

**EXHIBIT 14-A**

# Local Water Project Grant/Loan Application Form



Submittal Deadline September 1, 2013

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## Requirements and Eligibility

- Application Requirements:** Project Sponsor shall provide the information requested in the section entitled "Requirements" below. Please provide requested material in no more than 15 pages, comprised of a cover letter (1 page limit), responses to "Requirements" (6 page limit), and any exhibits or supporting material (8 page limit.)
- Project Geographic Eligibility:** Projects must lie within the geographic boundaries of the Monterey Peninsula Water Management District ("District") or project benefits must accrue to entities within the District boundaries.
- Project Sponsor Eligibility:** Project sponsor may be a public or private entity located within District boundaries.
- Project Purpose Eligibility:** Projects must produce a potable water supply, either through the development of a new potable supply or a non-potable supply to offset existing potable use and releasing potable water for new uses. Preference will be given to projects that provide multiple benefits as described under "Project Merit Factors" below.
- Matching Requirement:** Project sponsor will be expected to match at least 50% of the requested grant funds. Grants will be converted to loans for projects that proceed to permanent funding through the use of bonds or certificates of participation within 3 years of the grant award. Project sponsors shall adopt a reimbursement resolution for that purpose.
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## Requirements

Please provide an application consisting of a submittal in the applicant's own format, subject to the "Application Requirements" described above.

- 1) Name of Project Sponsor
- 2) Type of entity – (i) public entity, (ii) non-profit organization, (iii) private entity, (iv) investor-owned utility, (v) private citizen, or (vi) other (describe.)
- 3) Project Name or Title
- 4) Project Sponsor Contact Information
- 5) Geographic Location of project
- 6) Project Purpose and Description. Provide a detailed description of the project – facilities, operations, direct water supply benefit, and ancillary benefits. Describe capacity (acre-feet and/or MGD) in annual, seasonal, or monthly terms. Also describe all project participants and roles for successful execution. Is this a planning phase project (feasibility, environmental and permitting, and preliminary design)? Or, is this an implementation phase project (final design and construction)? If planning phase, please describe your expected path to implementation.

Direct water supply benefit includes the development of a new water supply that may be used to offset the existing unlawful diversions of the California American Water Company from the Carmel River, as affected by the 2009 Cease and Desist Order imposed by the State Water Resources Control Board (“SWRCB”), or may result in a new additional supply of water that may serve future needs of the Monterey Peninsula.

Ancillary benefits may include, but are not limited to, the following:

- Water supply reliability, conservation, and efficiency of use;
- Water quality improvement – river, ocean, groundwater;
- Recycling or reuse of wastewater consistent with SWRCB Recycled Water Policy;
- Reduction of non-point source pollution, or point source discharge consistent with SWRCB Ocean Plan;
- Reduction of carbon-based emissions consistent with California AB32 goals;
- Storm Water capture and reuse consistent with California ASBS policy goals;
- Groundwater recharge;
- Flood management and protection of property; and
- Environmental mitigation, fisheries protection, or habitat restoration.

- 7) District Goals. Does the proposed project provide water to meet additional District goals? District goals include the following four goals:

- Can the Project provide water supply to the District for drought/rationing reserve (i.e. water that is not supplied to a beneficial use immediately upon project completion) and if so, how much?

- Can the Project provide water supply to the District for potential future reallocation to the jurisdictions (i.e. water that is not supplied to a beneficial use immediately upon project completion) and if so, how much?
  - Can the project be run in a manner that would provide surplus production that could be “banked” into the Seaside Groundwater Basin utilizing the District’s Aquifer Storage and Recovery project?
  - Are there multiple benefits to the region or the State as described in section 6, above?
- 8) Technical Feasibility of Project. Discuss the technical feasibility of the project. If possible, cite references that contain information about the project and include as exhibits or define links to documents or websites for future reference.
- 9) Project Schedule. Describe basic project schedule milestones including, but not limited to feasibility study, conceptual design, CEQA/NEPA Process, other permits required, etc.
- 10) Project Financing. Describe project capital costs and construction schedule, even if the project is currently applying only for “planning phase” projects. For “planning phase” projects, also describe costs for solely that phase and sources of funding. Describe expected method of financing the capital costs of the project. If debt financing is envisioned, what is the source of debt repayment and security for the debt? Demonstrate applicant’s matching share. If the District does not provide a grant, how will the Applicant fund that amount and proceed with the project?
- 11) Annual Cost of Water. Describe the operating costs and capital cost recovery on an annual basis. Also describe on a cost per acre-foot of water produced per year. Provide detail. Describe annual and periodic renewal and replacement requirements.
- 12) Land. Describe the site and/or right-of-way requirements and status. Identify any approvals to date.
- 13) Permits. Describe permits required, schedule for approval, and already acquired permits.
- 14) Consultants, Plans, and Bids. Describe the status of the proposed project as it relates to the hiring of key consultants, development of plans and drawings, and any bids that the Project Sponsor has already received.

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### **Project Merit Factors**

Applications will be reviewed by District staff and a recommendation will be made to the District’s Water Supply Planning Committee for potential funding by the District Board at its September meeting.

Projects will be evaluated by staff and recommendations made to the Committee based upon the following “Merit Factors.”

- Application contains basic information requested
- Project produces new water supply
- Amount of new supply
- Ancillary benefits demonstrated and determined to be of value to community
- Identified District goals under “Requirement” 7, above, are met by project.
- Feasibility of Project has been demonstrated.
- Project Schedule is well defined and feasible.
- Project Financing is well defined and contingencies examined and identified.
- Annual Cost of Water is well defined and determined by the District to be consistent with alternate water supply projects, with consideration for ancillary benefits.
- Project status with respect to permits, consultants, and land appear to be consistent with successful project completion.

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### **Additional Information**

Limited obligation:

The grant/loan proceeds are a limited obligation of the District secured solely by the District’s Water Supply Charge.

Please address applications to:

David J. Stoldt, General Manager  
Local Projects Application  
Monterey Peninsula Water Management District  
PO Box 85  
Monterey, CA 93942-0085

Questions/Inquiries:

David J. Stoldt, General Manager  
831-658-5650  
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