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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](mailto:beckman@monterey.org).

Sincerely,

A handwritten signature in blue ink that reads "Jeff Krebs". The signature is written in a cursive, flowing style.

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

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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.

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- *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

## EXHIBIT 16-B

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

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**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.

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### **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,

A handwritten signature in black ink that reads "Thomas Frutchey".

Thomas Frutchey  
City Manager



**EXHIBIT 16-B**



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](mailto:andrew.n.stillwell.civ@mail.mil) if you have any questions or concerns.

A handwritten signature in black ink, appearing to read "A Stillwell".

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