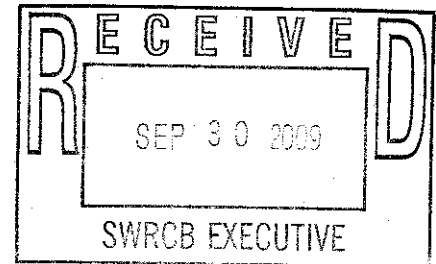


September 30, 2009

Mr. Charles Hoppin, Chair
State Water Resources Control Board
1001 I Street, Second Floor
Sacramento, CA 95814



RE: Comment Letter – Cal Am CDO Hearing Workshop

Chair Hoppin and Members of the State Water Resources Control Board:

The Monterey County Association of REALTORS® (MCAR), representing over 1500 REALTORS® and real estate trade professionals throughout the greater Monterey County area, wish to convey our concern and opposition to adoption of the proposed draft Cease and Desist Order (CDO) against California American Water Company (Cal-AM).

MCAR respectfully submits these comments to the State Water Resources Control Board (SWRCB) in an effort to express a sincere concern relating to the detrimental impacts to our membership, current residents, future homebuyers and business owners throughout the Monterey Peninsula, should the CDO be adopted.

Monterey Peninsula residents and business owners have used existing water supplies efficiently, setting the bar for conservation efforts in the state. Preservation of water through voluntary cutbacks, proactive and incentivised programs along with other water-saving measures, has produced tangible results that our communities are proud of.

The proposed reductions would be devastating to the quality of life in our communities and would effectively hamper the ability of our local governments to maintain current levels of service, resulting in serious health and safety challenges. Our governments have been proactive in aggressively pursuing strategies to maintain city services in a struggling economy. Implementation of the CDO will result in a diminishment of property taxes through depreciation of home values and commercial interests. Transient Occupancy Taxes along with sales taxes will decline through lost visitor revenue, cumulatively producing an environment of unnecessary challenge to local government coffers.



Ratification of the CDO in its current state will punish area residents and business owners who have pursued a solution to our water supply problem.

The Regional Water Project, one of the proposed solutions to address the immediate water needs of our area, can produce enough acre feet annually to adequately diminish the need for punitive tactics against our communities as a result of the order. We ask that consideration be given to delaying any action that would impose restrictions of available water until such time where a sustainable water solution can be realized. This is not an indefinite delay. The Regional Water Project enjoys broad public support and could be brought online within the next 2-3 years with the momentum and support currently behind it.

Thank you for allowing the opportunity to address concerns of our industry as they relate to the proposed CDO. We respectfully request that consideration be given to NOT adopting the CDO.

Sincerely,



Kim DiBenedetto
President,
Monterey County Association of REALTORS®