

Attachment 2

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MONTEREY COUNTY RESOURCE MANAGEMENT AGENCY

Carl P. Holm, AICP, Director



Building Services / Environmental Services / Planning Services / Public Works & Facilities
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MEMORANDUM

Date: September 16, 2016

To: The Board of Supervisors

From: Carl Holm, AICP, Director Resource Management Agency *CAH*

Subject: MOU regarding Supervision and Management of the 2010 General Plan Salinas Valley Groundwater Basin Zone 2C Study - Reallocation of funding in FY 16-17.

cc: Howard Franklin, P.G., Water Resources Agency

A Memorandum of Understanding ("MOU") between The Monterey County Water Resources Agency ("Agency") and the County of Monterey ("County") regarding Supervision and Management of the 2010 General Plan Salinas Valley Groundwater Basin Zone 2C Study was approved by the Board of Supervisors on May 13, 2014, which sets forth the responsibilities of each entity with respect to the Zone 2C Study and the compensation to be paid to the Agency.

Pursuant to the MOU, the anticipated costs for services rendered by the Agency shall average approximately Seventy-five Thousand dollars (\$75,000) per year and that the Zone 2C Study will take approximately five (5) years to complete.

The Agency was reimbursed for costs for services in FY14-15 and FY15-16 \$75,000 per year per the MOU. For the remaining three years the Agency has requested a reallocation of funds to recognize the higher level of effort associated with the project for FY16-17. The Agency requested one hundred and fifty thousand dollars (\$150,000) for FY 16-17, with an associated reduction in costs for FY17-18 and FY18-19 (remaining \$75,000 to be distributed between the final two years).

There is no net increase in anticipated total five-year budget associated with the MOU to accommodate this reasonable and necessary action to efficiently and effectively proceed with this project. There are no additional budget impacts to the General Fund for FY16-17, as the \$150,000 will be funded in part from the Department of Water Resources Proposition 1 Stressed Basins grant awarded to the County as well as from the Resource Management Agency's FY16-17 Budget adopted by the Board of Supervisors.

In accordance with Section 1 of the MOU, the MOU may be amended from time-to-time by mutual written agreement of the parties. This memo serves as a written notification, confirmation and acceptance by the County of the Agency's request to a reallocation of how the funding would be

distributed in order to recognize the higher level of front end work associated with the project in this fiscal year.