

August 13, 2026

Honorable Stephanie Hulse
Judge of the Superior Court
c/o Office of the County Counsel
Attention: Sandra Ontiveros, Civil Grand Jury Liaison
168 West Alisal Street, 3rd Floor
Salinas, CA 93901

Re: Response of the Salinas Valley Basin Groundwater Sustainability Agency to the 2025–2026 Monterey County Civil Grand Jury Final Report, “Seawater Intrusion – A Shared Problem in Monterey County”

Dear Honorable Judge Hulse:

On behalf of the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA” or “the Agency”), and pursuant to California Penal Code sections 933 and 933.05, the SVBGSA Board of Directors submits the following response to the 2025–2026 Monterey County Civil Grand Jury Final Report, “Seawater Intrusion – A Shared Problem in Monterey County” (the “Report”). As identified in the Report, SVBGSA is the responding body for Findings F1, F3, and F4 and Recommendations R1, R3, and R4. This response was reviewed and approved by the SVBGSA Board of Directors at its meeting of August 13, 2026.

SVBGSA appreciates the Civil Grand Jury’s thorough examination of seawater intrusion, one of the challenges the Agency was created to address. SVBGSA is the Groundwater Sustainability Agency formed in 2017 under the Sustainable Groundwater Management Act (“SGMA”) in the Salinas Valley. SVBGSA is charged by the State with achieving groundwater sustainability in the critically overdrafted 180/400-Foot Aquifer Subbasin by the statutory deadline of 2040, and in the five other SVBGSA subbasins by 2042. The Agency has reviewed the Joint Response submitted by the County of Monterey Board of Supervisors and the Monterey County Water Resources Agency (“MCWRA”), and this response is aligned with that Joint Response.

In particular, SVBGSA shares the view that the County’s many water challenges are interrelated and that coordinated, regional solutions—rather than isolated, competing projects—offer the best path forward. At the same time, this response reflects SVBGSA’s distinct statutory role: while MCWRA owns and operates surface-water and recycled-water infrastructure and the County provides funding and land-use authority, it is SVBGSA that bears the SGMA obligation to plan for, select, and drive groundwater sustainability solutions to achieve measurable results. The findings and recommendations are addressed individually below.

FINDING (F1)

Although multiple technical and feasibility studies addressing seawater intrusion have been completed, no major seawater intrusion mitigation project has advanced to full approval, funding, or construction. As a result, seawater intrusion continues in portions of the Salinas Valley Basin, increasing long-term risk to groundwater reliability for agricultural, municipal, and domestic users.

RESPONSE TO F1

Outside of the existing Monterey County Water Recycling Projects, which has slowed the rate of seawater intrusion by delivering recycled water and surface water to 12,000 acres through the Castroville Seawater Intrusion Project (CSIP), SVBGSA agrees that no new comprehensive seawater intrusion mitigation project has yet advanced to full approval, secured long-term funding, or reached construction, and that seawater intrusion continues in the coastal portions of the 180-Foot and 400-Foot aquifers beyond the CSIP service area. SVBGSA notes that the technical and feasibility work completed to date is a necessary predicate to responsibly advancing any project of the scale needed to halt seawater intrusion, which will require hundreds of millions of dollars in capital investment, environmental review, permitting, and durable funding commitments. Through 2026, the Agency completed a series of feasibility studies—including Aquifer Storage and Recovery, the Brackish Groundwater Restoration Project, the Castroville and Eastside Canals and Alternatives, optimization of CSIP, the New Seawater Intrusion Project, and a baseline/no-action simulation—and the Agency is now translating that work from study into implementation through its Integrated Implementation Strategy, as described in the response to Recommendation R1.

RECOMMENDATION (R1)

The Board of Directors of SVBGSA adopt and publish a written implementation schedule by December 31, 2026, identifying the specific seawater intrusion mitigation project or projects (Brackish Groundwater Restoration Project, Aquifer Storage and Recovery, or the Castroville-Eastside Canal Project) it intends to advance to construction, including estimated costs, funding sources, and target dates for permitting and groundbreaking.

RESPONSE TO R1

SVBGSA is implementing the substance of this recommendation through its Integrated Implementation Strategy (“IIS”), the process by which the Agency is translating its completed feasibility studies into a cohesive and holistic pathway to resilient groundwater future. Because the six Salinas Valley subbasins are hydraulically connected, the IIS evaluates integrated combinations of projects and management actions rather than assessing a single project in isolation. This integrated approach is consistent with the concern expressed in the Joint Response of the County and MCWRA that advancing individual projects, ahead of others, introduces the risk of duplicative or competing efforts and the potential for increased financial burden to a shared base of ratepayers.

The approach SVBGSA has to develop an implementation schedule by December 2026 follows a defined, publicly observable sequence: Agency staff develop portfolios of projects and management actions from the technical studies, using groundwater models to evaluate effectiveness to mitigate seawater intrusion, raise groundwater levels, and achieve sustainability as well as an economic model to estimate costs and funding options; the Advisory Committee reviews the portfolios, provides input to staff, and develops recommendations; the Board of Directors considers those recommendations and selects a preferred implementation pathway, which is anticipated to occur in August 2026.

Consistent with the intent of Recommendation R1, SVBGSA will develop a comprehensive implementation schedule—identifying the projects and management actions to be advanced, with estimated costs, anticipated funding sources, and target dates for permitting and construction—following Board selection of the preferred pathway. That implementation schedule will be incorporated into the five-year periodic evaluations and amendments to the Agency’s Groundwater Sustainability Plans, which are due to the California Department of Water Resources in January 2027. SVBGSA expects to publish the implementation schedule in connection with that process. The Agency notes that, given the integrated nature of the selected pathway, the schedule includes a preferred suite of projects, management actions, and contingency plans rather than a single project.

FINDING (F3)

If any of the subbasins within the Salinas Valley Basin fails to meet state-mandated groundwater sustainability requirements under SGMA, the State Water Resources Control Board may intervene, which could result in mandatory pumping reductions and increased regulatory oversight. This would impact local agriculture and economies and reduces [sic] local control. Avoiding State intervention requires the timely implementation of groundwater sustainability projects and the identification of reliable funding mechanisms. Absent such decisions, planned groundwater sustainability projects may remain conceptual and seawater intrusion in affected aquifers may continue to progress.

RESPONSE TO F3

SVBGSA agrees with Finding 3, consistent with the Joint Response of the County and MCWRA. Preserving local control of groundwater management is central to the Agency’s purpose. If the State Water Resources Control Board were to place a subbasin on probation, the result could include mandatory metering, registration and extraction fees paid to the State, pumping restrictions, and reduced local discretion—outcomes with significant consequences for the Salinas Valley’s agricultural economy and its communities. SVBGSA agrees that avoiding such intervention requires the focused progress of projects from planning to implementation, including identification of the potential funding plan. The Agency’s Integrated Implementation Strategy and five-year GSP updates are structured to demonstrate the adequate progress that SGMA requires.

RECOMMENDATION (R3)

The Monterey County Board of Supervisors conduct a publicly noticed study session to evaluate

long-term funding mechanisms to support groundwater sustainability projects developed by SVBGSA and direct staff to report back with recommended funding options by June 30, 2027.

RESPONSE TO R3

This recommendation is directed to the Monterey County Board of Supervisors, and the convening of the study session described is an action within the County's authority rather than SVBGSA's. To the extent the recommendation calls for SVBGSA's collaboration, SVBGSA agrees with the recommendation's intent and will actively support and participate in the study session, contributing its Integrated Implementation Strategy, feasibility studies, financing analysis, and groundwater data to inform the evaluation of long-term funding mechanisms. SVBGSA further endorses the proposal in the Joint Response of the County and MCWRA to broaden such a forum beyond a single agency's service area into integrated regional water management planning and stands ready to coordinate that work with respect to its SGMA responsibilities while preserving the clarity of each agency's distinct authorities. The Agency anticipates supporting the County's effort to meet its stated timeframe of a staff report on funding options by June 30, 2027.

FINDING (F4)

Disagreements among stakeholders regarding responsibility for and funding of seawater intrusion mitigation have the potential to delay implementation of basin-wide solutions. Continued delays increase the likelihood that mitigation measures will become more costly and difficult to implement over time.

RESPONSE TO F4

SVBGSA agrees that unresolved disagreements among stakeholders over responsibility for, and funding of, seawater intrusion mitigation have the potential to delay comprehensive solutions, and that delay tends to increase the ultimate cost and complexity of those solutions. SVBGSA was established as a joint powers authority precisely to provide a structured forum for resolving such disagreements: its Board and committees represent agricultural, municipal, public-utility, environmental, and disadvantaged-community interests, and its Advisory Committee and subbasin committees support transparent, science-based, and consensus-oriented decision-making. The Integrated Implementation Strategy and the cost-allocation work described in the response to Recommendation R4 are intended to address these questions of responsibility and funding before they delay implementation.

RECOMMENDATION (R4)

The Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency conduct a public workshop and develop a written consensus-based framework outlining options for project cost allocation and post the framework for public review by December 31, 2026.

RESPONSE TO R4

Public engagement on the projects and their costs is already underway: SVBGSA held public meetings on each of the feasibility studies—including Aquifer Storage and Recovery, the Brackish Groundwater Restoration Project, the Castroville and Eastside Canals and Alternatives, the

Castroville Seawater Intrusion Project optimization, the New Seawater Intrusion Project, and Demand Management—in May 2026, and the SVBGSA Advisory Committee is reviewing projects and management actions’ portfolios with public input as part of the Integrated Implementation Strategy process. Cost allocation is a component of that strategy that will be developed following the consideration and narrowing down of the wide range of project scenarios.

Consistent with the recommendation, SVBGSA will generate a strategy outlining options for project cost allocation and will present that at a public meeting. Because a credible cost-allocation framework depends on the project portfolio established through the Board’s selection of a preferred implementation pathway in August 2026, the Agency will develop and post the strategy in connection with that pathway selection and the GSP periodic evaluations and amendments due to the Department of Water Resources in January 2027.

CONCLUSION

SVBGSA shares the Civil Grand Jury’s sense of urgency. Decades of documented seawater intrusion, a statutory 2040 sustainability deadline, and the real risk of State intervention all underscore the need to move from study to implementation with measurable results. The Agency also shares the conviction, expressed in the Joint Response of the County and MCWRA, that success will require regional collaboration, aligned priorities, and a coordinated funding strategy rather than isolated or competing efforts. As the Groundwater Sustainability Agency for the Salinas Valley, SVBGSA is committed to leading this transition—through its Integrated Implementation Strategy, the GSPs, and continued partnership with the County, MCWRA, Monterey One Water, Marina Coast Water District GSA, Arroyo Seco GSA and the basin’s many stakeholders—to protect the groundwater resources on which the communities, families, and economy of Monterey County depend. SVBGSA thanks the Civil Grand Jury for its work and for the opportunity to respond.

Respectfully submitted,

Piret Harmon
General Manager
Salinas Valley Basin Groundwater Sustainability Agency

cc: SVBGSA Board of Directors
Civil Grand Jury Foreperson