



March 20, 2017

Ms. Kathy Mrowka
Mr. John O'Hagan
Ms. Marianna Aue
Mr. Les Grober
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

RE: SWRCB CDO Condition 2

The Monterey County Hospitality Association fully supports the Monterey Peninsula Water Management District's January 3, 2017 proposal on CDO Condition 2. We ask that you accept their proposal and recommend it to your Board.

As we have previously written, the hospitality industry employs more than 20,000 people and generates over \$2 billion in local tax revenue. We are the County's number two industry. And as we have previously written finding an equitable application of Condition 2 is more than a hospitality industry issue. It is essential to our entire community.

The community's water conservation efforts in cooperation with the Monterey Peninsula Water Management District have been highly successful. We have spent millions of dollars for water conservation measures and we have succeeded in saving near unprecedented amounts of water. We have been recognized throughout the State as leaders in conservation and as an example of what can be accomplished by a successful partnership of residents, businesses and public agencies being committed to working together for the common good.

If our community and the District could not point to our proven water conservation success it would be reasonable to expect to be tightly constrained by condition 2. However, that is not the case. Our record of success is clear. To continue to be limited in our ability to meet the housing and business needs of our community, even when meeting those needs do not result in an increase in allowable water use, is unfair. The Monterey Peninsula Water Management District's proposal for Condition 2 presents an effective means of continuing to manage our water use while best assuring our businesses are sustainable and that the housing needs of our community, particularly affordable and workforce housing are met.

We continue to believe the District's proposal will benefit our community and at the same time meet the purpose and intent of the CDO. We ask that you support the District's proposal.

Sincerely,

Dale Ellis, Government Affairs Director
Monterey County Hospitality Association

CC: Hon. John Laird, Secretary, California Natural Resources Agency