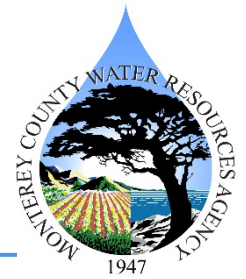


Monterey County Water Resources Agency



Ara Azhderian, General Manager | 1441 Schilling Pl., Salinas, Ca 93901 | (831) 755-4860

August 7, 2026

Caroline Chapin, Chair
Salinas Valley Basin Groundwater Sustainability Agency Board of Directors
P.O. Box 1350
Carmel Valley, CA 93924

Sent via email to: board@svbgsa.org

SUBJECT: Portfolio Selection – Bringing Focus to the Next Leg of the Journey

Dear Chair Chapin and Members of the Board:

The Monterey County Water Resources Agency (Agency) appreciates its collaboration with the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA), providing important services, data, and operational expertise to the SVBGSA-led planning effort to achieve groundwater sustainability in the Salinas Valley. Groundwater is the lifeblood of Monterey County's communities, economies, and culture, and sustaining it effectively and affordably for future generations must be a shared priority, as the consequences of failure will surely affect us all.

Since its formation, the SVBGSA has accomplished much, and you, its Directors, sit now weighing an important decision, but one that is just the beginning of a journey, certainly not the end. Over the past 4 years, the Agency has dedicated significant staff time and expertise towards helping inform, review, and develop six feasibility studies produced by the SVBGSA and its consultants and delivered to the California Department of Water Resources (DWR) this past March. During this work, a wide range of water supplies, availability, conveyance, treatment, storage, distribution, and cost scenarios were analyzed. Since March, the SVBGSA's Advisory Committee, with support from staff and consultants, has examined how the feasibility studies might be combined into portfolios of actions expected to achieve the SVBGSA's minimum thresholds for groundwater sustainability. This effort has led to advancement of portfolios 3A and 4, with considerations, for your deliberation. Given the depth and breadth of our engagement, Agency staff want to express support for the Advisory

*The Water Resources Agency manages water resources sustainably,
while minimizing impacts from flooding, for present and future generations.*

Committee's efforts, but further encourage the SVBGSA Board to narrow the focus to Portfolio 3A, with considerations, as the foundation for the SVBGSA's future analysis and potential development.

The decision made by the SVBGSA Board at this time is not the last, not even close. Following this decision, the selection will need to be further developed and refined to ensure that it is feasible and meets the intended goals. Additionally, it will be subject to continuing public comment prior to submission to the DWR in January 2027, followed by review and response from DWR, many future decisions by the SVBGSA committees and Board regarding potential portfolio development, including annual funding to support it, alternative project ideas, deepening public, state, and federal scrutiny as a potential portfolio moves through development into the environmental review processes, state and federal endangered species act compliance, state and federal water quality act compliance, potential litigation, and finally, the ultimate arbiter, a public vote upon how to fund a final proposal.

What the August decision can provide is much needed direction and focus. The past few years of intense effort developing the feasibility studies and proposed portfolios clearly demonstrate the human and financial resources necessary to advance a proposed solution. This need will not lessen in the coming years; however, clear direction and deliberate intent can ensure that the resources dedicated are applied responsibly and efficaciously. The Agency's staff inclination to advance Portfolio 3A for further SVBGSA consideration, in part, reflects our understanding that Portfolio 1 is considered impractical and Portfolio 4 is ineffective for addressing seawater intrusion, which is a key DWR barometric. For these reasons, we encourage the SVBGSA Board to focus our precious financial and human resources on Portfolio 3A, with considerations, as a likelihood of success should also be an important criterion. Thank you for your consideration.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Ara Azhderian', with a large, stylized flourish at the end.

Ara Azhderian
General Manager