

EXHIBIT 18-C

SEASIDE GROUNDWATER BASIN WATERMASTER

2600 Garden Road, Suite 228, Monterey, CA 93940

(831) 641-0113

October 19, 2015

Fenton & Keller
David C. Sweigert
P.O. Box 791
Monterey, CA 93942

Dear Mr. Sweigert,

The Seaside Groundwater Basin Watermaster (Watermaster) is in receipt of your letter dated September 18, 2015. Your letter informs us that your client, D.B.O. Development No. 30, will be submitting or has submitted an application with the Monterey Peninsula Water Management District to obtain permission to wheel water through the existing distribution system of California American Water Company to service properties that are located within the boundaries of the Seaside Groundwater Basin.

As you are aware, the Seaside Groundwater Basin is adjudicated by the Amended Decision (Decision) entered in the case California American Water Company v. City of Seaside et al., Monterey Superior Court Case No. GNM66343. Your client (referred to as "DBO" in the Decision) holds a Standard Production Allocation (SPA) water right under the Decision. As the holder of an SPA right, your client can take advantage of the portability allowed by the Decision to use water produced from the Coastal Subarea under its SPA right in any area of the Seaside Groundwater Basin.

According to the Watermaster's Notice to All Seaside Groundwater Producers dated December 3, 2014, DBO is entitled to production of 422.96 acre-feet in the current water year 2015. This total includes 238.88 acre-feet of "free" carryover credits and 152.52 acre-feet of "not-free" carryover credit from previous water years, plus the 2015 base allocation of 31.56 acre-feet. Under the triennial 10% reductions to the Operating Yield required under paragraph III.B.2 of the Decision, neither DBO's carryover credits nor its share of the Natural Safe Yield is subject to reduction. DBO's share of the Natural Safe Yield, in addition to any unused carryover credits, will be available to DBO for production under the Decision for the foreseeable future. No action by the Watermaster board is necessary at this time to approve the arrangement between DBO and Cal-Am.

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Thank you for your inquiry into this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Dewey D. Evans", written over a horizontal line.

Dewey D. Evans
Chief Executive Officer