

New coalition supports Regional Water Project

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Guest commentary

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The Monterey County Hospitality Association recently took the lead in forming a coalition of business interests and other community organizations to support the Regional Water Project and help monitor and control its costs.

The coalition is initially composed of Monterey County Hospitality Association; Monterey Commercial Property Owners Association; the chambers of commerce of Carmel, Pacific Grove and the Monterey Peninsula; Community Hospital of the Monterey Peninsula; and the Monterey County Association of Realtors. The result is MCHA's Coalition of Peninsula Businesses.

The mission of the new coalition is three-fold:

- Educating the community on the draconian effects of the state Water Resources Control board's cease and desist order if a solution to our water supply crisis is not solved by Dec. 31, 2016.
- Educating the community about the need for the Regional Water Project, approved and ordered by the Public Utilities Commission, and provide strong across-the-board support for it.
- Helping the public understand the need for active participation in review of, and cost-control of, the Regional Water Project and holding all the parties to the project to act reasonably and responsibly.

After extensive study and review, the coalition is convinced the Regional Water Project is the only water supply project capable of being built and operational in time to help the Peninsula avoid the devastating and destructive water supply cutbacks ordered by the state water board's cease and desist order.

There are other water supply projects under consideration. The "deep-water" desal project proposed for Moss Landing holds some promise but is simply not capable of being completed on time to avoid our water cutbacks. Monterey Peninsula Water Management District seems, after 33 years, to be oriented to developing five small water projects, but three of the five are very preliminary and years away from development and the total production is not enough to meet the state's requirements.

Water Plus is offering a quasi-project, the public buy-out of Cal Am, essentially a do-over of an idea rejected by voters four years ago. Our review indicates that this is a misguided effort, based on erroneous assumptions and data, and is simply an unnecessary and unwarranted distraction from the community effort to comply with the cease and desist order.

There will always be new ideas or new options to study or consider, but the time for that has passed. It is now time to commit as a community to the PUC-approved and -ordered solution to our water supply crisis and restore the fishery and habitat of the Carmel River.

The coalition is vitally concerned about the cost of the centerpiece of the Regional Water Project, the regional desal plant, and other rate increases currently under consideration. The cumulative impacts to the Peninsula of various proposed rate increases are dramatic. As a community, the Peninsula cannot just write a blank check to solve our water supply problem.

In order to monitor and control the coming Regional Water Project costs, the coalition will be active in its participation in the project's Community Involvement Forum and will "intervene" in California American Water's cost-recovery rate case when it is filed with the PUC.

Also at issue in the impending rate case will be the non-residential rate design employed by Cal Am pursuant to an older PUC rate order. The system used is based on "allocations" of water based on factors determined almost two decades ago.

The non-residential rate design system was recently studied by a water rates expert, hired by the Monterey Peninsula Water Management District and Cal Am, and found to be flawed and essentially unusable. The coalition is committed to working with Cal Am to implement rates and rate designs that are fair and that equitably distribute necessary costs to the community — to residents, to our businesses and to our local governments.

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