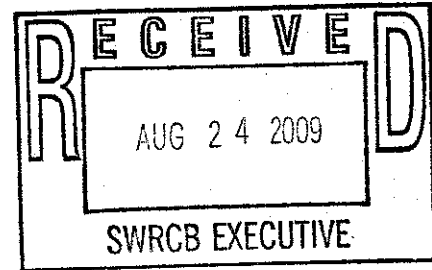


August 24, 2009

Ms. Jeanine Townsend  
Clerk of the Board  
State Water Resources Control Board  
1001 I Street  
Sacramento, California 95814



**SUBJECT: COMMENT LETTER REGARDING CAL-AM CEASE AND DESIST ORDER (CDO) WORKSHOP**

Dear Members of the State Water Resources Control Board:

The City of Sand City requests that the draft cease and desist order (CDO) within the Cal-Am water system not be issued. We believe that Cal-Am is working diligently to solve the regional water problem as evidenced by its cooperation with the Regional Water Project and its planning of the Coastal Water Project. Cal-Am has also worked cooperatively with the City of Sand City on the City's desalination project.

The Sand City desalination plant will produce 300 afa. Paragraph 2.c(4) on page 59 of the draft CDO provides that 94 afa of that production will be used to permanently offset existing diversions from the Carmel River. That paragraph also provides that Cal-Am shall reduce its diversions from the River an amount equal to the quantity of additional production from the desalination which is not being used for new growth in the City.

Should the draft CDO be adopted, the City respectfully requests that in order to maintain consistency with paragraph 2.c(4) as well as the findings of the draft CDO, paragraph 2.d on page 59 be clarified by the addition of the following bold faced language:

"Cal-Am may petition the State Water Board Deputy Director of Water Rights for relief from annual reductions imposed under condition c.(2). No relief shall be granted unless all of the following conditions are met: (a) Within 18 months of the adoption of this order, Cal-Am has imposed a moratorium on new service connections, **excluding the Sand City service area**, pursuant to Water Code section 350 or has obtained an order prohibiting new connections from the PUC pursuant to Public Utility Code section 2708;"

City Hall  
1 Sylvan Park,  
Sand City, CA  
93955


Administration  
(831) 394-3054

Planning  
(831) 394-6700

FAX  
(831) 394-2472

Police  
(831) 394-1451

FAX  
(831) 394-1038

Sincerely,  
  
David K. Pendergrass, Mayor  
City of Sand City

cc: Mayors, Monterey Peninsula Cities  
Rob MacLean, President, California American Water Company

Incorporated  
May 31, 1960