CEQA findings for the significant unavoidable and potentially significant impacts identified by the EIR and adopt a statement of overriding considerations for significant unavoidable impacts. All identified potential impacts for the desalination project will be mitigated to a level of less than significant with the exception of Traffic and Transportation and Air Quality impacts from combined construction activities, which was determined to be Significant and Unavoidable.

CEQA requires public agencies to adopt a program for monitoring or reporting on the measures it has imposed to mitigate or avoid significant environmental effects. A public agency may delegate reporting or monitoring responsibilities to another public agency which accepts the delegation; however, until mitigation measures have been completed the lead agency remains responsible for ensuring that implementation of the mitigation measures occurs in accordance with the program. CEQA guidelines section 15097(e) states that lead and responsible agencies should coordinate their mitigation monitoring or reporting programs where possible. In this case, the CPUC is responsible to ensure all measures are implemented according to the adopted MMRP. As a responsible agency, the County will adopt its own MMRP, which requires verification that mitigation measures which apply to the desalination plant have been implemented in accordance with the CPUC adopted MMRP.

The Environmental Impact Report/Environmental Impact Statement has been distributed to the Commission and is available at the Resource Management Agency Office at 1441 Schilling Place, 2nd floor, Salinas, CA 93901 and online at:

<http://www.co.monterey.ca.us/government/departments-i-z/resource-management-agency-rma/-/planning/current-major-projects/monterey-peninsula-water-supply-project-california-american>

Reduced Capacity Alternative

The Environmental Impact Report examined a 9.6 mgd desalination plant; however, Alternative 5a, was identified as the environmentally superior alternative and is the project which the CPUC proposed. Alternative 5a is a reduced capacity desalination plant, to produce 6.4mgd combined with a purchase agreement to obtain 3,500 acre-feet per year (afy) of advanced treated water from another source, The Pure Water Monterey

Groundwater Replenishment Project (GWR). The 6.4 mgd desalination plant component is the project before the County. This alternative project will result in reduced operation energy use and reduced impact on air quality compared to the 9.6 mgd plant. Additionally, the reduced capacity plant will result in reduced effects on groundwater levels influenced by fewer slant wells and less volume of pumping, and the GWR project will provide water to the Castroville Seawater Intrusion project growers as a benefit to the groundwater basin. Alternative 5a was approved by the CPUC, and the 6.4mgd desalination plant is the proposed project for the subject entitlements.

Issues/Potential Impacts

Design/Visual Impacts

A Visual Impact Analysis was completed by Denise Duffy & Associates in August of 2017 and found that none of the desalination plant structures will be visible from any public viewing area due to existing topography and vegetation, distance, and the site's remote and industrial setting (**Exhibit F**). County staff has reviewed the visual impact analysis and agrees with its conclusions. The site will be located off a private road near the Monterey Regional Environmental Park (Marina landfill site).

The property includes a Design Control "D" overlay, which is intended to provide regulation of the location, size, configuration, materials, and colors in areas of the County where design review is appropriate to assure the visual integrity of certain developments without imposing undue restrictions on private property. The proposed desalination plant site is bordered by other industrial facilities, including the Monterey Regional Environmental Park, and the Monterey Regional Water Pollution Control Agency's (Monterey One Water) Regional Wastewater Treatment Plant and drying beds. Structures are proposed to be constructed of metal and colors will be varying shades of green to complement the agricultural/industrial surroundings. Due to topographic features and vegetative screening the proposed facilities will not be visible from public viewing areas and the industrial nature of the desalination plant is similar to the landfill and wastewater treatment facilities in the vicinity.

Site Control

The site zoning includes an S overlay, which requires site plan review in areas where development, by reason of its location has the potential to adversely affect or be adversely affected by natural resources or site constraints. The development has been sited on a flat portion of the site close to other adjacent industrial activities. This location allows direct access to the site from the existing Charlie Benson Ln, a private road. Siting the development on the upper terrace of the 46-acre parcel avoids the 1.7 acre portion of the parcel containing prime farmland and is the area of the parcel furthest from the Salinas river corridor. Site development will require the removal of 13 Monterey Cypress trees to accommodate the proposed driveways. Monterey Cypress trees are not protected in the Greater Monterey Peninsula Area Plan, so no entitlements are required for their removal.

Agricultural

The parcel is zoned Permanent Grazing but is bordered by industrial uses. The project has been sited to avoid the Farmland-zoned 1.7 acre portion of the site containing Prime Farmland. Consistent with Policy AG-1.2 of the Monterey County General Plan, the project provides a 200 foot buffer between the desal plant facilities and the adjacent farmland west of the site. Existing agricultural activities would not be impacted by the project because no agricultural activity is currently present on the site. The land has been vacant since 1913.

Archaeology

Monterey County GIS designates the site as within a moderate archaeological sensitivity zone. A records search and a field survey were conducted in preparation for the EIR, which fulfills the requirement for a Phase 1 report

as required by Monterey County Code Section 21.66.050. No prehistoric archaeological resources have been previously identified in the direct APE for the MPWSP Desalination Plant. No prehistoric archaeological resources were identified in the project area during the 2010-2016 survey effort. One historic-era resource, a railroad grade, was previously identified in the project area in 1998; however, there were no remains of this resource present on-site during the 2010 survey effort. The reports concluded that the site does not contain archaeological resources, so no additional review is necessary. Mitigation Measures 4.15-2b and 4.15-4 require work to stop and proper notification and procedures to occur in the event that resources or human remains are inadvertently discovered.

In compliance with state and federal requirements for tribal consultation, the lead agency (CPUC) contacted the Native American Heritage Commission (NAHC) and requested a search of the Sacred Lands File. The search identified no results, and the NAHC provided contact information for the appropriate tribes. On June 24, 2016 letters were sent to members of the Esselen Tribe of Monterey County, Costanoan Rumsen Carmel Tribe, Ohlone/Costanoan Esselen Nation, Amah Mutsun Tribal Band, and Indian Canyon Mutsun Band. During follow up phone calls on March 16, 2017, the Tribal Council Woman of the Ohlone/Costanoan Esselen Nation requested that letters and maps be resent. MBNMS also spoke with the Chairperson of the Amah Mutsun Tribal Band who was interested in project components north of the Salinas River. No further communication was received from tribal members. Mitigation measures 4.15-2b and 4.15-4 identify procedures for work to stop and consultation to occur with the appropriate native American representative and the Native American Heritage Commission if resources or remains are discovered during construction activities.

Traffic

Construction is projected to occur over a 25-month period. Per the proposed construction management plan, construction would be allowed 7 a.m. to 7 p.m., Monday through Saturday. (See Attachment C; see also Condition 20). The EIR estimated a maximum of 55 round-trip large construction truck trips per day and up to 97 round-trip construction worker trips per day in passenger vehicles. The EIR analyzed the combined construction-related traffic increases in the North Marina area and found that truck trips generated by concurrent construction activities would be dispersed throughout the day and over the area road network. The maximum increases in traffic resulting from concurrent construction of project components during peak periods of construction would fall within the daily fluctuations of traffic volumes and would not be noticeable to the average motorist on Highway 1 or on the higher-volume segments of Reservation Road. While the increased traffic would be noticeable by drivers on the lower-volume segments of Reservation Road, the traffic volumes would continue to be within the carrying capacity of this two-lane road (about 10,000 to 15,000 vehicles per day). Therefore, the impact for this project would be less than significant.

Long-term increases on regional and local roadways during project operations and maintenance are expected to be less than significant. The greatest long-term increase in vehicle trips would occur on Charlie Benson Road, which is a private road. Based on existing traffic conditions and the industrial nature of surrounding land uses the projected increase in daily trips from worker commutes is well within the roadway carrying capacity of the two-lane road and would not adversely affect traffic conditions. Other trips from commutes and deliveries would be dispersed onto different roads farther removed from Charlie Benson Road. Long term operations and maintenance of the desalination plant would result in minimal additional trips and will not adversely affect traffic condition on the overall existing circulation system over the long term.

Biological

The subject property is mostly comprised of non-native annual grassland with some cover of ruderal species. Biological surveys conducted for the EIR identified Monterey spineflower, and the potential for sensitive plant

species to occur, including Congdon's tarplant. Several animal species could possibly be impacted due to the site's proximity to the Salinas River, including California Red-legged frog, California tiger salamander, Coast Range newt, and American Badger. The site could provide nesting habitat and foraging areas for bird species such as red-tailed hawk, red-shouldered hawk, and American kestrel, special status bat species, short-eared owl, northern harrier, white-tailed kite, American peregrine falcon, California horned lark and loggerhead shrike and common passerines.

Construction of the facilities could significantly impact the species listed above. Mitigation Measures listed in the EIR and adopted by the Mitigation Monitoring and Reporting Program will reduce all impacts to a less than significant level. Mitigation measures include:

- Designating a lead biologist to oversee and ensure implementation of special-status species protective measures
- Requiring worker training to ensure that workers are aware of the special-status species and the measures necessary to avoid, minimize, or mitigate impacts,
- General measures such as installation of exclusion fencing, and a trash abatement program to ensure special-status species predators are not attracted to the site
- Limiting construction to non-nesting season when feasible or requiring a no-disturbance buffer around active nests
- Avoidance and Minimization Measures for American Badger
- Habitat Mitigation and Monitoring Plan to describe all restoration and compensatory requirements
- Avoidance and minimization measures for the California Tiger Salamander and Red-legged Frog, including pre-construction surveys, relocation procedures, exclusion fencing, and monitoring of vegetation removal and grading
- Control measures for spread of invasive plants
- Requiring low-intensity exterior lighting

Noise

Construction of the desal plant is anticipated to occur over a 24-month period. Construction is anticipated to occur between 7 a.m. and 7 p.m., Monday through Saturday. The nearest sensitive receptors are two rural residences on Neponset Road that are located 2,200 feet and 3,900 feet to the west. Policy S-7.9 of the Monterey County General Plan Safety Element prohibits construction activities that exceed acceptable noise levels within 500 feet of noise sensitive receptors during evening hours of Monday through Saturday, or anytime on Sunday or holidays, without completion of a noise mitigation study and implementation of protective measures. Despite the distance to the nearest receptor and the proposed hours of construction, mitigation Measure 4.12-1b (General Noise Controls for Construction Equipment and Activities) has been included which requires staging areas and stationary noise sources to be located as far from nearby receptors as possible. Additional mitigation measures required by the Mitigation Monitoring and reporting plan include designation of a Neighborhood Notice and Construction Disturbance Coordinator, general noise controls for construction equipment and activities, offsite accommodations in the event of substantially affected nighttime receptors, vibration reduction measures, and stationary-source noise controls. Construction is not proposed to occur during nighttime hours, and thus nighttime noise impacts are not a concern for this portion of the project.

CalAm would install a 750-kW (1,000 hp) emergency diesel-powered generator adjacent to the administration building at the MPWSP Desalination Plant site. The generator would be operated weekly for 20 to 30 minutes during the daytime to test and maintain the engine which would result in a predicted noise level from generator operation of approximately 47.8 dBA Lmax at the nearest residence (2,200 feet away). The RO system would also require a series of specialty pumps, but these would be located within the treatment building and are not

expected to generate substantial noise.

OTHER AGENCY INVOLVEMENT:

The following agencies have reviewed the project, have comments, and/or have recommended conditions:

Environmental Health Bureau
RMA-Public Works
RMA-Environmental Services
North County Fire Protection District

The proposed project was not reviewed by any Land Use Advisory Committee because the project site does not fall within the boundary of any Land Use Advisory Committee.

The proposed project was reviewed by the Agricultural Advisory Committee (AAC) on April 16, 2019, as the project is being built on agriculturally zoned land. The AAC recommended approval of the project by a unanimous vote, with the addition of two additional project considerations, which the applicant agreed to at the AAC meeting:

1. The applicant will record some sort of document that ensures that current and future property owners are aware of the Right to Farm given the proximity to ag operations
2. The project will include an ag-buffer on the south side of the project, as close to 200' as it practically possible.

Prepared by: Cheryl Ku, Senior Planner, 796-6049

Reviewed by: Brandon Swanson, Interim RMA Chief of Planning

Approved by: John M. Dugan, FAICP, Deputy Director of Land Use and Community Development

The following attachments are on file with the RMA:

Exhibit A - Project Data Sheet

Exhibit B - Draft Resolution Including

- Conditions of Approval
- Plans
- CalAm MPWSP Mitigation Monitoring & Reporting Program

Exhibit C - Draft Construction Management Plan

Exhibit D - Overview of MPWSP Facilities in Unincorporated Monterey County

Exhibit E - Vicinity Map

Exhibit F - Visual Impact Assessment

Exhibit G - (Available Online) Environmental Impact Report

Environmental Impact Statement previously certified by the California Public Utilities Commission for the Monterey Peninsula Water Supply Project (SCH#2006101004) distributed to the Commission via compact disc, and available at the Resource Management Agency Office at 1441 Schilling Place, 2nd floor, Salinas, CA 93901 and online at:

<http://www.co.monterey.ca.us/government/departments-i-z/resource-management-agency-rma/-/planning/current-major-projects/monterey-peninsula-water-supply-project-california-american>

cc: Front Counter Copy; Brandon Swanson, RMA Services Manager; Christopher Cook, Applicant; CalAm, Owner (CalAm); The Open Monterey Project (Molly Erickson); LandWatch (Executive Director); John H. Farrow; Janet Brennan; Project File PLN150889