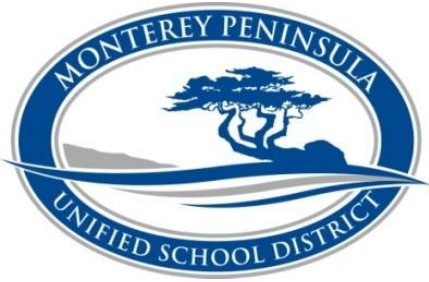


EXHIBIT 3-B



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Dear Monterey Peninsula Water Management District

This letter is to request funding to complete an irrigation controller conservation project at six Cal Am Water sites. The proposal is to install Hydro-Point WeatherTrak ET Pro 3 controllers at six MPUSD school sites: Bay View, Foothill, Cabrillo, Seaside Children's Center, Monte Vista and Del Monte. These six sites have a variety of controllers that do not meet current water conservation practices due to lack of weather sensors or seasonal scheduling. Cal Am has placed us in Commercial Division 1 & 2 with the understanding that we are going to get Best Management Practice compliant. If we do not get compliant our water rates will move to Division 4, \$3.16 per unit, an increase by 259% based on current \$.88 per unit. With the new division 1 and 2 rates we are already going to see a 30-61% increase in rate per unit. Based on current usage our water bills are going to increase by \$100,000-125,000 in division 1 and 2. If MPUSD gets put into Division 4 due to non-compliance our cost will increase by \$821,000. Which is close to the whole water budget for the whole district for the 2013-14 school year? These increases will hurt MPUSD's budget, Schools and students.

Six of Cal Am serviced sites; Colton, MHS, La Mesa, Ord Terrace, Del Rey Woods, District office; have Hydro-point controllers installed with funding from an earlier MPWMD grant. This proposal will complement the past grant and update and standardize all Cal Am serviced sites with Hydro- Point WeatherTrak ET Pro3 controllers. MPUSD's water conservation goal is to standardize the irrigation systems across the school district with high industry standards. Hydro-point are one of the highest standards in ET controllers. By funding this proposal all of the Cal Am serviced sites will use ET irrigation technology and will have the tools to best manage water conservation.

By funding this energy conservation project we will cut down on water waste, increase cost avoidance and put more money into education. This project will not only conserve water by using ET programming it will also assure us Best Management Practice and allow us to stay in Commercial Rates Division 1 and 2. These sites will save money through water consumption and rates. MPUSD has adopted new energy conservation policies and is committed to improving water conservation. In March MPUSD hired me as the Energy Specialist. My job is to monitor and conserve energy: water, gas and electric. The savings from utilities will enter the general fund and be used by classrooms, teachers and students.

The amount MPUSD is requesting is \$60,603.

\$60,603 will be used to purchase, install and manage 13 Hydro-Point controllers at six sites. (Please see the attached Hydro-point quote)

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Hydro-point has offered to include thirteen flow sensors, a \$6500 value, at no additional cost if funding is secured by the end of the year. These flow sensors will give the Hydro-Point controllers the capability to detect issues in the irrigation systems such as leaks and broken heads within minutes.

MPUSD's fields are used by children, the community and community partner's. The cost of water is increasing and MPUSD needs the funds and the tools to practice the best conservation possible, while at the same time keeping the play areas of the Monterey Peninsula green. This water conservation project will also set the standard for irrigation across the school district. All new irrigation construction will meet this high industry water conservation standard. MPUSD will continue to convert other sites irrigation to meet this high standard. Please consider this request for funding, this project conserves water and puts money back into the classrooms.

Yours sincerely,

David Chandler

MPUSD Energy Specialist