Reclamation Conveyance Facility Water Supply Project

perc water
Pure Genius

February 2014

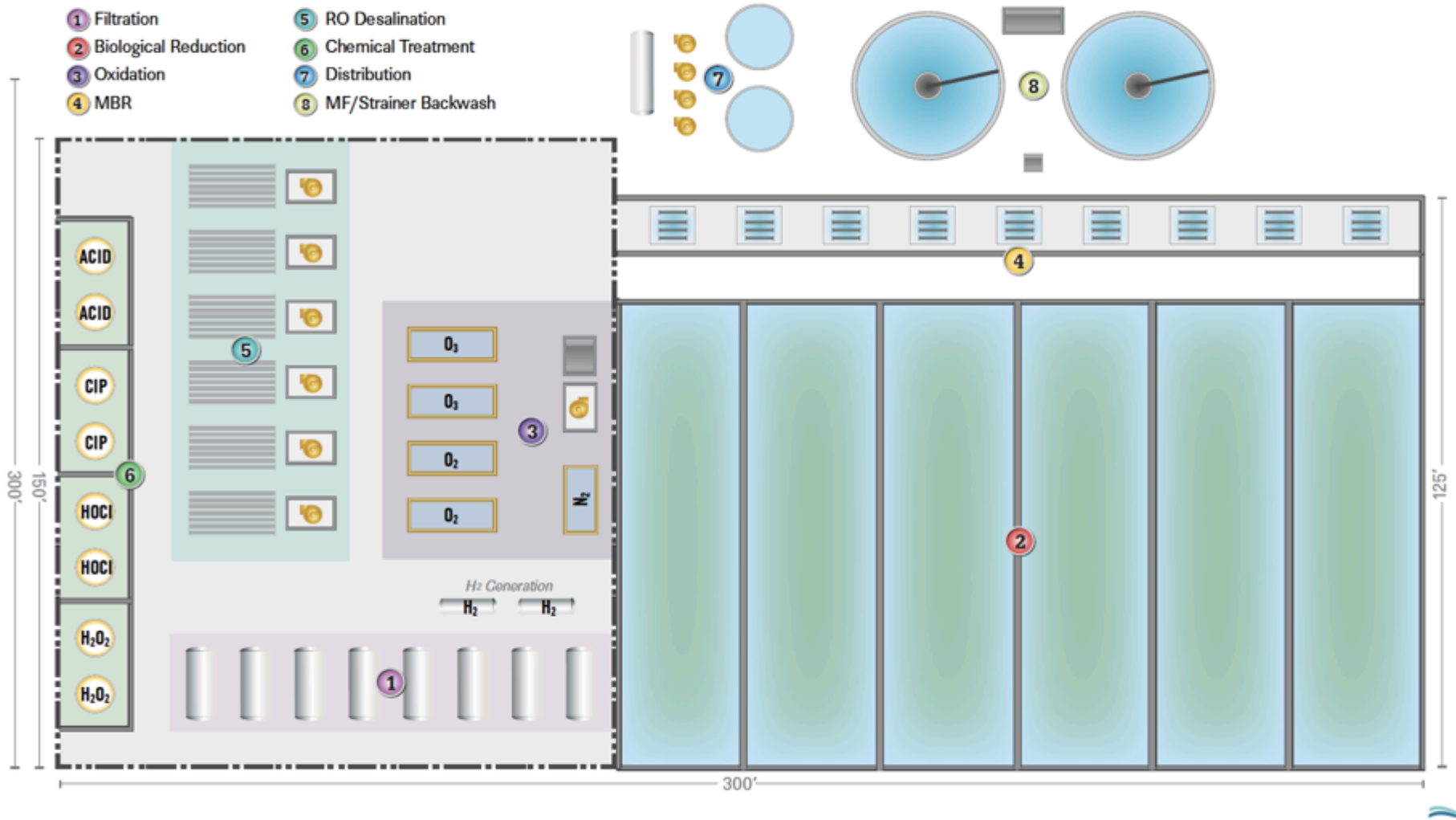
Project Overview

- Build a new Water Treatment and Recycling Facility
- Remediate / Eliminate Nitrates, Trace Organic Compounds and Excess Salts
- Reduce or Eliminate Conveyance drain water to the Salinas River / Ocean
- Produce “New Water” of 5,500 to 10,000 acre-feet / year
- Adhere to Regional Water Quality Control Board Policies

Clever and Efficient Design

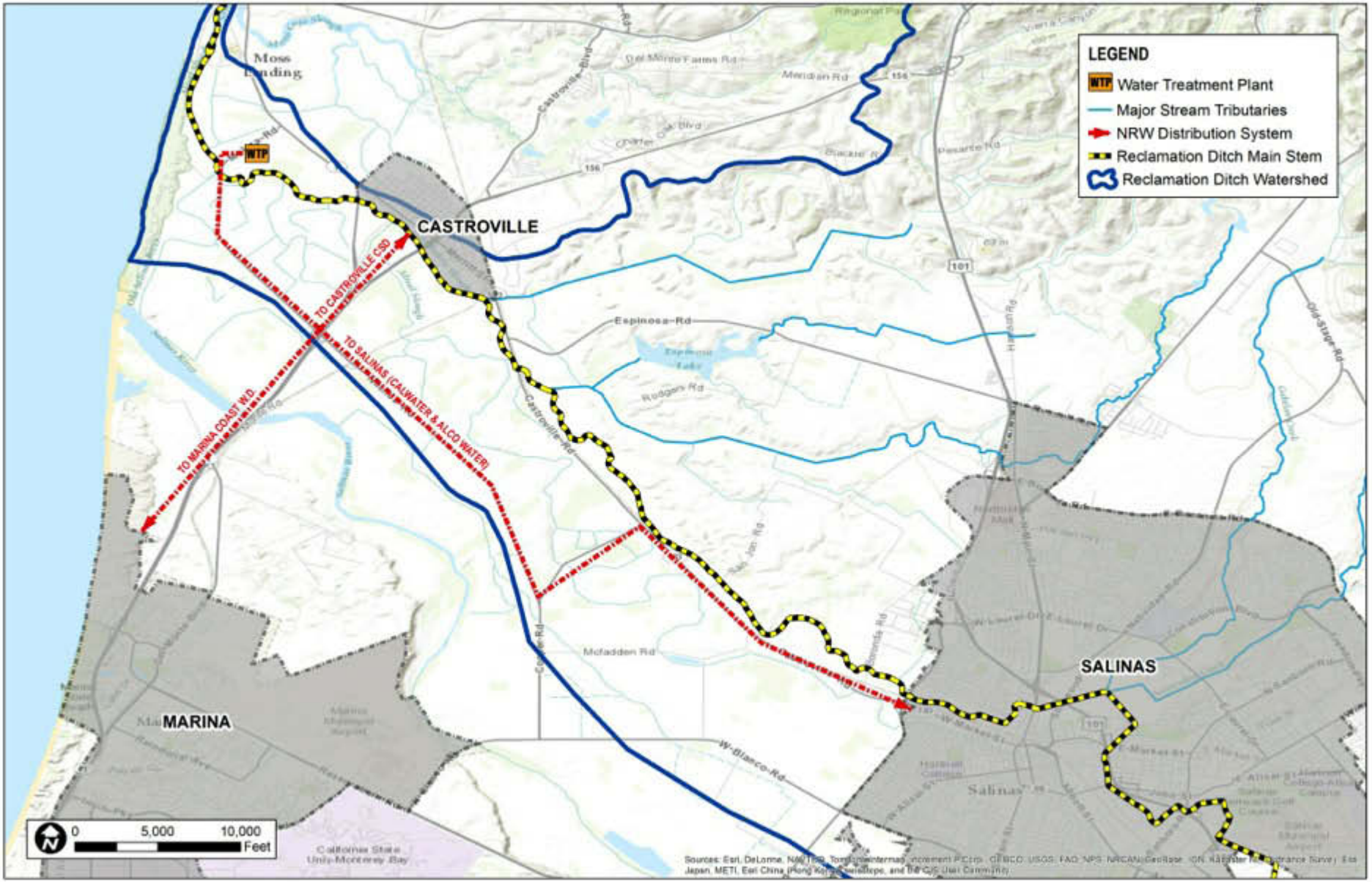
New Water Treatment Facility

Exhibit 1: Conceptual 9 MGD Drainage Water Recycling Facility

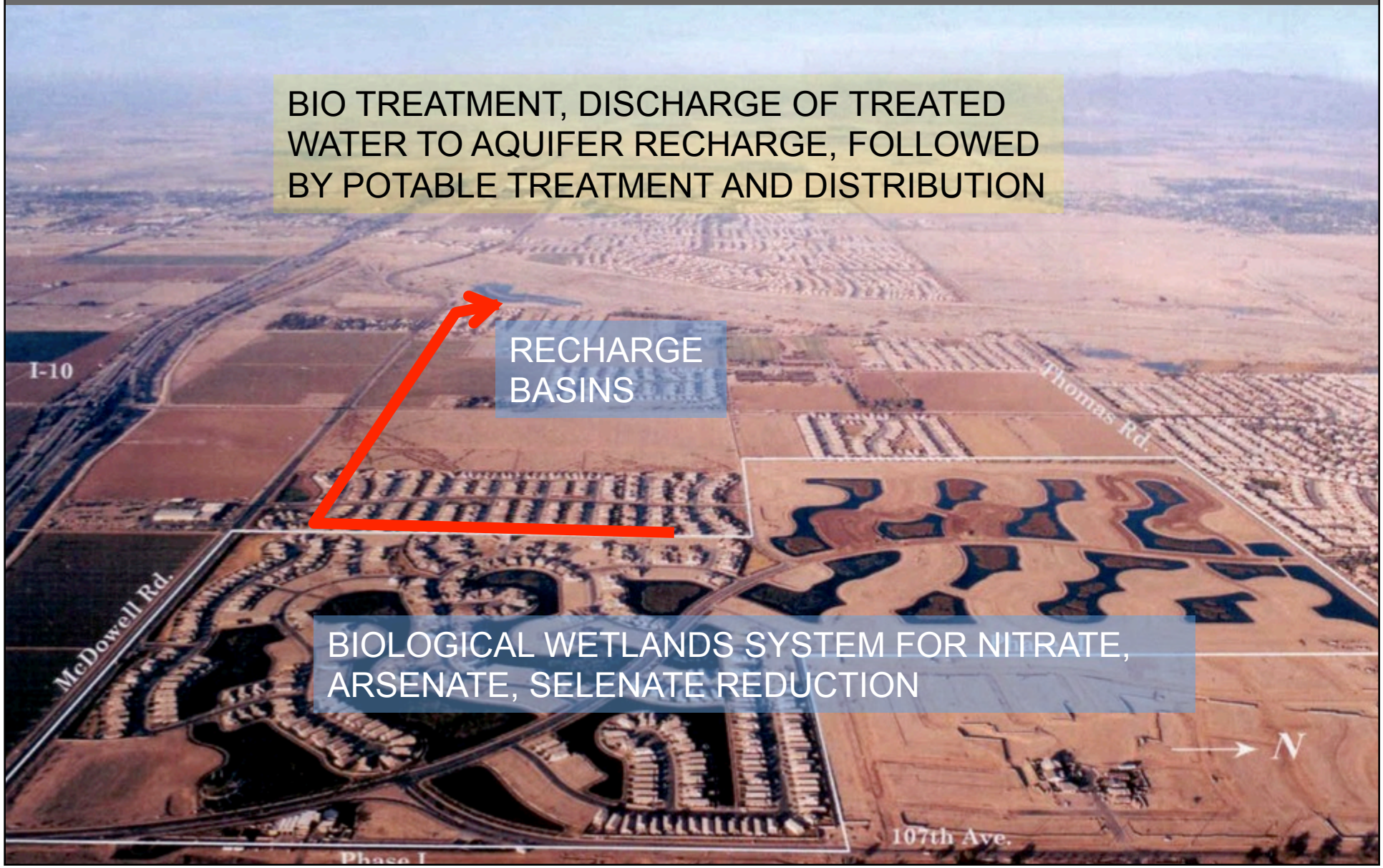


PACE

Reclamation Conveyance Facility Location

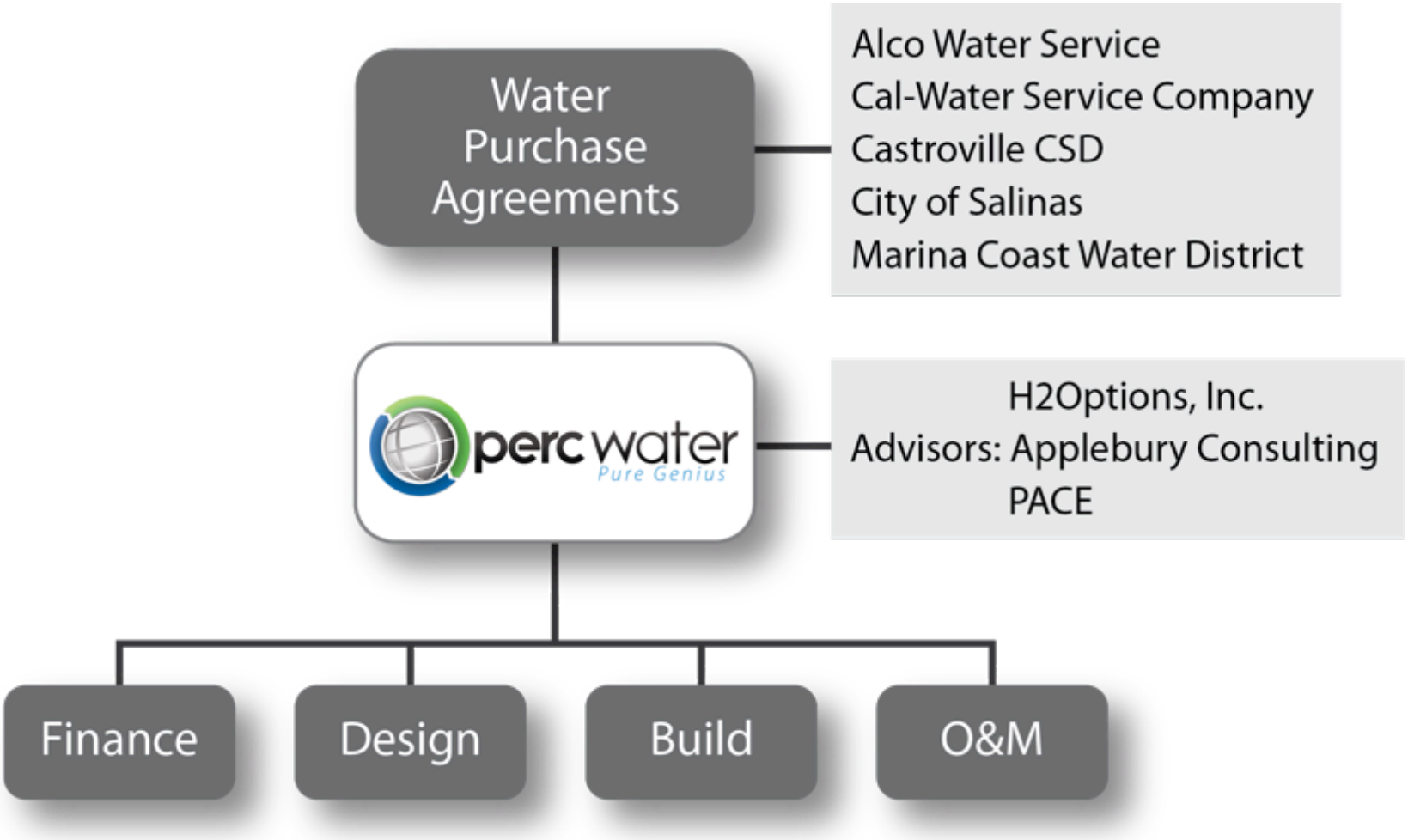


PACE Designed 10,000 af/y Agriculture Drain Water Reuse Project 1999

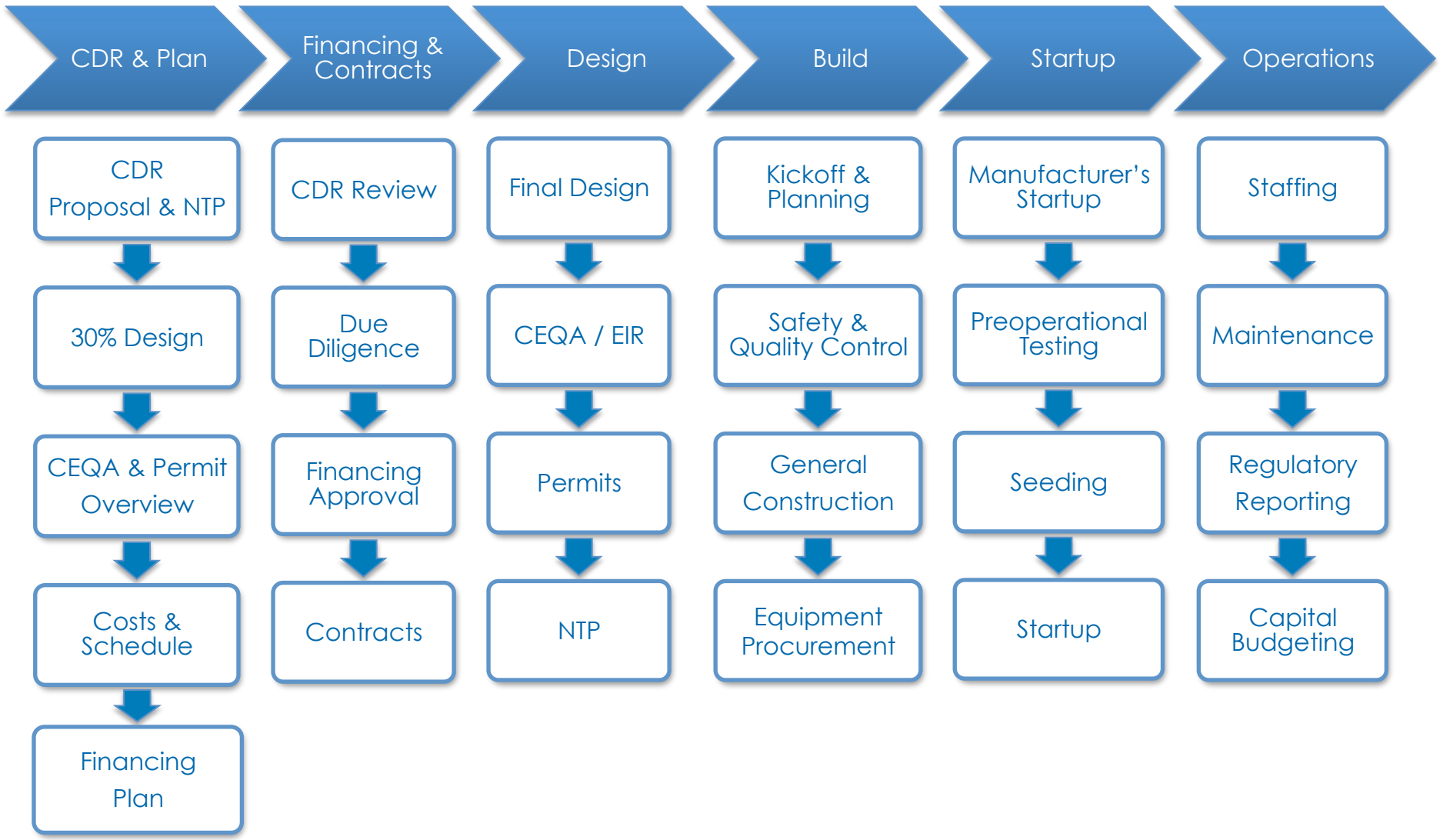


Community Friendly and Aesthetics

Project Organization



Project Development & Execution



Returning Water to Nature

About the Team

Johan Perslow, P.E.

Founder, CEO

PACE & PERC Water

Brian Cullen

President

PERC Water

Terry Applebury

Principal

Applebury Consulting

Co-Founder, APT Water

Technical Advisor

Floyd Wicks

Founder & Principal

H2Options, Inc.

Water Resources

Advisor

About the Team

Applebury Consulting

Mr. Applebury was co-founder of APTwater, Inc. He served as President and CEO from 2000 to 2009. In 2012 Mr. Applebury moved to Advisory Board Chairman to serve as advisor to the R&D Organization, and support efforts to deliver a new water remediation system to market. Mr. Applebury is a co-inventor of HiPOx™, and was instrumental in developing HiPOx into a commercially viable, patented process. HiPOx has become the first Ozone based system to receive Title 22 certification for water reuse in the state of California. Mr. Applebury is also responsible for securing the license, and directing the development of APTwater's ARoTech technology. ARoTech is a novel and innovative technology using autotrophic biology and hydrogen to accomplish the removal of contaminants such as nitrate, chromium and selenium from contaminated ground water.

Before APT Mr. Applebury spent 28 years at Dow Chemical Corporation, where he held a number of positions manufacturing and R&D.. During his 28-year tenure at Dow Chemical Corporation, he held manufacturing positions in a mining chemical facility, a chlor alkali facility, a chlorinated solvents production facility, and an agricultural chemical complex. For about 10 years he directed an agricultural chemical R&D process development organization of about 200 people, and oversaw lab to commercialization activities for 5 successful products. He directed manufacturing research, and development programs, and served on a business team which oversaw a hollow fiber membrane technology for two gas separation businesses. Mr. Applebury received both his BS and MS degrees in Chemical Engineering from Montana State University

H2Options, Inc.

Floyd E. Wicks was formerly Vice Chairman of American States Water Company (NYSE: AWR) and former President & Chief Executive Officer, which he held from 1992 through 2008. In 2010, Wicks was named as President and CEO of Southwest Water Company and left the firm in 2011 to form his own business known as H2Options, Inc. Wicks is a graduate of Ohio State University where he earned his Bachelor's Degree in Civil Engineering and his Master's Degree in Water Resources Engineering. Wicks was an instrumental force in gathering support for the passage of the Paul Simon Water for the Poor Act of 2005 and its subsequent $300 million funding in 2008 by the U. S. Congress, which will provide funds to non-profits who help third-world communities worldwide develop sustainable drinking water resources and sanitation facilities.

About the Team

Johan Perslow, P.E. – Founder, Chairman and CEO, PERC Water and PACE

Over the last 40 years, Mr. Perslow has been the principal designer, consultant and construction manager for more than 700 projects, including lake and pumping systems, numerous state-of-the-art water-resource management systems, wastewater-effluent reuse systems, irrigation-optimization systems and tertiary wastewater treatment plants. He has also been involved with the structural design of numerous interstate highway bridges and other complex structures. As a principal in the firm, Mr. Perslow is personally involved in every PERC Water project. He has acted as Principal-in-charge on multi-disciplined government and private sector projects requiring Civil Engineering and water feature services for numerous parks and recreation facilities.

Brian Cullen – President, PERC Water

Mr. Cullen has worked in various senior management positions in the environmental, engineering and construction industry for the past 23 years and has been president of PERC Water since 2001. He has been instrumental in the development, negotiation, design and construction of 15 operating water infrastructure projects valued at over $200 million. Mr. Cullen was instrumental in the development and negotiation of the first 30-year privately financed wastewater greenfield project in the US, which has received numerous awards and in 2009 recently received the Award of Distinction for the Global Water Intelligence "Water Deal of the Year" presented by former Vice President Al Gore. Prior to joining PERC Water, Mr. Cullen was vice president and CFO of Alton Geoscience, Inc., an environmental and engineering consulting firm specializing in the assessment and remediation of contaminated properties, principally for major oil companies. Mr. Cullen was instrumental in the sale of Alton Geoscience to TRC Companies in 1999, and subsequent to that sale, he worked with TRC on several further acquisitions.

Andrew Komor, P.E. – Vice President, PACE

Andrew Komor is a technical expert on engineering infrastructure having successfully performed engineering design, project management, and field services for over $120 million in capital on over 20 completed water resource projects in the past eight years. Mr. Komor is sought after as a technical consultant and designer on water resources projects including advanced wastewater treatment and water recycling, drinking water, ocean and brackish water desalination, groundwater recharge, lake and reservoir water quality enhancements and new technology research and development.

About the Team

PERC Water Corporation is an innovative water infrastructure company that develops, designs, builds, operates and manages water infrastructure throughout the United States. We have designed 60 water infrastructure projects over the past 14 years, 21 of which we have built and placed into operation. Our unique project approach results in certainty of cost, schedule and water quality for our clients. PERC Water can uniquely provide such certainty at an early stage of a project life by leveraging our Customized Design Report (CDR™). For more information, please refer to our website at www.percwater.com.

PACE is a specialized civil engineering firm formed in 1987 offering advanced water resource services. We offer a wide range of engineering services related to water, wastewater, stormwater management and water resource permitting and regulatory compliance to ensure projects are both economically viable and environmentally sustainable. Our engineering approach focuses on maximizing value by creating multi-use infrastructure systems, cost-effective phasing strategies and systems that include environmental, aesthetic and recreation uses. PACE staff members include licensed professional engineers with PhDs, university instructors and policy-makers in the water resource arena.