

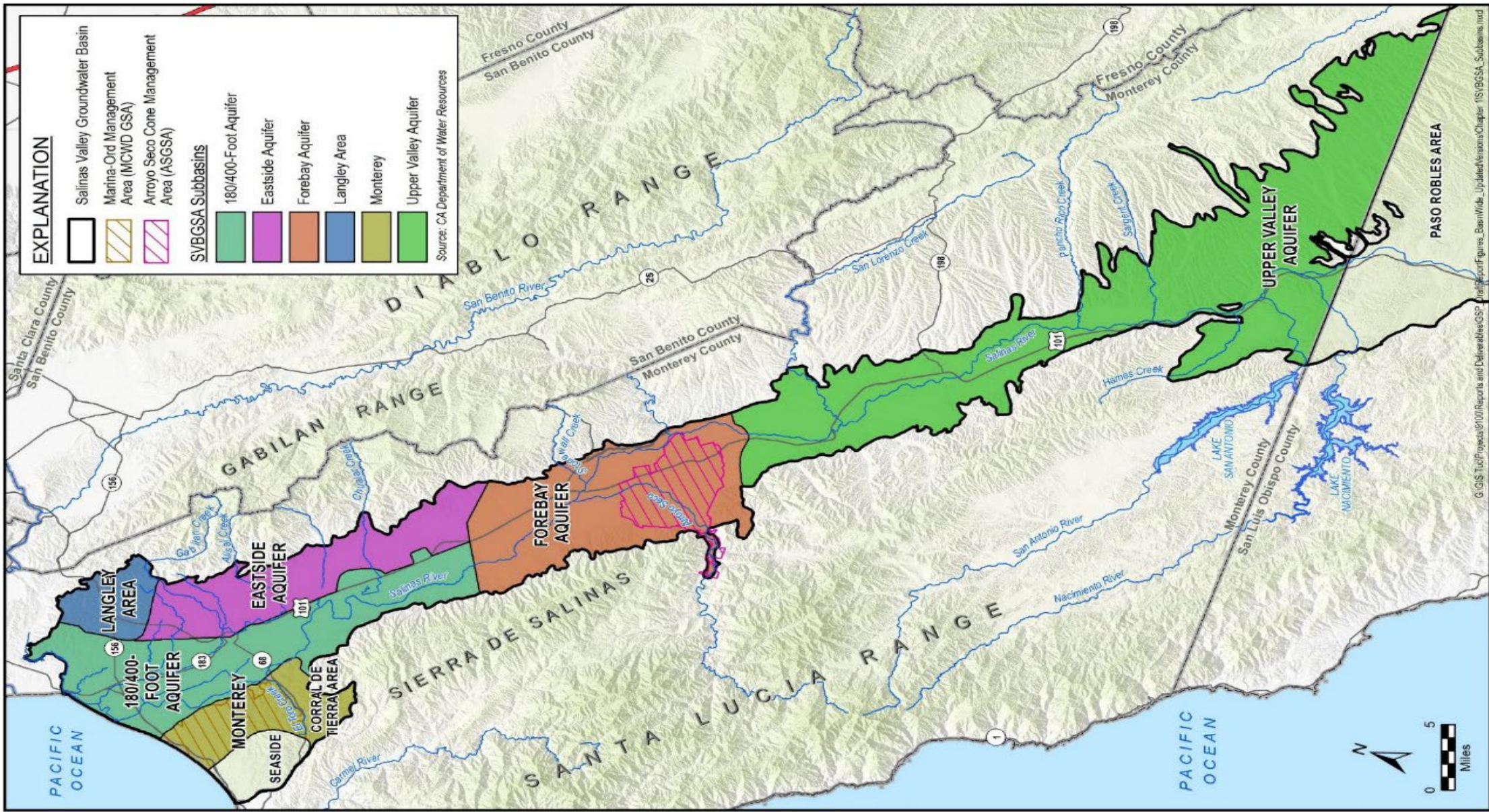
Central Coast Insights

SGMA AND ITS ECONOMIC & REGULATORY CHALLENGES IN MONTEREY COUNTY

STEVE MCINTYRE

MONTEREY PACIFIC INC

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Salinas Valley Basin GSA

GSA Governance Board

- 11 members
 - 4 Ag members
 - 1 South County Cities (Alternates among 4 cities)
 - 1 City of Salinas
 - 1 County Supervisor
 - 1 Environment/Land Use
 - 1 Public Member
 - CPUC Regulated Water Company
 - Disadvantaged Community

Policy Decisions Pertaining to Fees and Water Allocations/Extraction Limitations

- Must be Approved (or Defeated) by Super Majority Vote
 - Two-thirds of BOD required
- Subject to AG Veto
 - 3 of 4 Agricultural representatives must vote in the affirmative (or Negative)

Challenges

- Salt water intrusion in the Pressure Area Sub- Basin
- Eastside Sub-Basin Overdraft 15-20,000 ac ft
 - Not a water quantity problem it is a water distribution issue

Portfolio of Projects

- Extraction Barrier Project
 - Uses brackish wells and RO to provide Castroville and Salinas with 30,000 acre ft of water in lieu of groundwater pumping in the cone of depression that draws seawater in from the ocean
 - Drought Proof – potentially resolves Eastside sub-basin overdraft
- CSIP Optimization
 - ASR Wells
- Demand Management
 - May be temporary or primarily during a drought
- River Channel Improvements
 - Arundo removal
 - Enhanced recharge

Example Extraction Barriers

Niles Cone, Alameda County

- Initially only an extraction barrier
- Now feeds a desalination plant

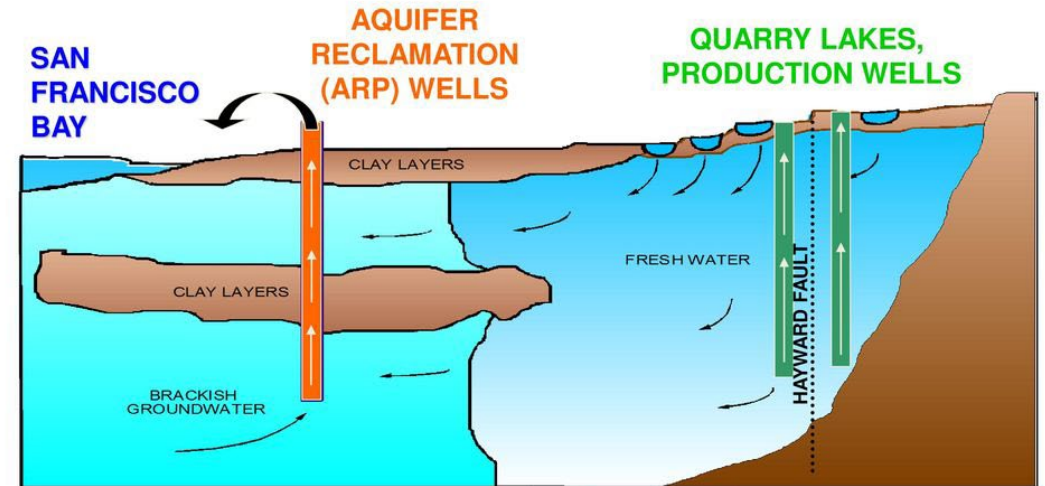
Southern Los Angeles, LA County

- 5 mgd desalting plant
- Planning a large-scale project

Southern Oxnard Plain, Ventura County

- Planning Seawater Intrusion Extraction Barrier & Treatment

Niles Cone Groundwater Basin



How to Pay for Projects

- Enhanced Infrastructure Financing District
- Cost Benefit Analysis/ 218 vote
 - Castroville and Salinas urban areas pay by the acre feet for 15% of the Project
 - Grants for Disadvantaged Communities?
 - Ag would pay 85% (based upon Cost Benefit Analysis) which could then be amortized over an extended period and added to the property tax roll on a per acre basis (same as CSIP of SVWP)



Applied Agricultural Technologies

THANK YOU!