



# Supplement to 4/19/2021 MPWMD Board Packet

Attached are copies of letters received between March 9, 2021 and April 12, 2021. These letters are listed in the April 19, 2021 Board packet under Letters Received.

| <b>Author</b> | <b>Addressee</b>         | <b>Date</b>    | <b>Topic</b>   |
|---------------|--------------------------|----------------|--|
| Michael Baer  | MPWMD Board of Directors | March 17, 2021 | SEIR for Pure Water Expansion and the Proposed 36-Inch Bypass Pipeline |
| Kate McKenna  | David J. Stoldt          | April 5, 2021  | LAFCO Completeness Review of MPWMD Application                         |
| Nisha Patel   | David J. Stoldt          | April 5, 2021  | Grant for Local Water Project- Request for Extension                   |

U:\Joel\2021\Board Meeting\Staff Notes\April 19\Item No 18 Cover Sheet.docx



**From:** [Dave Stoldt](#)  
**To:** [Joel Pablo](#)  
**Subject:** FW: Baer to Stoldt re public comment.  
**Date:** Monday, March 22, 2021 12:03:51 PM

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**From:** Michael Baer <[mgbisme@yahoo.com](mailto:mgbisme@yahoo.com)>  
**Sent:** Wednesday, March 17, 2021 12:10 PM  
**To:** Dave Stoldt <[dstoldt@mpwmd.net](mailto:dstoldt@mpwmd.net)>  
**Cc:** David Laredo <[dave@laredolaw.net](mailto:dave@laredolaw.net)>  
**Subject:** Baer to Stoldt re public comment.

March 17, 2021

To the Honorable Chair Alvin Edwards and members of the MPWMD board,  
  
Happy St. Patrick's day everyone.

At the February 2021 M1W meeting, I made public comments related to SEIR for Pure Water expansion including comments about the proposed 36 inch bypass pipeline that was in the original SEIR for that project.

I suggested that the Peninsulans already had a 36 inch pipeline, called the Monterey Pipeline, which tore up city streets for roughly 2 years, cost \$50 million (\$10 million over budget) and was rarely being used except for some occasional ASR water which had only been switched on a few days earlier due to the meager rainfall from October through January.

I stated that we didn't need an oversized 36 inch pipeline servicing ASR and Pure Water extraction needs, and that Cal Am was attempting to piecemeal in their infrastructure for desal even though the likelihood of that project coming on line is miniscule in the face of all the deficiencies highlighted in the CCC staff report recommending denial of the permit.

After the meeting it occurred to me that I really didn't have any idea how frequently or what volume of water was being transmitted through the Monterey Pipeline, so I reached out to M1W's Mike McCullough as well as Mr. Stoldt to see if they could provide clarity on that. The answer is that nobody but Cal AM really knows how much the pipeline is being used, even though 100% of the cost has been added to the ratebase.

To reiterate: \$50 million, two years of disruption, and we don't know for sure if it's even being used. The assumption is that ASR water will be transmitted in the winter, and some Seaside Basin water will be pumped towards Pacific Grove in the summer months, but there appears to be no way to quantify that.

If the District ran the water company I'm sure the public would have access to this information, and that it would likely be a monthly feature of the general manager's excellent reporting.

So my comment is this is just another example of how when we get to eminent domain proceedings, and arguments are being made regarding public necessity, that this is an important example of the transparency that the public will have access to evaluate the agency's performance. As compared to the situation now, which has us completely in the dark on this and other issues.

I'm suggesting that in particular Mr Laredo take note of this point for future use in compiling the case.

Many thanks for the fine work you all do.

Sincerely,

Michael Baer

APR 05 2021

MPWMD

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

2021

**Commissioners****Chair**Ian Oglesby  
*City Member***Vice Chair**Christopher Lopez  
*County Member*Luis Alejo  
*County Member*Wendy Root Askew  
*County Member, Alternate*Kimbley Clark  
*City Member*Matt Gourley  
*Public Member*Mary Ann Leffel  
*Special District Member*Warren Poitras  
*Special District Member*Steve Snodgrass  
*Public Member, Alternate*Graig R. Stephens  
*Special District Member, Alternate*Anna Velazquez  
*City Member, Alternate***Counsel**Kelly L. Donlon  
*General Counsel***Executive Officer**

Kate McKenna, AICP

132 W. Gabilan Street, #102  
Salinas, CA 93901P. O. Box 1369  
Salinas, CA 93902

Voice: 831-754-5838

[www.monterey.lafco.ca.gov](http://www.monterey.lafco.ca.gov)

March 28, 2021

David J. Stoldt, General Manager  
Monterey Peninsula Water Management District  
P.O. Box 85  
Monterey, CA 93942-0085  
*Via email and US mail*

Dear Dave,

On February 26, 2021, we received your application for LAFCO approval of a proposal consisting of two components:

1. Activation of the District's latent powers to provide potable water production and distribution services for retail customers; and
2. A sphere of influence amendment and district annexation of approximately 58 parcels that are currently outside the District's jurisdictional boundary, in the Yankee Point and Hidden Hills areas.

We understand that the District is making this application to LAFCO in order to be in a position to proceed with an acquisition of the Cal-Am Monterey Water System through negotiation or a condemnation proceeding. The application is posted on the LAFCO web site for public review.

Our 30-day completeness review is provided below. You are welcome to contact LAFCO's Principal Analyst Darren McBain ([mcbaind@monterey.lafco.ca.gov](mailto:mcbaind@monterey.lafco.ca.gov) or 754-5438) or me with any questions or concerns.

**Application completeness:**

This application is currently incomplete, as detailed below. When these items have been satisfactorily addressed, LAFCO staff will issue a Notice of Filing and the application can proceed to a public hearing before the Commission.

1. **Property tax transfer agreement:** Pursuant to State law (Revenue and Taxation Code Section 99), the Board of Supervisors must approve a property tax transfer agreement for the proposed 58-parcel annexation before LAFCO can determine the application to be complete.
2. **Plan for providing services within the affected territory, per Government Code §§ 56653 and 56824.12:**
  - a) Please provide responses that more fully address the requested information in items 2, 3, 5, and 6 on pages 30-31, including summaries of relevant supporting information in the Preliminary Valuation and Cost of Service Analysis Report (by Raftelis, 2019) as needed. Note: The District-provided links, in the application, to the Raftelis report appear to be broken. LAFCO has posted a copy of the Raftelis report on our web site.
  - b) The response to item 2 should address potential impacts to other Cal-Am customers. Is there any potential for diseconomies of small scale for nearby Cal-Am operational units that are not part of the planned acquisition?

- c) Regarding item 6 (“Alternatives,”) suggested examples of alternatives that should be identified and evaluated could include the three operational alternatives identified in the application: Cal-Am status quo, District operation, and contract operation. The first alternative (Cal-Am status quo) could be discussed in the context of the District having the discretion to abandon a water system acquisition effort if, for example, a future eminent domain process were to set the purchase price higher than the District determines to be feasible.
  - d) Footnote 10 on page 29 states that “the District has not at this time determined whether its proposed acquisition of the Monterey Water System will include or exclude the desalination plant and appurtenant facilities.” The location of the planned future desal plant is in the City of Marina, outside the District’s jurisdictional boundary. Please describe if and how the District would anticipate acquiring the desal plant site (via eminent domain or otherwise), should such an action become necessary in the future – for example, in the event that the desal plant becomes an operational, integral element of the water supply. Note that public agencies that own real property outside their boundaries are generally subject to property taxes on those assets. (Cal. Const., art. XIII § 11, subd. [a]).
  - e) In the event that the desal plant becomes an operational part of the Monterey Water System without being part of the acquisition, what might be the impacts (fiscal, operational, or otherwise) on the District’s operations?
3. **Initiating resolution:** The District’s initiating resolution is missing several provisions required under State law (per the Cortese-Knox-Hertzberg Act, Government Code §§ 56654[d] and 56700, discussed in prior correspondence). The missing citations must be corrected in order for LAFCO to determine the application to be complete.
4. **Reduction in annual property tax revenue** to local taxing agencies (County of Monterey, cities, school districts, and special districts) if the Monterey Water System changes from private to public ownership – application pages 12-14:
- a) The application might be underestimating the annual loss-of-revenue impact to the taxing agencies. For example, on page 13, the application estimates the annual revenue loss to taxing agencies on the 1% ad-valorem property tax to be approximately \$1.5 million, reflecting an estimated assessed valuation of about \$150 million on parcels currently owned by Cal-Am. Based on preliminary data obtained from the County, the assessed valuation may be closer to \$200 million. In addition, as the application recognizes, property taxes exceed 1% for some agencies, particularly school districts, due to voter-approved debt. Please revise this section of the application to reflect the current valuation of the specific parcels that the District anticipates it would acquire to effectuate the proposed retail water services and to address above-1% property tax rates in affected agencies.
  - b) Having reviewed the application, County staff has preliminarily indicated that only the agencies that overlap with Cal-Am’s parcels (not all taxing agencies countywide, as stated in the application) would be impacted. This is an important distinction requiring clear and accurate analysis. We request that the application include an agency-by-agency estimate of reduced annual property tax revenues, based on current assessed valuations, tax rates, and tax revenue allocations.
  - c) For the reasons discussed above, LAFCO continues to recommend that the District hire a property tax expert consultant to comprehensively review and analyze the impacts to local agencies based on current conditions, as well as potential mitigation strategies.
  - d) On page 14, the application states: “The District will likely continue to pay local jurisdictions franchise fees and utility user taxes[.]” Please describe what the approximate magnitude of and mechanism for these payments would be. It may also be useful to clarify that the District would not pay utility taxes, but would collect and remit them.

5. **MPWMD boundaries and services in relation to Marina Coast Water District:**

- a) Re- application section 3.3., *Would the proposal result in any duplication of authority? (i.e., two or more governmental agencies providing the same or similar types of services) If so, please justify the need for the duplication:* The District's application states that the proposal would not result in any overlap or duplication of authority. However, the two districts' present boundaries overlap in portions of Seaside. With activation of MPWMD's latent power, both Districts would have the authority to provide retail water service in this area.
- b) Re- section 4.3. *Is the area of the proposed Sphere of Influence modification located near the boundary (or Sphere of Influence) of any other agency that provides similar services? If so, please briefly describe both agencies' service and financial capabilities, social and economic interdependence, topographic factors, and the effect that eventual service extension may have on adjacent agencies.* In the response's first paragraph, a sentence states that MCWD serves areas abutting the Cal-Am system as result of their agreement with the former Fort Ord Reuse Authority. More recently, MCWD serves these areas as a result of its annexation of the Fort Ord service area in 2019. The second paragraph mentions overlap of the MPWMD and MCWD district boundaries, but there is no discussion of how activation of MPWMD's latent power to provide retail water services might affect MCWD's existing or future water services. The third paragraph also states that MCWD is a private company without condemnation authority, which is inaccurate.

**Other matters not affecting application completeness, but relevant to LAFCO's evaluation of the proposal:**

1. **Request for Commission direction regarding potential updates to, and/or independent third-party review of, the District's analysis of financial and operational feasibility:** LAFCO staff is preparing an open-session agenda item for the Commission's regular meeting at 4:00 on Monday, April 26, 2021. The purpose of this agenda item will be to request direction on whether the Commission believes it requires any additional feasibility-related information in order to carry out its statutory responsibilities regarding this proposal. Such information could potentially include, but not necessarily be limited to
  - Updates of assumptions and modeling used in the Raftelis report's cost-of-service analysis;
  - Analysis of the potential feasibility impact if the system's final/actual valuation ends up substantially higher than the Raftelis report's valuation estimate; and/or
  - Peer review of the submitted operations plan and contract management plan (application appendices D & E) for thoroughness and accuracy.

This agenda item and request for direction will include an information session about the application and LAFCO's role in the process, with opportunities for a presentation by the District, as well as public comments and questions. We will continue to coordinate with you about the planned information session prior to our April 26 meeting.

2. **Municipal Service Review and Sphere of Influence Study ("MSR"):** The most recent MSR for the Water Management District was prepared by LAFCO staff in 2006. Staff will prepare an updated MSR for Commission consideration concurrent with or prior to the public hearing for the proposal.
3. **Early outreach to proposed annexation property owners:** We continue to recommend outreach by the District to the approximately 58 outlying parcels to build awareness and understanding of the proposed annexation.
4. **Application processing fees:** LAFCO requested and received from the District a \$7,200 initial fee deposit at the time of application submittal. Our staff's and legal counsel's time necessary for evaluating and processing this proposal have been, and will continue to be, higher than for typical applications. LAFCO will provide periodic billing statement to the District, pursuant to our adopted fee schedule, beginning with the end of this month. The majority of the initial deposit amount will likely be depleted within this first billing cycle. Therefore, as discussed at our March 8 meeting with

you, we will be requesting a fund replenishment in the amount of \$10,000 as part of our initial billing statement to be provided to you in early April. We will continue to process this application as efficiently and cost-effectively as possible. We may need to request additional fund replenishments in the future, as the application process moves forward.

**Comments from affected agencies and organizations:**

To date,

- LAFCO has received comment letters (attached) from
  - Monterey County Regional Fire District
  - Monterey Peninsula Unified School District
  - Baker Manock & Jensen PC (attorneys for Seaside Groundwater Basin Watermaster)
  - Manatt, Phelps & Phillips, LLP (attorneys for California-American Water Company)
- County of Monterey staff has indicated they are reviewing the proposal and expect to provide comments this week.
- City of Monterey staff stated they are reviewing the proposal and may be requesting City Council direction.
- Monterey County Water Resources Agency staff indicated they have no comments.

LAFCO has requested review and input from numerous other affected public agencies. We have not yet received written comments from these agencies. We will forward along to you any comments we receive.

**Conclusion:**

We appreciate your attention to the items discussed in this letter. Please bear in mind this application completeness review is not a final assessment of the proposal's conformance to State statutory mandates and LAFCO's own adopted policies. We look forward to working with the District to receive additional information that will assist in our review of this proposal.

Sincerely,



Kate McKenna, AICP  
Executive Officer

CC:

LAFCO commissioners and legal counsel  
Monterey County Regional Fire District  
Monterey Peninsula Unified School District  
Baker Manock & Jensen PC  
Manatt, Phelps & Phillips, LLP

Attachments: Comment letters (4)



# MONTEREY COUNTY REGIONAL FIRE DISTRICT

19900 Portola Drive Salinas, California 93908  
 (831) 455-1828 Fax (831) 455-0646 [www.mcrfd.org](http://www.mcrfd.org)



Michael B. Urquides, Fire Chief  
 David J. Sargenti, Deputy Chief

Eric Ulwelling, Division Chief/EMS & Safety  
 Kevin Kamnikar, Division Chief/Fire Prevention

March 23, 2021

Mr. Darren McBain, Principal Analyst  
 Local Agency Formation Commission (LAFCO) of Monterey County  
 132 W. Gabilan St. #102  
 Salinas, CA 93901

RE; Request for review – Monterey Peninsula Water Management District

Mr. McBain,

Thank you for the opportunity to comment on the proposed annexation and sphere of influence amendment for the Monterey Peninsula Water Management District. We have reviewed the application and have concerns regarding the fiscal impacts that this annexation would have on the Fire District. It does not appear that the Water District has identified the specific impacts for affected agencies nor is proposing any mitigation for these losses.

In the proposal submitted by the Monterey Peninsula Water Management District in section 3.7. a. Economics, Service Delivery and Development Patterns the Water District provides a description of how the change in ownership of the parcels from Cal-Am to the Water District will have "tax implications for the State, County, cities, all districts within Monterey County, and individual property owners within the various K-14 school districts. The description goes on to detail that the Water District would not be required to pay the taxes that Cal-Am currently pays. The document indicates the estimated total reduction of \$1.7 million in annual property taxes in Monterey County. In the *District Impact* section, the proposal looks at the specific losses of the various school districts that may be affected, Carmel Unified and Pacific Grove schools.

In section 3.7.b. the following question is asked, *Please describe any efforts to mitigate adverse effects of the proposal on any local agency's ability to continue to provide services to its residents.* The Water District indicates it would consider a property tax sharing agreement with the two school districts to ameliorate their losses, at least for a period of five to ten years. The Water District does not propose any mitigation of fiscal impacts to Fire District or other special districts that may be affected by their proposed actions.

As you know the largest revenue stream for the Fire District is property taxes any degradation of those taxes through annexations, reassessments, or detachments directly affects the operations of the Fire District and its ability to provide the expected level of service to the citizens we serve. We ask that as part of this

*Serving the Northern Salinas Valley, Highway 68 Corridor, Communities of Chualar,  
 East Garrison, Carmel Valley, Mid Carmel Valley & Santa Lucia Preserve*

review, LAFCO require the Water District analyze the fiscal impacts the annexation will have on the Fire District and how the Water District will mitigate those impacts.

If there are question regarding our comments, feel free to reach out to me directly.

Sincerely,



Michael B. Urquides  
Fire Chief



## *Monterey Peninsula Unified School District*

Business Services Department

Ryan Altemeyer

P.O. Box 1031  
700 Pacific Street  
Monterey, CA 93942-1031

(831) 645-1269  
(831) 392-3446 FAX

March 19, 2021

Ms. Kate McKenna  
Executive Officer  
Local Agency Formation Commission of Monterey County  
132 West Gabilan Street, Suite 102  
Salinas, CA 93901

**Subject:** Comment regarding the Monterey Peninsula Water Management District 2021 Sphere of Influence, Annexation, and Latent Power Activation Proposal

On February 26, 2021, the Monterey Peninsula Water Management District ("Water District") submitted a proposal to the Local Agency Formation Commission of Monterey County in which the Water District seeks to activate its latent powers to provide potable water production and distribution services. The activation of these latent powers includes the acquisition of property belonging to California American Water ("Cal-Am"), a privately-owned company. While the Monterey Peninsula Unified School District ("School District") generally approves of the proposal, we remain unclear whether the School District will face a reduction in funding and whether the State will "backfill" that reduction. If the School District were to face a reduction in funding that will not be backfilled by the State, the School District would oppose the proposal. If there is in fact no fiscal impact to the School District, the School District would have no opposition to the proposal.

According to the proposal, the Water District's acquisition of Cal-Am will result in a reduction of property tax revenue to all local public agencies. The proposal indicates the following:

[T]he change from an investor owned utility (Cal-Am) to a public owned utility (the [Water] District) has tax implications for the State, County, cities, all districts within Monterey County, and individual property owners within the various K-14 school districts. As a publicly owned utility, the [Water] District would not be required to pay such taxes.

(Proposal, page 12.)

Based on the average Monterey County tax rate of 1.18%, the proposal estimates that public entities will incur an annual tax loss of \$1,497,568. The proposal also provides that the State would likely mitigate school districts' losses:

The State backfills the K-14 school districts on the 1% tax revenue losses, which is 52.96% of the County property tax base. Hence a significant portion of the \$1,497,568 will not be permanently lost.

(Proposal, page 13.)

We have not been able to independently confirm whether the State will commit to backfilling K-14 revenue losses. Generally, the Local Control Funding Formula ("LCFF") sets the minimum amount of annual school district funding per student. To the extent that local property taxes fall beneath the LCFF limits, the State covers the difference between the local property tax and the LCFF limit. This is often referred to as "backfilling."

The School District is a LCFF-funded district. The State will likely cover the revenue loss generated by the proposal. However, because the State has not weighed in on the proposal, the School District cannot be certain that the proposal will not result in a funding loss. This uncertainty concerns the School District.

We make the following suggestions. First, we ask that the Water District make assurances that the lost revenue of school districts will be covered, either through State "backfilling" or property tax sharing agreements. Second, we request that the Water District seek written assurances, such as an opinion letter, from the State that the State will cover the revenue loss under the proposal. Third, to the extent that the State does not cover the revenue loss, the School District expects to work with the Water District to mitigate revenue loss, including through property sharing agreements.

Respectfully,



Ryan Altemeyer, Associate Superintendent, Business Services, Monterey Peninsula Unified School District

**Baker Manock  
& Jensen** PC  
ATTORNEYS AT LAW

March 26, 2021

**VIA ELECTRONIC MAIL**

Ms. Kate McKenna  
Monterey County LAFCO  
132 W. Gabilan St. #102  
Salinas, CA 93901  
Email: [mckennak@monterey.lafco.ca.gov](mailto:mckennak@monterey.lafco.ca.gov)

Re: Monterey Peninsula Water Management District  
2021 Sphere of influence, Annexation and  
Latent Power Activation Proposal

Dear Ms. McKenna:

I am the General Counsel for the Seaside Groundwater Basin Watermaster. I am submitting this letter on the Watermaster's behalf.

The Watermaster does not take any position on the Monterey Peninsula Water Management District 2021 Sphere of influence, Annexation and Latent Power Activation Proposal.

The Watermaster does advise LAFCO that the Seaside Groundwater Basin is an adjudicated water basin (Superior Court of California, County of Monterey Case M66343 California American Water vs. City of Seaside, et al, intervenor Monterey Peninsula Water Management District) that is subject to oversight by the Court. In the event that any portion of the LAFCO decision conflicts with any of the Court Judgement, the Judgement shall take precedence.

Thank you for your attention. Please let me know if you have any questions or concerns.

Very truly yours,



Christopher L. Campbell  
BAKER MANOCK & JENSEN, PC

Christopher L. Campbell

*Attorney at Law*

[ccampbell@bakermanock.com](mailto:ccampbell@bakermanock.com)

Fig Garden Financial Center

5260 North Palm Avenue

Fourth Floor

Fresno, California 93704

Tel: 559.432.5400

Fax: 559.432.5620

[www.bakermanock.com](http://www.bakermanock.com)

CLC:tlw





**Edward G. Burg**  
Manatt, Phelps & Phillips, LLP  
Direct Dial: (310) 312-4189  
eburg@manatt.com

March 15, 2021

Client-Matter: 81249-085

**BY EMAIL**

Darren McBain  
Principal Analyst  
Local Agency Formation Commission (LAFCO) of Monterey County  
132 W. Gabilan St. #102  
Salinas CA 93901

Re: February 26, 2021 Submittal of Monterey Peninsula Water Management District

Dear Mr. McBain:

Thank you for providing a copy of the February 26, 2021 Submittal of Monterey Peninsula Water Management District 2021 Sphere of Influence, Annexation, and Latent Power Activation Proposal ("the MPWMD Submittal").

As counsel for California-American Water Company, we believe that the MPWMD Submittal is not complete and should not be accepted for filing. Specifically, the Resolution of Application submitted with the MPWMD Submittal (Resolution 2020-12, attached as Appendix A to the MPWMD Submittal) fails to comply with the applicable statutory requirements.

Under Gov't Code §56824.12(a), the Resolution of Application "shall include all of the matters specified for a petition in Section 56700, except paragraph (6) of subdivision (a) of Section 56700." "Shall" is mandatory under Gov't Code §14.

Most significantly, the Resolution of Application fails to include "a description of the boundaries of affected territory accompanied by a map showing the boundaries," as required by Gov't Code §56700(a)(3). This requirement is meant to assure that members of the public receive clear information about precisely which properties would be affected by MPWMD's Submittal, so that residents can make an informed choice about whether to voice objections to (or support for) the Resolution of Application at the required public hearing. By failing to include this information in the Resolution of Application, the MPWMD Submittal to LAFCO is not complete.

In addition, we believe that MPWMD should also be advised that its Resolution of Application fails to comply with other applicable legal requirements:

manatt

Darren McBain

March 15, 2021

Page 2

- Resolution No 2020-12 fails to state the reason or reasons for the proposal, as required by Gov't Code §56700(a)(5);
- Resolution No 2020-12 fails to designate up to three person as chief petitioners, setting forth names and mailing addresses, as required by Gov't Code §56700(a)(7);
- Resolution No 2020-12 fails to state whether the proposal is consistent with the sphere of influence of any affected city or affected district, as required by Gov't Code §56700(a)(9); and
- Resolution No. 2020-12 fails to state that the proposal is made "pursuant to this part" and fails to request that proceedings be taken for the proposal "pursuant to this part" – i.e., Part 3 of Division 3 of Title 5 of the Government Code, as required by Gov't Code §§56700(a)(1) and 56700(a)(8).

The defects in MPWMD's Resolution of Application cannot be "cured" by other materials submitted with the MPWMD Submittal. It is only the Resolution of Application that is subject to a public hearing before MPWMD's Board, under Gov't Code §56824.12(c)(1). When MPWMD held its public hearing to ratify the Resolution of Application on August 17, 2020, it failed to include all of the required contents in its Resolution of Application, as detailed above. MPWMD cannot cure the defects in its Resolution of Application by submitting matters to the Commission more than six months after MPWMD's public hearing.

For these reasons, we respectfully request that a certificate of filing not be issued by the Commission's executive officer under Gov't Code §56651 and that the Commission decline to act on the MPWMD Submittal until it is preceded by and accompanied by a Resolution of Application that complies with the mandatory statutory requirements.

Sincerely,



Edward G. Burg

cc: Kate McKenna, Executive Officer




**Department of Public Works**

 440 Harcourt Avenue  
 Seaside, CA 93955

Telephone (831) 899-6825

FAX (831) 899-6211

March 26, 2021

 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](mailto:dstoldt@mpwmd.net)
**RECEIVED**
**APR 05 2021**
**MPWMD**
**Subject: Grant for Local Water Project – Request for Extension**

Dear Mr. Stoldt:

The City of Seaside submitted an application to the Monterey Peninsula Water Management District (MPWMD) 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 maintenance and construction needs. On October 19, 2015, the MPWMD Board of Directors approved funding the City of Seaside's proposal in the amount of one hundred six thousand nine hundred dollars (\$106,900). The grant is set to expire on June 30, 2021.

Progress has been made toward project completion. The city's consultant has submitted draft final plans to the engineering department for review. A preliminary analysis by engineering and public works staff suggest the project can be constructed by city crews.

Since the grant funds have not been expended and the project has not been completed, the City requests a six month extension to complete the project and seek reimbursement under this grant. Please advise if the MPWMD is receptive to this request.

You may contact the undersigned at [NPatel@ci.seaside.ca.us](mailto:NPatel@ci.seaside.ca.us) or 831-899-6884 to discuss any questions or comments.

Sincerely,

 Nisha Patel, PE  
 City Engineer / Public Works Director

 Copy: Craig Malin, City Manager  
 Victor Damiani, Finance Director  
 Scott Ottmar, Senior Civil Engineer