



Salinas Valley Basin Groundwater Sustainability Agency
Salinas City Hall, Attn: Gary Peterson
200 Lincoln Avenue
Salinas, CA 93910

Dear Mr. Petersen:

DeepWater Desal would like to take the opportunity to thank you, Chairperson Gunter, and the SVBGSA Board for inviting us to discuss the Monterey Bay Regional Water Project with you.

As you move forward with the very important work of the agency, we believe the Monterey Bay Regional Water Project should be a very important part of your planning. Whether as a project supplying the specific offtakers or by the SVGSA, the culmination of our project will result in a large reduction in replacement water SVGSA will need to identify in their GSA plan.

As I discussed in my presentation to the Board, while the basin is hydrologically connected, your hydrogeologist will help you identify areas of greatest recharge and pumping impact. That said, relocating wells further inland is only a temporary measure. Only a supplemental water supply will allow water use to continue at current levels throughout the basin.

MBRWP will start construction at approximately the same time the GSA plan is due and will produce 25,000 acre-feet of water per year (AFY). We currently have memorandums of understanding for direct purchases with California Water Service for potential service to Salinas and with Castroville Community Services District, both within the Salinas Valley Basin, totaling 11,000 – 25,000 AFY. Water is expected to cost \$1,900 - \$2,200 per acre foot at the fence and approximately \$400 more delivered. In my presentation, I included some cost scenarios meant to provide a frame of reference of cost should our project be undertaken as a SVGSA project. But as I stated in my presentation, your hydrogeologist would be the one to help you determine how to appropriately incorporate our project into your planning efforts. The cost scenarios are not meant to represent specific proposals, just provide magnitudes for better baseline understanding.

DWD understands the challenge you face as you move forward with your planning efforts. The Salinas Valley Basin is both hydrologically and politically challenging. As we learn more about the hydrology and stakeholders continue to work together toward solutions, we see a future of water sustainability and reliability. We hope the board will help support our efforts in this challenge by including our project in the SVGSA plan and through support of the project with legislators and regulators. We will be happy to work with you to determine the best role for our project in your efforts as you move forward.



Thank you,

A handwritten signature in black ink, appearing to read "Kim Adamson", written in a cursive style.

Kim Adamson
General Manager