

EXHIBIT 2-B



October 1, 2014

David Stoldt
General Manager
Local Projects Application
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Dear Mr. Stoldt:

The Monterey County Fair/7th District Agricultural Association is an agency of the State of California. The Facility consists of 22 acres in the heart of the North Fremont Business District within the City of Monterey. The Fairgrounds currently has an operating budget of approximately 1,800,000 and receives no state funding. Every dollar utilized to operate the facility is generated by revenue earned by interim rental agreements such as the Monterey Jazz Festival, The California Roots Festival and hundreds of other events held throughout the year. The Fairgrounds also operates a full time recreational vehicle park, a satellite wagering facility and of course the annual Monterey County Fair.

Maintaining a facility of this nature and keeping up with its infrastructure as well as utility bills is quite a responsibility. This responsibility lies with nine Governor Brown appointed board members giving direction to the CEO and staff. The 7th DAA Board of Directors has directed me to request grant funding for a project titled 'Well Water Plumbing' on our Fairgrounds facility.

The amount of funding requested is approximately \$75,000 for the initial Phase 1 of the project. The facility has an extremely functional and operational well on its property. This well is responsible for providing water to landscape the property. The Fairgrounds believes the well could be utilized to provide water needed for plumbing. This phase would consist of research for the feasibility, preliminary design and cost estimate of creating a system for plumbing all toilets to accept well water. This would include but not be limited to evaluation of the current well conditions, back flow needs and any additional requirements from Cal-Am.

According to a 2013 Water Use Survey provided by Cal-Am Water, 69.8% or 1,707,534 gallons of water usage is for sanitary use. Although the Fairgrounds has been working diligently towards replacing all toilets on the facility to become low flow toilets, the water usage is still extremely high with over 570,000 people utilizing the Fairgrounds annually.

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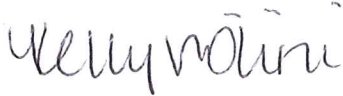
The Fairgrounds has approximately 23 urinals and 71 toilets on property. By tying our sanitary usage into existing well water, this would significantly reduce the amount of Cal-Am water needed to operate the facility thereby allowing this water to be utilized elsewhere while reducing utility payments for the Fairgrounds dramatically.

Phase 1 of the project would take approximately six months to determine feasibility, design and project cost estimates. Phase 2 of the project would consist of the actual installation of plastic water fittings on the main water line connected to the well and the subsequent connection to each restroom facility on the Fairgrounds. Wilson Plumbing provided a bid for this project in March, 2014. Depending on financing options, it is possible for this project to be started as early as March, 2015 and completed prior to June 1, 2015.

To date the 7th DAA has spent approximately \$99,901 for water usage in bills payable to Cal Am Water compared to \$52,927.94 year to date, 2013. Any assistance from the Monterey Peninsula Water Management District in a study to determine the feasibility of tying in the facility's well water to its plumbing would be appreciated and welcomed.

Should you have any questions, please contact me at 831-372-8106 or by emailing kelly@montereycountyfair.com. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Violini".

Kelly Violini
CEO/Manager
Monterey County Fair/7th DAA

enclosure

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March 20, 2014

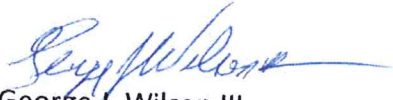
Monterey County Fair and Event Center
2004 Fairground Road
Monterey, CA 93940
Kelly@montereycountyfair.com
Scott@montereycountyfair.com

RE: Budget Submittal

The following budget of \$160,000.00 is submitted for your consideration to install Well Water Piping to each bathroom facility on the fairground.

Scope of Work: Install the appropriate size plastic water fitting on the main water line that is connected to the well. A water line will be connected to each fitting that will connect to each bathroom in accordance with all plumbing codes. This budget includes all material, asphalt cutting removal and patching, sheetrock removal and patching, tile removal and replacement.

All trenching and backfill is the responsibility of the Monterey County Fairground Facility.


George J. Wilson III

24 Hour 7 Day Emergency Service

Corporate Office: 307 Grand Avenue Pacific Grove, California 93950

Monterey Peninsula 375-4591
Salinas 757-4591

1-800-676-2509

Santa Cruz 423-0645
Watsonville 763-0645