Submitted by Staff at 1/29/14 Board Meeting. Item 19

## Coalition of Peninsula Businesses

A coalition of the Monterey County Hospitality Association, Monterey Commercial Property Owners' Association, Monterey Peninsula Chamber of Commerce, Carmel Chamber of Commerce, Pacific Grove Chamber of Commerce, Monterey County Association of Realtors, Community Hospital of the Monterey Peninsula, Associated General Contractors - Monterey District to resolve the Peninsula water challenge to comply with the CDO at a reasonable cost

January 28, 2014

Dave Potter, Chair, and Board of Directors Monterey Peninsula Water Management District 5 Davis Court, Building G Monterey, California 93940

JAN 28 2014

Re: Agenda item 19, GWR budget increase

Dear Chair Potter and Members of the Board

MPWMD

Members of the Board

The Coalition of Peninsula Businesses has significant concerns over Agenda item 19 wherein the staff recommends that your Board approve a \$1,282,280 increase in the District's portion of the GWR budget.

The Coalition is on the record supporting GWR as a supplemental water supply if it can be proven to be a feasible from a technical, legal and economic standpoint. We are very concerned to see that after only seven months the District is being asked to increase its contribution by 47% with no real explanation as to how the initial budget was so grossly underestimated or what has caused so significant a change to the program to justify the budget increase.

We request that before the Board acts on this request that there be a full report <u>detailing</u> the current status of the GWR project including:

- Expenditures to date
- Status of environmental and feasibility studies
- Status of acquisition of rights to source wastewater
- Estimates of projected cost of treated waste water to the end user
- Status of negotiations with MCWRA on rights to the treated wastewater

That report should also detail what other work the District will not be able accomplish if \$1,282,280 is redirected to GWR.

Sincerely,

John Narigi, Co-chair