

AMENDMENT 1

**MRWPCA-MPWMD
GROUNDWATER REPLENISHMENT PROJECT**

COST SHARING AGREEMENT

This Amendment 1 to the Cost Sharing Agreement is entered into as of January __, 2014, by and between the Monterey Regional Water Pollution Control Agency, a joint powers authority (“MRWPCA”) and the Monterey Peninsula Water Management District, a California special act district (“MPWMD”), collectively the “Parties.”

The Parties reaffirm that Section I, “BACKGROUND”, Article C of the Cost Sharing Agreement states that the Parties believe that an additional increment of water supply should be generated for the benefit of Cal Am’s Monterey District customers, many of whom are within the service areas of MPWMD and MRWPCA, by conveying advanced treated wastewater from the MRWPCA to the Seaside Basin, where it could be injected for storage and subsequent recovery (“GWR Project”).

The Parties also affirm that MPWMD shall pay seventy-five percent (75%) of GWR Project costs, and MRWPCA shall pay twenty-five percent (25%) of such costs. MRWPCA or MPWMD may each pursue and receive grants, state revolving fund loans, or other forms of reimbursement from local, state, or federal sources. All such receipts will be delivered to MRWPCA and credit the GWR Project ledger as received. Such receipts will be deemed to offset project costs.

The Parties hereby agree that if in the future GWR Project facilities funded under the Cost Sharing Agreement provide benefits or services to entities outside Cal Am’s Monterey District, the actual costs of those benefits or services shall be charged for and collected by MRWPCA and such collected charges shall be proportionately reimbursed (75% & 25%) to MPWMD and MRWPCA.

WHEREFORE, this Amendment 1 to the Cost Sharing Agreement was executed by the parties on the date first above written.

MRWPCA

MONTEREY REGIONAL WATER POLLUTION
CONTROL AGENCY,

By: _____
Dennis Allion, Board Chair
MRWPCA Board of Directors

MPWMD

MONTEREY PENINSULA WATER MANAGEMENT
DISTRICT,

By: _____
David Potter, Chair
MPWMD Board of Directors