



This meeting is not subject to Brown Act noticing requirements. The agenda is subject to change.

Water Supply Planning Committee Members:
Robert S. Brower, Sr.
Chair
Jeanne Byrne
David Pendergrass

Alternate:
Kristi Markey

Staff Contact
David J. Stoldt,
General Manager

After staff reports have been distributed, if additional documents are produced by the District and provided to the Committee regarding any item on the agenda, they will be made available at 5 Harris Court, Building G, Monterey, CA during normal business hours. In addition, such documents may be posted on the District website at mpwmd.net. Documents distributed at the meeting will be made available in the same manner.

AGENDA
Water Supply Planning Committee
Of the Monterey Peninsula Water Management District

Tuesday, September 8, 2015, 3:00 pm
MPWMD Conference Room, 5 Harris Court, Bldg. G, Monterey, CA

Call to Order

Comments from Public

The public may comment on any item within the District's jurisdiction. Please limit your comments to three minutes in length.

Action Items – Public comment will be received

1. Consider Adoption of August 4, 2015 Committee Meeting Minutes
2. Develop Recommendation to the Board re Adoption of Resolution 2015-17 – Establish MPWMD as Groundwater Sustainability Agency for the Carmel Valley Alluvial Aquifer
3. Develop Recommendation to the Board on Selection of Recipients -- FY 2015-16 Local Water Projects/Grants

Discussion Item – Public comment will be received

4. Update on Pure Water Monterey Project
5. Update on California American Water Desalination Plant
6. Update on Alternative Desalination Project

Suggestions from the Public on Water Supply Project Alternatives (15 min limit)

Set Next Meeting Date

Adjournment

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Please send a description of the requested materials and preferred alternative format or auxiliary aid or service by 5PM on September 4, 2015. Requests should be sent to the Board Secretary, MPWMD, P.O. Box 85, Monterey, CA, 93942. You may also fax your request to the Administrative Services Division at 831-644-9560, or call 831-658-5600.

U:\staff\Board_Committees\WSP\2015\20150908\Sept 8 WSP Agenda.docx

WATER SUPPLY PLANNING COMMITTEE

ITEM: CONSIDER ADOPTION OF AUGUST 4, 2015 COMMITTEE MEETING MINUTES

Meeting Date: September 8, 2015

**From: David J. Stoldt,
General Manager**

Prepared By: Arlene Tavani

SUMMARY: Attached as **Exhibit 1-A** are draft minutes of the August 4, 2015, Water Supply Planning Committee meeting.

RECOMMENDATION: The Committee should review the minutes and adopt them by motion.

EXHIBIT

1-A Draft Minutes of the August 4, 2015 Committee Meeting

inclusion of the Seaside Groundwater Basin. The District believes that the Seaside Groundwater Basin boundary is different from the basin as defined by the Department of Water Resources. There are issues related to the boundary of the Seaside Groundwater Basin which must be resolved, before the District would take on the responsibility as GSA for that area. The District should not expand its boundaries to include all areas it considers to be within the Seaside Groundwater Basin. The District should coordinate with Monterey County Water Resources Agency to determine what the boundaries of the Seaside Groundwater Basin will be. It was suggested by a committee member that the Water Management District should form a GSA that includes the Seaside Groundwater Basin and Carmel Valley Alluvial Aquifer, and then later remove areas as appropriate. The resolution to form the GSA could state that in the future the District will seek to modify the boundary. No public comment was directed to the committee on this item.

4. Update on Pure Water Monterey Project

The estimated costs for the Pure Water Monterey project (PWM) should be available within a week. Those costs will be compared to Cal-Am's estimates for the desalination project that were specified in its application to the California Public Utilities Commission (CPUC). The best outcome would be that PWM costs are lower than desalination project costs, including operation and maintenance. Phase 1 of the CPUC process relates to desalination, Phase 2 is PWM, and Phase 3 is return flows and associated alternatives. If Phase 1 is delayed, decisions will need to be made regarding how to proceed with Phase 2.

5. Update on California-American Water Desalination Plant

Stoldt reported that the California Coastal Commission should consider the amended permit for the test slant well in September in Eureka, California. It may be preferable for Cal-Am to request the issue be heard at the October meeting in Long Beach. The CPUC has extended the comment period for the desalination project EIR, but the project timeline has not been adjusted. This causes uncertainty with respect to the timeline for the Pure Water Monterey Project.

6. Update on Local Water Projects

Stoldt updated the committee on the status of projects that may be submitted for grant funding by: Monterey Peninsula Airport District, Pebble Beach Company, the City of Pacific Grove and the Monterey County Fairgrounds.

Luke Coletti addressed the committee during the public comment period on this item. He stated that the State Water Resources Control Board (SWRCB) identified the Pacific Grove project financing plan as controversial, so the financing will be considered by the SWRCB in October.

7. Update on Alternative Desalination Project

No report. A representative from DeepWater Desal will present an update at the August 17, 2015 Board meeting.

Suggestions from the Public on Water Supply Project Alternatives

No comments.

Set Next Meeting Date

No date set.

Adjournment

The meeting was adjourned at 4:25 p.m.

U:\staff\Board_Committees\WSP\2015\20150908\01\Item1_Exhibit1-A.docx

sustainable groundwater management and requires that medium- and high-priority basins form GSAs by June 30, 2017 and adopt Groundwater Sustainability Plans (GSPs) within 5-7 years. The GSPs will provide detailed physical descriptions, monitoring and management provisions, and describe interaction with other plans such as general plans. The GSP must indicate a path to sustainability within 20 years of adoption. “Sustainable” as described in SGMA includes no “surface water depletions that have significant and unreasonable adverse impacts on beneficial users.”

There are 515 basins in California, of which 127 are medium- or high-priority. The basins and their boundaries are described in DWR Bulletin 118. The Carmel Valley Alluvial Aquifer is a “high-priority” basin and the Seaside Groundwater Basin is “medium-priority”. Adjudicated basins do not require a GSP and have reduced reporting requirements.

EXHIBITS

- 2-A** Proposed Resolution 2015-17 “Establish MPWMD as Groundwater Sustainability Agency for the Carmel Valley Alluvial Aquifer”
- 2-B** Text of Public Notice
- 2-C** Draft Notice of Intent

EXHIBIT 2-A

RESOLUTION NO. 2015-17

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY
PENINSULA WATER MANAGEMENT DISTRICT TO ESTABLISH MPWMD AS
GROUNDWATER SUSTAINABILITY AGENCY FOR THE CARMEL VALLEY
ALLUVIAL AQUIFER**

WHEREAS, on September 16, 2014 the Sustainable Groundwater Management Act (SGMA) was signed into law and adopted into the California Water Code, commencing with Section 10720; and

WHEREAS, the legislative intent of SGMA is to provide for the sustainable management of groundwater basins, to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; and

WHEREAS, Water Code Sections 10725 and 10726 detail additional new powers and authorities granted to Groundwater Sustainability Agencies (GSAs) to implement sustainable groundwater management in the basins under their jurisdictions; and

WHEREAS, Water Code Section 10723(c)1(I) specifically identifies the Monterey Peninsula Water Management District (District) as one of several agencies created by statute to manage groundwater that shall be deemed the exclusive local agencies within their respective statutory boundaries with powers to become the Groundwater Sustainability Agency for basins within their jurisdictions; and

WHEREAS, the District's boundaries wholly overlies the Carmel Valley Alluvial Aquifer (also referred to as the Carmel Valley Basin by the California Department of Water Resources (DWR) Bulletin 118); and

WHEREAS, the Carmel Valley Basin is deemed to be a "high-priority" basin by DWR and therefore requiring a Groundwater Sustainability Plan (GSP); and

WHEREAS, Establishing the District as the Groundwater Sustainability Agency will enable the District to prepare and implement a Groundwater Sustainability Plan for the Carmel Valley Basin, or in the alternative to best work with DWR and the State Water Resources Control Board to resolve groundwater and surface water issues related to the Carmel Valley Basin; and

WHEREAS, the District is committed to its legislatively created mandate to manage the surface water and groundwater resources in its jurisdiction; and

WHEREAS, adoption of this Resolution does not constitute a "project" under California Environmental Quality Act Guidelines Section 15738(b)(5) including organizational and administrative activities of government because there would be no direct or indirect physical change in the environment; and

WHEREAS, prior to adopting a resolution of intent to establish the District as a GSA, Water Code Section 10723 requires the local agency to hold a public hearing, after publication of notice pursuant to California Government Code Section 6066, on whether or not to adopt a resolution to establish a GSA; and

WHEREAS, pursuant to Government Code 6066, notices of a public hearing on whether or not to adopt a resolution to establish a GSA were published on September 7, 2015 and September 14, 2015; and

WHEREAS, on September 21, 2015 this District held a public hearing regarding the adoption of a resolution to establish the District as GSA for the Carmel Valley Alluvial Aquifer (also referred to as the Carmel Valley Basin);

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Monterey Peninsula Water Management District:

1. Hereby establishes the District as the Groundwater Sustainability Agency for the Carmel Valley Alluvial Aquifer; and
2. Hereby authorizes the General Manager or his designee to provide a copy of this resolution and a Notice of Intent to the California Department of Water Resources within 30 days and to otherwise comply with the requirements of Water Code Section 10723.8(a); and
3. All the recitals in this Resolution are true and correct and the District so finds, determines, and represents.

On motion of Director _____, and second by Director _____, the foregoing resolution is duly adopted this ___ day of September, 2015 by the following votes:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a resolution duly adopted on the ___ day of September, 2015.

Witness my hand and seal of the Board of Directors this ___ day of September, 2015.

David J. Stoldt
Secretary to the Board

EXHIBIT 2-B

Notice of Public Hearing

NOTICE OF PUBLIC HEARING: Monday, September 21, 2015 – 7:00 pm, Conference Room of the Monterey Peninsula Water Management District, 5 Harris Court, Bldg. G, Monterey, CA 93940, at a Regular Meeting of the Monterey Peninsula Water Management District Board of Directors: Public Hearing, discussion, and possible action to establish the Monterey Peninsula Water Management District (MPWMD) as the Groundwater Sustainability Agency for the Carmel Valley Alluvial Aquifer, located within the County of Monterey and the boundaries of the MPWMD pursuant to California Water Code Section 10723. Draft copies of the proposed resolution to establish MPWMD as the Groundwater Sustainability Agency for the Carmel Valley Alluvial Aquifer, the detailed agenda and related files will be available at least 72 hours before the scheduled meeting at the MPWMD website <http://www.mpwmd.net/asd/board/boardpacket/2015/2015.htm> or by calling 831-658-5610.

All interested parties are invited to attend the public hearing and present their views. Individuals who are unable to attend the public hearing may submit written comments regarding the subject of the hearing to the MPWMD by the time the proceedings begin on September 21, 2015. Submit written comments to the MPWMD office at 5 Harris Court Bldg., G Monterey, or mail them to PO Box 85, Monterey, CA, 93942; email to arlene@mpwmd.net or fax to 831-644-9560. These comments will be brought to the attention of the Board of Directors and will become part of the official public record. In accordance with Water Code Section 10723.4, any person that would like to receive notice regarding Groundwater Sustainability Plan preparation, meeting announcements, or availability of draft plans, maps and other relevant documents, please submit a written request to Arlene Tavani at the address, fax or email address listed above.

If you have questions regarding this notice or the matters to be heard, please contact Arlene Tavani at (831) 658-5652 or arlene@mpwmd.net. Please refer to the MPWMD website <http://www.mpwmd.net/SGMA/CVAA/CVAAPage.htm> for updates throughout the process of establishment of the Groundwater Sustainability Agency and development of a Groundwater Sustainability Plan for the Carmel Valley Alluvial Aquifer.

EXHIBIT 2-C

Draft Notice of Intent

September 25, 2015

Mark Nordberg, GSA Project Manager
California Department of Water Resources
P.O., Box 942836
Sacramento, California 94236

Re: Notice of Intent to Become a Groundwater Sustainability Agency (GSA) and to Prepare a Groundwater Sustainability Plan for the Carmel Valley Alluvial Aquifer (Carmel Valley Basin)

Dear Mr. Nordberg,

Pursuant to Water Code Section 10723.8, the Monterey Peninsula Water Management District (District) hereby notifies the California Department of Water Resources (DWR) of its intent to undertake sustainable groundwater management of Carmel Valley Basin with boundaries as identified in DWR Bulletin 118, Update 2003. This basin is also referred to as the Carmel Valley Alluvial Aquifer. This basin is classified by DWR as a high-priority basin under the Sustainable Groundwater Management Act.

The District service area boundary wholly encompasses the Carmel Valley Alluvial Aquifer. There are no other GSAs operating within the groundwater basin. The District's service area boundaries and our understanding of the Aquifer's boundaries are contained as GIS shapefiles on the CD-ROM enclosed.

After a September 21, 2015 public hearing held in accordance with Water Code Section 10723(b), the District adopted the attached Resolution No. 2015-17 establishing the District as GSA. No new bylaws, ordinances, or other authorities were adopted in conjunction with the establishment of the GSA. A copy of the resolution is attached. Public notices published prior to the September 21, 2015 public hearing provided information regarding how interested parties can participate in the development and implementation of the GSP, in accordance with Water Code Section 10727.8. In addition, the District's website provides information on how to participate in the process. Pursuant to Water Code Section 10727.8, a written statement regarding how interested parties can participate in the development and implementation of a Groundwater Sustainability Plan has been provided to the Monterey County Board of Supervisors.

In accordance with Water Code Section 10723.2, the District will consider the interests of all beneficial uses, users of groundwater within its management areas, and other interested parties. In accordance with Water Code Section 10723.4, a list of Interested Parties has been established and will be maintained. Pursuant to Water Code Section 10723.8(a)(4), these Parties' interests will be considered in the operation of the GSA and the development and implementation of Groundwater Sustainability Plans (GSPs) as attached hereto:

If you require further information regarding these matters or have any questions, please contact Joe Oliver of my staff at 831-658-5640 or joe@mpwmd.net.

Sincerely,

General Manager

Attachments:

List of Interested Parties
District Resolution No. 2015-17

Enclosure: 1 CD

DRAFT

**Carmel Valley Alluvial Aquifer
Groundwater Sustainability Plan**

List of Interested Parties

Monterey Peninsula Water Management District
California American Water Company
State Water Resources Control Board
Carmel River Advisory Committee
Carmel Valley Association
Carmel River Steelhead Association
Monterey County Department of Environmental Health
(TO COME Develop List of all CVAA Pumpers)

DRAFT

RECOMMENDATION: The Water Supply Planning Committee should consider a recommendation for grant approval to the Board at its September 21, 2014 meeting.

DISCUSSION: Project eligibility, requirements that staff and Water Supply Planning Committee will consider are as follows:

Project Purpose: 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;

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 above?

Evaluation: Projects are 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
- District goals identified 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.

EXHIBITS

- 3-A** Pebble Beach Company Local Water Project Grant Application
- 3-B** City of Monterey Local Water Project Grant Application
- 3-C** City of Seaside Local Water Project Grant Application
- 3-D** City of Pacific Grove Local Water Project Grant Application

PEBBLE BEACH COMPANY
Del Monte Golf Course TEST WELL PROJECT
Project
Grant Application Form

RECEIVED

AUG - 6 2015

DATE: July 29, 2015

MPWMD

Eligibility Summary

- Project Geographic Eligibility:** The Del Monte Golf Course is within the geographic boundaries of the Monterey Peninsula Water Management District ("District"). Benefits of the Test Well Project accrue to all water users within the territory of the District.
- Project Sponsor:** The Pebble Beach Company is the Project Sponsor and is a California General Partnership located within District boundaries.
- Project Purpose Eligibility:** Discovery and utilization of well water will produce a new, non-potable supply to off-set the potable supply currently used by the Del Monte Golf Course (Course) for irrigation. This off-set amount will be distributed by the District to be used for other potable supply purposes throughout the community.
- Matching Requirement:** The Pebble Beach Company requests matching funds of \$100,000 to off-set the cost estimated @ \$160,000 to \$200,000 required to perform the Test Well work.

Requirements

- 1) Project Sponsor: Pebble Beach Company
- 2) Type of entity: Private entity
- 3) Project Title: Del Monte Golf Course Test Well
- 4) Project Sponsor Contact Information: Mr. Brent Reitz
Project Manager
Pebble Beach Company
4005 Sunridge Road
Pebble Beach, CA
93953
(831) 625-8498
reitzb@pebblebeach.com
- 5) Amount of Funding Requested \$100,000.00
- 6) Project Geographic Location: City of Monterey
- 7) Project Purpose and Description.
 - a. Purpose of the project – Identify potential non-potable water source for golf course irrigation in an effort to free-up potable water for alternative District distribution.
 - b. Description of the project – Geologic Mapping, Research & Recommendations are complete. The scope of this funding request consists of; Project Management, Permitting, Final Well Design, Test Well Drilling Operations & Water & Well Testing. These are the next steps required to search for a self-sustainable water source for The Del Monte Golf Course.

Facilities:

The Del Monte Golf Course has been in continuous use as a golf course since the 1890's. The Course has historically been irrigated with water from the municipal supply system of the Monterey Peninsula -- first from the systems that preceded California-American (Cal-Am), and now, from Cal-Am. Water supply availability on the Monterey Peninsula is increasingly impacted by regulatory and environmental constraints and all solutions under consideration to mitigate the problem will significantly increase the cost of water.

Given this, the Pebble Beach Company is looking for an alternative supply for irrigation of the Course.

Major Components:

1. The first component of the Project consisted of hiring a Consulting Hydrogeologist to develop an alternative groundwater supply on the Course property by reviewing available data to assess hydrogeologic conditions underlying and proximate to the site. The report recommendations were to construct a test well as the next step in determining the feasibility of the project. Once completed, *Actual* water testing results can be derived vs. hypothetical assumptions. Pebble Beach Company paid for this report in 2013.
2. The second phase of the project is constructing a single test well in order to obtain underground water testing results.
3. The third component of the project will be a complete evaluation of the well drilling and water testing results. Water will be tested for quality to ascertain what, if anything will be required in the way of treatment to be suitable for golf course irrigation. Flow testing will be performed in an effort to determine the need, or desire, to drill additional wells. From these actual results, logical decisions can be made related to future scope & new supply implementation.
4. This grant application is to cover the costs of the second & third phase of the work referred to above.

Operations:

The Del Monte Golf Course currently uses approximately 124 acre-feet of irrigation water annually, with a peak month consumption of approximately 23 acre-feet. This water is supplied from the California-American Water Company system.

8) District 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?

Yes, the project noted above would supply an additional non-potable water source that could be used for irrigation purposes.

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?

Yes, the project ultimately will be used to offset outdoor irrigation that currently uses potable water.

9) Technical Feasibility of Project. Information about the project and include as exhibits or define links to documents or websites for future reference.

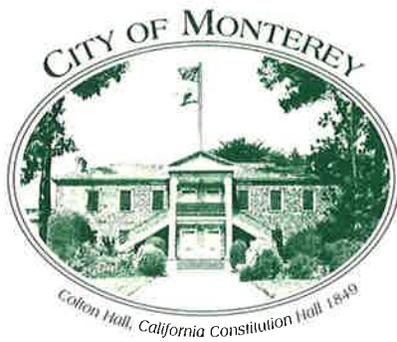
Please see our response to Item 7 above.

10) Project Schedule. Describe basic project schedule milestones including, but not limited to feasibility study, conceptual design, CEQA/NEPA Process, other permits required, etc. Major milestones included in the schedule are as follow:

The well is expected to be drilled and tested by OCT 15-2015

11) 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.

Please see our response under “Matching Requirement” above.



RECEIVED

AUG 31 2015

MPWMD

DEPARTMENT OF PLANS & PUBLIC WORKS

August 31, 2015

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

RE: City of Monterey MPWMD Local Water Project Grant Application

Dear Mr. Stoldt:

Attached please find the City of Monterey's application for the 2015 Local Water Project Grant through the Monterey Peninsula Water Management District.

We appreciate your consideration of our project for receipt of grant funding.

Should you have any questions regarding the application, please contact Megan Beckman at (831) 242-8724 or beckman@monterey.org.

Sincerely,

A handwritten signature in blue ink that reads "Jeff Krebs".

Jeff Krebs, P.E.
Principal Engineer
Planning, Engineering and Environmental Compliance
City of Monterey

Enclosures: City of Monterey MPWMD Local Water Project Grant Application
Letter of Support from City of Pacific Grove
Letter of Support from Department of the Army

Monterey Peninsula Water Management District Local Water Project Grant Application

1. Name of Project Sponsor

City of Monterey, Plans and Public Works Department

2. Type of Entity

Public Entity, City of Monterey

3. Project Name or Title

Monterey Regional Water Recovery Study

4. Project Sponsor Contact Information

Jeff Krebs, P.E.
Plans and Public Works
City of Monterey
580 Pacific St, Rm 7
Monterey, CA 93940

5. Amount of Funding Requested

\$85,000

6. Geographic Location of Project

Monterey Peninsula: Cities of Monterey, Pacific Grove, Seaside, and Monterey County

7. Project Purpose and Description

Task A-1: Examine the feasibility of Peninsula-wide water recovery and reclamation system and possibilities for sources, including finding uses of storm and non-storm water flows. Utilizing storm and non-storm water flows will reduce the Peninsula's dependence on the Carmel River aquifer, a river that supports the local steel head salmon population, as well as reduce the dependence on, and the recovery of, local aquifers.

This project will examine the feasibility of Peninsula-wide water recovery and reclamation system, impacting the cities of Pacific Grove, Monterey, and Seaside, Presidio of Monterey, Naval Post Graduate School, Monterey Peninsula Regional Parks District, Monterey County, and the PCA. This is the first step toward implementing capital improvements to accomplish the task of providing a reliable local source of water and regional storm water management.

The study will explore many possibilities for sources, including the capture of water at the Peninsula's major drainages at El Estero, Laguna Grande (Roberts Lake), David Ave Reservoir, and Del Monte (Navy) Lakes, installation of small and inconspicuous sewage reclamation stations, capture and diversion of waters that flow into the Pacific Grove

Area of Special Biological Significance (PGASBS), as well as the possible integration of all sources to optimize yield. Additionally, the study seeks to determine which sources of urban runoff can be feasibly harvested; which surface reservoirs are economically feasible; and identify water quality challenges associated with each source.

Task A-2: Coordinate outreach to multiple jurisdictions to determine stakeholder involvement.

Task B: Focus on how best to transport, treat, and store the water

Finding possible sources of water is but one critical aspect; this study will also focus on how best to transport, treat, and store the water. Possibilities include a bi-directional reclaimed water main that could transport non-potable water to and from the Peninsula area; smaller local treatment systems; larger regional systems, such as transport to Marina treatment works with integration into the California American (CalAm) system; and treatment and injection into local aquifers including aquifers currently containing non-potable water, such as can be found within the cities.

Task C: Develop conceptual design for the preferred project and at least one feasible alternative.

Task C-1: Work with a Technical Advisory Committee during development of concept design

Task C-2: Prepare conceptual design plans with sufficient detail of project facilities for environmental review of the preferred project and at least one feasible alternative

Task D: Identify the need for drainage basin water rights permits from the State Water Resources Control Board.

Task E: Prepare the CEQA/NEPA environmental review document

Task E-1: Prepare an initial study (IS) in conformance with the California Environmental Quality Act (CEQA) of 1970, Section 21000 et. seq. of the CEQA Guidelines (California Administrative Code Section 15000) for the proposed project. The IS will provide an analysis describing potential environmental impacts associated with the proposed project, and determine if MND/EIR is required.

The proposed IS will include the following sections:

- CEQA Determination Page
- *Table of Contents*
- *Introduction*: This section will cite the environmental review requirements of the proposed project, pursuant to CEQA.
- *Project Description*: This section will describe the proposed project. A brief description of the project's location, environmental setting, and existing uses within the area affected will be included. Text and exhibits will be used to describe and illustrate the characteristics of the proposed project. The environmental document will include a maximum of four (4) exhibits to enhance the written text and clarify the project and potential environmental impacts. Exhibits are anticipated to include: Regional Vicinity Map, Local Vicinity Map, Site Plan, and details and sections.

- *Evaluation of Environmental Impact:* Use the environmental checklist in Appendix G of the CEQA Guidelines to address the environmental topics of CEQA. This section will describe the potential impacts and mitigation measures for the proposed project.

Task E-2: At the time of grant submittal, the city lacks available funding to complete the CEQA process; however, the City will actively pursue the additional funding to complete the environmental review. Should this funding become available, the City will prepare the Public Review Draft IS/MND or EIR, as determined to be required.

Task F: Develop project implementation work plan

Task F-1: Identify additional permitting and regulatory requirements,

Task F-2: Develop project timeline/schedule

Task F-3: Prepare project work plan

8. 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?

Dependent on the feasibility of project implementation, a portion of water could be reserved for drought rationing in the future.

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?

The City will request a certain amount of water to be allocated to the City of Monterey and anticipates a portion for use within their jurisdiction.

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?

The project will explore the feasibility of treating water to potable surface water standards to allow transport into the Seaside Aquifers 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?

Multiple benefits to the region are expected as an outcome of project implementation, including reduced dependence upon existing surface and sub-surface waters. A

potential reduction in flows to the Pacific Grove Area of Special Biological Significance, a requirement of the State Water Resources Control Board, may also be achieved.

9. Technical Feasibility of this Project

This project will use existing studies, including the Monterey Vista Study, 1999 Fugro Report and ASBS Refined 2006 Feasibility Study of Alternatives Management Plan, which provide proof that the project is technically feasible, and explore other options for water reclamation, treatment and storage. (See supporting documents)

10. Project Schedule

See table below for proposed project timeline.

Schedule Category		Start Date	Completion Date
1	Project Administration	October 30, 2015	December 31, 2017
2	Assumed Grant Application approval and receipt by City Council	October 30, 2015	December 15, 2015
3	Send out RFP, review, and award contract	January 1, 2016	April 30, 2016
4	Task A: Examine the feasibility of Peninsula-wide water recovery and reclamation system and possibilities for sources; Stakeholder outreach and coordination	May 1, 2016	July 31, 2016
5	Task B: Focus on how best to transport, treat and store the water.	August 1, 2016	September 30, 2016
6	Task C: Develop conceptual design for the preferred project and at least one feasible alternative.	October 1, 2016	January 30, 2017
7	Task D: Obtaining drainage basin water rights.	October 1, 2016	January 30, 2017
8	Task E: Prepare the CEQA/NEPA IS environmental review document	February 1, 2017	June 30, 2017
9	Task F: Develop project implementation work plan.	July 1, 2017	December 31, 2017

11. Project Financing

See table below for proposed project financing.

Budget Category		City Share (Cost Match) 50%	Requested District Share (Grant Funding) 50%	Total 100%
1	Direct Project Administration Costs (6%)	\$5,100	\$5,100	\$10,200
2	Task A: Examine the feasibility of Peninsula-wide water recovery and reclamation system and possibilities for sources; Stakeholder outreach and coordination	\$10,000	\$10,000	\$20,000
3	Task B: Focus on how best to transport, treat and store the water	\$20,000	\$20,000	\$40,000
4	Task C: Develop conceptual design for the preferred project and at least one feasible alternative.	\$34,000	\$34,000	\$68,000
5	Task D: Obtaining drainage basin water rights.	\$5,000	\$5,000	\$10,000
6	Task E: Prepare the CEQA/NEPA IS environmental review document	\$5,900	\$5,900	\$11,800
7	Task F: Develop project implementation work plan.	\$5,000	\$5,000	\$10,000
	Grant Total [Sum (a) through (g) for each column]	\$85,000	\$85,000	\$170,000
	Source(s) of funds for Non-State Share (cost match)	NIP	n/a	

12. Annual Cost of Water

Cost per acre-foot of water produced per year will be determined by the study outcome.

13. Land and Right of Way Requirements Status

The drainage basins' utilized surface water rights will be required.

14. Permits

Required permits will be determined through implementation of the work plan.

15. Consultants, Plans, and Bids

The City will follow city purchasing rules regarding the use of hiring consultants and requesting bids, which includes the RFP (Request for Proposals) and Call for Bids process.



CITY OF PACIFIC GROVE
300 Forest Avenue □ Pacific Grove, California

August 28, 2015

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

RE: City of Monterey MPWMD Local Water Project Grant Application

Dear Mr. Stoldt:

This letter is written in support of the City of Monterey's MPWMD Local Water Project Grant application to conduct a Monterey Regional Water Recovery Study. The Study will examine the feasibility of creating a Peninsula-wide water recovery and reclamation system and possibilities for sources, including finding uses of storm water flows to reduce ocean pollution. For several years the City of Pacific Grove has collaborated with the City of Monterey on projects and studies regarding storm water management and the water quality of the Pacific Grove Area of Special Biological Significance. The City of Pacific Grove looks forward continuing this relationship as it applies to the Study.

The Study is the first step toward implementing capital improvements to provide a reliable source of water to the Monterey Peninsula. The Study will positively impact both the City of Monterey and City of Pacific Grove as well as the City of Seaside, Monterey County, Presidio of Monterey, Naval Post Graduate School, Monterey Peninsula Regional Parks District, and the Monterey Regional Water Pollution Control Agency.

The City of Pacific Grove strongly supports this application and encourages the approval of funding.

Sincerely,

Thomas Frutchey
City Manager



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
UNITED STATES ARMY INSTALLATION MANAGEMENT COMMAND
HEADQUARTERS, US ARMY GARRISON, PRESIDIO OF MONTEREY
DIRECTORATE OF PUBLIC WORKS
BLDG. 4463 GIGLING RD. - PO BOX 5004
MONTEREY, CA 93944-5004

IMPM-PW

18 August 2015

MEMORANDUM FOR: David J. Stoldt, General Manager, Monterey Peninsula Water Management District.

SUBJECT: Letter of Support for Local Water Project Grant Application for Monterey Regional Water Recovery Study

Mr. Stoldt,

My name is Andrew Stillwell and I am the Public Utilities Manager for the US Army Garrison Presidio of Monterey and Ord Military Community. I manage all of the privatized utility contracts the US Army has with local utility providers, including the storm water contract we have with the City of Monterey.

I am writing this letter to support the City of Monterey's application for grant funding to conduct a Monterey Regional Water Recovery Study. This study will examine the feasibility of creating a peninsula-wide water recovery and reclamation system, including possibilities for sources and reducing storm water flows to the ocean. This study is the first step toward implementing capital improvements to accomplish the task of providing a reliable, local, source of water. This project will have a direct, positive, impact on the Monterey Peninsula including the Presidio of Monterey.

As we all know, water is a precious resource on the Monterey Peninsula and I strongly support this application. Anything we can do to conserve or reclaim water and identify new water sources is money well spent during this drought and I hope that you will support this application as well.

Please feel free to contact me at 831-242-3100 or andrew.n.stillwell.civ@mail.mil if you have any questions or concerns.

ANDREW STILLWELL
Public Utilities Manager
Directorate of Public Works
USAG Presidio of Monterey



RESOURCE MANAGEMENT SERVICES

440 Harcourt Avenue Telephone (831) 899-6737
Seaside, CA 93955 FAX (831) 899-6211

RECEIVED

SEP -1 2015

MPWMD

September 1, 2015

David J. Stoldt, General Manager
Local Projects Application
Monterey Peninsula Water Management District
PO Box 85
Monterey, CA 93942-0085
Via email dstoldt@mpwmd.net

Subject: Grant Application for Local Water Project

Please find enclosed an application for grant monies to design and construct a system to provide non-potable water for public works activities such as sewer line cleaning, street sweeping, storm drain cleaning, and other irrigation and construction needs. The City of Seaside proposes to design and construct modifications to an existing irrigation well located in Laguna Grande Park to provide water to public works vehicles and others needing water for maintenance and construction activities. Since the Laguna Grande well does not draw water from the Carmel River Basin or the Seaside groundwater basin, the proposed project would benefit both the Cal Am and Seaside Municipal Water System. The City believes that other municipalities and construction firms would also benefit as the water would be made available to those wishing to draw water from the proposed hydrant.

Please contact Rick Riedl, Senior Civil Engineer to discuss any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim O'Halloran". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tim O'Halloran, PE
City Engineer / Public Works Services Manager

Copy: John Dunn, City Manager
Diana Ingersoll, Deputy City Manager – Resource Management Services
Rick Riedl, Senior Civil Engineer

Grant Application by City of Seaside Local Water Project

September 1, 2015

Eligibility Summary

- Project Name:** Public Works Non-Potable Water from the Laguna Grande Well
- Project Geographic Location:** Project is located in the City of Seaside along Canyon Del Rey Boulevard near Harcourt Ave (36°36'14.79"N, 121°51'16.93"W)
- Project Sponsor:** City of Seaside, a public entity.
- Project Purpose:** The proposed project will offset existing potable water used for public works and construction activities. The project would produce non-potable water for public works activities such as sewer line cleaning, street sweeping, storm drain cleaning, and other irrigation and construction needs. The water would be made available to other public entities external to the City of Seaside. The water could also be used for private project construction water needs.
- Since the Laguna Grande well does not draw water from the Carmel River Basin or the Seaside groundwater basin, project benefits would accrue to Cal Am and Seaside Municipal Water System. Activities that currently use potable water for sewer line flushing, street sweeping, storm drain cleaning, irrigation and construction grading could use the proposed project to offset the use of potable water from these entities.
- Project Description:** The proposed project would modify an existing irrigation well located in Laguna Grande Park. The project would add motor controls, flow controls, below grade piping and a hydrant for filling vehicles. Vehicles needing water would park on Canyon Del Rey Boulevard or in the Laguna Grande parking lot to fill up by attaching a hydrant meter and hose to the proposed hydrant.
- The project could deliver water from the proposed hydrant at the maximum safe filling rate of about 200 gpm. The actual maximum filling rate would be determined during the design phase. The water would be available year round.
- The City proposes to hire an engineering firm to design the system and then solicit bids for construction. Design and construction is estimated to take about nine months.
- Requested Funds:** The city is requesting \$132,000 to design and construct the project. Additional funding would be required to operate and maintain the project.

Grant Application by City of Seaside
Local Water Project

The City proposes that users of the facilities would be billed for usage to compensate for operation and maintenance costs. Additional charges to reimburse for capital may be warranted.

Matching Funds: The City of Seaside does not have matching funds available. However, reimbursement of funds expended could be derived from user fees. The City is interested in discussing with the District possible methods of reimbursement of grant funds.

Technical Feasibility: The existing well produces about 20 acre-feet per year (AFY) for irrigation. Since the well is used for irrigation, it produces water at about 600 gpm. The proposed project would install controls on the well to reduce the flow to a safe and manageable flow for the filling trucks. The proposed project would control the flow for filling vehicles by adding a variable frequency drive (VFD) and accumulator tank with automatic shut off. In this way, the well pump would run at a much lower rate that would be safe for filling vehicles.

Project Schedule: The proposed project is shown below in days after notification of grant award.

- Award Design 60 days
- Complete CEQA 90 days
- Complete Design 120 days
- Bidding 180 days
- Award Construction 240 days
- Complete Construction 270 days

No additional permits would be required as the well is not located within the Coastal Zone (see Figure 1-2a, "Coastal Zone Subareas" from Seaside's LCP) or the Seaside Groundwater Basin.

Project Financing: Estimated project costs are as follows

- Construction \$72,000
- Planning, Design and Permitting \$30,000
- Contingency 30% \$30,000
- Total Estimated Cost \$132,000

If the District does not provide a grant for the entire project amount, the City is unable to fund the project and would not proceed.

Grant Application by City of Seaside
Local Water Project

Annual Cost of Water: Estimated annual operating costs for producing 5 AF of water for public works vehicles are as follows:

- Electricity \$2,500
- Maintenance \$3,700
- Capital Cost Recovery (Construction Costs)
(20 years at 2.5% IRR) \$6,000
- Capital Cost Recovery (Soft Costs)
(50 years at 2.5% IRR) \$1,400
- Total Annual Cost \$13,600

Assuming the system produces 5 AFY, the annual cost of water would be \$2,720 per AF.

Land The land is owned by the City of Seaside and the Monterey Peninsula Regional Parks (APN 011-371-006).

Permits No permits are envisioned for the proposed project because the site is owned by the City and a similar non-potable water filling station was previously operated by the City at this site. The previous system (now defunct) did not have a motor or flow control but instead wasted excess water to the lake to provide the remainder as safe and manageable flows for filling vehicles.

Consultants, Plans, and Bids The City would retain consultants to prepare construction documents that would be used to solicit competitive bids to construct the project. The City received a proposal from Salinas Pump several years ago to install a system similar to the one proposed and was used as a basis for this cost estimate.

Attachments

Figure 1-2a, "Coastal Zone Subareas" from Seaside's LCP showing proposed project location

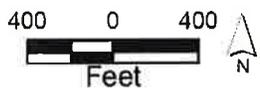


Figure 1-2a
Coastal Zone Subareas





CITY OF PACIFIC GROVE
Public Works Department
300 Forest Avenue, Pacific Grove, CA 93950

RECEIVED

SEP -1 2015

MPWMD

September 1, 2015

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

RE: Pacific Grove Ocean View Boulevard Stormwater Project Grant Application

Dear Mr. Stoldt,

The City of Pacific Grove is pleased to submit the attached application for funding from the Monterey Peninsula Water Management District for the Ocean View Boulevard Stormwater Project. The City is requesting \$75,000 in funding from MPWMD this fiscal year, matched by a City contribution of \$75,000. The Project has potential to produce 417 AFY of potable water supply from stormwater that currently flows to the Monterey Bay and Pacific Ocean.

The project would divert both wet and dry weather flows from Pacific Grove and New Monterey watershed areas into upgraded stormwater collection and treatment systems. This water can contribute to the Groundwater Replenishment Project in the Seaside Groundwater Basin for withdrawal and distribution as potable water by Cal-Am under the management of the District.

We look forward to your consideration of our request and to continue to work together collaboratively to address water issues facing the Monterey Peninsula region.

If you have any questions, please contact me at (831) 648-3188 or jkahn@cityofpacificgrove.org.

Sincerely,

Jessica Kahn
Environmental Programs Manager

Local Water Project Grant/Loan Application

- 1) Name of Project Sponsor: City of Pacific Grove
- 2) Name of Project Sponsor: (i) Public Entity
- 3) Project Name or Title: Ocean View Boulevard Stormwater Project
- 4) Project Sponsor Contact Information: Jessica Kahn, PE, Environmental Programs Manager
City of Pacific Grove Public Works Department
300 Forest Ave
Pacific Grove, CA 93950
t(831)648-3188
jkahn@cityofpacificgrove.org
- 5) Amount of Funding Requested: \$75,000
- 6) Geographic Location of Project: The project is located in the City of Pacific Grove, primarily within the Ocean View Boulevard right-of-way from Forest Avenue west to the retired PGWWTP at Point Pinos.

7) Project Purpose & Description:

The primary project purpose is to update and complete the planning, engineering and regulatory analysis to produce a new potable water supply from stormwater that currently flows to the ocean and is not in compliance with the Pacific Grove ASBS Special Protections.

The project would produce up to 417 AFY of new potable water for the region while achieving up to a 90% reduction in pollutant loading during storm events. This will be accomplished by the completion of the plans to extend the City's successful dry weather stormwater elimination program both seasonally and geographically. Dry and wet weather stormwater system flows would be captured, diverted and conveyed to MRWPCA RTP and the advanced water treatment facility for participation in the Pure Monterey (formally Groundwater Management Project or GWR) project.

Additional project objectives and benefits:

- a. Produce an in lieu potable water offset that fully integrates with the City's Satellite Recycled Water Treatment Plant Project at Point Pinos (i.e., Pacific Grove's "Local Water Project") and that is financially and technically feasible;
- b. Produce new potable water by developing dry and wet weather storm system flows that supplement source water to the MRWPCA's indirect potable reuse project;
- c. Contribute new supplies of recycled storm water into regionally available potable water supplies;
- d. Effectively manage nuisance water discharges and watershed runoff in a manner that protects water quality and facilitates reuse;
- e. Facilitate future additions of stormwater BMPs for capture and reuse that will further enhance water quality and recycled stormwater reuse;
- f. Expand existing dry weather diversion system to collect runoff west of Lovers Point and thereby eliminate current ocean discharges;
- g. Reduce regulatory uncertainty by addressing the requirements of the ASBS Special Protections that impact the cities of Monterey and Pacific Grove;
- h. Produce a project that is operationally consistent with and does not exceed hydraulic capacities of MRWPCA's collection and treatment systems; and,
- i. Result in a project that maximizes its eligibility for additional state and federal financial support for design completion, construction, and operation.

Project Description: The project would divert both wet and dry weather flows from Pacific Grove and New Monterey watershed areas into upgraded stormwater collection and treatment systems. Flows would be directed to a new stormwater detention facility at the former Point Pinos Wastewater Treatment Plant site and the MRWPCA RTP in Marina. MRWPCA would use this water to serve its Groundwater Replenishment Project in the Seaside Groundwater Basin for withdrawal and distribution as potable water by Cal-Am under the management of the District.

The City of Pacific Grove, in collaboration with the City of Monterey, has completed a 40 percent engineering design development. The analysis defines the Ocean View Boulevard Conveyance System sub-project and a Point Pinos sub-project that includes the proposed stormwater treatment facility. A project EIR was certified for a comprehensive ASBS Stormwater Management Project. The EIR includes Alternative 2: Treatment at the MRWPCA. This grant application focuses on several portions of the five sub-projects developed in those documents with proposed modifications of the Ocean View Boulevard Conveyance and Point Pinos Stormwater Treatment Facility and Crespi Pond sub-projects.

The hybrid project would consider stormwater detention at the PPWWTP Site. However, treatment of stormwater would be excluded since stormwater does not need to be treated before discharge to the sewer. One or more CDS units would be included to keep debris out of the system. Detention facilities would be sized and constructed adequate for the diverted stormwater flows to the PPWWTP site, thereby not overloading the MRWPCA.

MRWPCA would receive 100% of the diverted storm water that would supplement source waters to Pure Monterey as indirect potable reuse and to Castroville Seawater Intrusion Project (CSIP) for non-potable irrigation reuse. Stormwater flows would be metered into the sewage collection system in close coordination with the MRWPCA.

When stormwater flows exceed the 85 percentile event, diversion pumps could be shut off and stormwater would flow as currently occurs. Optionally, the City could capture end of season flows for management within its Satellite Recycled Water Treatment Plant project.

Onsite detention storage capacity could similarly be managed to produce a “peaking volume” that the City can draw upon if needed to meet peak irrigation demands, thereby adding flexibility into its recycled water system.

Grant funds would be used for the following purposes:

- Analyze a new hybrid project consisting of conveyance, detention and discharge facilities to MRWPCA that makes optimal use of existing facilities. This new project would be a hybrid of the 40% Design Engineering study, its alternative, and the Alternative 2 presented in the certified ASBS EIR;
- Update the engineering design of the ASBS Stormwater Management Project in conformance with the City’s Satellite Recycled Water Treatment plant Project;
- Confirm and update the underlying assumptions for hydraulic, hydrologic, civil engineering, environmental and regulatory analysis;
- Review and confirm inclusion of previously identified project alternative components for inclusion in the final project description;
- Update the project to be consistent with other regional water supply projects (City of Monterey’s David Avenue Reservoir Project), MRWPCA’s Pure Water Monterey Project (formally GWR), the Castroville Seawater Intrusion Project (CSIP), and Cal-Am’s seawater desalination project (Monterey Peninsula Water Management Project) and the City’s Satellite Recycled Water Project;
- Prepare and submit application packages for grants and low interest loan financing from the SWRCB, DWR, USEPA, and others as applicable.

Proposed Project Facilities: The following facilities have been identified from studies completed to date. These facilities represent the current status of the project and are subject to revision based on the results of this project and the development of a new hybrid project.

- a. Approximately 1,100 feet of new gravity storm drain pipeline and 8,000 feet of pipe lining within an existing abandoned sewer force main;
- b. Diversion and bypass structures to direct stormwater from the existing storm drains into the new system components;
- c. A 320,000-gallon underground storage facility at the intersection of Caledonia Street and Pacific Avenue.
- d. A new CDS unit to remove trash and sediment prior to entering the new underground storage facility;
- e. Three new pump stations along Ocean View Boulevard designed to convey stormwater through the retrofitted existing sewer force main to the PGWWTP site;
- f. A 430,000 gallon Wet Weather Equalization Basin; and,
- g. Approximately 1,800 LF of Conveyance Pipeline.

8) District Goals:

8.1 *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?*

Yes: the proposed project will divert up to an estimated 417 AFY (almost 136 million gallons per year or roughly, when converted to potable water supplies, enough to meet the annual needs of about 2,000 families). The stormwater produced by this project would be used as an additional source to the Pure Monterey Project (GWR) for indirect potable reuse and if needed for the CSIP for agricultural irrigation by banking produced water into the Seaside Groundwater Basin (SGWB).

8.2 *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?*

Yes. Water diverted by the proposed project would be purified at the RTP and then injected into the SGWB to renovate the basin. Water injected into the SGWB would be under the management of the District and therefore available for future reallocation to the jurisdictions.

8.3 *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?*

Yes. The proposed project would specifically convey stormwater to the RTP for recycling and participation in the GWR for injection into the Districts Aquifer Storage and Recovery (ASR) Project. See responses to 8.1 and 8.2 above.

8.4 *Are there multiple benefits to the region or the State as described in section 6, above?*

Yes. Multiple benefits result to the region and the State as identified in Section 7.a through 7.i above. These benefits include water quality protection, water supply augmentation, improvements to water supply reliability and drought protection as well as both non-potable and indirect potable reuse. From a statewide basis the proposed project helps to strengthen the regional self-sufficiency for water supplies while protecting valuable environmental resources of offshore habitat.

9) Technical Feasibility of Project:

Based on the work completed to date, the proposed project has been determined to be technically feasible. A hyperlink to the 40% Design Engineering Report is attached:

<http://www.cityofpacificgrove.org/modules/showdocument.aspx?documentid=10782>

The environmental documentation for the City's overall stormwater program, inclusive of this proposed project is available at the following hyperlinks:

Draft EIR: [http://www.monterey.org/Portals/1/peec/stormwater/Monterey-PG ASBS Stormwater Management Project DEIR.pdf](http://www.monterey.org/Portals/1/peec/stormwater/Monterey-PG_ASBS_Stormwater_Management_Project_DEIR.pdf)

Final EIR: <http://www.ci.pg.ca.us/modules/showdocument.aspx?documentid=10633>

Additionally, the City has already determined the technical feasibility of the current portions of the dry weather stormwater project that have been operated successfully for the past five years.

10) Project Schedule:

Table 1 presents the milestone schedule for the proposed project inclusive of the following topic areas: updating of the feasibility study, conceptual design update, supplemental CEQA/NEPA process, major permits required.

Table 1. Milestone Schedule

WBS	Milestone Activity	Start Date	End Date	(Months)	Notes:
1	Grant Award	10/01/2015	10/01/2015	0.0	Project start will occur upon authorization of MPWMD Grant.
2	Update Project Description	10/01/2015	11/30/2015	2.0	
3	SWRCB Grant Application	10/06/2015	11/20/2015	1.5	
4	Inter-Agency Coordination	10/01/2015	06/17/2016	6.0	Activity occurs throught project duration
5	Prepare Facility Plan Report	12/20/2015	06/17/2016	6.0	
6	Regulatory Coordination & Permit Aps.	12/20/2015	06/17/2016	6.0	Activity occurs throught project duration
7	CEQA - Plus	10/01/2015	03/29/2016	6.0	
8	Financial Study for Construction	04/18/2016	06/17/2016	2.0	

11) Project Financing:

11.1 Project capital costs: Preliminary engineering capital cost estimates for the proposed improvements include material and labor costs, contingency (15%), project complexity factor (15%), engineering design (13%), construction management (8%), administrative and legal fees (2.5%) and inflation factor (4%). The proposed project described in this grant proposal consists of the components presented in Table 2.

Table 2. Preliminary Project Capital Cost & Annual Debt Payment

Sub-Project	Description	Capital Costs	Annual Debt Payment
3	Ocean View Blvd. Conveyance	\$6,813,338	\$457,963
4	Point Pinos Stormwater Treatment Facility	\$4,973,686	\$334,310

11.3 Planning Phase Costs and Funding Sources: Table 3 presents the anticipated costs associated with the updates to the planning, engineering, environmental and regulatory work. Sources of these funds are also presented.

No.	Description	Costs	Sources
1	Updating of Proposed Project Description	\$40,000	MPWMD and SWRCB
2	Facilities Plan Report	\$150,000	MPWMD and SWRCB
3	Supplemental Engineering Analysis	\$45,000	IRWMP Proposition 84
4	Supplemental CEQA Plus Documentation	\$70,000	IRWMP Proposition 84
5	Regulatory Coordination & Initial Permit Aps.	\$25,000	IRWMP Proposition 84
6	Financial Study for Project Construction Funding	\$20,000	IRWMP Proposition 84

11.4 Expected method of financing the capital costs source of debt repayment and security: A part of the proposed project will be the analysis of payment for capital costs of the project. This will include a review of potential sources of funds and security. Currently the City envisions that a portion of the project would be grant fundable through the DWR Proposition 84 Program and the SWRCB State Revolving Fund low-interest loan program.

11.5 Demonstrate applicant's matching share funding without MPWMD Assistance:

The City has previously spent over \$250,000 for the urban diversion system investigations. This has included money from the City's general fund to meet these project costs.

12) Annual Cost of Water:

The costs presented in this grant application reflect the Ocean View Boulevard Conveyance and the Point Pinos Stormwater Treatment Facility sub-projects. Costs have not yet been determined for the development of the new hybrid project. The hybrid would include removal of the stormwater treatment facility at Point Pinos, removal of the Crespi Pond diversion and energy dissipater, inclusion of a new detention facility at Point Pinos or the operational controls needed to synchronize the various project components.

Therefore, for simplicity, this grant application makes use of the cost analyses for the Ocean View Boulevard and the Point Pinos Stormwater Treatment Facility sub-projects with the understanding that the hybrid project under consideration is anticipated to cost significantly less than the full costs of these two sub-projects.

12.1 Estimated operating costs and capital cost recovery on an annual basis: O&M costs were prepared in the 40% Design Study to include the cost of labor, materials, and energy for equipment, structural and landscape components. Annual operation costs were assumed to be 3% of the preliminary capital cost estimate and were projected to increase annually by 1.5% for inflation.

O&M costs for the Ocean View Boulevard sub-project were estimated at \$235,900 and \$172,300 for the Point Pinos Stormwater Treatment Facility sub-project.

12.2 Estimated cost per acre-foot of water produced per year: The estimated production costs of 417 AF/Y would be based the capital and O&M costs previously developed. Assuming a 30-year operation of the project (based on a 30-year construction SRF loan at 2%) the unit cost for the project as previously proposed would be \$2,880. It should also be noted that in addition to the potable water that results from the project a significant avoided cost from noncompliance with the ASBS Special provisions would benefit the City.

12.3 Annual and periodic renewal and replacement requirements: The annual O&M requirements are for the inspection, oversight, maintenance of the diversion pumps and pipelines. These activities are consistent with the City's current responsibilities for its existing dry weather diversion system.

13) Land:

13.1 Site and/or right-of-way requirements and status: The City owns the rights-of-way included in the proposed project. As currently configured, no new rights-of-way would need to be acquired.

13.2 Identify any approvals to date: The Final EIR for the Monterey-Pacific Grove Stormwater Management Project (SCH#: 2013101005) was certified by the City of Pacific Grove on June 18, 2014 and by the City of Monterey on August 5, 2014. The project was approved by both the City of Pacific Grove and the City of Monterey.

14) Permits required, schedule for approval, and already acquired permits:

The City of Pacific Grove is the Lead Agency for the project. The City of Monterey is a cosponsor and a Responsible Agency. The California Coastal Commission is also a Responsible Agency for the project.

Approvals and other permits that may be required from local, regional, state, and federal agencies as physical development occurs pursuant to the proposed project are as follows:

- Municipal Approvals and Permits
- City of Pacific Grove: Use Permit, Building Permit, Tree Removal Permit(s), and Encroachment Permits

State Permits:

- California Coastal Commission: Coastal Development Permit
- Central Coast Regional Water Quality Control Board/State Water Resources Control Board: Construction General Permit (CGP), Industrial General Permit (IGP) (for applicable built facilities), National Pollutant Discharge Elimination System (NPDES) Permit, Clean Water Act Section 401 certification or Waste Discharge Requirements (WDR), and compliance with existing Phase II Small Municipal Separate Storm Sewer System (MS4) General Permit requirements.
- California Department of Public Health: approval of treated stormwater for irrigation purposes
- California Department of Fish and Wildlife: 1602 Streambed Alteration Agreement
- California Department of Water Resources Division of Safety and Dams: approval of David Avenue Reservoir improvements

Federal Permits

- U.S. Army Corps of Engineers – Clean Water Act Section 404 Nationwide Permit

15) Consultants, Plans, and Bids:

The City has prepared the 40% Design Engineering and Certified EIR for the Monterey-Pacific Grove ASBS Stormwater Management Project. This proposal was prepared by Fall Creek Engineering with input from Brezack & Associates Planning (B&AP) who have assisted in the development and review of both of those documents. Additionally, B&AP has worked extensively on the development and analysis of the City's Satellite Recycled Water Treatment Plant Project that would directly integrate with this proposed project. Any consultant contracted for this project must have have knowledge and experience with the funding, analysis and review requirements for the Facilities Planning Grant, CEQA-Plus and SRF Loan financing. The City has not received any bids.