

**Press Release
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Coastal Commission Report Recommends Denial of Cal Am Desalination Coastal Permits

(Marina, CA, October 29, 2019) – The City of Marina is pleased to see the California Coastal Commission issued a report yesterday recommending denial of coastal development permits for Cal Am’s proposed desalination project. The analysis outlined in the report is thorough, and highlights the damages to the environment and the community that were identified when the City of Marina’s Planning Commission issued its own coastal permit denial in March.

“This is a team effort. Our residents and those throughout the Monterey Peninsula have repeatedly raised concerns about the desal project’s risk to our coastline and regional groundwater basin, and the injustice of forcing Marina to bear the brunt of the damage from this industrial water project that doesn’t produce a drop of water for our community,” said Marina Mayor Bruce Delgado. “The Coastal Commission’s report is a thorough 91-page thesis on why Cal Am’s project should be denied in order to give all of us long term coastal protection and environmental justice.”

The Commission report identifies a series of unacceptable problems with the proposed groundwater desalination project including among others:

- Failure to comply with the California Coastal Act that aims to protect our coast.
- Damage to rare plants and animals and the sensitive dune habitat they need to survive.
- Environmental injustice impacts because Marina would be subject to yet another regional industrial facility but wouldn’t receive a drop of the water produced.
- Increased water rates that would hurt all Cal Am customers, but especially low-income ratepayers in Seaside, Monterey, and other peninsula cities.
- Diminishment of recreational opportunities and public access to the shoreline.
- The Cal Am project is more expensive and damaging than the alternate option of expanding Pure Water Monterey recycled water facilities which can meet water needs for the coming decades.

As part of its environmental justice analysis, the Commission’s report specifically noted that “...compared with neighboring communities, the city has a disproportionate amount of nearby industrial development such as a regional landfill, regional composting facility, and regional sewage plant. Nearby Fort Ord is a contaminated site listed on the U.S. EPA’s national priorities list. Marina is also home to the CEMEX sand mining facility, the last coastal sand mining operation in the country.” Marina would not receive any of the water produced by Cal Am’s proposed project.

“We appreciate the Commission’s focus on Environmental Justice not just for Marina but for those who may have to move out of Seaside and other adjacent cities because of the cost of unnecessarily increased water bills. We will be urging the voting commissioners to commit to environmental justice and minimizing harm to our precious coastal resources at their November 14th meeting” said Delgado.

Critically, the staff report recognizes that expansion of the Pure Water Monterey (PWM) recycled water project has emerged as a viable and preferred alternative that would meet local water supply needs at a much lower cost and without the negative impacts of the desal project. The Monterey Peninsula Water Management District issued a report in September demonstrating that the region's water supply needs for the region could be met through the PWM Expansion Project, and that the Cal Am desal project is not the only option. This development was acknowledged in the Commission's staff report:

“Since the CPUC's review and decision, new information about water supplies and demands shows that there is less need for water from new sources than previously determined. Additionally, another project alternative – the expansion of the above-referenced Pure Water Monterey project – has progressed from being too “speculative” for the CPUC to consider as a viable alternative, to now being a feasible, well-developed alternative. This Pure Water Monterey expansion would occur entirely outside of the coastal zone and would cause far fewer environmental impacts than Cal-Am's proposed project. The recently developed alternative, coupled with the new water supply and demand information, results in Commission staff recommending that the Commission, after finding substantial issue on the appeals, deny CalAm's proposed project due to its coastal resource impacts and because there is a feasible and less environmentally damaging alternative to it.”

Cal Am and its ratepayers would pay \$1.2 billion for the Cal Am project during its initial 30 years of operations, and then charge \$6,000 per acre foot of water. In contrast, the PWM Expansion is expected to cost \$190 million over a 30-year operating life, and provide water at about \$2,000 per acre-foot. That means a reduced burden on ratepayers throughout the region, particularly for low-income residents who already pay THE highest water costs in the nation.

The Commission report validates the many concerns voiced by the community and city over recent years and comes amidst increasing momentum against the project. Just last week, a letter signed by 28 local elected officials was sent to the Coastal Commission that stated: “Cal Am's desalination project is not in the public interest. It benefits Cal Am shareholders, while creating environmental damage and unnecessary financial burden for our community. The Pure Water Monterey Expansion is an environmentally superior alternative. We ask you to deny Cal Am's permit.”

A final decision is expected at the November 14th hearing of the Coastal Commission.

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