



July 31, 2017

Robert S. Jaques
Technical Program Manager
Seaside Basin Watermaster
PO Box 51502
Pacific Grove, CA 93950

Subject: Cost Sharing for Recalibration and Updating of Seaside Groundwater Basin Model

Dear Bob:

Thank you for your July 12th letter discussing the recalibration and updating of the Seaside Groundwater Basin Model. In that letter, you inquired about the willingness of our District and Monterey One Water to share in the cost of HydroMetrics to perform the work.

Both of our agencies stand ready to share in the cost of recalibration and updating of the Seaside Groundwater Basin Model.

One possible paradigm for cost sharing might be based on average annual production rights from the basin. For example:

Cal-Am	2021 Safe Yield	1,474 AF	
	Middle School average ASR	650 AF	
	Fitch Park average ASR	<u>590 AF</u>	
	Total Cal-Am	2,714 AF	32%
Non-Cal-Am Pumpers	2021 Safe Yield	1,526 AF	18%
MPWMD	Santa Margarita average ASR	650 AF	8%
Monterey One Water	Pure Water Monterey	3,500 AF	42%

That would result in our two public agencies supporting 50% of the cost. Please let me know your thoughts on this.

Sincerely yours,

A handwritten signature in blue ink that reads "David J. Stoldt".

David J. Stoldt
General Manager