



County of Monterey

Item No.12

Board Report

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

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Consider recommending the Agency's Board of Supervisors adopt a position regarding a request from the Monterey Peninsula Water Management District to the State Water Resources Control Board to consider modifying the 2009 Cease-and-Desist Order (Staff: Ara Azhderian)

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency's Board of Directors:

Recommend the Agency's Board of Supervisors adopt a position regarding a request from the Monterey Peninsula Water Management District to the State Water Resources Control Board to consider modifying the 2009 Cease-and-Desist Order.

SUMMARY/DISCUSSION:

On October 20, 2025, the Monterey Peninsula Water Management District's (District) Board of Directors unanimously approved submission of an application to the State Water Resources Control Board (State Board) to modify the 2009 Cease-and-Desist Order WR 2016-0016 (CDO). The CDO, and more specifically "Condition 2", limits the setting of new water meters and restricts increases in water use at existing connections within the service area of the California American Water Company (CalAm) on the Monterey Peninsula to protect the Carmel River from historical over-pumping.

In its application, the District points to the fact that pumping from the Carmel River over the past 4 years has been within the legal limit and that the supply of water for the Peninsula is greater than demand, resulting in increased storage in the Seaside groundwater basin. The District also notes a recent decision by the California Public Utilities Commission that indicates existing supplies will continue in surplus for the foreseeable future.

On October 24, 2025, the District submitted its application and shortly thereafter began reaching out for support of its efforts, including to the County of Monterey. In its support solicitation, the District presents two sample letters, one that is supportive of the application but silent on the proposed CalAm desalinization project, and a second that is supportive of both. In both, the District eludes to the conflict between the State's mandate against new meters and the State's mandate to meet certain housing goals, which are mutually exclusive. The District also points to the Peninsula's water conservation efforts and recent expansion of Pure Water Monterey as reasons for the State Board to revisit the CDO.

For more than a year, the Agency has recommended the District and its jurisdictions take a cautious

approach towards allocating the anticipated new supply from Pure Water's expansion. However, the Agency has also consistently recognized the independent authorities of the District and its jurisdictions to make allocation decisions. Recently, the County of Monterey's Housing and Community Development Department asked the Planning Commission to consider holding a public workshop to review and receive input regarding policy options for a Water Allocation Policy and Ordinance for areas in unincorporated Monterey County served by the District and to provide direction to staff. Local jurisdictions consideration of water allocation policies is separate from State Board consideration to modify the CDO but related in that such modification could allow for new water use, which could result in increased demand. While the range of future water supply and demand forecasts vary, the evidence is irrefutable that existing supplies exceed demand and that the Carmel River is no longer in jeopardy.

The CDO was established over 15 years ago to address conditions that no longer exist, namely excessive pumping from the Carmel River. While the harm to the Carmel River has been abated, the harm to the residents of the Monterey Peninsula continues so it is appropriate for the State Board to now reconsider its past decisions. In its application, the District proposes improvements to reporting that will provide the State Board the data it needs to ensure that the legally allowable amount of water available from the Carmel River is not exceeded and offers triggers to reinstate enforcement if it is.

Lastly, and most importantly, nothing above affects the terms and conditions of the 2015 Amended and Restated Water Recycling Agreement, which both provides the Agency its contractual right to wastewater while also making that water available for use by Pure Water Monterey when not needed by the Agency to reduce groundwater pumping in the 180/400 subbasin. It is true that future actions to meet the mandates of the Sustainable Groundwater Management Act may cause repurposing of supplies now utilized by Pure Water Monterey. However, it is also true that those future actions will likely take years to implement and can be mitigated by the District through implementation of water supply alternatives, like desalinization, such that diversions from the Carmel River remain within legal limits. The Agency assumes little risk in supporting the District's application to modify the CDO and the potential benefits to the County and Peninsula residents.

STRATEGIC PLAN ALIGNMENT

Recommending a position regarding a request from the Monterey Peninsula Water Management District to the State Water Resources Control Board to consider modifying the 2009 Cease-and-Desist Order aligns with the Board of Directors adopted Strategic Plan Goal E, Strategy 1.

OTHER AGENCY INVOLVEMENT:

County of Monterey

FINANCING:

Recommending a position regarding a request from the Monterey Peninsula Water Management District to the State Water Resources Control Board to consider modifying the 2009 Cease-and-Desist Order has no fiscal impact on the adopted 2025-26 fiscal-year budget.

Prepared and Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. DRAFT Letter of Support to the State Water Resources Control Board