District-Wide Production

All owners of water-producing facilities within the District are required to report water production annually. This includes the registered water distribution systems within the MPWRS and independent wells. Total water production in the District for Water Year 2002 was 20,041 AF, which was seven percent higher than in Reporting Year 2001. In Water Year 2002 there were 652 active wells reporting production, an increase of 67 wells from Reporting Year 2001.

The District requires all new wells, and existing wells that produce 5 or more AFY per year, to have water meters. Ninety-nine percent of reported water production was metered in Water Year 2002.

Cal-Am Production Remains Below State and District Limits

Cal-Am is the largest of the 16 registered water distribution systems in the MPWRS. Cal-Am total production during Water Year 2002 was 14,611 AF. The District's Water Allocation Program limits production by Cal-Am to 17,641 AFY within the MPWRS.

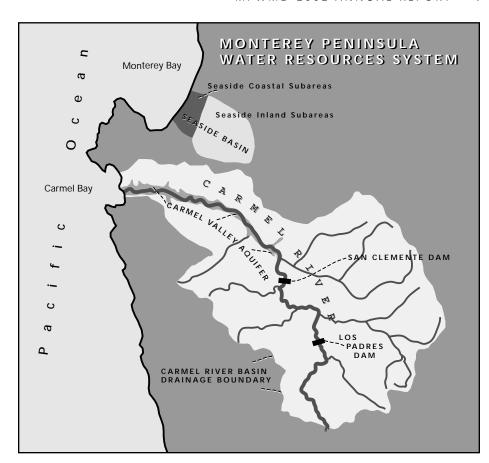
Cal-Am production from the Carmel River Basin between October 1, 2001 and September 31, 2002 was 11,089 AF, which is 196 AF below the 11,285 AFY limit established by the State Water Resources Control Board Order No. 95-10.

Permits Required for New Wells in Regulated Areas

The District adopted Ordinance No. 96 in March 2001, which requires a District permit for new wells within the MPWRS and within 1,000 feet of the Carmel Valley Alluvial Aquifer. The District issued four permits for new wells in the regulated area from April 2001 through December 2002.

Strategy Meetings with Cal-Am Held Quarterly

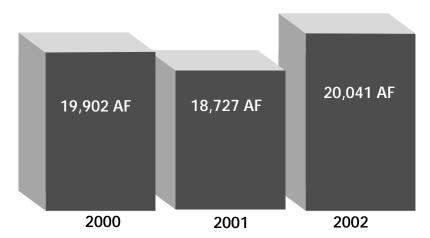
The District participated in a multiagency Memorandum of Agreement and held quarterly water supply strategy meetings with Cal-Am to coordinate management of the community's limited water supply.



Monterey Peninsula Water Resources System (MPWRS)

The Monterey Peninsula Water Resources System (MPWRS) consists of the Carmel River and its tributaries, the Carmel Valley Alluvial Aquifer and the Seaside Coastal Subareas. Sixteen registered water distribution systems, including Cal-Am, derive their water from the MPWRS. Total water production within the MPWRS was 17,827 AF, which is 14 percent below the system-wide production limit of 20,687 AFY specified in the District's Water Allocation Program.

DISTRICT WATER PRODUCTION 1999-2001



Total water production in the District between October 1, 2001 and September 30,2002 was 20,041acre-feet, a 7 percent increase over the prior year (Note the reporting period changed from July – June to October – September this year).