County of Monterey

Board of Supervisor's Chambers
168 W. Alisal St., 1st Floor
Salinas, Ca 93901

Meeting Agenda

Monday, September 15, 2025

12:00 PM

Join via Zoom at https://montereycty.zoom.us/j/99769079850 or
BoS Chambers 168 W. Alisal 1st Fl., Salinas, Ca 93901

Water Resources Agency Board of Directors

Mike LeBarre, Chair
Matt Simis, Vice Chair
Mark Gonzalez
Deidre Sullivan
Ken Ekelund
Mike Scattini
Jason Smith
John Baillie
Jon Conatser

Participation in meetings:

You may attend the Board of Directors meeting through the following methods:

1. You may attend in person

2. Attend via Zoom (info below) or observe the live stream of the Board of Directors meetings at http://monterey.granicus.com/ViewPublisher.php?view_id=19 or http://www.mgtvonline.com/

3. For ZOOM participation please join by computer audio at:
https://montereycty.zoom.us/j/99769079850

OR to participate by phone call any of these numbers below:
+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
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+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 997 6907 9850 when prompted. Please note there is no Participant Code, you will just press # again after the recording prompts you.

You will be placed in the meeting as an attendee; when you are ready to make a public comment if joined by computer audio please Raise your Hand; and by phone please push *9 on your keypad.

PLEASE NOTE: IF ALL BOARD MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE BOARD OF DIRECTORS MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

4. If you choose not to attend the Board of Directors meeting but wish to make a comment on a specific agenda item, please submit your comment via email by 5:00 p.m. on the Friday before the meeting.. Please submit your comment to the Secretary of the Board at WRApubliccomment@countyofmonterey.gov mailto:WRApubliccomment@countyofmonterey.gov In an effort to assist the Secretary in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Board of Directors Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Board meeting.

Participacion en Reuniones:

Puede asistir a la reunion de la Junta Directiva a traves de los siguientes metodos:

1. Podar asistir personalmente a la reunion; o,

2. Asistir por Zoom (informacion a continuacion), que observe la transmisión de la reunión de la Junta Directiva en vivo por http://monterey.granicus.com/ViewPublisher.php?view_id=19 o http://www.mgtvonline.com/

3. Para participar for ZOOM, por favor únase for audio de computadora por: https://montereycty.zoom.us/j/997 6907 9850

O para participar for teléfono, llame a culquiera de los números a continuación:
+1 669 900 6833 US (San Jose)
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+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Cuando se le solicite, ingrese este número de reunión: 997 6907 9850. Por favor tenga en cuenta que no hay código de participante, simplemente presione # nuevamente después de que la grabación se lo indique.

Se le colocará en la reunion como asistente; cuando deseé hacer un comentario público si esta unido por la computadora utilize la opción de levantar la mano en el chat de la pantalla; o por teléfono presione *9 en su teclado.

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DE LA JUNTA ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN PÚBLICA DE ZOOM ES SOLO POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI EL FEED DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN DE LA JUNTA DIRECTIVA PUEDE PAUSARSE MIENTRAS SE INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

4. Si prefiere no asistir a la reunión de la Junta Directiva pero desea hacer un comentario sobre algún tema específico de la agenda, por favor envie su comentario por correo electrónico antes de las 5:00 p.m. el Viernes antes de la reunion.. Envie su comentario al Secretario de la junta al correo electronico WRApubliccomment@countyofmonterey.gov mailto:WRApubliccomment@countyofmonterey.gov Para ayudar al Secretario a idenficar el artículo de la agenda relacionado con su comentario, por favor indique en la linea de asunto del correo electronico el cuerpo de la reunion (es decir, la Agenda de la Junta Directiva) y el número de artículo (es decir, el Artículo No. 10). Su comentario se colocará en el registro de la reunion de esta Junta.

NOTE: All agenda titles related to numbered agenda items are live web links. Click on the title to be directed to corresponding Board Report.

PUBLIC COMMENT: Members of the public may address comments to the Board concerning each agenda item. The timing of public comment shall be at the discretion of the Chair.

Call to Order at 12:00 P.M.

Roll Call

Public Comments on Closed Session Items

1. a. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:

Nacimiento Regional Water Management Advisory Committee v. Monterey County Water Resources Agency, et al. (San Luis Obispo Superior Court Case No. 19CVP-0010)

Recess to Closed Session

Reconvene Meeting at 1:00 P.M.

Pledge of Allegiance

ADDITIONS AND CORRECTIONS BY CLERK: The Clerk of the Board will announce agenda corrections and proposed additions, which may acted on by the Board as provided in Sections 54954.2 of the California Government Code.

Public Comment

Presentations

2. Receive a presentation by David Ceppos on the Department of Water Resources Facilitation Support Services (DWR FSS) Assessment for Castroville Seawater Intrusion Project. (CSIP) (Presenter: Dave Ceppos)

Attachments: Board Report
CSIP Stakeholder Assesment PPT

3. Receive an update on recommendations from the July 22, 2024, GPP Analytics, Inc. Water Recycling Agreement Expense Audit of the Water Recycling Agreement with Monterey One Water (M1W). (Presenter: Shaunna Murray)

Attachments: Board Report
GPP Audit Recommendations

4. Update on the Nonpoint Source Implementation Plan. (Presenter: Manuel Saavedra)

Attachments: Nonpoint Source Implemenation Plan PPT

Consent Calendar

5. Approve the Action Minutes of the Board of Directors meeting held on August 18, 2025.

Attachments: draft BOD Minutes August 18, 2025

6. Approve Amendment No. 2 to the Agreement for Services with TCB Industrial, Inc., (TCB), to increase the dollar amount by $275,000 for a total contract amount not-to-exceed $640,000 to provide maintenance and repair services for the Nacimiento Dam Hydroelectric Power Plant; and authorize the General Manager to execute the Amendment. (Staff: Manuel Saavedra)

Attachments: Board Report
Original Agreement for Services
Amendment No.1
Amendment No. 2
Board Order

7. Approve Amendment No. 1 to the Professional Service Agreement with Kennedy Jenks Consultants, Inc. for the CSIP Condition Assessment Project, to extend the term length to July 1st, 2027, and increase the dollar amount by $94,271 for a total contract amount not-to-exceed $193,971; and authorize the General Manager to execute Amendment No. 1. (Staff: Pete Vannerus)

Attachments: Board Report
Original Agreement
Amendment No.1
Board Order

8. Approve Amendment No. 1 to the Agreement for Services with Errol L. Montgomery & Associates, Inc. for CSIP Groundwater Well Consulting Services, to add a dollar increase of $150,000 for a total contract amount not to exceed $250,000; and authorize the General Manager to execute Amendment No. 1. (Staff: Pete Vannerus)

Attachments: Board Report
Original Agreement
Amendment No.1
Board Order

9. Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Sub-grant Disbursement Agreement with the Castroville Community Services District Sub-grantee to extend the term to June 30, 2027 and update the submittal schedule for progress reports and invoices; and authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement. (Staff: Amy Woodrow)

Attachments: Board Report
Grant Agreement Amendment No. 4
Amendment No. 2
Board Order

10. Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Sub-grant Disbursement Agreement with the City of Salinas to extend the term to June 30, 2027; and authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement. (Staff: Amy Woodrow)

Attachments: Board Report
Grant Agreement Amendment No.4
Amendment No. 2
Board Order

11. Approve the annual Joint Funding Agreement with the United States Geological Survey for streamgaging and reservoir elevation gaging work in Monterey County in the amount of $256,210; and Authorize the General Manager to execute the Agreement. (Staff: Joey Klein)

Attachments: Board Report
26ZGJFA03000019_JFA (Final-BOD)
Board Order USGS JFA 2026

12. Consider approving an Agreement for Services with GEI Consultants, Inc. in the amount of $226,815 for work to be performed related to the *Enhancing Predictive Tools and Operational Strategies for the Nacimiento and San Antonio Dams and Reservoirs Project* (Project). (Staff: Peter Kwiek)

Attachments: Board Report
GEI PSA with Exhibits
Board Order

Action Items

13. Consider receiving an update on the MCWRA activities related to the Salinas Valley Basin Groundwater Sustainability Agency's Subgrant Agreements.(Presenter: Shaunna Murray)

Attachments: Board Report
SVBGSA Projects PPT
Board Order

14. Consider approving Amendment No. 1 to the Agreement for Services with Fieldman, Rolapp and Associates, Inc., to extend the term of the contract from August 3, 2028, to December 31, 2028, to increase the dollar amount by $75,000 for a total contract amount not to exceed $165,000 for municipal financing services; and authorize the General Manager to execute the amendment. (Presenter: Ara Azhderian)

Attachments: Board Report
Original Agreement for Services
Amendment No. 1
Revised Scope of Services
Board Order

Key Information and Calendar of Events

15. September, October and November 2025 Calendars.

Attachments: September 2025
October 2025
November 2025

General Manager's Report

16.
1. Personnel
2. Groundwater Monitoring Program Regulatory Implementation
3. Deep Aquifers Monitoring Plan
4. Dam Safety & Operations Future Funding Strategy
5. Salinas River Habitat Conservation Plan
6. Property Management

Attachments: GM Report

Committee Reports

17. Committee Agenda's and Cancellation Notices for August and September 2025:

- Water Resources Agency Reservoir Operations Advisory Committee
- Water Resources Agency Finance Committee
- Water Resources Personnel and Administration Committee Cancellation Notice
- Water Resources Agency Basin Management Advisory Committee Cancellation Notice
- Water Resources Agency Planning Committee
- County of Monterey Legislative Committee

Attachments: Final ResOps Agenda Aug. 28, 2025
Final Finance Agenda Sept. 5, 2025
Final P&A Cancellation Notice Sept. 5, 2025
BMAC Cancellation Notice Sept. 3, 2025
Final Planning Agenda Sept. 3, 2025
Legislative Committee Meeting Agenda 9.8.25

Correspondence

18. 1. Email Correspondence dated September 2, 2025 to Ara Azhderian, General Manager, Board of Supervisors, Monterey County Water Resources Agency from Eric N. Robinson, Kronick, Moskovitz, Tiedemann & Girard re: Comments on April 2025 Salinas Valley Historical Benefits Analysis Update and May 29, 2025, Draft Interlake Tunnel and San Antonio Spillway Modification Assessment Engineers Report.

2. Email Correspondence dated September 2, 2025 to Amy Woodrow, Senior Hydrologist, Monterey County Water Resources Agency from Thomas Virsik, Attorney at Law re: September 1, 2025(sic) deadline for comments on the HBA Update, 2021 Engineer's Report, et seq.

3. Email Correspondence dated September 11, 2025 to Ara, Azhderian, General Manager, Monterey County Water Resources Agency from Christopher Bunn, President, Salinas Basin Water Alliance re: Concerns regarding Monterey County Water Resources Agency's April 2025 Update to the Historic Benefits Assessment of Water Infrastructure Projects for Salinas Valley.

4. Correspondence dated August 19, 2025, to Ara Azhderian, General Manager, Monterey County Water Resources Agency from Erik J. Malvick, Division Manager, Division of Safety of Dams, State of California Department of Water Resources re: Nacimiento Dam, No. 1008.

5. Correspondence dated August 19, 2025, to Ara, Azhderian, General Manager,

Monterey County Water Resources Agency from Erik J. Malvick, Division Manager, Division of Safety of Dams, State of California Department of Water Resources re: San Antonio Dam, No. 1008-2

Attachments: CORRECTED Comments on MCWRA HBA Update & Draft ILT Engineer's RPT
Comments on 2025 HBA Update, 2021 Engineer's RPT, 2025 ILT Project Draft
SBWA comments RE:MCWRA 07/25 workshop on Dam Safety projects
Dept. Water Resources Nacimiento Dam
Dept. Water Resources San Antonio Dam

Board of Directors Comments

Adjournment

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

a. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:

Nacimiento Regional Water Management Advisory Committee v. Monterey County Water Resources Agency, et al. (San Luis Obispo Superior Court Case No. 19CVP-0010)

County of Monterey

Board Report

Legistar File Number: WRAG 25-139

Item No.2

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Receive a presentation by David Ceppos on the Department of Water Resources Facilitation Support Services (DWR FSS) Assessment for Castroville Seawater Intrusion Project. (CSIP) (Presenter: Dave Ceppos)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Receive a presentation by David Ceppos on the Department of Water Resources Facilitation Support Services (DWR FSS) Assessment for Castroville Seawater Intrusion Project. (CSIP)

SUMMARY/DISCUSSION:
The Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) received funding from California's Department of Water Resources Facilitation Support Services (DWR FSS) to perform an assessment for Castroville Seawater Intrusion Project (CSIP). The SVBGSA then hired, David M. Ceppos, Public Policy Mediation and Facilitation to perform those services. This included interviews with staff and Board Directors from the SVBGSA, Monterey County Water Resources Agency and Monterey One Water, to perform the assessment. The key results of that assessment will be presented by Mr. Ceppos.

OTHER AGENCY INVOLVEMENT:
California Department of Water Resources entered into an agreement with the Salinas Valley Basin Groundwater Sustainability Agency to perform these services. Monterey One Water was also involved in the interview process.

FINANCING:
California Department of Water Resources funded this assessment and presentation by Dave Ceppos.

Prepared by: Shaunna Murray, Deputy General Manager, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. Assessment for Castroville Seawater Intrusion Project (CSIP) Presentation

County of Monterey

Board Report

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 25-139

September 15, 2025

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
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Receive a presentation by David Ceppos on the Department of Water Resources Facilitation Support Services (DWR FSS) Assessment for Castroville Seawater Intrusion Project. (CSIP)

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FINANCING:
California Department of Water Resources funded this assessment and presentation by Dave Ceppos.

Prepared by: Shaunna Murray, Deputy General Manager, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. Assessment for Castroville Seawater Intrusion Project (CSIP) Presentation

Castroville Seawater Intrusion Project
Stakeholder Assessment Summary

Monterey County Water Resources Agency
Board of Directors Meeting
September 15, 2025

Support Provided By

CALIFORNIA DEPARTMENT OF WATER RESOURCES

Services Provided By:

DMC David M. Ceppos
Public Policy Mediation and Facilitation

Assessment Summary Outline

- Process
- Findings
- Analysis
- Considerations

Assessment Process

- Interviews conducted December 2024 to February 2025 with Staff, Leadership and Directors of:
  - Monterey County Water Resources Association (WRA)
  - Monterey One Water (M1W)
  - Salinas Valley Basin Groundwater Sustainability Agency (GSA)
- Total Staff /Leadership Interviewed – 16 (3 group interviews)
- Total Directors Interviewed – 14 (Individual interviews. 5 from each Agency with 1 Director unable to participate)
- Standard Questions / Confidential Discussions

Assessment Findings (1)

M1W and WRA Roles /Responsibilities on CSIP - Staff / Directors generally understand roles.

- Differing perspectives:
  - Responsibilities when challenges emerge
  - CSIP customer(s)
  - Public perception of roles and responsibilities
- Concerns about:
  - Funding methods
  - Perceived agency allegiances

Assessment Findings (2)

GSA Roles / Reliance on CSIP - Diverse perspectives by Staff and Directors about GSA.

- Stay out of CSIP; No GSA impact or role
- Acquire funding to support work by others
- Lead regional discussions on improvements
- Increase public awareness
- Be fully engaged due to role on seawater intrusion risk and sustainability requirement

Assessment Findings (3)

<u>WRA/M1W Organizational Relationships</u> – Majority of Staff and Directors have shared concerns.

- **Few common goal(s) / Key divergent motives**
- **Competition not partnership**
- **GSA creates unfunded mandates for WRA**
- **Past relationships more effective when there was embedded institutional Staff knowledge**

Assessment Findings (4)

Current CSIP Functionality – Majority of Staff and Directors have shared concerns.

- **Deferred maintenance**
- **Minimized financial investments**
- **Annual costs**

Assessment Findings (5)

Current / Future CSIP Challenges: OPERATIONAL - Staff and Directors have shared perspectives BUT differing views on causes.

CSIP operations are not effectively managed:

- Lack of shared organizational values and mission
- Lack of vision about who is served and why
- Lack of effective communication
- Lack of effective fiscal oversight/management
- Staff silos

Assessment Findings (6)

Current / Future CSIP Challenges: FINANCIAL - Staff and Directors have shared perspectives BUT differing views on causes/solutions.

CSIP funding structure does not work:

- Unrealistic public expectations on costs
- Unresolvable challenges to fund acquisition / use
  - Fosters distrust
  - Fosters belief in Conflict of Interest

Assessment Findings (7)

Current / Future CSIP Challenges: GOVERNANCE - Staff and Directors have shared perspectives AND generally common views on causes.

- COI reported at all Boards. Perceived as:
  - Somewhat inevitable in a "representative democracy"
  - Damaging and untenable for long term decision making and constituent confidence

Assessment Findings (8)

Perceived Public/Political Opinion about CSIP

- Strong concerns about management / prioritization of water availability
- No cohesive regional vision
- M1W and WRA each think they are the “go to” for problem solving. Neither is perceived as trusted
- Limited public awareness and outreach

Assessment Analysis (1)

- Updates to the historic Agreement are important but not addressing other factors for improvement
- The agencies have inevitable and appropriate differences (i.e. missions, values, funding, roles)
- These differences are not faults. They are the "white noise" of regional resource management by multiple agencies

Assessment Analysis (2)

- CSIP is a shared responsibility but agencies don't speak in terms of a shared decision space or shared governance for CSIP
- Individual agency "sovereignty" can coexist with shared decision space and governance for CSIP
- Shared decision space for CSIP will not happen organically. It must result from mutual, proactive initiatives

Assessment Analysis (3)

- M1W, WRA and GSA have a mutual benefit from accurate public awareness and understanding of CSIP
- M1W and WRA have no methods of succession to foster staff with mutual understanding of CSIP
- Lack of succession planning creates “us and them” behavior by Staff

Considerations

- Create shared CSIP governance structure
- Develop mutual staff succession approach
- Prepare mutual CSIP Outreach Plan



David M. Ceppos
Public Policy Mediation and Facilitation

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dmceppos@gmail.com

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Receive an update on recommendations from the July 22, 2024, GPP Analytics, Inc. Water Recycling Agreement Expense Audit of the Water Recycling Agreement with Monterey One Water (M1W). (Presenter: Shaunna Murray)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Receive an update on recommendations from the July 22, 2024, GPP Analytics, Inc. Water Recycling Agreement Expense Audit of the Water Recycling Agreement with Monterey One Water (M1W).

SUMMARY/DISCUSSION:
At the request of the Monterey County Water Resources Agency ("Agency"), the County of Monterey Auditor-Controller's Office ("ACO") engaged GPP Analytics, Inc. ("GPP") to conduct a financial audit to assess the accuracy and compliance of expenses reported by Monterey One Water ("M1W") over four fiscal years (FY 2018-19 to FY 2021-22), the audit period, in accordance with the Amended and Restated Water Recycling Agreement Between Monterey Regional Water Pollution Control Agency [now M1W] and Monterey County Water Resources Agency (the "Agreement"). The Agreement was entered into by the Agency and M1W on November 3, 2015, to incorporate and restate agreements that had been developed over the years since the establishment of the Castroville Seawater Intrusion Project ("CSIP"), the Salinas Valley Reclamation Project ("SVRP"), and the Salinas River Diversion Facility ("SRDF"). Subsequently, there have been three minor amendments to the Agreement related to the New Source Water Facilities and more recently a fourth amendment to address multiple Audit recommendations.

The Audit's objectives were to evaluate M1W's expenses for compliance with the provisions of the Agreement. This work was completed through verifying if expenses for the SVRP, CSIP, and the SRDF were reasonably incurred, verifying direct and indirect costs were accurately documented, and assessing financial systems and internal controls. The Audit aimed to verify proper record keeping, accurate reporting, accurate reconciliations, and compliance with the Agreement overall. The Audit resulted in seven findings and subsequent recommendations to address those findings.

In September 2024, Agency and M1W formed a workgroup and a leadership committee to address the findings through the implementation of the Audit's recommendations and/or other identified solutions. The Audit recommendations were focused on ways to improve processes and provide clarity in the Water Recycling Agreement to benefit both agencies going forward. The workgroup and leadership committee have made significant progress over the last year to address the Audit

recommendations and will continue to utilize the Audit recommendations as a guide to make future improvements. The current status of addressing the Audit findings is in attachment 1 which provides an overview of each recommendation, how it has been addressed, and if it is resolved or needs additional work to resolve.

OTHER AGENCY INVOLVEMENT:
The Agency has worked with M1W throughout the audit phases.

FINANCING:
Staff time to participate in the workgroup meetings is included in the FY2026 approved budget and no additional costs are associated with receiving this update on Audit recommendations.

Prepared by: Shaunna Murray, Deputy General Manager, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831)755-4860

Attachments:
1. August 2025 Status Update of the Water Recycling Agreement Expense Audit Recommendations

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

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In September 2024, Agency and M1W formed a workgroup and a leadership committee to address the findings through the implementation of the Audit's recommendations and/or other identified solutions. The Audit recommendations were focused on ways to improve processes and provide clarity in the Water Recycling Agreement to benefit both agencies going forward. The workgroup and leadership committee have made significant progress over the last year to address the Audit recommendations and will continue to utilize the Audit recommendations as a guide to make future

improvements. The current status of addressing the Audit findings is in attachment 1 which provides an overview of each recommendation, how it has been addressed, and if it is resolved or needs additional work to resolve.

OTHER AGENCY INVOLVEMENT:
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FINANCING:
Staff time to participate in the workgroup meetings is included in the FY2026 approved budget and no additional costs are associated with receiving this update on Audit recommendations.

Prepared by: Shaunna Murray, Deputy General Manager, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831)755-4860

Attachments:
1. August 2025 Status Update of the Water Recycling Agreement Expense Audit Recommendations

Recommendation List

The following is a table showing all recommendation made in the audit and who they are addressed to.

	Recommendation Addressed To	Recommendation	Status as of August 12, 2025	Complete
1.1	Water Resources Agency	Seek a refund in the amount of $1,110,117.41.	Staff have been focused on Amendment #4 to the ARWRA. Addressing this recommendation is the next priority for both Agencies.	No
1.2	Water Resources Agency and Monterey One Water	Agree to and document the method to calculate indirect costs to be used in future years and amend the Agreement to reflect this decision. The selected method should be compliant with the requirements set for the in Section 8.03 of the Agreement, and the Agreement should include a final version of the methodology and exclude words such as "sample" and "draft".	Agreement to update methodology and timeline is included in ARWRA Amend. #4, Sections 7.02(1)(iv) and 8.02(7) describes the requirements. An indirect cost rate of 14.5% has been agreed upon for FY 2024–25 and 2025–26. A cost allocation method for future years will be developed collaboratively by both agencies. The agreed-upon cost allocation method will be incorporated as a future amendment to the agreement.	In Progress
1.3	Water Resources Agency and Monterey One Water	Amend the Agreement to require that Monterey One Water must submit working papers that support and document the calculation of the indirect cost allocation amount charged to the Water Resources Agency. The working papers should include sufficient detail for the Water Resources Agency to verify how all calculations were made and any assumptions that were used in the calculations.	Included in ARWRA Amend. #4, Section 8.02(1) A cost allocation method for years beyond FY 2025-2026 will be developed collaboratively by both agencies. The agreed-upon cost allocation method will be incorporated as an amendment to the agreement.	In Progress
2.1	Monterey One Water	Write and implement an organization-wide policy where supervisors of staff who directly bill time to the Water Resources Agency's projects review all work order time entered and timesheet time prior to approving timesheets for payroll. If the supervisor sees a possible discrepancy, the	M1W has implemented a policy to ensure labor hours for O&M related work are properly documented in its payroll system (Eden) and	In Progress

		policy should direct them to reconcile the information in both systems before approving the timesheet. This will help improve the accuracy of data in both systems.	asset management system (Lucity).	
2.2	Monterey One Water	Once any necessary corrections have been made to work order or timesheet information, Monterey One Water should provide the Water Resources Agency with detailed monthly reports of time from both systems. This will allow the Water Resources Agency to monitor Monterey One's progress and better assess the accuracy of time billed.	Lucity is used solely for work orders related to O&M and will never reflect total work hours worked on WRA projects. For example, hours for Capital Projects and water quality sampling/testing are not included in Lucity. However, M1W is reviewing the functionality of its work order system and separate payroll system to determine how best to generate a monthly report for each of the WRA programs to ensure billing accuracy and accountability.	In Progress
2.3	Monterey One Water	Seek to integrate its work order time entry with its timesheet entry for payroll. Such an integration will improve staff compliance while also saving staff time by entering their billable hours in a single place.	M1W is currently implementing a new Enterprise Resource Planning (ERP) system that will include payroll functionality. As a result, the outgoing payroll system (Eden) and asset management system (Lucity) will not be integrated. However, monthly documentation to be developed should show clear correlation between the two systems. Future integration, if available and cost-effective, could be considered.	Pending – To be determined at a later date
3.1	Monterey One Water	Implement a formal procedure for monthly reporting, assigning this responsibility explicitly to designated staff.	Included in ARWRA Amend. #4, Section 8.04(1). M1W is in the process of developing and implementing a reporting procedure for Fiscal Year 2026.	In Progress
3.2	Monterey One Water	Develop a backup plan or succession strategy for critical roles and responsibilities in the Finance Department, ensuring continuity in fulfilling key requirements of the Agreement, including the monthly expenditure reports.	M1W remains committed to fulfilling the reporting requirements outlined in the agreement, and ambiguities clarified in ARWRA Amend. #4 will help ensure continuity and compliance.	In Progress

4.1	Monterey One Water and Water Resources Agency	Amend the Agreement to reflect the following: • Require that any funds related to the Water Resources Agency's programs should be audited annually and reported in a separate annual audit report on these funds due to the Water Resources Agency no later than December 31st of each year. The Water Resources Agency's programs should be charged for these additional auditing costs.	Included in ARWRA Amend. #4, Section 8.03(1) by January 31st of each year.	Yes
		• Require that the reconciliation statement be provided by Monterey One Water to the Water Resources Agency annually by December 31st of each year.	Included in ARWRA Amend. #4, Section 8.03(1) by January 31st of each year.	Yes
		• Require the reconciliation statement be produced by comparing the budgeted program costs against the actual amount incurred in the audited statements. This reconciliation statement shall be produced in the form of Cash Flow Statements in separate audited Financial Statement of WRA programs and will form the basis of any resulting refund.	Included in ARWRA Amend. #4, Section 8.03(1).	Yes
		• Require that if budget savings are identified in the reconciliation statement, that such savings are applied by issuing a refund to the Water Resources Agency no later than January 31st.	Included in ARWRA Amend. #4, Section 8.03(1) by February 15thof each year.	Yes
		• Require Monterey One Water to maintain each Water Resources Agency program, including any future programs or facilities, in separate enterprise funds for each program.	Included in ARWRA Amend. #4, Section 7.01(1).	Yes
		• Prohibit Monterey One Water from including encumbered funds in the annual reconciliation statements submitted to the Water Resources Agency.	Included in ARWRA Amend. #4, Section 8.03(1).	Yes
		• Require that Monterey One Water cannot move monies between each individual enterprise fund established for each Water Resources Agency program.	Included in ARWRA Amend. #4, Section 7.01(1).	Yes
		• Require that the Water Resources Agency hold reserve amounts in separate "Restricted Cash" accounts for each program to provide for an operational, maintenance, capital, and all other non-debt service costs based on 45 days working capital.	Will be in future ARWRA amendment that covers Section 9.	No
		• Require that Monterey One Water hold reserve amounts in separate "Restricted Cash" accounts for each program funded by the Water Resources Agency and based on all legally required debt service reserves.	Will be in future ARWRA amendment that covers Section 9.	No
4.2	Monterey One Water	Continue its required monthly reporting as discussed in Finding 3 of this audit report.	Included in ARWRA Amend. #4, Section 8.04(1).	Yes

4.3	Monterey One Water	Move each program of the Water Resources Agency into individual enterprise funds starting in Fiscal Year 2024–25. Prior to moving these funds, Monterey One Water should first get approval from the Water Resources Agency on the specific redistribution of any pooled cash to be redistributed to the individual funds.	M1W has established individual funds for each WRA program. The newly created funds are as follows: Fund 04 – (SVRP), Fund 05 – (CSIP), Fund 06 – (SRDF)	Yes
5.1	Monterey One Water	Reimburse the Water Resources Agency for the $1,110,117.41 it overcharged for indirect costs during the four audit years, as stated in Finding 1.	Staff have been focused on Amendment #4 to the ARWRA. Addressing this recommendation is the next priority for both Agencies.	No
6.1	Monterey One Water and Water Resources Agency	Implement the recommendations made in Findings 1-4.	Since last year, M1W and WRA have been in discussions to finalize necessary revisions to the ARWRA to satisfy findings 1-4. Amendment #4 was approved, with an effective date of July 1, 2025.	In Progress, based on above.
7.1	Monterey One Water and Water Resources Agency	Revise the Agreement to include provisions that if problems arise between the parties and are unresolved for longer than 30 days, they be escalated and reported to both entities' Boards of Directors by email and added to the agendas for discussion at the next scheduled meetings. This might include, but not be limited to, any missed reporting deadlines by any party or ongoing disagreement between staff regarding the accuracy of financial reporting. This will encourage M1W to better adhere to their reporting requirements of the Agreement and more quickly escalate any disagreements about information accuracy to each board. Once reported, the boards will be more informed to enact a solution to resolve any dispute.	Will be in future ARWRA amendment that covers Section 13. As a first step, processes have been outlined in Amendment #4, and meetings have been set up to enhance communication between the agencies. The following meetings have been established: leadership meetings and monthly expenditure meetings.	In progress

County of Monterey

Item No.4

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 25-141

September 15, 2025

Introduced: 9/8/2025

Current Status: Agenda Ready

Version: 1

Matter Type: WR General Agenda

Update on the Nonpoint Source Implementation Plan. (Presenter: Manuel Saavedra)

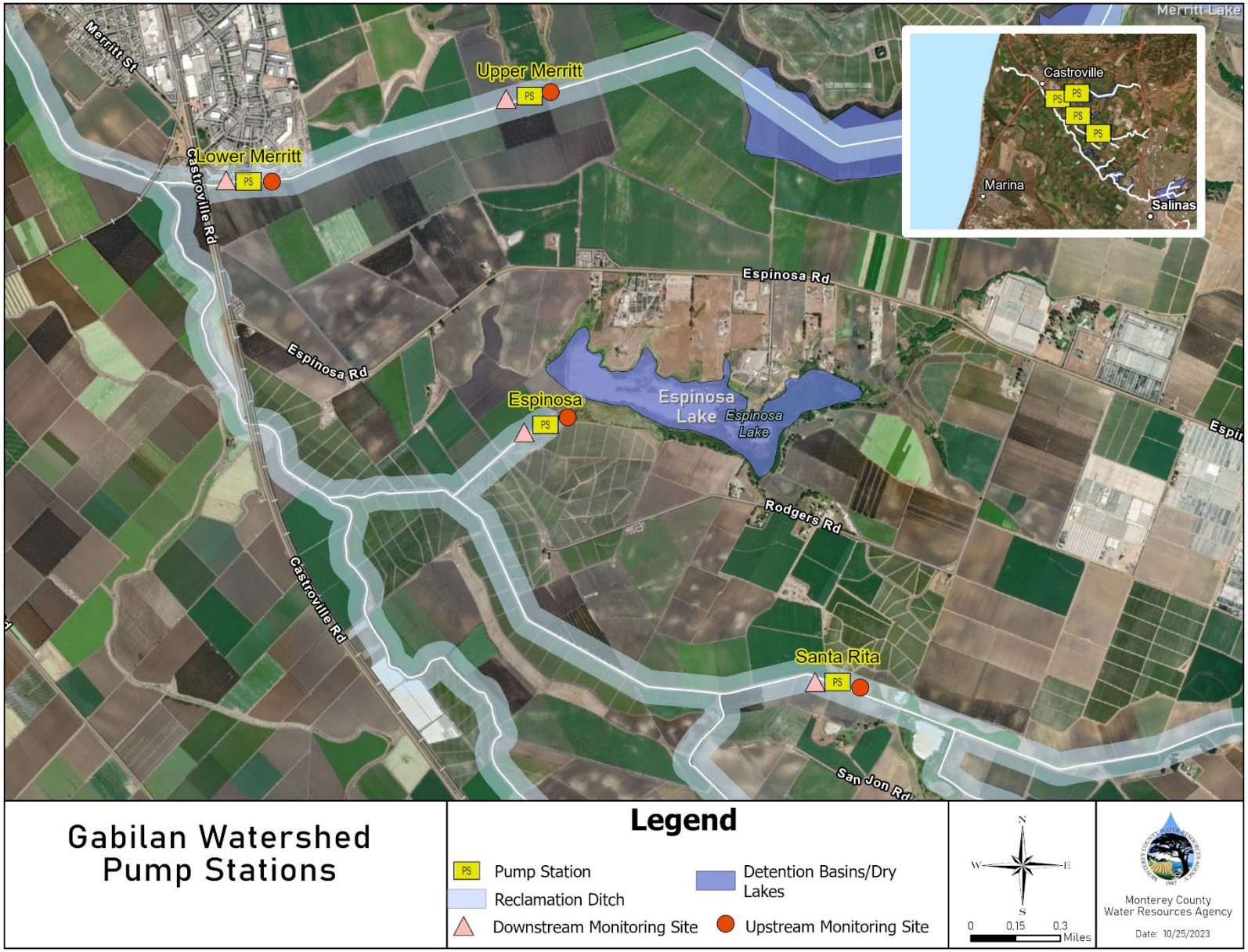

MONTEREY COUNTY WATER RESOURCES AGENCY
1947



Nonpoint Source Implementation Plan Update

Overview:

- On February 18, 2022, the Central Coast Regional Water Quality Control Board adopted a Basin Plan amendment establishing total maximum daily loads (TMDLs) for turbidity in the Gabilan Creek watershed.
- The MCWRA operates pump stations facilities in several streams in the lower Gabilan Creek watershed.
- MCWRA is required to meet TMDL load allocations during pump operations.


Merritt St
Upper Merritt
PS
Lower Merritt
PS
Castroville Rd
Merritt Lake
Castroville
Marina
Salinas
Espinosa Rd
Espinosa Rd
Espinosa
PS
Espinosa Lake
Espinosa Lake
Rodgers Rd
Castroville Rd
Santa Rita
PS
San Jon Rd
Gabilan Watershed
Pump Stations
Legend
PS Pump Station
Reclamation Ditch
Downstream Monitoring Site
Detention Basins/Dry Lakes
Upstream Monitoring Site
N
W
E
S
0 0.15 0.3 Miles
Monterey County
Water Resources Agency
Date: 10/25/2023



Nonpoint Source Implementation Plan Update

TMDL Implementation Requirements:

- Development of a Nonpoint Source (NPS) program for meeting turbidity water quality objectives.
- NPS program includes the following Best Management Practices:
  - Decrease pump operation times.
  - Operate low flow capacity pumps during the summer months.
  - Improve riprap protection of the channel banks on discharge side of the pump stations to reduce erosion.
  - Water Quality Monitoring at pump stations.



Nonpoint Source Implementation Plan Update

Turbidity Water Quality Objectives:

- Where natural turbidity is between 0 and 50 Nephelometric Turbidity Units (NTU), increases shall not exceed 20 percent.
- Where natural turbidity is between 50 and 100 NTU, increase shall not exceed 10 NTU.
- Where natural turbidity is greater than 100 NTU, increases shall not exceed 10 percent.

Nonpoint Source Implementation Plan Update

Timeline:

PUMP STATION NAME	MANAGEMENT PRACTICE ALTERNATIVE (MP No. 1)	TIMELINE	MANAGEMENT PRACTICE ALTERNATIVE (MP No. 2)	TIMELINE	MANAGEMENT PRACTICE ALTERNATIVE (MP No. 3)	TIMELINE
ESPINOSA	Adjust ON/OFF pump run setpoints.	By May 2025	Not Applicable	-	Improve riprap armoring in channel downstream of PS	By December 2027
LOWER MERRITT (Pilot Project)	Not Applicable	-	Operate portable small HP engine driven pump.	By May 2025	Improve riprap armoring in channel downstream of PS	By December 2027
UPPER MERRITT (Pilot Project)	Not Applicable	-	Operate existing electrical small HP pump	By May 2025	Improve riprap armoring in channel downstream of PS	By December 2027
SANTA RITA	Not Applicable	-	Operate portable small HP engine driven pump.	By May 2025	Improve riprap armoring in channel downstream of PS	By December 2027



Nonpoint Source Implementation Plan Update

Progress to Date

- MCWRA is currently conducting a Nonpoint Source Implementation Plan Pilot Study at the Lower Merritt Pump Station.
- Water Quality and flow data is being collected and monitored.

Nonpoint Source Implementation Plan Update





Nonpoint Source Implementation Plan Update







Nonpoint Source Implementation Plan Update

Questions?


MONTEREY COUNTY WATER RESOURCES AGENCY
1947

County of Monterey

Board Report

Legistar File Number: WRAG 25-148

Item No.5

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Approve the Action Minutes of the Board of Directors meeting held on August 18, 2025.

County of Monterey

Board of Supervisor's Chambers
168 W. Alisal St., 1st Floor
Salinas, Ca 93901

Meeting Minutes

Monday, August 18, 2025

12:00 PM

Join via Zoom at https://montereycty.zoom.us/j/99769079850 or BoS Chambers 168 W. Alisal 1st Fl., Salinas, Ca 93901

Water Resources Agency Board of Directors

Mike LeBarre, Chair
Matt Simis, Vice Chair
Mark Gonzalez
Deidre Sullivan
Ken Ekelund
Mike Scattini
Jason Smith
John Baillie
Jon Conatser

Participation in meetings:

You may attend the Board of Directors meeting through the following methods:

1. You may attend in person

2. Attend via Zoom (info below) or observe the live stream of the Board of Directors meetings at http://monterey.granicus.com/ViewPublisher.php?view_id=19 or http://www.mgtvonline.com/

3. For ZOOM participation please join by computer audio at:
https://montereycty.zoom.us/j/99769079850

OR to participate by phone call any of these numbers below:
+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 997 6907 9850 when prompted. Please note there is no Participant Code, you will just press # again after the recording prompts you.

You will be placed in the meeting as an attendee; when you are ready to make a public comment if joined by computer audio please Raise your Hand; and by phone please push *9 on your keypad.

PLEASE NOTE: IF ALL BOARD MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE BOARD OF DIRECTORS MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

4. If you choose not to attend the Board of Directors meeting but wish to make a comment on a specific agenda item, please submit your comment via email by 5:00 p.m. on the Friday before the meeting.. Please submit your comment to the Secretary of the Board at WRApubliccomment@countyofmonterey.gov mailto:WRApubliccomment@countyofmonterey.gov In an effort to assist the Secretary in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Board of Directors Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Board meeting.

Participacion en Reuniones:

Puede asistir a la reunion de la Junta Directiva a traves de los siguientes metodos:

1. Podar asistir personalmente a la reunion; o,

2. Asistir por Zoom (informacion a continuacion), que observe la transmisión de la reunión de la Junta Directiva en vivo por http://monterey.granicus.com/ViewPublisher.php?view_id=19 o http://www.mgtvonline.com/

3. Para participar for ZOOM, por favor únase for audio de computadora por: https://montereycty.zoom.us/j/997 6907 9850

O para participar for teléfono, llame a culquiera de los números a continuación:
+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Cuando se le solicite, ingrese este número de reunión: 997 6907 9850. Por favor tenga en cuenta que no hay código de participante, simplemente presione # nuevamente después de que la grabación se lo indique.

Se le colocará en la reunion como asistente; cuando deseé hacer un comentario público si esta unido por la computadora utilize la opción de levantar la mano en el chat de la pantalla; o por teléfono presione *9 en su teclado.

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DE LA JUNTA ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN PÚBLICA DE ZOOM ES SOLO POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI EL FEED DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN DE LA JUNTA DIRECTIVA PUEDE PAUSARSE MIENTRAS SE INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

4. Si prefiere no asistir a la reunión de la Junta Directiva pero desea hacer un comentario sobre algún tema específico de la agenda, por favor envie su comentario por correo electrónico antes de las 5:00 p.m. el Viernes antes de la reunion.. Envie su comentario al Secretario de la junta al correo electronico WRApubliccomment@countyofmonterey.gov mailto:WRApubliccomment@countyofmonterey.gov Para ayudar al Secretario a idenficar el artículo de la agenda relacionado con su comentario, por favor indique en la linea de asunto del correo electronico el cuerpo de la reunion (es decir, la Agenda de la Junta Directiva) y el número de artículo (es decir, el Artículo No. 10). Su comentario se colocará en el registro de la reunion de esta Junta.

NOTE: All agenda titles related to numbered agenda items are live web links. Click on the title to be directed to corresponding Board Report.

PUBLIC COMMENT: Members of the public may address comments to the Board concerning each agenda item. The timing of public comment shall be at the discretion of the Chair.

Call to Order at 12:00 P.M.

The meeting was called to order at 12:06 p.m.

Roll Call

Present: Mike LeBarre, Matt Simis, Mark Gonzalez, Mike Scattini (arrived at 12:08 p.m.), John Baillie, John Conatser.
Absent: Deidre Sullivan, Ken Ekelund, Jason Smith

Public Comments on Closed Session Items

None

1. a. Pursuant to Government Code section 54956.9(d)(2) and (d)(4), the Board will confer with legal counsel regarding one matter of significant exposure to litigation and the potential initiation of litigation.

b. Pursuant to Government Code section 54956.9(d)(2), the Board will confer with legal counsel regarding one matter of significant exposure to litigation.

c. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:

Pajaro River Cases: *Mario Gonzalez, et al. v. State of California, et al.,* Monterey County Superior Court Case No. 23CV004194 (as lead coordinated case, including subordinate Monterey County cases: 24CV000215; 24CV000421; 24CVOOO428; 24CV000848; 24CV000904; 24CV001269; and Santa Cruz case: 23CV03022)

Nacimiento Regional Water Management Advisory Committee v. Monterey County Water Resources Agency, et al. (San Luis Obispo Superior Court Case No. 19CVP-0010)

Recess to Closed Session

The meeting reconvened at 1:04 p.m., County Counsel has no reportable items from Closed Session.

Reconvene Meeting at 1:00 P.M.

Pledge of Allegiance

ADDITIONS AND CORRECTIONS BY CLERK: The Clerk of the Board will announce agenda corrections and proposed additions, which may acted on by the Board as provided in Sections 54954.2 of the California Government Code.

Public Comment

None

Presentations

Director Comments: John Baillie, Mike Scattini, Mark Gonzalez
Staff Comments:None
Public Comment: None

2. Update on the Salinas River Operations Habitat Conservation Plan. (Presenter: Jason Demers)

Attachments: Salinas River Operations HCP PPT

Director Comments: John Baillie, Mike Scattini, Mark Gonzalez, Mike LeBarre
Staff Comments: None
Public Comments: None

3. Update on the Salinas River Lagoon Slidegate Project. (Presenter: Elise Harden)

Attachments: OSR Presentation PPT

Consent Calendar

Upon Motion by Director Mike Scattini and Second by Director Mark Gonzalez the Board approved the Consent Calendar.

Upon Motion by Director John Baillie Consent Item# 5 was pulled for further Board of Directors discussion.

Ayes: Mike LeBarre, Matt Simis, Mark Gonzalez, Mike Scattini, John Baillie,Jon Conatser
Noes: None.
Absent: Deidre Sullivan, Ken Ekelund, Jason Smith.
Abstained: None
Recused: None.

Board of Director Comments: None.
Public Comments: None.

4. Approve the Action Minutes of the Board of Directors meetings held on May 19, 2025, June 16,

2025; Special Board of Directors meetings held on June 13, 2025, July 9, 2025.

Attachments: draft BOD Minutes May 19, 2025
draft BOD Minutes June 16, 2025
Draft SPECIAL BOD Minutes June 13, 2025
draft SPECIAL BOD Minutes July 9, 2025

Upon Motion by Director Mark Gonzalez and Second by Director John Baillie the Board recommended that the Monterey County Water Resources Agency of Supervisors approve and authorize the Monterey County Resources Agency General Manager to execute a quitclaim deed and any other associated documents to remove a flow ditch easement on a portion of property to the Big Sur Land Trust for the Carr Lake Restoration Project in the City of Salinas.

Ayes: Mike LeBarre, Matt Simis, Mark Gonzalez, Mike Scattini, John Baillie,Jon Conatser
Noes: None.
Absent: Deidre Sullivan, Ken Ekelund, Jason Smith
Abstained: None
Recused: None.

Board of Director Comments: Mark Gonzalez, John Baillie, Mike LeBarre
Staff Comments: Jennifer Bodensteiner
Public Comments: Rachel Saunders

5. Recommend that the Monterey County Water Resources Agency Board of Supervisors approve and authorize the Monterey County Water Resources Agency General Manager to execute a quitclaim deed and any other associated documents to remove a flow ditch easement on a portion of property to the Big Sur Land Trust for the Carr Lake Restoration Project in the City of Salinas. (Staff: Jennifer Bodensteiner)

Attachments: Board Report
Quitclaim Deed
Public Draft, City of Salinas Carr Lake BSLT IS/MND
Board Order

6. Authorize Amendment No. 3 to the Professional Services Agreement with GEI Consultants, Inc., to increase the dollar amount by $249,676 for a total contract amount not-to- exceed $477,296; and extend the term of the Agreement to December 31, 2027, to provide engineering services for Nacimiento Dam including design of a penstock protection wall; and authorize the General Manager to execute the Amendment. (Staff: Mark Foxworthy)

Attachments: Board Report
Amendment No. 3
Amendment No.1
Amendment No. 2
Original Agreement for Professional Services
Board Order

Action Items

Upon Motion by Director John Baillie and Second by Director Mark Gonzalez the Board disapproved Amendment No. 1 to the Agreement for Services with Fieldman, Rolapp and Associates, Inc. to extend the term of the contract from August 3, 2025, to December 31, 2028, to increase the dollar amount by $75,000 for a total contract amount not to exceed $165,000 for financial management services; and authorize the General Manager to execute the amendment.

Ayes: None
Noes: Mike LeBarre, Mark Gonzalez, Mike Scattini, John Baillie, Jon Conatser
Absent: Deidre Sullivan, Ken Ekelund, Jason Smith
Abstained: None
Againist: Matt Simis
Recused: None.

Board of Director Comments: John Baillie, Mike LeBarre
Public Comments: Nancy Isakson, Thomas Virsik

7. Consider approving Amendment No. 1 to the Agreement for Services with Fieldman, Rolapp and Associates, Inc., to extend the term of the contract from August 3, 2028, to December 31, 2028, to increase the dollar amount by $75,000 for a total contract amount not to exceed $165,000 for financial management services; and authorize the General Manager to execute the amendment. (Presenter: Ara Azhderian)

Attachments:
Board Report
Original Agreement for Services
Amendment No. 1
Revised Scope of Services
07.09.25 Dam Safety& Operations Financial Strategy PPT
Board Order

Upon Motion by Director John Baillie and Second by Director Mark Gonzalez the Board approved Amendment No. 4 to the Agreement for Services with Quinn Company to increase the dollar amount by $150,000 for a total contract amount not to exceed $550,000 for short term equipment rental and preventative maintenance and repair of Agency owned heavy equipment; and authorize the General Manager to execute the amendment.

Ayes: Mike LeBarre, Matt Simis, Mark Gonzalez, Mike Scattini, John Baillie, Jon Conatser
Noes: None
Absent: Deidre Sullivan, Ken Ekelund, Jason Smith
Abstained: None
Againist: None
Recused: None.

Board of Director Comments: John Baillie, Mark Gonzalez
Public Comments: None

8. Consider approving Amendment No. 4 to the Agreement for Services with Quinn Company to increase the dollar amount by $150,000 for a total contract amount not to exceed $550,000 for short term equipment rental and preventative maintenance and repair of Agency owned heavy

equipment; and authorize the General Manager to execute the amendment.

Attachments: Board Report
Original Agreement for Services
Amendment No. 1
Amendment No. 2
Amendment No. 3
Amendment No. 4
Board Order

Upon Motion by Director John Baillie and Second by Director Mark Gonzalez the Board recommended that the Monterey County Water Resources Agency Board of Supervisors adopt a resolution authorizing the Monterey County Water Resources Agency to enter into an agreement with the California Department of Fish and Wildlife to receive $77,727 in funding for the Invasive Mussel Prevention to Preserve Boating Access at Nacimiento and San Antonio Reservoirs project; and authorizing the General Manager, or designee, to execute the agreement and any amendments thereto, and to submit any required documents, invoices, and reports required to obtain the funds on behalf of the Monterey County Water Resources Agency.

Ayes: Mike LeBarre, Matt Simis, Mark Gonzalez, Mike Scattini, John Baillie, Jon Conatser
Noes: None
Absent: Deidre Sullivan, Ken Ekelund, Jason Smith
Abstained: None
Againist: None
Recused: None.

Board of Director Comments: Mike Scattini, Mark Gonzalez
Public Comments: None

9. Consider recommending that the Monterey County Water Resources Agency Board of Supervisors adopt a resolution authorizing the Monterey County Water Resources Agency to enter into an agreement with the California Department of Fish and Wildlife to receive $77,727 in funding for the Invasive Mussel Prevention to Preserve Boating Access at Nacimiento and San Antonio Reservoirs project; and authorizing the General Manager, or designee, to execute the agreement and any amendments thereto, and to submit any required documents, invoices, and reports required to obtain the funds on behalf of the Monterey County Water Resources Agency. (Presenter: Marinn Browne)

Attachments: Board Report
Board of Supervisors Resolution
Board Order

Upon Motion by Director John Baillie and Second by Director Mark Gonzalez the Board recommended that the Monterey County Water Resources Agency (MCWRA) Board of Supervisors:
1. Approve and authorize the General Manager to execute a Master Agreement for Professional Services for the Groundwater Monitoring Program and Task Order No. 2025-01, with a retroactive term beginning on March 1, 2025, in the amount of $802,536 between the MCWRA and the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA), pending review and approval as to form by County Counsel; and

2. Authorize the Auditor-Controller to amend the Fiscal Year 2025-2026 (FY26) Adopted Budget for MCWRA Fund 111 (111-9300-WRA001- 8267), to increase its appropriations by $400,000 and to increase revenue by $199,070, funded by grant revenue and $802,536, financed via a Master Agreement for Professional Services between MCWRA and SVBGSA (4/5ths vote required); and
3. Authorize the Auditor-Controller's Office to incorporate approved budget modifications to the FY26 Adopted Budget.

Ayes: Mike LeBarre, Matt Simis, Mark Gonzalez, John Baillie, Jon Conatser
Noes: Mike Scattini,
Absent: Deidre Sullivan, Ken Ekelund, Jason Smith
Abstained: None
Againist: None
Recused: None.

Board of Director Comments: Mike Scattini, Mark Gonzalez
Public Comments: Nancy Isakson

10. Consider recommending that the Monterey County Water Resources Agency (MCWRA) Board of Supervisors:

1. Approve and authorize the General Manager to execute a Master Agreement for Professional Services for the Groundwater Monitoring Program and Task Order No. 2025-01, with a retroactive term beginning on March 1, 2025, in the amount of $802,536 between the MCWRA and the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA), pending review and approval as to form by County Counsel; and
2. Authorize the Auditor-Controller to amend the Fiscal Year 2025-2026 (FY26) Adopted Budget for MCWRA Fund 111 (111-9300-WRA001-8267), to increase its appropriations by $400,000 and to increase revenue by $199,070, funded by grant revenue and $802,536, financed via a Master Agreement for Professional Services between MCWRA and SVBGSA (4/5ths vote required); and
3. Authorize the Auditor-Controller's Office to incorporate approved budget modifications to the FY26 Adopted Budget. (Presenter: Shaunna Murray)

Attachments: Board Report
Board of Supervisors Resolution No. 25-249
Master Agreement and Task Order No. 2025-01
Board Order

Key Information and Calendar of Events

11. August, September and October 2025 Calendars.

Attachments: August 2025
September 2025
October 2025

General Manager's Report

Board of Directors Comments: Mark Gonzalez, Jon Conaster

Staff Comments: None
Public Comments: None

12.
1. Personnel
2. Groundwater Monitoring Program Regulatory Fees
3. Dam Safety & Operations Future Funding Strategy
4. Salinas River Habitat Conservation Plan
5. Property Management
6. Mussel Prevention Program
7. Regulatory/Legislative Activities

Attachments: General Manager Report

Committee Reports

13. Committee Agenda's and Cancellation Notices for July and August 2025:

- Water Resources Agency Reservoir Operations Advisory Committee Cancellation Notice
- Water Resources Agency Finance Committee
- Water Resources Personnel and Administration Committee Cancellation Notice
- Water Resources Agency Basin Management Advisory Committee
- Water Resources Agency Planning Committee
- County of Monterey Legislative Committee Cancellation Notice
- County of Monterey Legislative Committee Special Meeting

Attachments: ResOps July Cancellation Notice
Final Finance Agenda August 1, 2025
P&A Aug Cancellation Notice
Final BMAC Agenda Aug 6, 2025
Final Planning Agenda August 6, 2025
MoCo Legislative Committee Cancellation Notice
MoCo Legislative Committee Special Meeting Agenda Aug 14, 2025

Information Items

14. 2024 Groundwater Extraction Summary Report. (Staff: Amy Woodrow, Ricardo Carmona, Guillermo Diaz-Moreno, Riley Clark)

Attachments: 2024 Groundwater Extraction Summary Report

15. Reservoir Storage and Release Update. (Staff: Joseph Klein)

Attachments: Reservoir Storage Release Update

Correspondence

16. 1. Email Correspondence dated June 20, 2025, to Chair and Directors, Salinas Valley Basin Groundwater Sustainability Agency (GSA) from Thomas S. Virsik, Attorney at Law re: Code of Conduct Values

2. Email Correspondence dated July 3, 2025, to Monterey County Water Resources Agency Board of Directors from Christopher Bunn, President, Salinas Basin Water Alliance re: Concerns regarding Monterey County Water Resources Agency's April 2025 update to Historic Benefits Assessment of Water Infrastructure Projects for Salinas Valley.

3. Email Correspondence dated July 3, 2025, to Director Ekelund and Members of the Monterey County Water Resources Agency Board from Bill Lipe re: Revised Perspective on the San Antonio Spillway Replacement - A Data-Driven Commitment to Safety.

4. Email Correspondence dated July 16, 2025, to Clerk of the Boards from Bill Lipe re: Request for Electronic Distribution of Public Comment to Leadership Committee.

5. Letter dated July 23, 2025, to Cynthia Boe, Chief Executive Officer, Town Creek Association from Ara Azhderian, General Manager, Monterey County Water Resources Agency re: Mussel Prevention Program.

Attachments:
Email Code of Conduct 20June2025 Virisk
Email Salinas Basin Water Alliance HBA Draft 070325
Email Revised Perspective on the SA Spillway Replacement
Email Request for Electronic Distribution of Public Comment 071625
LTR WRA to Town Creek Association 072425

Board of Directors Comments

Directors Comments: John Baillie, Matt Simis, Mark Gonzalez.

Adjournment

The meeting adjourned at 3:14 p.m.

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Approve Amendment No. 2 to the Agreement for Services with TCB Industrial, Inc., (TCB), to increase the dollar amount by $275,000 for a total contract amount not-to-exceed $640,000 to provide maintenance and repair services for the Nacimiento Dam Hydroelectric Power Plant; and authorize the General Manager to execute the Amendment. (Staff: Manuel Saavedra)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

a. Approve Amendment No. 2 to the Agreement for Services with TCB Industrial, Inc., (TCB), to increase the dollar amount by $275,000 for a total contract amount not-to-exceed $640,000 to provide maintenance and repair services for the Nacimiento Dam Hydroelectric Power Plant; and
b. Authorize the General Manager to execute the Amendment.

SUMMARY/DISCUSSION:
On April 25, 2024, the Monterey County Water Resources Agency (Agency) entered into a three-year term Agreement for Services (Agreement) with TCB in the amount of $100,000 to partial pay some of the costs to refurbish Unit 2 and to provide other as-needed repair services.

In September 2024, the Board of Directors approved Amendment No.1 to increase the amount payable by $265,000 to a not-to-exceed total of $365,000 to complete the overhaul of the generator and turbine for Unit 2.

The purpose of Amendment No. 2 is to increase the agreement amount by $275,00 to allow payment for the replacement of the Power Plant's coiling coils (coils) which have reached end of operational life conditions and to perform overdue preventive maintenance (PM) on Unit 1, and to provide funding for other as-needed maintenance and repair services for the Power Plant. The Agency has received from TCB price quotes to remove and re-install the coils for approximately $48,000 and $205,000 to perform the PM on Unit 1.

This amendment was taken to the Finance Committee on September 5, 2025, and was recommended to be approved by the Board of Directors.

OTHER AGENCY INVOLVEMENT:
None.

FINANCING:

Amendment No. 2 is financed from hydroelectric power sales revenue in Fund 130. The total amount needed for this amendment in FY2025-26 is estimated at $275,000 and is included in the FY2025-26 Adopted Budget. Sufficient appropriations in Fund 130 are included in the FY2025-26 Adopted Budget to pay for this amendment.

Prepared by: Manuel Saavedra, Associate Water Resources Engineer, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Original Agreement for Services.
2. Amendment No. 1.
3. Amendment No. 2
4. Board Order

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
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Prepared by: Manuel Saavedra, Associate Water Resources Engineer, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Original Agreement for Services.
2. Amendment No. 1.
3. Amendment No. 2
4. Board Order

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and TCB Industrial, Inc., a Corporation hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Scope of Work. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**

   (a) The scope of work is briefly described and outlined as follows:

   Perform refurbishment of the Unit 2 generator and turbine for the Nacimiento Dam Hydroelectric power plant, provide as needed hydroelectric power plant repair services

   (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on April 8, 2024, by CONTRACTOR and Agency, and will terminate on December 31, 2027, unless earlier terminated as provided herein.

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3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is One Hundred Thousand Dollars, ($100,000.00).

4. Monthly Invoices by CONTRACTOR; Payment.

   (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

   (b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@co.monterey.ca.us and to the Contract Administrator Section 26.

   (c) CONTRACTOR agrees that Agency may withhold five percent (5%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.

   (d) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

   (e) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification. CONTRACTOR shall indemnify, defend, and hold harmless the Agency and the County of Monterey, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's

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performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence, active negligence, or willful misconduct of the Agency. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

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Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10***

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10 01 in tandem with CG 20 37 10 01 (2000). *The required endorsement form for Automobile Additional Insured endorsement is* ***ISO Form CA 20 48 02 99.***

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subcontractors relating to this Agreement. Government Code section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the

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purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic

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duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Independent Contractor Compliance with Government Code Section 1097.6(c). CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the Agency with any portion of the Agency's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Agency. The Agency shall at all times retain responsibility for public contracting, including with respect to any subsequent phase stemming from this Agreement. CONTRACTOR's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. CONTRACTOR shall cooperate with the Agency to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if applicable, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.

17. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

18. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

19. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

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20. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

21. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

22. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

23. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

24. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

25. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

26. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

27. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be:

Scott Gomez

Agency's designated administrator of this Agreement shall be:

Manuel Saavedra

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28. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY	TO CONTRACTOR
Name: Manuel Saavedra	Name: Scott Gomez
Address: 1441 Schilling Pl., Salinas, CA 93901	Address: 2955 Farrar Ave., Modesto, CA 95354
Telephone: 831.755.4860	Telephone: 209.571.0569
Fax:	Fax:
E-Mail: saavedram@co.monterey.ca.us	E-Mail: sgomez@tcbindustrial.net

29. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats.

30. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

31. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

32. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work/ Work Schedule
    Exhibit B - Fee Schedule

33. Entire Agreement. As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:

BY: DocuSigned by: Ara Azhderian 1F182FFB49A2435...

Ara Azhderian
General Manager

Date: 4/25/2024 | 8:47 AM PDT

CONTRACTOR:

BY: Beyan Martin

Type Name: Beyan Martin

Title: Vice President

Date: 4-10-24

BY:

Type Name:

Title:

Date:

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* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

DocuSigned by:
Kelly L. Doulon
22D690CA05A940B...
Assistant County Counsel

Dated: 4/19/2024 | 10:36 AM PDT

Approved as to fiscal provisions:

DocuSigned by:
Trent Hill
30922505678A4ED...
Administrative Analyst

Dated: 4/24/2024 | 3:56 PM PDT

_____
County Counsel – Risk Manager:

Dated: _____

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Auditor-Controller [2]:

Dated: 4/19/2024 | 3:21 PM PDT

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

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EXHIBIT A

SCOPE OF WORK/WORK SCHEDULE

SCOPE OF WORK:
CONTRACTOR will provide the following description of work related to the refurbishment of the Unit 2 generator and turbine for the Nacimiento Dam Hydroelectric Power Plant, and as-needed hydroelectric power plant repair services in accordance with the Payment Provisions listed in Exhibit B:

PHASE 1: Removal and Disassembly of Generator and Turbine.

1. Mobilization.
2. Conduct site specific safety training and stage tooling in designated areas.
3. Sign onto applicable LOTO clearances.
4. Record as-found dimensions and provide data sheets for Agency for documentation and review.
5. Match mark components in preparation of disassembly.
6. Uncouple the generator from the turbine shaft and remove.
7. Load generator on truck and ship to Ideal Electric (subCONTRACTOR) for refurbishment.
8. Refurbishment of generator (by subCONTRACTOR): Complete dismantle, chemically clean stator and rotor, inspect, and repair electrical and mechanical components, including all shaft journals. Check rotor, windings, stabilization components to include wedges, field pole assemblies, perform Total Indicated Run Out. Install new bearings, secondary VPI treatment and baking. Provide final inspection report (will include as-found and repaired conditions), and test run prior to shipping to facility.
9. Rewind of Generator (OPTIONAL - Only if required).
10. Unbolt turbine assembly from the upstream intake pipe flange and base plate.
11. Pull turbine unit and trip to top deck.
12. Supply and install cover for exposed chase to tail race.
13. Rig turbine unit out of powerhouse and stage.
14. Load turbine and transport to Refurbishment Shop.

PHASE 2: Refurbishment and Installation of Generator and Turbine (To be completed after July 1, 2024).

15. Complete disassembly of turbine unit and assessment of internal components.
16. Record all found dimensions and clearances on turbine components.
17. Create data sheets for turbine components and provide to Agency for review.
18. Develop detailed refurbishment plans based off the as found conditions of the components.
19. Machine new turbine components and install.
20. Provide data sheets to Agency of as machined dimensions and As-Built drawings.
21. Blast and paint coat the exterior and accessible interior components of the turbine prior to returning to site.
22. Transport turbine back to site for reassembly.
23. Off load truck and rig into top deck of powerhouse.
24. Trip to the vertical position and install.
25. Connect upstream flange with new gaskets and hardware.
26. Deliver newly refurbished generator.
27. Offload generator and rig to top deck of powerhouse.
28. Rig generator and install on top of turbine.
29. Roto-Line will be performed prior to coupling and data will be submitted to Agency for review.
30. If generator needs to be shimmed or shifted, CONTRACTOR to re-dowel generator to turbine mounting flange.
31. Provide start-up support.
32. Site clean-up and demobilization.

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EXHIBIT A

SCOPE OF WORK/WORK SCHEDULE

SCOPE OF WORK:

Project Clarifications:

- Hydroelectric power plant consultant time is included for two shifts: One shift for disassembly and one shift for reassembly.
- CONTRACTOR will provide a 2-person crew for three (3) days to support the start-up activities on site.
- subCONTRACTOR (Ideal Electric) will provide three (3) days of on site installation assistance and oversight for commissioning of the unit after installation by CONTRACTOR, and will provide connections to the connection box.
- Machine shop work to repair all bushings/linkage/hardware is included in the price total for the scope of work, except materials for bushings or component purchasing.

WORK SCHEDULE:

- CONTRACTOR will begin and complete performance of services within the timeline provided by the Agency. In setting the timeline for performance, the Agency will first consult with and consider CONTRACTOR's feedback.

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EXHIBIT B

PAYMENT PROVISIONS

CONTRACTOR shall be compensated for the work as set forth in the Scope of Work as follows:

PHASE 1: Removal and Disassembly of Generator and Turbine.

CONTRACTOR will complete Phase 1 scope of work for a Fixed Price of Forty-Eight Thousand Three Hundred Twenty-Five Dollars ($48,325.00). The proposed price includes all applicable state and federal taxes.

PHASE 2: Refurbishment and Installation of Generator and Turbine.

CONTRACTOR will complete the Phase 2 scope of work for a Fixed Price of Two Hundred Eighty-Two Thousand Nine Hundred Ninety-Seven Dollars ($282,997.00). The proposed price includes all applicable state and federal taxes.

NOTE:
Work performed by CONTRACTOR outside the scope of work for Phase 1 and 2 shall be billed in accordance with the Time and Materials rates shown in Exhibit B.

DocuSign Envelope ID: 879E6F39-D9DD-414A-BD2C-C14967876EB3

EXHIBIT B

PAYMENT PROVISIONS

CONTRACTOR shall be compensated for as-needed hydroelectric power plant repair services on a Time and Materials basis in accordance with the Fee Schedule shown below:

TCB Industrial, Inc. - Billing Rates

T&M Rates effective: 7/1/23 to 6/30/24

Classification	ST	OT	DT
Shop Support	$158	$208	$259
Draftsman / Detailer	$115	$173	$230
Project Manager	$207	$282	$357
Millwrights: Journeyman	$163	$216	$269
Millwrights: Foreman	$173	$231	$289
Millwrights: Gen. Foreman	$179	$241	$302
Millwrights: Superintendent	$186	$251	$315
Carpenters: Journeyman	$156	$208	$259
Carpenters: Foreman	$167	$223	$279
Carpenters: General Foreman	$189	$257	$324
Carpenters: Superintendent	$216	$297	$378

Classification	ST	OT	DT
**Pipefitters: Journeyman	$146	$197	$248
**Pipefitters: Foreman	$168	$231	$294
**Pipefitters: General Foreman	$178	$246	$314
Confined Space Rescue	$132	$176	$220
Project Administrator	$106	$158	$211

If job requires a 2nd shift each rate will increase by $3 an hour.
If job requires a 3rd shift each rate will increase by $3.25 an hour.
Truck $130 per day. Fuel will be charged at a rate of .70 cents per mile. Due to fuel fluctuation surcharge may apply. Confined Space Rescue Equipment Trailer $500 per day

PLEASE NOTE:

*All labor and equipment are subject to availability at time required.

*Quoted labor rates include hourly pay and fringe benefits as dictated by current union agreements.

*Most rates are subject to re-negotiation and revision on or about 6/30.

**Pipefitters are subject to renegotiation and revision on or about 6/30 and 12/31.

*Sub-contractors, materials, and third party rentals shall be billed at cost plus 15%.

***Rate Conditions**

Normal workday and normal workweek are defined as eight (8) consecutive hours and five (5) consecutive normal workdays.

UA Pipe Fitters: Straight time rates apply for the first eight hours worked Monday through Friday. Overtime premiums (1.5T) apply between hours eight and ten Monday through Friday and between hours one and ten Saturday. Double time premiums (2T) apply after hour Ten Monday through Friday, after hour Ten on Saturday and all day on Sunday and Holidays.
Other Crafts: Straight time rates apply for the first eight hours worked Monday through Friday. Overtime premiums (1.5T) apply between hours eight and Twelve Monday through Friday and between hours one and Twelve Saturday. Double time premiums (2T) apply after hour Twelve Monday through Friday, after hour Twelve on Saturday and all day on Sunday and Holidays.

Demand rates apply to emergency services that require a response within 24 hours and are billed at 1.5 x Applicable Rate.

***Travel Time / Room and Board Living Expenses** - These charges may apply if the worksite is over 150 miles round trip at straight time each way from TCB Industrial's corporate office in Modesto, CA. Travel time shall be billed hourly at established labor rates. Room and board expenses shall be calculated by location.

***Minimum Charges** - Minimum show up time is 8 hours plus travel time depending on location.

Docusign Envelope ID: 4DB8FC49-B95A-4D69-961B-ACB4931F5BF2

AMENDMENT NO. 1 TO AGREEMENT FOR SERVICES BETWEEN MONTEREY COUNTY WATER RESOURCES AGENCY AND TCB INDUSTRIAL, INC.

THIS AMENDMENT NO. 1 to the Agreement for Services between the Monterey County Water Resources Agency, a political subdivision of the State of California (hereinafter, "Agency") and TCB Industrial, Inc., (hereinafter, "CONTRACTOR") is hereby entered into between the Agency and the CONTRACTOR (collectively, the Agency and CONTRACTOR are referred to as the "Parties").

WHEREAS, CONTRACTOR entered into an Agreement for Services with the Agency on April 25, 2024 (hereinafter, "Agreement").

WHEREAS, the Parties wish to amend the Agreement with a dollar increase of $265,000.00 for a total contract amount not to exceed $365,000.00 to continue providing services identified in the Agreement.

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend Section 3, "Payment to CONTRACTOR; maximum liability" to read as follows:
   Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is **Three hundred sixty-five dollars and no cents ($365,000.00).**

Original Agreement:	$ 100,000.00
Amendment No. 1:	$ 265,000.00
Not to exceed total:	$ 365,000.00

2. Section 32 of the Exhibit of the Agreement is hereby amended to read as follows:
   32. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

   Exhibit A- Scope of Work/Work Schedule (original Agreement)
   Exhibit B- Payment Provisions (original Agreement)
   Exhibit C- Payment Provisions (Amendment No. 1)

3. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

Docusign Envelope ID: 4DB8FC49-B95A-4D69-961B-ACB4931F5BF2

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 to the Agreement as of the day and year written below:

MONTEREY COUNTY WATER RESOURCES AGENCY

DocuSigned by:
By: Ara Azhderian
1F182FFB49A2435...
Ara Azhderian, General Manager

Date: 9/16/2024 | 4:54 PM PDT

Approved as to Form and Legality
Office of the County Counsel

Signed by:
By: Kelly L. Donlon
5DA7ECB51BF8438...
Assistant County Counsel

Date: 9/9/2024 | 8:47 AM PDT

Approved as to Fiscal Provisions

DocuSigned by:
By: Jennifer Forsyth
4E7E657875454AE...
Auditor-Controller

Date: 9/9/2024 | 1:03 PM PDT

Signed by:
By: Trent Hill
30922505678A4ED...
Administrative Analyst

Date: 9/9/2024 | 2:24 PM PDT

Approved as to Indemnity, Insurance Provisions

By: _____
Risk Management

Date: _____

CONTRACTOR: TCB Industrial, Inc.

By: _____
(Signature of Chair, President, or Vice President)

Title: Vice President
(Print Name and Title)

Date: 9-6-24

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Title: Secretary
(Print Name and Title)

Date: 9/6/24

*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

Docusign Envelope ID: 4DB8FC49-B95A-4D69-961B-ACB4931F5BF2

EXHIBIT C

PAYMENT PROVISIONS

CONTRACTOR shall be compensated for the work as set forth in the Scope of Work as follows:

Phase 2 after July 1st: (Lump Sum)
TCB Industrial, Inc. proposes a total Fixed Price of Two Hundred Eighty-Two Thousand Nine Hundred Ninety-Seven Dollars ($244,851.00). The proposed price includes all applicable state and federal taxes. Due to uncontrollable market fluctuations, our material and subcontractor costs may be subject to revision after 10 days. All other costs included in this proposal are good for 30 days. TCB to bill 50% upon mechanical dismantling and as-found data collection.

A breakdown of costs is noted below:

- Turbine mechanical disassembly and turbine component assessment and reassembly once materials have been purchased: $ 225,101.00.

- Generator refurbishment including new bearings (per scope of work line 13 a and b of proposal): $19,750.00.

NOTE:
Work performed by CONTRACTOR outside the scope of work for Phase 2 shall be billed in accordance with the Time and Materials (T&M) rate shown in Exhibit C. Funds Remaining in original Agreement and Amendment No. 1 for T&M work are: $71,824.00.

Docusign Envelope ID: 4DB8FC49-B95A-4D69-961B-ACB4931F5BF2

EXHIBIT C

PAYMENT PROVISIONS

CONTRACTOR shall be compensated for as-needed hydroelectric power plant repair services on a Time and Materials basis in accordance with the Fee Schedule shown below:

TCB Industrial, Inc. - Billing Rates

T&M Rates effective: 7/1/24 to 12/31/27

Classification	ST	OT	DT
Shop Support	$158	$208	$259
Draftsman / Detailer	$115	$173	$230
Project Manager	$207	$282	$357
Millwrights: Journeyman	$163	$216	$269
Millwrights: Foreman	$173	$231	$289
Millwrights: Gen. Foreman	$179	$241	$302
Millwrights: Superintendent	$186	$251	$315
Carpenters: Journeyman	$156	$208	$259
Carpenters: Foreman	$167	$223	$279
Carpenters: General Foreman	$189	$257	$324
Carpenters: Superintendent	$216	$297	$378

Classification	ST	OT	DT
**Pipefitters: Journeyman	$146	$197	$248
**Pipefitters: Foreman	$168	$231	$294
**Pipefitters: General Foreman	$178	$246	$314
Confined Space Rescue	$132	$176	$220
Project Administrator	$106	$158	$211

If job requires a 2nd shift each rate will increase by $3 an hour.
If job requires a 3rd shift each rate will increase by $3.25 an hour.
Truck $130 per day. Fuel will be charged at a rate of .70 cents per mile. Due to fuel fluctuation surcharge may apply. Confined Space Rescue Equipment Trailer $500 per day

PLEASE NOTE:

*All labor and equipment are subject to availability at time required.

*Quoted labor rates include hourly pay and fringe benefits as dictated by current union agreements.

*Most rates are subject to re-negotiation and revision on or about 6/30.

**Pipe fitters are subject to renegotiation and revision on or about 6/30 and 12/31.

*Sub-contractors, materials, and third party rentals shall be billed at cost plus 15%.

***Rate Conditions:**

Normal workday and normal workweek are defined as eight (8) consecutive hours and five (5) consecutive normal workdays.

UA Pipe Fitters: Straight time rates apply for the first eight hours worked Monday through Friday. Overtime premiums (1.5T) apply between hours eight and ten Monday through Friday and between hours one and ten Saturday. Double time premiums (2T) apply after hour Ten Monday through Friday, after hour Ten on Saturday and all day on Sunday and Holidays.
Other Crafts: Straight time rates apply for the first eight hours worked Monday through Friday. Overtime premiums (1.5T) apply between hours eight and Twelve Monday through Friday and between hours one and Twelve Saturday. Double time premiums (2T) apply after hour Twelve Monday through Friday, after hour Twelve on Saturday and all day on Sunday and Holidays.

Demand rates apply to emergency services that require a response within 24 hours and are billed at 1.5 x Applicable Rate.

***Travel Time / Room and Board Living Expenses** - These charges may apply if the worksite is over 150 miles round trip at straight time each way from TCB Industrial's corporate office in Modesto, CA. Travel time shall be billed hourly at established labor rates. Room and board expenses shall be calculated by location.

***Minimum Charges** - Minimum show up time is 8 hours plus travel time depending on location.

AMENDMENT NO. 2 TO
THE AGREEMENT FOR SERVICES
BETWEEN MONTEREY COUNTY WATER RESOURCES AGENCY AND
TCB INDUSTRIAL, INC.

THIS AMENDMENT NO. 2 to the Agreement for Services between the Monterey County Water Resources Agency, a political subdivision of the State of California (hereinafter, "Agency") and TCB Industrial, Inc., (hereinafter, "CONTRACTOR") is hereby entered into between the Agency and the CONTRACTOR (collectively, the Agency and the CONTRACTOR are referred to as the "Parties").

WHEREAS, CONTRACTOR entered into an Agreement for Services with the Agency on April 25, 2024, and Amendment No. 1 on September 16, 2024; and

WHEREAS, the Parties wish to amend the Agreement with a dollar increase of $275,000 for a total contract amount not to exceed $640,000, to continue providing services identified in the Agreement.

NOW THEREFORE, the Agency and CONTRACTOR hereby agree to amend the agreement in the following manner:

1. Section 3, "**Payments to CONTRACTOR; maximum liability"** to read as follows:

   Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to the CONTRACTOR in accordance with the fee schedule set forth in Exhibit C. The maximum amount payable to CONTRACTOR under this contract is **Six Hundred Forty-Thousand dollars no cents ($640,000.00).**

2. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 2 and shall continue in full force and effect as set forth in the Agreement.

3. A copy of this Amendment No. 2 shall be attached to the original Agreement dated April 25, 2024.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 2 on the day and year written below.

MONTEREY COUNTY WATER RESOURCES AGENCY

General Manager

Dated:

Approved as to Form:

Chief Assistant County Counsel

Dated:

Approved as to Fiscal Provisions:

Deputy Auditor/Controller

Dated:

Administrative Analyst

Dated:

CONTRACTOR

By:
Signature of Chair, President, or Vice-President

Printed Name and Title

Dated:

By:
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Printed Name and Title

Dated:

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No. _____

APPROVE AMENDMENT NO. 2 TO THE AGREEMENT	**)**
FOR SERVICES WITH TCB INDUSTRIAL, INC., TO INCREASE	**)**
THE DOLLAR AMOUNT BY $275,000 FOR A TOTAL CONTRACT	**)**
AMOUNT NOT-TO-EXCEED $640,000 TO PROVIDE MAINTENANCE	**)**
AND REPAIR SERVICES FOR THE NACIMIENTO DAM	**)**
HYDROELECTRIC POWER PLANT; AND AUTHORIZE THE	**)**
GENERAL MANAGER TO EXECUTE THE AMENDMENT	**)**

Upon motion of _____, seconded by _____, and carried by those members present, the Board of Directors hereby:

1. Approve Amendment No. 2 to the Agreement for Services with TCB Industrial, Inc., to increase the dollar amount by $275,000 for a total contract amount not-to-exceed $640,000 to provide maintenance and repair services for the Nacimiento Dam Hydroelectric Power Plant; and

2. Authorize the General Manager to execute the amendment.

PASSED AND ADOPTED on this **15th** day of **September 2025**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Mike LeBarre, Chair
Board of Directors

ATTEST: Ara Azhderian
General Manager

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Approve Amendment No. 1 to the Professional Service Agreement with Kennedy Jenks Consultants, Inc. for the CSIP Condition Assessment Project, to extend the term length to July 1st, 2027, and increase the dollar amount by $94,271 for a total contract amount not-to-exceed $193,971; and authorize the General Manager to execute Amendment No. 1. (Staff: Pete Vannerus)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Approve Amendment No. 1 to the Professional Service Agreement with Kennedy Jenks Consultants, Inc. for the CSIP Condition Assessment Project, to extend the term length to July 1st, 2027, and increase the dollar amount by $94,271 for a total contract amount not-to-exceed $193,971; and authorize the General Manager to execute Amendment No. 1.

SUMMARY/DISCUSSION:
On November 1st, 2024, the Agency entered into a Professional Services Agreement for consulting services with Kennedy Jenks Consultants, Inc. for system condition assessment services to complete the scope of work identified for Phase 1 of the Castroville Seawater Intrusion Project (CSIP) System Condition Assessment Project. Phase 1 was completed to gather distribution system data, service records, maintenance records, preventative and correction maintenance schedules, etc. to conduct a Business Risk and Vulnerability Assessment and complete a plan to conduct in-field condition assessments. The consultant completed all tasks in Phase 1 to prepare for the next phase of the project. In response to deficient available data, records for maintenance and accurate assessment details, a Data Gap Analysis Memorandum was completed by the consultant as well. Additional details on the requirement to perform river crossing pipeline inspections for the recently renewed California State Lands Lease also shaped the priority of the next project steps during the Phase 1 Process. Phase 1 was completed at a cost of $99,700 and was funded by the Salinas Valley Basin GSA sub-grant agreement to support CSIP Master Planning efforts.

Phase 2A is proposed to expand on Phase 1, reviewing the proposed technologies for pipeline and infrastructure inspections to finalize a plan and develop a cost estimate to complete the third task (Phase 2B of the project). Further development on inspection procedure, access locations determination and other planning steps for in-field inspections are necessary and are included for the bulk of the scope for this Amendment. Further expansion in the scope of this amendment includes:

Assistance with CSIP equipment asset logging, locating and GIS support.
O&M manual review, analysis and update
Grower/User access online dashboard for communications with Agency and system needs

Phase 2B will be developed once cost estimates are finalized from the Pipeline Inspection Technology Vendors that are selected through the final details obtained from Phase 2A of the Condition Assessment. Phase 2B is not included in the scope of work for this Amendment.

The Amendment No.1 for Phase 2A of the CSIP Condition Assessment Project will extend the term of the agreement to July 1st, 2027 and add a dollar amount on the contract of $94,271 with a total not-to-exceed amount of $193,971. The Amendment is funded by CSIP Fund 131 under general Operations and Maintenance activities for the Condition Assessment Project. The Finance Committee supported staff's recommendation, as presented herein, at the September 5, 2025 meeting.

OTHER AGENCY INVOLVEMENT:
None

FINANCING:
Funds from Agency Fund 131- CSIP O&M- Condition Assessment Project and are included in the Fiscal Year 2025-2026 Adopted Budget.

Prepared by: Pete Vannerus, Associate Water Resources Engineer (831) 755-4860
Approved by: Ara Azhderian, General Manager (831) 755-4860

Attachments:
1. Original Agreement
2. Amendment No. 1
3. Board Order

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Approve Amendment No. 1 to the Professional Service Agreement with Kennedy Jenks Consultants, Inc. for the CSIP Condition Assessment Project, to extend the term length to July 1st, 2027, and increase the dollar amount by $94,271 for a total contract amount not-to-exceed $193,971; and authorize the General Manager to execute Amendment No. 1.

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Approve Amendment No. 1 to the Professional Service Agreement with Kennedy Jenks Consultants, Inc. for the CSIP Condition Assessment Project, to extend the term length to July 1st, 2027, and increase the dollar amount by $94,271 for a total contract amount not-to-exceed $193,971; and authorize the General Manager to execute Amendment No. 1.

SUMMARY/DISCUSSION:
On November 1st, 2024, the Agency entered into a Professional Services Agreement for consulting services with Kennedy Jenks Consultants, Inc. for system condition assessment services to complete the scope of work identified for Phase 1 of the Castroville Seawater Intrusion Project (CSIP) System Condition Assessment Project. Phase 1 was completed to gather distribution system data, service records, maintenance records, preventative and correction maintenance schedules, etc. to conduct a Business Risk and Vulnerability Assessment and complete a plan to conduct in-field condition assessments. The consultant completed all tasks in Phase 1 to prepare for the next phase of the project. In response to deficient available data, records for maintenance and accurate assessment details, a Data Gap Analysis Memorandum was completed by the consultant as well. Additional details on the requirement to perform river crossing pipeline inspections for the recently renewed California State Lands Lease also shaped the priority of the next project steps during the Phase 1 Process. Phase 1 was completed at a cost of $99,700 and was funded by the Salinas Valley Basin GSA sub-grant agreement to support CSIP Master Planning efforts.

Phase 2A is proposed to expand on Phase 1, reviewing the proposed technologies for pipeline and infrastructure inspections to finalize a plan and develop a cost estimate to complete the third task (Phase 2B of the project). Further development on inspection procedure, access locations determination and other planning steps for in-field inspections are necessary and are included for the bulk of the scope for this Amendment. Further expansion in the scope of this amendment includes:

Assistance with CSIP equipment asset logging, locating and GIS support.
O&M manual review, analysis and update
Grower/User access online dashboard for communications with Agency and system needs

Phase 2B will be developed once cost estimates are finalized from the Pipeline Inspection Technology Vendors that are selected through the final details obtained from Phase 2A of the Condition Assessment. Phase 2B is not included in the scope of work for this Amendment.

The Amendment No.1 for Phase 2A of the CSIP Condition Assessment Project will extend the term of the agreement to July 1st, 2027 and add a dollar amount on the contract of $94,271 with a total not-to-exceed amount of $193,971. The Amendment is funded by CSIP Fund 131 under general Operations and Maintenance activities for the Condition Assessment Project. The Finance Committee supported staff's recommendation, as presented herein, at the September 5, 2025 meeting.

OTHER AGENCY INVOLVEMENT:
None

FINANCING:
Funds from Agency Fund 131- CSIP O&M- Condition Assessment Project and are included in the Fiscal Year 2025-2026 Adopted Budget.

Prepared by: Pete Vannerus, Associate Water Resources Engineer (831) 755-4860
Approved by: Ara Azhderian, General Manager (831) 755-4860

Attachments:
1. Original Agreement
2. Amendment No. 1
3. Board Order

Docusign Envelope ID: 2267C3AB-1F4C-4046-B8DF-5C84CFC264F7

MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and Kennedy/Jenks Consultants, Inc. a Professional Corporation, hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Scope of Work. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**:

   a) The scope of work is briefly described and outlined as follows:

      Conduct Phase 1 of the proposed plan to execute a condition assessment of the CSIP Distribution System with emphasis on optimization, improvements and thorough preventative maintenance planning.

   b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on 11/1/2024 by CONTRACTOR and Agency, and will terminate on 7/1/2026, unless earlier terminated as provided herein.

Docusign Envelope ID: 2267C3AB-1F4C-4046-B8DF-5C84CFC264F7

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is Ninety-Nine Thousand Seven Hundred Dollars ($ 99,700.00).

4. Monthly Invoices by CONTRACTOR; Payment.

   a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

   b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@countyofmonterey.gov and to the Contract Administrator listed in Section 27.

   c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

   d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification.

   5.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any

extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code sections 2782 or 2782.8, the broadest indemnity protection for the COUNTY under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

5.2 Indemnification for Design Professional Services Claims: CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of COUNTY, or defect in a design furnished by COUNTY, but in no event shall the amount of such CONTRACTOR's liability exceed such CONTRACTOR's proportionate percentage of fault as determined by a court, arbitrator or mediator, or as set out in a settlement agreement. In the event one or more defendants to any action involving such claim or claims against COUNTY is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, such CONTRACTOR shall meet and confer with the other parties to such action regarding unpaid defense costs.

5.3 Indemnification for All Other Claims or Loss:
For any claim, loss, injury, damage, expense or liability other than claims arising out of the CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, to the extent arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of the COUNTY, or defect in a design furnished by the COUNTY.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the

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work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination

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of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractors, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractors showing each subcontractors has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000)****. The required endorsement form for Automobile Additional Insured endorsement is* ***ISO Form CA 20 48 02 99****.*

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If

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the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subcontractors relating to this Agreement. Government Code section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of

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the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic

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negatives -- shall be the property of Agency and shall be, upon request, delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Independent Contractor Compliance with Government Code Section 1097.6(c). This section applies to those situations when a contractor/consultant is awarded a contract for a preliminary phase of a project, with future phases to bid separately. This section does not apply to those situations when a contract is awarded for multiple phases of a project under a single contract/proposal. When applicable, and as described below, CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the Agency with any portion of the Agency's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Agency. The Agency shall at all times retain responsibility for public contracting, including with respect to any subsequent phase stemming from this Agreement. CONTRACTOR's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. CONTRACTOR shall cooperate with the Agency to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if applicable, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.

17. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

18. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

19. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

20. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

21. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

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22. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

23. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

24. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

25. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

26. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

27. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be:

_____

Agency's designated administrator of this Agreement shall be:
Pete Vannerus

28. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

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TO AGENCY	TO CONTRACTOR
Name: Pete Vannerus	Name: Gerald Fejarang, PE
Address: 1441 Schilling Pl., Salinas, CA 93901	Address: 2882 Prospect Park Drive, Suite 240 Rancho Cordova, CA 95670
Telephone: 831.755.4860	Telephone: 916-858-2713
Fax:	Fax:
E-Mail: VannerusP@countyofmonterey.gov	E-Mail: GeraldFejarang@KennedyJenks.com

29. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats.

30. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

31. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

32. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work/ Work Schedule
    Exhibit B - Fee Schedule

33. Entire Agreement. As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:

BY: DocuSigned by: Ara Azhderian 1F182FFB49A2435...

Ara Azhderian
General Manager

Date: 11/14/2024 | 9:40 AM PST

CONTRACTOR:

BY:

Type Name: Gerald Fejarang, PE

Title: Vice President

Date: 10/29/2024

BY: Brandon Hale

Type Name: Brandon Hale, PE

Title: Vice President

Date: 10/29/2024

* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

Signed by:
Kelly L. Donlon
5DA7ECB51BF8438...

Chief Assistant County Counsel

Dated: 11/13/2024 | 11:51 AM PST

Approved as to fiscal provisions:

Signed by:
Trent Hill
30922505678A4ED...

Administrative Analyst

Dated: 11/14/2024 | 8:16 AM PST

_____

County Counsel – Risk Manager:

Dated: _____

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...

Auditor-Controller [2]:

Dated: 11/13/2024 | 2:48 PM PST

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

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EXHIBIT A

SCOPE OF WORK/WORK SCHEDULE

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Kennedy Jenks

11 October 2024

Pete Vannerus
Associate Water Resources Engineer
Monterey County Water Resources Agency
1441 Schilling Place – North Building
Salinas, CA 93901

Subject: Castroville Seawater Intrusion Project Condition Assessment Planning
KJ B033870*34002

Dear Pete Vannerus:

Kennedy/Jenks Consultants, Inc. (KJ) is pleased to submit our proposed scope of work, schedule, and budget for Castroville Seawater Intrusion Project (CSIP) Condition Assessment Planning based on our recent discussions.

This letter summarizes our proposed scope of work, schedule, and level of effort for the CSIP Condition Assessment Plan. If you have any questions regarding our proposal, please contact Rachelle Thompson at (650) 852-2808 or Gerald Fejarang at (916) 858-2713. Thank you for considering us for this important project.

Very sincerely yours,

Kennedy Jenks Consultants

Gerald Fejarang

Vice President

2350 Mission College Blvd., Suite 700| Santa Clara, CA 95054
GeraldFejarang@kennedyjenks.com

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Project Overview

Monterey County Water Resources Agency (MCWRA) owns and operates the Castroville Seawater Intrusion Project (CSIP) recycled water distribution facilities. The CSIP water distribution system supplies tertiary treated recycled water to approximately 12,000 acres of farmland for irrigation purposes. The water distribution system shown on Figure 1 is comprised of approximately 46 miles of pipelines and 113 metered turnouts. The CSIP system relies on three sources of water: tertiary treated recycled water from the Salinas Valley Reclamation Project (SVRP), supplemental groundwater wells, and treated Salinas River water from the Salinas River Diversion Facility (SRDF).

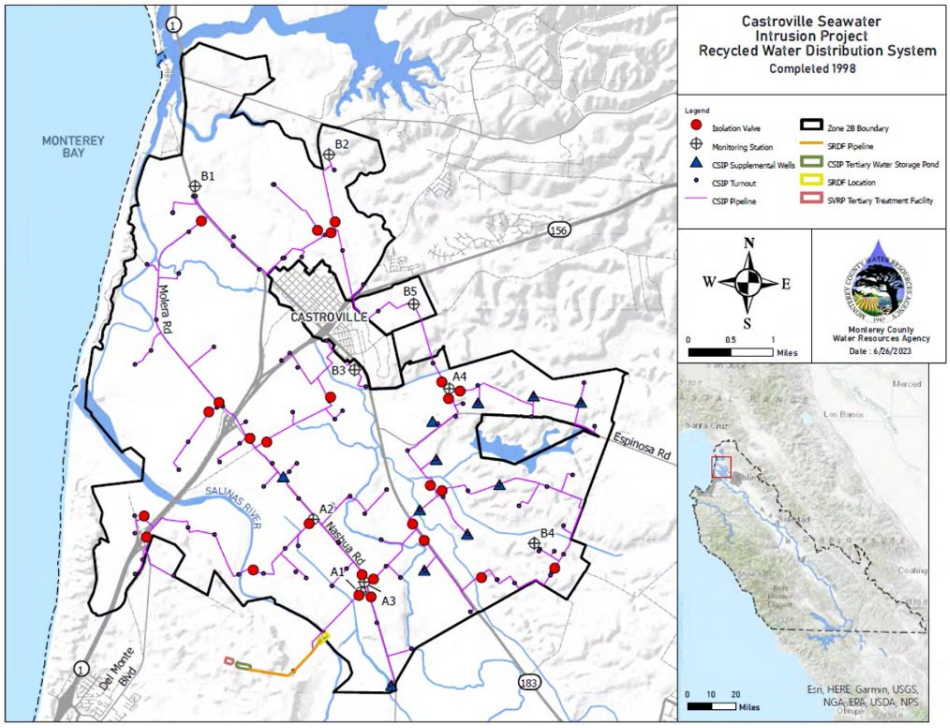


Figure 1. Castroville Seawater Intrusion Project Recycled Water Distribution System

The CSIP was completed in 1998, and the system infrastructure is aging, so MCWRA seeks to develop a strategy to optimize and renew the system. Conducting a comprehensive condition assessment of the entire system is currently cost-prohibitive, and so MCWRA seeks to conduct an initial vulnerability assessment to effectively plan future inspections and detailed risk analysis of critical infrastructure. Optimizing the operation of the CSIP and developing a renewal strategy to mitigate risk will enable MCWRA to reduce groundwater pumping from the local aquifer while still meeting customer demands. This proposal presents a scope of work for Phase 1 of the CSIP assessment, which includes data mining efforts, a business risk, and vulnerabilities assessment (BRVA), GIS integration, and development of an inspection plan. Phase 2 (not included in the presented scope of work) would include the condition assessments, remaining useful life and risk analyses, and development of mitigation plans. The flow of work from Phase 1 to Phase 2 is illustrated in Figure 2.

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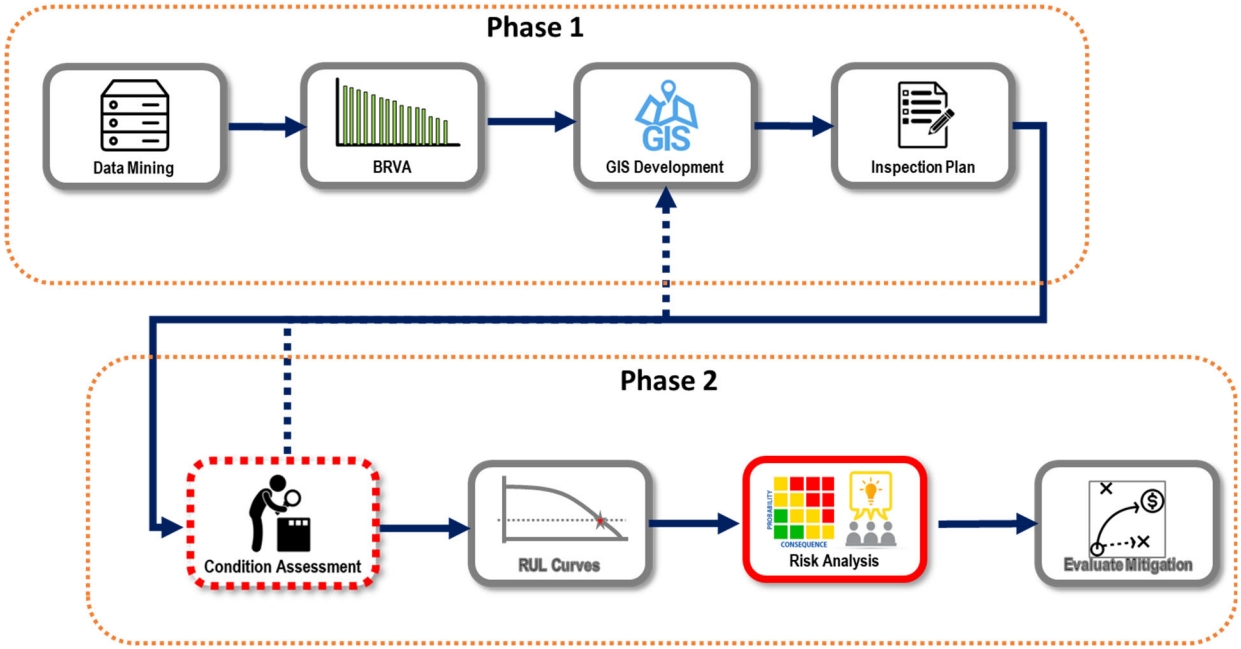


Figure 2. Phase 1 of Risk-Based Condition Assessment and Asset Management Process for CSIP

Scope of Work

Task 1 – Project Management, Meetings and QA/QC

1.1 Project Management

KJ's project manager will use KJ's internal tracking system to manage project files, track project budget, and prepare monthly invoices and status reports. This task includes project setup and closeout activities.

Deliverables:

- Monthly invoices and status reports (electronic format – PDF)

1.2 Meetings

KJ will attend 10 progress and coordination meetings with MCWRA staff to discuss any issues related to the project and update staff with project progress. KJ will also attend one kickoff meeting with MCWRA at the start of the project to review project schedule and objectives. KJ will prepare meeting notes and distribute them to MCWRA.

Assumptions:

- Project schedule is five (5) months long

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- 10 progress meetings will be hosted via Microsoft Teams, will be 30 minutes in duration, and attended by up to two (2) KJ staff.
- Kickoff meeting will be hosted via Microsoft Teams, will be 1 hour in duration, and attended by up to two (2) KJ staff.

Deliverables:

- Meeting agendas and notes (electronic format – PDF)

1.3 Health and Safety Plan

KJ will prepare a Health and Safety Plan for work at MCWRA facilities as described in subsequent tasks.

1.4 Quality Assurance and Quality Control

This task includes implementation of quality assurance/quality control (QA/QC) procedures necessary to complete the tasks defined in this scope of work. KJ will also conduct an internal Concept and Criteria Review (C&CR) meeting toward the beginning of the project that involves a discussion of the project concepts by the project team members and senior members of our QA/QC staff.

Task 2 – Baseline Inventory and Data Collection

2.1 Data Collection and Review

KJ will collect information to understand the CSIP recycled water distribution facilities. This will include developing a data request list, prioritizing data needs, and tracking receipt of information. Data required includes, but is not limited to, as-built drawings (P&IDs, PFDs, civil layouts, mechanical layouts, and electrical one-line diagrams), CMMS exports (existing asset registry and maintenance history), system hydraulic profile, GIS files (geodatabase, shapefiles, or similar) of the recycled water distribution system, and other facility reports. KJ will develop a database repository as a method to collect, manage, and configure data so that we can migrate the information into MCWRA's existing GIS.

Assumptions:

- Data will be provided by MCWRA within two weeks of request.
- MCWRA will coordinate with Monterey One Water (M1W) if necessary to provide the requested data.
- KJ will be granted the appropriate access to GIS and other related business systems. This access is beneficial to prevent duplication of effort and manage data integrity and security.

Deliverables:

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- Request for Information (RFI) and reference information tracking table, electronic format

2.2 Asset Identification, Asset Registry, and ESRI GIS Integration

The objective for this subtask is to identify assets that make up the water reuse system that include, but are not limited to, linear, fixed, rotating, electrical, instrumentation, and structural classes. All identified assets will be listed in a master asset registry. The asset registry will comprise of base asset attribute data associated with the asset type. This information is typically included on equipment nameplates attached to the equipment, equipment cutsheets, equipment specifications, and/or vendor installation operations and maintenance manuals. KJ will migrate the built-out asset registry into MCWRA's GIS database, for eventual migration into their CMMS (Lucity/CentralSquare)

KJ will prepare a technical memorandum (TM) that summarizes MCWRA's available data, major data gaps, status of the existing GIS data, and recommendations for database improvement. The TM will include an asset registry that will be used as the basis for the vulnerability assessment (Task 3).

Assumptions:

- MCWRA will provide one set of consolidated comments on the draft TM and asset registry within two weeks of submittal.
- KJ will not be responsible for the migration of data from GIS to CMMS, nor the long-term management of the GIS database.

Deliverables:

- Draft and Final Asset Identification TM

Task 3 – System Criticality and Vulnerability Assessment

3.1 Business Risk and Vulnerabilities Assessment (BRVA)

A Business Risk and Vulnerabilities Assessment (BRVA) will be conducted to quantify risk for each asset to prioritize future condition assessments. KJ will use the consequence of failure analysis methodology to conduct the BRVA. This will include two (2) 4-hour workshops with MCWRA's engineering, operations, and maintenance staff. Goals of the workshops include:

- Develop a risk matrix that aligns with MCWRA's mission statement and business goals and defines consequence of failure scoring criteria.
- Engage and interview the team by asking focused questions related to the consequence of failure and O&M business elements that support the function of each asset. Questions will address reasonable failure modes, failure effects, dominant failure mechanisms, system criticality, operational targets, operator response corrective actions, asset history, and ideas for improvements.

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The BRVA workshops will produce risk scores that represent the consequence of failure of each asset. The risk scores from the BRVA will be used to guide prioritization of assets for condition assessments.

Assumptions:

- Workshops will be conducted via Microsoft Teams over a total of eight (8) hours (two 4-hour sessions)
- Workshops will be attended by up to three (3) KJ staff.

3.2 BRVA Technical Memorandum

Findings from the workshop will be documented in a Microsoft Excel spreadsheet and summarized in a BRVA TM. The TM will describe the consequence of failure scoring criteria, summarize the high consequence of failure assets, and make recommendations for decreasing risk on an asset-by-asset basis, including a list of assets to be prioritized for inspection.

Assumptions:

- MCWRA will review the Draft BRVA TM and provide one consolidated set of comments within two weeks of submittal.

Deliverables:

- Draft and Final BRVA TM (electronic format – Word document or PDF).

Task 4 – Access Assessment and Inspection Planning

KJ will use the results of the BRVA to develop an inspection plan for assets, prioritized by risk criticlity.

4.1 Field/Access Investigation

For high and moderately high critical assets (assets with high-risk scores), KJ will conduct an analysis to determine the inspection method and technology needed to determine the current condition of the asset. KJ will then conduct a field investigation to find and geolocate the assets included in the latest asset registry using the ESRI Survey123 application. While conducting field verification, KJ will also identify any access and maintainability constraints associated with the asset and determine available access points for the use of invasive or non-invasive inspection technologies. Findings from the field investigation will be exported from Survey123 and migrated into MCWRA's GIS database.

Assumptions:

- MCWRA will coordinate site access for up to three (3) KJ staff and accompany KJ staff during the field investigation.
- Field inspections will not require any entry into confined spaces or other hazardous areas.

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- Field activities will take place up to two (2) days to field verify the location of high and moderately critical assets.

- Field investigations conducted during Phase 1 are for access planning purposes, not inspections to evaluate the condition of assets

4.2 Inspection Plan

KJ will use the asset registry, field inspection findings, and the updated GIS database to confirm the inspection method and technology that will be most effective to determining the condition rating of the asset. For linear assets, KJ will research and contact potential inspection contractors to determine availability, technology constraints, and budgetary costs to inspect assets. For fixed assets, structural, and vertical assets, KJ will use our expertise to determine the resources and efforts needed to conduct a field inspection. We will use this information to determine ways to safely isolate and shutdown the system to conduct a field inspection and develop an Inspection Plan for the CSIP facilities. The inspection plan will include:

- Recommended modifications to improve access for vehicles, technicians, and inspection technology, and associated American Association of Cost Engineers Class 5 Opinion of Probable Costs estimates.

- Recommended squencing and scheduling of field inspections.

- Tactical level isolation and shutdown procedures with the level of detail to develop more detailed shutdown, lockout tagout (LOTO) and lock tag verify (LTV) procedures by the selected contractor.

- High-level, risk-based preventative maintennece strategies based on asset class and asset types. KJ will not develop PM job plans, LOTOs, LTVs, recommended spare parts analysis, operator routine douties, standard operating procedures, operator response corrective actions, layer of protection analysis, job hazard analysis, nor emergency response plans.

Assumptions:

- MCWRA will review the draft CSIP Inspection Plan and provide one set of consolidated comments within two weeks of submittal.

- Technical information will be stored in ESRI GIS database tables.

- All asset and inspection related information will be managed through ESRI GIS

Deliverables:

- Draft and Final CSIP Inspection Plan (electronic format – Word document or PDF)

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Phase 2 (Future)

Phase 2 will include field inspections for condition assessment of high-priority assets, remaining useful life analysis for all assets, development of a detailed preventative maintenance plan, and development of a long-term renewal strategy for MCWRA facilities and assets (including strategic replacement, rehabilitation, and monitoring). Phase 2 activities are not included in the current scope of work.

Proposed Project Team

The following table shows the key KJ personnel that will execute the scope of work.

Name	Role
Gerald Fejarang, PE	Principal-in-Charge
Rachelle Thompson, PE	Project Manger
Karina Yap	Project Engineer
Josh Sales, RG	Data Management/GIS Advisor
Eric Synsteby, CRL	Technical Advisor
Matthew Mahoney, CRL	Lead Inspector

Estimated Schedule

A proposed schedule is provided below, to be updated at project kickoff:

Task	Approximate Duration	Estimated Completion Date
Task 1 – Project Management	5 months	March 30, 2025
Task 2 – Baseline Inventory and Data Collection	1 month	November 30, 2024
Task 3 – System Criticality and Vulnerability Assessment	2 months	January 31, 2025
Task 4 – Access Assessment and Inspection Plan	2 months	March 30, 2025

Compensation for Consulting Services

In accordance with the attached Schedule of Charges dated January 1, 2024, we propose a budget of $99,916. A breakdown of our proposed project budget and line-item descriptions of the project deliverables is provided in Attachment A. KJ will manage work hours between tasks and employee classifications, and/or utilize other employee classifications listed in the attached rate sheet, provided that the project total fee is not exceeded without prior approval. A summary of the budgets by task is provided below:

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Task	Description	Budget
Task 1	Project Management	$12,272
Task 2	Baseline Inventory and Data Collection	$20,818
Task 3	System Criticality and Vulnerability Assessment	$27,591
Task 4	Access Assessment and Inspection Plan	$39,019
Total		**$99,700**

Standard Conditions

To assure a clear understanding of all matters related to our mutual responsibilities, the attached Standard Conditions dated 3 January 2024 are made part of this agreement. We have found these terms to be appropriate for use in agreements for provision of consultant services. Accordingly, if any conflicts exist between the attached terms and the form of any purchase order or confirmation issued, the terms of this proposal and the attached Standard Conditions will prevail in the absence of our express written agreement. This proposal is based on current projections of staff availability and costs and, therefore, is valid for 90 days following the date of this letter.

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EXHIBIT B

FEE SCHEDULE

Project ID:

Docusign Envelope ID: 2267C3AB-1F4C-4046-B8DF-5C84CFC264F7

Kennedy Jenks

Attachment A: Proposal Fee Estimate

CLIENT Name: Monterey County Water Resources Agency

PROJECT Description: Castroville SIP Condition Assessment Planning

Proposal/Job Number: B0033870*34002 **Date:** 10/3/2024

January 1, 2024 Rates Classification:	Eng-Sci-9 Gerald Fejarang	Eng-Sci-7 JoshSales	Eng-Sci-6 Eric Synsteby	Eng-Sci-6 Matthew Mahoney	Eng-Sci-6 Rachelle Thompson	Eng-Sci-5 Jemifer Joern	Eng-Sci-4 Karina Yap	Health and Safety John Jindra	Eng-Sci-2	Eng-Sci-1	Sr. CAD-Design	CAD-Design	Sr. CAD-Tech	CAD-Tech	Project Assistant	Admin. Assist.	Aide	Total	KJ Labor	KJ Escalation	KJ Assoc. Proj. Costs	Sub Contr. #1	Sub Contr. #2	KJ Sub-Markup	KJ ODCs	KJ ODCs Markup	Total Labor	Total Subs	Total Expenses	Total Labor + Subs + Expenses
Hourly Rate:	$335	$300	$275	$275	$275	$250	$230	$230	$190	$155	$195	$180	$165	$145	$145	$130	$105	Hours	Fees	0%	$9.74	Fees	Fees	10%	Fees	10%				Fees
Task 1 - Project Management, Meetings, and QA/QC																														
1.1 Project Management					8										8			16	$3,360	$0	$156			$0		$0	$3,516	$0	$0	$3,516
1.2 Meetings and Presentations					9		1								8			18	$3,865	$0	$175			$0		$0	$4,040	$0	$0	$4,040
1.3 Health and Safety Plan								3										3	$690	$0	$29			$0		$0	$719	$0	$0	$719
1.4 Quality Assurance and Quality Control	8	4																12	$3,880	$0	$117			$0		$0	$3,997	$0	$0	$3,997
Task 1 - Subtotal	8	4	0	0	17	0	1	3	0	0	0	0	0	0	16	0	0	49	$11,795	$0	$477	$0	$0	$0	$0	$0	$12,272	$0	$0	$12,272
Task 2 - Baseline Inventory and Data Collection																														
2.1 Data Collection and Review			4			24	4		8									40	$9,540	$0	$390			$0		$0	$9,930	$0	$0	$9,930
2.2 Asset Identification, Asset Registry, and ESRI GIS Integration			4			24	8		8									44	$10,460	$0	$429			$0		$0	$10,889	$0	$0	$10,889
Task 2 - Subtotal	0	0	8	0	0	48	12	0	16	0	0	0	0	0	0	0	0	84	$20,000	$0	$818	$0	$0	$0	$0	$0	$20,818	$0	$0	$20,818
Task 3 - System Criticality and Vulnerability Assessment																														
3.1 BRVA Workshop			8		8		16								4			36	$8,660	$0	$351			$0		$0	$9,011	$0	$0	$9,011
3.2 BRVA Technical Memorandum	8		8		8	4	16		32									76	$17,840	$0	$740			$0		$0	$18,580	$0	$0	$18,580
Task 3 - Subtotal	8	0	16	0	16	4	32	0	32	0	0	0	0	0	4	0	0	112	$26,500	$0	$1,091	$0	$0	$0	$0	$0	$27,591	$0	$0	$27,591
Task 4 - Access Assessment and Inspection Planning																														
4.1 Field/Access Investigation			4	24		16	16		24									84	$19,940	$0	$818			$0	$1,000	$100	$20,758	$0	$1,100	$21,858
4.2 Inspection Plan			8	8	4	8	14		24						8			74	$16,440	$0	$721			$0		$0	$17,161	$0	$0	$17,161
Task 4 - Subtotal	0	0	12	32	4	24	30	0	48	0	0	0	0	0	8	0	0	158	$36,380	$0	$1,539	$0	$0	$0	$1,000	$100	$37,919	$0	$1,100	$39,019
All Tasks Total	**16**	**4**	**36**	**32**	**37**	**76**	**75**	**3**	**96**	**0**	**0**	**0**	**0**	**0**	**28**	**0**	**0**	**403**	**$94,675**	**$0**	**$3,925**	**$0**	**$0**	**$0**	**$1,000**	**$100**	**$98,600**	**$0**	**$1,100**	**$99,700**

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Kennedy Jenks

Client/Address: Monterey County Water Resources Agency
1441 Schilling Place – North Building
Salinas, CA 93901

Contract/Proposal Date: ContractProposalDate

Schedule of Charges

January 1, 2024

PERSONNEL COMPENSATION

Classification	Hourly Rate
Engineer-Scientist-Specialist 1	$155
Engineer-Scientist-Specialist 2	$190
Engineer-Scientist-Specialist 3	$210
Engineer-Scientist-Specialist 4	$230
Engineer-Scientist-Specialist 5	$250
Engineer-Scientist-Specialist 6	$275
Engineer-Scientist-Specialist 7	$300
Engineer-Scientist-Specialist 8	$320
Engineer-Scientist-Specialist 9	$335
Senior CAD-Designer	$195
CAD-Designer	$180
Senior CAD-Technician	$165
CAD-Technician	$145
Project Assistant	$145
Administrative Assistant	$130
Aide	$105

In addition to the above Hourly Rates, an Associated Project Cost charge of $9.74 per hour will be added to Personnel Compensation for costs supporting projects including telecommunications, software, information technology, internal photocopying, shipping, and other support activity costs related to the support of projects.

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus ten percent for items such as:

a. Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
b. Consultants, soils engineers, surveyors, contractors, and other outside services.
c. Rented vehicles, local public transportation and taxis, travel and subsistence.
d. Project specific telecommunications and delivery charges.
e. Special fees, insurance, permits, and licenses applicable to the work.
f. Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

If prevailing wage rates apply, the above billing rates will be adjusted as appropriate.

Overtime for non-exempt employees will be billed at one and a half times the Hourly Rates specified above.

Rates for professional staff for legal proceedings or as expert witnesses will be at rates one and one-half times the Hourly Rates specified above.

Excise and gross receipts taxes, if any, will be added as a direct expense.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 1, 2024 through December 31, 2024. After December 31, 2024, invoices will reflect the Schedule of Charges currently in effect.

AMENDMENT NO. 1
TO AGREEMENT BY AND BETWEEN
MONTEREY COUNTY WATER RESOURCES AGENCY &
KENNEDY JENKS CONSULTANTS, INC.

THIS AMENDMENT NO. 1 is made to the PROFESSIONAL SERVICES AGREEMENT for the provision of Professional consulting services by and between **KENNEDY JENKS CONSULTANTS, INC.,** hereinafter "CONTRACTOR", and the Monterey County Water Resources Agency, a political subdivision of the State of California, hereinafter referred to as "Agency".

WHEREAS, the Agency and CONTRACTOR wish to amend the AGREEMENT to reflect the Agency's exercise of the option to extend the term of the agreement to July 1, 2027.

WHEREAS, the Parties wish to amend the Agreement with a dollar amount increase of $94,271.00, not to exceed $193,971.00, to continue providing services identified in the Agreement.

NOW THEREFORE, the Agency and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. Section 2, Term of Agreement. The term of this agreement shall begin on November 1, 2024, by CONTRACTOR and Agency, and will terminate on **July 1, 2027,** unless earlier terminated as provided herein.

2. Amend Section 3, **"**Employment of Contractor**"**, to add to Exhibit A, "Scope of Work/Work Schedule", with Exhibit C, "Revised/additional Scope of Work."

3. Amend Section 3, "Payments to CONTRACTOR; maximum liability", to read as follows:
   Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the Revised fee schedule set forth in Exhibit D. The maximum amount payable to the contractor under this contract is One Hundred Ninety-Three Thousand Nine Hundred Seventy-One dollars ($193,971.00)

Original Agreement	$99,700
Amendment No. 1	$94,271
Not to exceed total:	$193,971

4. Amend Section 4, **"**Monthly Invoices by CONTRACTOR; Payment**"**, in section D, CONTRACTOR shall be reimbursed for travel expenses related to field activities for the Scope of Work, utilizing current General Services Administration (GSA) per diem rates and the Monterey County Travel Expense Policy for covered expenses.

5. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT NO. 1 and shall continue in full force and effect as set forth in the AGREEMENT.

6. A copy of this AMENDMENT NO. 1 shall be attached to the original AGREEMENT dated November 1, 2024.

This space left blank intentionally

IN WITNESS WHEREOF, the parties have executed this AMENDMENT NO. 1 on the day and year written below.

MONTEREY COUNTY WATER RESOURCES AGENCY

General Manager

Dated:

Approved as to Fiscal Provisions:

Deputy Auditor/Controller

Dated:

Approved as to Liability Provisions:

Risk Management

Dated:

Approved as to Form:

Chief Assistant County Counsel

Dated:

CONTRACTOR

By:

Signature of Chair, President, or Vice-President

Spencer Archer, Vice President / Director of Collaborative Delivery

Printed Name and Title

Dated: 08/19/2025

By:

(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Gerard P. Cavaluzzi, Corporate Secretary

Printed Name and Title

Dated: August 19, 2025

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

Exhibit C: Revised/Additional Scope of Work

Kennedy Jenks

13 August 2025

Mr. Pete Vannerus, Associate Water Resources Engineer
Monterey County Water Resources Agency
1441 Schilling Place – North Building
Salinas, CA 93901

Subject: Castroville Seawater Intrusion Project Phase 2A: Priority Pipeline Condition Assessment Planning
KJ B033870*34002

Dear Mr. Vannerus:

Kennedy/Jenks Consultants, Inc. (KJ) is pleased to submit our proposed scope of work, schedule, and budget for conducting Phase 2A of our planning work on the Castroville Seawater Intrusion Project (CSIP) Condition Assessment to recommend inspection technology and vendor(s), with a focus on the high priority segments of pipeline based on our recent discussions. Phase 2A builds on our Phase 1 work that included inventorying available information, conducting a business risk vulnerability assessment (BRVA) to identify high-priority pipelines, field visits, and preparation of a high-level pipeline inspection plan for high priority pipelines. As discussed with you during our call on July 1, 2025, Phase 2B would be to conduct the actual inspection.

This proposal is based on current projections of staff availability and costs and, therefore, is valid for 90 days following the date of this letter. We anticipate that this work will be conducted as an amendment to the Agreement for Professional Services for Phase 1 executed on November 14, 2024.

If you have any questions regarding our proposal, please contact Tom Frisher at TomFrisher@KennedyJenks.com or (925) 322-3081. We look forward to continuing to support Monterey County Water Resources Agency with this important project and thank you for your consideration.

Very sincerely yours,

KENNEDY/JENKS CONSULTANTS, INC.

Sachiko Itagaki, P.E.
Principal

Tom Frisher, P.E.
Project Manager

Attachments: Schedule of Charges,
Detailed Labor Estimate

2350 Mission College Blvd., Suite 700| Santa Clara, CA 95054
TomFrisher@kennedyjenks.com

Project Overview

Monterey County Water Resources Agency (MCWRA) owns and operates the Castroville Seawater Intrusion Project (CSIP) recycled water distribution facilities. The CSIP water distribution system supplies tertiary treated recycled water to approximately 12,000 acres of farmland for irrigation purposes. The water distribution system shown on Figure 1 is comprised of approximately 46 miles of pipelines and 113 metered turnouts. The CSIP system relies on three sources of water: tertiary treated recycled water from the Salinas Valley Reclamation Project (SVRP), supplemental groundwater wells, and treated Salinas River water from the Salinas River Diversion Facility (SRDF).

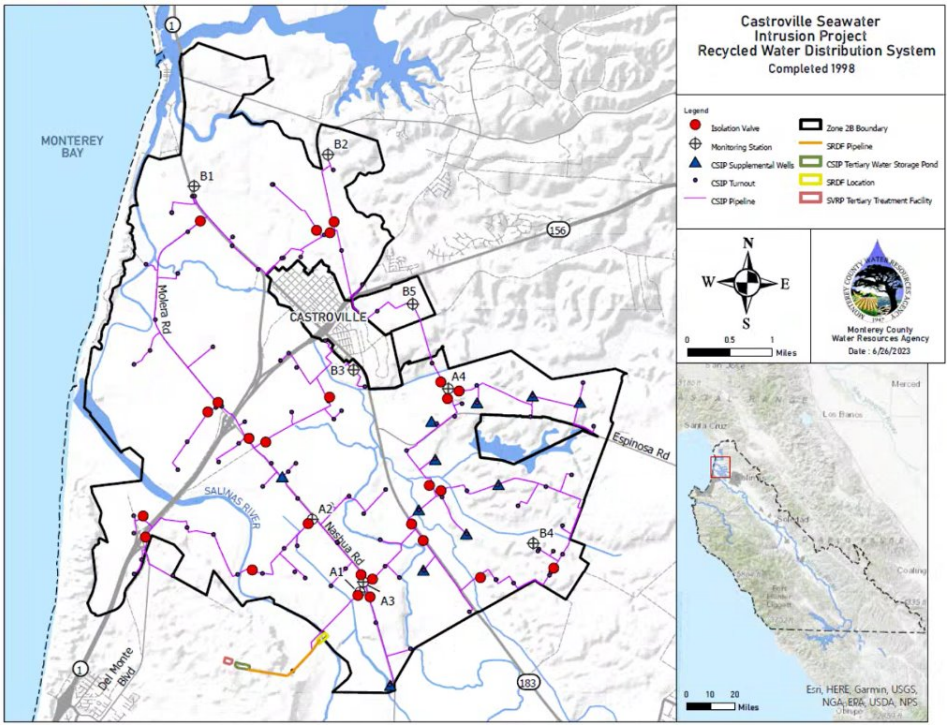


Figure 1. Castroville Seawater Intrusion Project Recycled Water Distribution System

The CSIP was completed in 1998, and the system infrastructure is aging, so MCWRA seeks to develop a strategy to optimize and renew the system. Since conducting a comprehensive condition assessment of the entire system is currently cost-prohibitive, MCWRA contracted with KJ in 2024 to conduct an initial vulnerability assessment to effectively plan future inspections and detailed risk analysis of critical infrastructure as Phase 1 of the CSIP Condition Assessment Planning. Optimizing the operation of the CSIP and developing a renewal strategy to mitigate risk will enable MCWRA to reduce groundwater pumping from the local aquifer while still meeting user demands. The initial phase of work included data mining efforts, site visit to collect information and documentation, a business risk and vulnerabilities assessment (BRVA), GIS integration, and preparation of an initial CSIP inspection plan which focused on high-priority pipeline segments.

This proposal presents the scope of work for the next phase of the CSIP assessment, which includes scaling the pipeline inspection plan to available budget, applying desktop tools as part of the pipeline inspection strategy for select high-priority segments and developing GIS components to link pipe fabrication, cut sheets and as-built drawings and inspection result information to the spatial data. The goal of Phases 2A and 2B is that the results of the inspection will be a condition assessment and estimation of remaining useful life for the high-priority pipeline segments. The flow of work from Phase 1 to Phase 2 presents a balanced approach where earlier tasks inform later tasks to meet MCWRA goals and is illustrated on Figure 2. Inspection of pipelines within the high priority list needs to be sequenced with planning for some assets to be physically inspected in later phases, and part of the scope of work will be to explore together with MCWRA other options, rely on KJ experience in pipeline condition assessment including non-intrusive techniques and rehabilitation options. This will result in further prioritization of segments of pipe so that findings about their condition can inform the study on other pipes of the same material and field conditions.

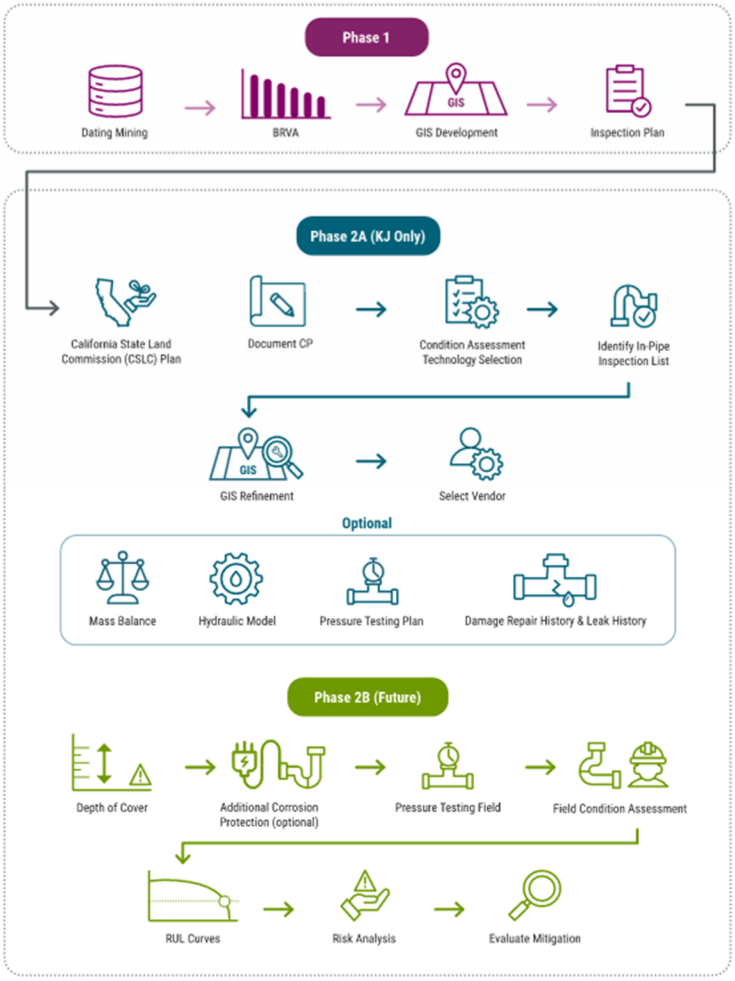


Figure 2. Phase 1 of Risk-Based Condition Assessment and Asset Management Process for CSIP with Progression to Phase 2A (in this proposal) and 2B (future).

Our proposed scope of work for Phase 2A includes the following tasks:

- Task 1: Project Management
  - 1.1 Project Management
  - 1.2 Meetings
  - 1.3 Quality Assurance and Quality Control
- Task 2: Inspection Planning
  - 2.1 CSLC Lease Pipeline Inspection Plan
  - 2.2 Condition Assessment Technology Selection and Finalized Inspection List
  - 2.3 Pipe Condition Assessment Inspection Plan
- Task 3: GIS Support Services
- Task 4: As-Needed Services
  - 4.1 Other As-Needed Services
  - 4.2 Mass Balance and Leak History Evaluation
  - 4.3 Pressure Testing and Leak Detection Plan
  - 4.4 Inspection Support

Scope of Work

Task 1 – Project Management, Meetings and QA/QC

1.1 Project Management

KJ's project manager will use KJ's internal tracking system to manage project files, track project budget, prepare monthly invoices and status reports, and health and safety planning. This task includes project setup and closeout activities.

Assumptions:

- Project schedule is six (6) months.

Deliverables:

- Six (6) Monthly invoices and status reports (electronic format – PDF)

1.2 Meetings

KJ will attend six (6) progress and coordination meetings with MCWRA staff to discuss any issues related to the project and update staff with project progress. KJ will also attend one kickoff meeting with MCWRA at the start of the project to review project key success indicators, schedule and objectives. KJ will prepare meeting notes and distribute them to MCWRA.

Assumptions:

- Project schedule is six (6) months.
- Six (6) progress meetings will be hosted via Microsoft Teams, each 30 minutes in duration, and attended by up to two (2) KJ staff.
- Kick-off meeting will be hosted via Microsoft Teams, 1 hour in duration, and attended by up to two (2) KJ staff.

Deliverables:

- Meeting agendas and notes (electronic format – PDF)

1.3 Quality Assurance and Quality Control

This task includes implementation of quality assurance/quality control (QA/QC) procedures necessary to complete the tasks defined in this scope of work. KJ will also conduct an internal Concept and Criteria Review (C&CR) meeting toward the beginning of the project that involves a discussion of the project concepts by the project team members and senior members of our QA/QC staff.

Deliverables: None

Task 2 – Inspection Planning

The high-priority pipe segments identified in the Phase 1 Inspection Plan are listed in Table 1.

Table 1. Updated Prioritization of Assets for Inspection

	Asset	Approximate Length[1] (ft)	Pipeline Diameter(s) (in)
High Risk	42-inch Steel Pipeline (South quadrant - river crossing by Salinas River Diversion Facility (SRDF))	2,610	42
	30-inch HDPE Pipeline (South quadrant - north river crossing)	1,761	30
	20-inch Steel Pipeline	2,719	20
	14-inch HDPE Pipeline[2]	486	14
	Pipelines - East quadrant (Main Line)	19,418	36
			42
			45
			51
	Pipelines - South quadrant (Main Line)	22,741	30
			33
			36

Notes:

1. Approximate length is based on the original GIS pipeline layer provided by MCWRA.
2. This section of pipe is found in the lay sheets to be HDPE pipe.

Approach:

The objective of Phase 2A is to further refine the list in Table 1 and scale the assessment and inspection to the available budget for this effort by categorizing pipe segments based on how they will be assessed. The KJ services will include:

- Reaching out to pipeline inspection vendors to identify appropriate methods of inspection and pipeline conditions needed to conduct inspections;
- Organizing the pipeline list based on types of assessment that will be practically deployed;
- Preparing planning level cost estimates based on the selected technology by pipe segment(s); and
- Selecting the best value solution for condition assessment within the available budget.

The assessment/inspection of high priority pipelines will be broken down in different approaches for the CA State Lands Commission (CSLC) pipeline segments versus the east and south quadrant main pipeline segments. The work product that will be completed under this phase will include an inspection plan with identification of segments, specific approaches for segments and estimated budget that fits into the resources remaining for Phase 2B.

2.1 California State Lands Commission Lease Pipeline Inspection Plan

Parts of the CSIP distribution system are located within a general lease authorized by the California State Lands Commission (CSLC) for a lease period of 20 years from August 20, 2020, to August 19,

2040. This lease requires MCWRA to provide the State with copies of periodic inspection results of the cathodic protection system operation including pipe-to-soil potential surveys of the pipelines listed below (numbered 1, 2, 3, and 4) once every three years. It also requires a new burial depth survey of the 20-inch diameter pipeline (1) and follow-up burial surveys for each of the four buried pipelines (1-4) at least once every five years.

CSLC pipelines to be inspected include:

1. One 42-inch diameter steel reclaimed water distribution pipeline (south river crossing by SRDF).
2. One 30-inch diameter HDPE reclaimed water distribution pipeline in the Salinas River (north river crossing).
3. One 20-inch diameter steel reclaimed water distribution pipeline.
4. One 14-inch diameter HDPE reclaimed water distribution pipeline.

Approach:

A CSLC pipeline inspection plan will be developed to determine investigation options for burial depth surveys and to confirm material type for pipelines within CSLC lease. The plan will be tailored around using a contractor (e.g., Teichert Construction) who has an existing on-call contract mechanism in place with MCWRA. The plan will evaluate alternatives and methods to record the pipe depth and pipe material type while protecting the existing assets from damage.

The CSLC Pipeline inspection plan will also include pipe–to-soil potential measurement to assess the effectiveness of cathodic protection systems for the buried steel pipelines. MCWRA recently had JDH complete an inspection of the cathodic protection system. The plan will include evaluation of the JDH report for cathodic protection operability for these pipe sections. For the pipe-to-soil potential and operability of cathodic protection, KJ will rely on the work already completed by JDH; additional work may be required by JDH for CSLC pipe segments. The Inspection Plan will include a summary table and map with the pipe materials and diameter, access conditions, and other pertinent information from which to obtain cost estimate quotes from MCWRA vendors/contractors for the inspection.

Assumptions:

- This task does not include the inclusion of JDH cathodic protection survey results into GIS or additional JDH pipe-to-soil potential or operability of cathodic protection analysis.
- MCWRA will retain vendors/contractors to conduct CSLC inspections.

Deliverables:

- CSLC Lease Pipeline Inspection Plan, to be included in the Draft and Final CSIP Inspection Report – PDF

2.2 Condition Assessment Technology Selection and Inspection List

This subtask includes the following activities:

- Develop vendor information packet including maps, tables, as-builts for in-pipe inspection of the CSLC pipeline segments totaling about 7,500 LF and the East and South Quadrant main line pipelines totaling about 42,500 LF. The packet is anticipated to include site access considerations, time constraints, seasonal considerations, flow requirements, and other constraints.

- Coordinate vendor interviews.

- Evaluate each vendor's proposed technology and vendor availability, considering such factors as location of work, accessibility requirements, technology applicability, track record of vendor, references, sample of work, safety etc.

- Obtain quotes from pipeline inspection vendors, quotes will include inspection of the entire group of pipelines designated as high priority for potential additional inspection in future phases as well as budgetary quotes for the entire CSIP pipeline.

- In Phase 2B, it is expected MCWRA will develop and execute agreements with up to two (2) pipeline inspection vendors and KJ will provide support to MCWRA with technical input (see Task 3- As-Needed Services).

As described in the Draft Phase 1 Inspection Plan, up to three (3) vendors will be contacted to obtain quotes for the work necessary to complete the inspection of the high-priority pipelines. Once vendor quotes are obtained, they will be summarized, and recommendations made on vendor selection to complete the pipeline inspection and provided to MCWRA in an e-mail and discussed at the subsequent check-in meeting.

Assumptions:

- Vendor quotes will be obtained for priority pipelines although it is expected that not all CSLC pipeline segments will be field (physically) inspected.

- No site visits for KJ for vendor procurements.

Deliverables:

- E-mail summary of vendor quotes (to be appendix to Task 2.3 Inspection Plan)

2.3 Pipe Condition Assessment Inspection Plan

KJ will use the results of the Phase 1 BRVA and Task 2.2 and MCWRA staff consultation, to develop an inspection plan for the high-priority pipelines identified in Table 1. Vendor information from Task 2.2 will inform availability, technology constraints, and budgetary costs to inspect high priority assets for the inspection plan. The inspection plan will identify ways to safely isolate and shut down portions of the system, if needed, to conduct a field inspection for the priority pipelines from Table 1 of the CSIP facilities. The inspection plan will:

- Use vendor quotes from Task 2.2 to estimate the priority pipelines lengths that can be inspected within the available budget. KJ will use the updated GIS database to document the inspection

method and technology that will be most effective in determining the condition rating of the asset.

- Identify pipeline inspection access locations and recommended modifications to improve access for vehicles, technicians, and inspection technology.
- Recommend sequencing and scheduling of field inspections.
- Outline preliminary isolation and shutdown procedures by MCWRA/M1W to inform development of more detailed shutdown, lockout tagout (LOTO) and lock tag verify (LTV) procedures by the selected contractor.

Assumptions:

- MCWRA will complete improvements to allow pipeline vendors pipeline access.
- Pricing will be obtained for priority pipelines although it is expected not all CSLC pipeline segments will be field (physically) inspected due to budget limitations.
- Not all East and South Quadrant main lines will be physically inspected.
- MCWRA will review the draft CSIP Inspection Plan and provide one set of consolidated comments within two weeks of submittal.
- Technical information will be stored in ESRI GIS database tables.
- Asset and inspection related information will be managed through ESRI GIS.
- KJ will not develop LOTOs, LTVs, recommended spare parts analysis, operator routine duties, standard operating procedures, operator response corrective actions, layer of protection analysis, job hazard analysis, nor emergency response plans.

Deliverables:

- Draft and Final CSIP Inspection Plan (electronic format – Word document or PDF)

Task 3 –GIS Support

MCWRA seeks to develop a robust data management system for the CSIP system that can support a future Computerized Maintenance Management System (CMMS). The available data includes a CSIP GIS map that includes locations of pipelines, air relief and isolation valves, monitoring stations, supplemental wells, booster stations and turnouts. Attribute data such as size, install date, and present condition for each facility are very limited

In this task, KJ will support field work and complete high-level strategizing for data management, integration with CMMS and ArcGIS online and will inventory data collected to date and incorporate some of the information at the direction of MCWRA. During this effort, KJ will support MCWRA staff in

managing the data for the most efficient results to make GIS data a tool that is most useful for current and future planning.

Approach:

This data management and GIS support task is to support creation of a digital data set that includes the mapping that MCWRA has set up and the other information that MCWRA has collected such as asset condition data for turnouts and associated appurtenances. This task supports inventorying items that can add greater functionality to the GIS such as:

- as-builts that are linked to specific pipe segments;
- results of cathodic protection evaluation;
- inspection results including photos, videos and narrative/data tables; and
- reports.

KJ also identified items in the 2025 Data Gaps TM that could be included in this task such as:

- Set up of GIS facility data structure that includes field and facility names including equipment associated with a facility, asset condition, and inspection and maintenance information to support future CMMS.
- Advising on efficient incorporation of existing as-built and other information to the GIS database.
- Advising on strategies/priorities for building out asset database and improving accuracy of the GIS database.

Assumptions:

- KJ will provide up to 50 hours of technical support and will work with MCWRA to identify how best to use the technical support hours.
- KJ will not be responsible for the migration of data from GIS to CMMS, nor for the long-term management of the GIS database.

Deliverables:

- Inventory of MCWRA information that can be added to GIS platform

Task 4 – As-Needed Services

This task is for additional services that can be provided to support the CSIP inspection and includes:

4.1 Additional As-Needed Support such as Grower Dashboard development planning, additional GIS support, operation and maintenance (O&M) manual and preventive maintenance analysis and other technical support

4.2 Pressure Testing and Leak Detection Plan for Priority Pipelines and River Crossings

4.3 Inspection Support for CSLC and CSIP Priority Pipelines

A more detailed scope and budget can be discussed prior to authorization of these services.

4.1 Other As-Needed Support

This task has a $20,000 budget to support MCWRA on an as needed basis. Some topics that have been presented through discussion with MCWRA are described below.

4.1.1 Prepare Plan for Grower Dashboard Development

MCWRA has expressed interest in developing a communications dashboard with growers. This task is to explore the potential features of a dashboard, including:

- Grower daily water requests
- Grower billing
- Training and education materials for growers
- Surveys of grower activities

This task would include meetings with MCWRA staff to develop the features, discuss the implementation of the dashboard, and strategies for phasing. A more detailed scope and budget can be discussed prior to authorization of this task.

4.1.2 Additional GIS Support

In addition to Task 3, additional GIS support such as data collection/validation/evaluation as well as on-line GIS mapping, support of data transition to CMMS can be provided through this task. A more detailed scope and budget can be discussed prior to authorization of this task.

4.1.3 O&M Manual Analysis

Under this subtask KJ will evaluate the system's O&M Manual and set a foundation for a more MCWRA customized O&M manual with explicit and specific goals than the one that currently exists. The O&M manual effort will include developing key criteria, assessing preventive maintenance practices/recommendations/needs and developing an O&M manual outline with higher level of detail.

4.1.4 Other Technical Support

This subtask is for other support not identified in 4.1.1 or 4.1.2; scope and budget will be developed in collaboration with MCWRA.

Phase 2B (Future)

Phase 2B will include additional field inspections for condition assessment of remaining pipeline assets, remaining useful life analysis for assets, development of a detailed preventative maintenance plan, and development of a long-term renewal strategy for MCWRA facilities and assets (including strategic replacement, rehabilitation, and monitoring). Phase 2B activities are not included in the current scope of work.

Proposed Project Team

The following table shows the key KJ personnel that will execute the scope of work.

Name	Role
Sachiko Itagaki, PE	Principal-in-Charge
Tom Frisher, PE	Project Manager
Karina Yap	Project Engineer
Josh Sales, RG/Jennifer Obrien	Data Management/GIS Advisor
Eric Synsteby, CRL	Technical Advisor

Estimated Schedule

A proposed schedule is provided below, to be updated at project kickoff:

Task	Approximate Duration	Estimated Completion Date
Task 1 – Project Management	6 months	February 28, 2026
Task 2 – Inspection Planning	6 months	February 28, 2026
Task 3 – GIS Support	6 months	February 28, 2026
Task 4.1 – Other As-Needed Support	6 months	February 28, 2026

Compensation for Consulting Services

In accordance with the attached Schedule of Charges dated January 1, 2025 (Attachment A), we propose a budget of $94,271 which includes $74,271 for Tasks 1-3 and a $20,000 budget for Task 4.1 Other As-Needed Services. A breakdown of our proposed project budget and line-item descriptions of the project tasks is provided in Attachment B. KJ will manage work hours between tasks and employee classifications, and/or utilize other employee classifications listed in the attached rate sheet, provided that the project total fee is not exceeded without prior approval. A summary of the budgets by task is provided in the table that follows:

Task	Description	Budget
Task 1	Project Management and QAQC	$18,612
Task 2	Inspection Planning	$41,597
Task 3	Data Management and GIS Support	$14,062
Total Tasks 1-3		**$74,271**
Task 4.1	Other As-Needed Support	$20,000
Total Phase 2A Budget		**$94,271**

Exhibit B: Revised Fee Schedule for Additional Scope of Work

Attachment 1

Client/Address: Monterey County Water Resources Agency
1441 Schilling Place
North Building
Salinas, CA 93901

Contract/Proposal Date: August 13, 2025

Schedule of Charges

January 1, 2025

PERSONNEL COMPENSATION

Classification	Hourly Rate
Engineer-Scientist-Specialist 1	$165
Engineer-Scientist-Specialist 2	$195
Engineer-Scientist-Specialist 3	$220
Engineer-Scientist-Specialist 4	$240
Engineer-Scientist-Specialist 5	$265
Engineer-Scientist-Specialist 6	$285
Engineer-Scientist-Specialist 7	$310
Engineer-Scientist-Specialist 8	$330
Engineer-Scientist-Specialist 9	$350
Senior CAD-Designer	$200
CAD-Designer	$190
Senior CAD-Technician	$180
CAD-Technician	$160
Project Assistant	$145
Administrative Assistant	$135

In addition to the above Hourly Rates, an Associated Project Cost charge of $9.74 per hour will be added to Personnel Compensation for costs supporting projects including telecommunications, software, information technology, internal photocopying, shipping, and other support activity costs related to the support of projects.

Other Expenses

For the purpose of this amendment only, KJ agrees to not mark up Other Expenses or sub consultants cost specifically the ones listed in a. through f., all other expenses will be billed as mentioned below:

a. Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
b. Consultants, soils engineers, surveyors, contractors, and other outside services.
c. Rented vehicles, local public transportation and taxis, travel and subsistence.
d. Project specific telecommunications and delivery charges.
e. Special fees, insurance, permits, and licenses applicable to the work.
f. Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved (GSA) mileage rates.

If prevailing wage rates apply, the above billing rates will be adjusted as appropriate.

Overtime for non-exempt employees will be billed at one and a half times the Hourly Rates specified above.

Rates for professional staff for legal proceedings or as expert witnesses will be at rates one and one-half times the Hourly Rates specified above.

Excise and gross receipts taxes, if any, will be added as a direct expense.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 1, 2025 through December 31, 2025. After December 31, 2025, invoices will reflect the Schedule of Charges currently in effect.

Attachment 2

Proposal Labor Fee Estimate Break-down

Kennedy Jenks

CLIENT Name: Monterey County Water Resources Agency

PROJECT Description: CSIP Phase 2A Priority Pipeline Inspection and Supplemental Services

Proposal/Job Number: B001283*34582 **8/13/2025**

	S. Itagaki	T. Frisher	J. Bowland/X. Li	R. Thompson	J OBrien	O. Ervin/J. Richardson	M. Norman								
January 1, 2025 Rates									KJ	KJ	KJ	KJ			
Classification:	Eng-Sci-8 Principal in Charge	Eng-Sci-8 Project Manager	Eng-Sci-7 QA/QC-Technical Advisor	Eng-Sci-6	Eng-Sci-6	Eng-Sci-2 Staff Engineer	Project Assistant	Total	Labor	Assoc. Proj. Costs	ODCs	ODCs Markup	Total Labor	Total Expenses	Total Labor + Subs + Expenses
Hourly Rate:	$330	$330	$310	$285	$285	$195	$145	Hours	Fees	$9.74	Fees	10%			Fees
Task 1: Project Management (PM)															
01 PM - Project Initiation	0	6	0	2	0	6	6	20	$4,590	$195	$0	$0	$4,785	$0	$4,785
02 PM - Monitoring and Control	1	8	0	0	0	2	1	12	$3,505	$117	$0	$0	$3,622	$0	$3,622
03 PM - Monthly Reports and Invoicing		2					4	6	$1,240	$58		$0	$1,298	$0	$1,298
04 PM - Meetings		6				6		12	$3,150	$117	$150	$15	$3,267	$165	$3,432
05 PM - Project Closeout							2	2	$290	$19		$0	$309	$0	$309
Task 1 - Subtotal	1	22	0	2	0	14	13	52	$12,775	$506	$150	$15	$13,281	$165	$13,446
1.4 Quality Control (QC)															
01 QC - Quality Management	0	1	0	0	0	0	0	1	$330	$10	$0	$0	$340	$0	$340
02 QC - Milestone Reviews	3	1	8	1	0	3	0	16	$4,670	$156	$0	$0	$4,826	$0	$4,826
Task 1 -QC - Subtotal	3	2	8	1	0	3	0	17	$5,000	$166	$0	$0	$5,166	$0	$5,166
Task 2: Inspection Planning															
01 2.1 CSLC Inspection Plan	1	6	2	0	2	16	0	27	$6,620	$263	$0	$0	$6,883	$0	$6,883
02 2.2 Condition Assessment Technology Selection and Inspection List	2	9	6	0	2	38	0	57	$13,470	$555	$0	$0	$14,025	$0	$14,025
Task 2 - Subtotal	8	29	10	0	14	106	0	167	$39,970	$1,627	$0	$0	$41,597	$0	$41,597
Task 3: Data Management and GIS Support															
01 Technical Supoort	0	5	0	0	35	10	0	50	$13,575	$487	$0	$0	$14,062	$0	$14,062
Task 3 - Subtotal	0	5	0	0	35	10	0	50	$13,575	$487	$0	$0	$14,062	$0	$14,062
Task 4 - As-Needed Services															
01 4.1 Other As-Needed Services	4	8	8	3	17	35	1	76	$19,110	$740	$136	$14	$19,850	$150	$20,000
Task 4 - Subtotal	4	8	8	3	17	35	1	76	$19,110	$740	$136	$14	$19,850	$150	$20,000
All Tasks Total	16	66	26	6	66	168	14	362	$90,430	$3,526	$286	$29	$93,956	$315	$94,271

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No. _

APPROVE AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICE AGREEMENT WITH KENNEDY JENKS CONSULTANTS, INC. FOR THE CSIP CONDITION ASSESSMENT PROJECT, TO EXTEND THE TERM LENGTH TO JULY 1ST, 2027, AND INCREASE THE DOLLAR AMOUNT BY $94,271 FOR A TOTAL CONTRACT AMOUNT NOT-TO-EXCEED $193,971; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 1.

Upon motion of Director, seconded by Director, and carried by those members present, the Board of Directors hereby:

Approve Amendment No. 1 to the Professional Service Agreement with Kennedy Jenks Consultants, Inc. for the CSIP Condition Assessment Project, to extend the term length to July 1st, 2027, and increase the dollar amount by $94,271 for a total contract amount not-to-exceed $193,971; and authorize the General Manager to execute Amendment No. 1.

PASSED AND ADOPTED on this **15th** day of **September 2025**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Mike LeBarre, Chair
Board of Directors

ATTEST: Ara Azhderian
General Manager

Introduced: 9/9/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Approve Amendment No. 1 to the Agreement for Services with Errol L. Montgomery & Associates, Inc. for CSIP Groundwater Well Consulting Services, to add a dollar increase of $150,000 for a total contract amount not to exceed $250,000; and authorize the General Manager to execute Amendment No. 1. (Staff: Pete Vannerus)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Approve Amendment No. 1 to the Agreement for Services with Errol L. Montgomery & Associates, Inc. for CSIP Groundwater Well Consulting Services, to add a dollar increase of $150,000 for a total contract amount not to exceed $250,000; and authorize the General Manager to execute Amendment No. 1.

SUMMARY/DISCUSSION:
On November 1st, 2024, the Agency entered into an Agreement for Services for groundwater well consulting with Errol L. Montgomery & Associates, Inc. (M&A) for the Castroville Seawater Intrusion Project (CSIP). This Agreement is for as-needed services for professional hydrogeological and technical support on groundwater well projects. The services include groundwater well survey review, project repair review and recommendations, well replacement project support, contractor advising and supervision, groundwater investigations and other as-needed supporting tasks.

Since November of 2024, M&A has supported projects for CSIP including Well 10H01 condition investigation & repairs, Well 02C03 condition investigation and support services for the Replacement Well 11B02 Project. M&A assisted in the development of the Technical Specifications for the project as well as preliminary well design. As of August 2025, the contractor has expended approximately $30,000 or 1/3 of the three-year contract.

Amendment No. 1 to the Agreement will fund additional support work anticipated for FY26 which includes a data collection effort for support to the Well Replacement 11B02 Project, and additional CSIP Well repairs and condition investigations at Well 01P01, Well 10H01, and Well 03R02.

The data collection effort to support the Replacement Project will consist of a test borehole drilled to complete the necessary geophysical and hydrological surveying, and data collection at the replacement well site, ahead of the Replacement Well Project. This data will be critical to the analysis that goes into developing the final well design. The completion of the final well design will expedite the Replacement Project by cutting downtime/standby time for the contractor during the wait period from pilot borehole

to final drilling during designing. The cost savings will be observed in the lack of standby time for the final well drilling contractor by saving at least two weeks for material procurement and delivery. By finalizing the well design, the project will have a clear and reliable cost estimate, removing uncertainties before work begins. Well construction materials will all be onsite when the Replacement Well Project begins, allowing the smoothest process for construction. This project is estimated to cost an amount of $150,000. The drilling of the test borehole is estimated to occur in October of this year.

The Amendment No.1 for the Montgomery & Associates Agreement for Services will add $150,000 to the contract with a total not-to-exceed amount of $250,000. The Amendment is funded by CSIP Fund 131 under general Operations and Maintenance activities for Well Maintenance, Planning, and Repairs in FY26.

The Finance Committee supported staff's recommendation, as presented herein, at the September 5, 2025 meeting.

OTHER AGENCY INVOLVEMENT:
None

FINANCING:
Funds from Agency Fund 131- CSIP O&M- Well Maintenance, Planning, and Repairs which are included in the Fiscal Year 2025-2026 Adopted Budget.

Prepared by: Pete Vannerus, Assoc. Water Resources Engineer, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. Original Agreement
2. Amendment No. 1
3. Board Order

Introduced: 9/9/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

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The Finance Committee supported staff's recommendation, as presented herein, at the September 5, 2025 meeting.

OTHER AGENCY INVOLVEMENT:
None

FINANCING:
Funds from Agency Fund 131- CSIP O&M- Well Maintenance, Planning, and Repairs which are included in the Fiscal Year 2025-2026 Adopted Budget.

Prepared by: Pete Vannerus, Assoc. Water Resources Engineer, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. Original Agreement
2. Amendment No. 1
3. Board Order

Docusign Envelope ID: 7C940076-57B6-4238-B0C8-BB5E712B5FF9

MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and Errol L. Montgomery & Associates, Inc., a Arizona corporation hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Scope of Work. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**

   (a) The scope of work is briefly described and outlined as follows:

   Provide professional hydrogeologic and technical support for Agency Groundwater Well Projects in the Castroville Seawater Intrusion/ Recycled Water Program and other Agency Programs, as needed.

   (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on 11/1/2024, by CONTRACTOR and Agency, and will terminate on 7/1/2027, unless earlier terminated as provided herein.

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3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is One Hundred thousand Dollars ($100,000).

4. Monthly Invoices by CONTRACTOR; Payment.

   (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

   (b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@countyofmonterey.gov and to the Contract Administrator listed in Section 27.

   (c) CONTRACTOR agrees that Agency may withhold five percent (5%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.

   (d) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

   (e) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification. CONTRACTOR shall indemnify, defend, and hold harmless the Agency and the County of Monterey, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's

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performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence, active negligence, or willful misconduct of the Agency. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

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Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10***

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10 01 in tandem with CG 20 37 10 01 (2000). *The required endorsement form for Automobile Additional Insured endorsement is* ***ISO Form CA 20 48 02 99.***

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subcontractors relating to this Agreement. Government Code section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

   CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the

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purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic

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duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Independent Contractor Compliance with Government Code Section 1097.6(c). This section applies to those situations when a contractor/consultant is awarded a Contract for a preliminary phase of a project, with future phases to be bid separately. This section does not apply to those situations when a Contract is awarded for multiple phases of a project under a single contract/proposal. When applicable, and as described below, CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the Agency with any portion of the Agency's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Agency. The Agency shall at all times retain responsibility for public contracting, including with respect to any subsequent phase stemming from this Agreement. CONTRACTOR's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. CONTRACTOR shall cooperate with the Agency to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if applicable, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.

17. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

18. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

19. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

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20. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

21. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

22. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

23. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

24. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

25. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

26. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

27. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be:

Cameron Tana

Agency's designated administrator of this Agreement shall be:

Pete Vannerus

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28. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY	TO CONTRACTOR
Name: Pete Vannerus	Name: Bill DeBoer
Address: 1441 Schilling Place, North Bld, Salinas, CA 93901	Address: 1970 Broadway, Suite 225, Oakland, CA 94612
Telephone: 831-788-3436	Telephone: 925-212-1630
Fax:	Fax:
E-Mail: VannerusP@countyofmonterey.gov	E-Mail: bdeboer@elmontgomery.com

29. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats.

30. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

31. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

32. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work
    Exhibit B - Fee Schedule/ Rate Sheet

33. Entire Agreement. As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:

BY: DocuSigned by: Ara Azhderian 1F182FFB49A2435...
Ara Azhderian
General Manager

Date: 11/21/2024 | 10:56 AM PST

CONTRACTOR:

BY: Hale W. Barter

Type Name: Hale W. Barter

Title: President

Date: 11/13/24

BY:

Type Name: Antonio H Verdin

Title: Chief Financial Officer

Date: 11/13/24

Docusign Envelope ID: 7C940076-57B6-4238-B0C8-BB5E712B5FF9

* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

Signed by:
Kelly L. Donlon
22D690CA05A940B...

Chief Assistant County Counsel

Dated: 11/20/2024 | 11:42 AM PST

Approved as to fiscal provisions:

Signed by:
Trent Hill
30922505678A4ED...

Administrative Analyst

Dated: 11/21/2024 | 8:32 AM PST

_____

County Counsel – Risk Manager:

Dated: _____

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Auditor-Controller [2]:

Dated: 11/20/2024 | 1:58 PM PST

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

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EXHIBIT A
Scope of Work

Consultant shall provide as-needed professional hydrogeologic and technical services to support Agency Projects, with focus on the Castroville Seawater Intrusion Program. Other Agency tasks outside the Recycle Water Program may be included.

Services shall include but are not limited to:

- Groundwater well survey review and consultation
- Project and repair recommendations
- On-site technical support
- Well replacement project support
- Contractor advising and supervision
- Groundwater/ Aquifer investigations
- Any other supporting tasks necessary for project completion

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EXHIBIT B
Fee Schedule/Rate sheet

Docusign Envelope ID: 7C940076-57B6-4238-B0C8-BB5E712B5FF9

MONTGOMERY & ASSOCIATES

2025 CALIFORNIA SCHEDULE OF FEES AND EXPENSES

PROFESSIONAL FEES*	Hourly Rate ($)
Scientist 9	345
Scientist 8	320
Scientist 7	290
Scientist 6	265
Scientist 5	240
Scientist 4	215
Scientist 3	195
Scientist 2	165
Scientist 1	140
Health & Safety Director	245
Senior Programmer	270
Computer Programmer 2	233
Computer Programmer 1	195
Senior Water Policy Consultant	305
Water Policy Consultant 2	262
Water Policy Consultant 1	235
Drilling Specialist 2	185
Drilling Specialist 1	155
Hydrologic Technician 2	145
Hydrologic Technician 1	125
Hydrologic Assistant	100
GIS & Data Coordinator	210
GIS & Data Specialist 2	175
GIS & Data Specialist 1	145
Scientific Illustrator 2	125
Scientific Illustrator 1	110
Project Assistant	110
Contract Administrator	98
Technical Editor	95
Clerical	80
EXPENSES	
Airline travel, ZipCar, and auto rental	Cost, plus 10%
Lodging and subsistence	Cost, plus 10%
Copying, printing, long distance calls, shipping, field supplies	Cost, plus 10%
Subcontractor/subconsultant services	Cost, plus 10%
Laboratory services	Cost, plus 10%
Mobile field office	$150/week
Use of private vehicles	Standard IRS Rate

Notes:

- Expert testimony charged at 1.5 times hourly rate. Includes testimony in a trial, hearing, or deposition, and time spent in testimony rehearsal sessions with counsel.
- *Scientist includes hydrogeologist, hydrologist, geologist, engineer, soil scientist, and chemist.

Invoices are issued on a monthly basis and are due upon receipt for payment within 30 days. If payment has not been received within 30 days, interest will accrue at 1% per month for unpaid balance.

AMENDMENT NO. 1 TO
AGREEMENT FOR SERVICES
BETWEEN MONTEREY COUNTY WATER RESOURCES AGENCY AND
ERROL L. MONTGOMERY & ASSOCIATES, INC.

THIS AMENDMENT NO. 1 to the Agreement for Services between the Monterey County Water Resources Agency, a political subdivision of the State of California (hereinafter, "Agency") and Errol L. Montgomery & Associates, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the Agency and the CONTRACTOR (collectively, the Agency and CONTRACTOR are referred to as the "Parties").

WHEREAS, CONTRACTOR entered into an Agreement for Services with the Agency on November 1, 2024 (hereinafter, "Agreement");

WHEREAS, the Parties wish to amend the Agreement with a dollar amount increase of $150,000.00, not to exceed $250,000.00, to continue providing services identified in the Agreement.

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend Section 3, **"**Employment of Contractor**"**, to replace Exhibit A, "Scope of Work/Work Schedule", with Exhibit C, "Revised Scope of Work."

2. Amend Section 3, "Payments to CONTRACTOR; maximum liability", to read as follows:

   Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the revised fee schedule set forth in Exhibit D. The maximum amount payable to the contractor under this contract is Two Hundred Fifty Thousand dollars ($250,000.00)

Original Agreement	$100,000
Amendment No. 1	$150,000
Not to exceed total:	$250,000

3. All other terms and conditions of the Agreement remain unchanged and in full force.

4. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 to the Agreement as of the day and year written below:

MONTEREY COUNTY WATER RESOURCES AGENCY

By: ___ _____
General Manager

Date: _____

Approved as to Form and Legality
Office of the County Counsel

By: _____
Chief Assistant County Counsel

Date: _____

Approved as to Fiscal Provisions

By: _____
Auditor-Controller

Date: _____

By: _____
Administrative Analyst

Date:_____

Approved as to Indemnity, Insurance Provisions

By: _____
Risk Management

Date: _____

CONTRACTOR

_____
*Contractor Business Name

By: _____
(Signature of Chair, President or Vice President)

Title: _____
(Print Name and Title)

Date: _____

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Title: _____
(Print Name and Title)

Date:_____

*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

Exhibit C-
Revised Scope of Work

Contractor/Consultant shall continue to provide as-needed services listed in Exhibit A. Additional scope of work for data collection test borehole project will include:

- Drilling a test borehole to the 750ft BGS depth determined in the Replacement Well Project
- Conducting all necessary geophysical and hydrologic surveys in borehole
- Analyze all data and results from the surveys and assist Agency Staff in the Final Well Design for the CSIP Replacement Well 11B02 Project
- Destroy the test borehole using approved methods of destruction for the State of California and Monterey County

Exhibit D-
Revised Fee Schedule
***Final Fee Schedule Pending**
but shall not exceed $150,000*

Draft

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No. _

APPROVE AMENDMENT NO. 1 TO THE AGREEMENT FOR SERVICES WITH ERROL L. MONTGOMERY & ASSOCIATES, INC. FOR CSIP GROUNDWATER WELL CONSULTING SERVICES, TO ADD A DOLLAR INCREASE OF $150,000 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED $250,000; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 1.

Upon motion of Director, seconded by Director, and carried by those members present, the Board of Directors hereby:

Approve Amendment No. 1 to the Agreement for Services with Errol L. Montgomery & Associates, Inc. for CSIP Groundwater Well Consulting Services, to add a dollar increase of $150,000 for a total contract amount not to exceed $250,000; and authorize the General Manager to execute Amendment No. 1.

PASSED AND ADOPTED on this **15th** day of **September 2025**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Mike LeBarre, Chair
Board of Directors

ATTEST: Ara Azhderian
General Manager

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Sub-grant Disbursement Agreement with the Castroville Community Services District Sub-grantee to extend the term to June 30, 2027 and update the submittal schedule for progress reports and invoices; and authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement. (Staff: Amy Woodrow)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

a. Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Subgrant Disbursement Agreement with the Castroville Community Services District Sub-grantee to extend the term to June 30, 2027 and update the submittal schedule for progress reports and invoices; and

b. Authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement.

SUMMARY/DISCUSSION:
In 2020, the Monterey County Water Resources Agency ("Agency") was awarded $3,462,861 in Proposition 1 Round 1 Integrated Regional Water Management ("IRWM") Implementation grant funds by the State of California, Department of Water Resources ("DWR").

The Agency is the implementing agency for administration of agreement number 4600013799 ("Agreement"). This role involves administration of the IRWM grant funds and coordination with other project-specific implementing agencies for the projects covered in the Agreement's Work Plan, which include the City of Salinas, Castroville Community Services District ("CCSD"), and Resource Conservation District of Monterey County ("RCDMC"). Sub-grant agreements with each of these entities were executed in 2021 to disburse the IRWM funds allocated in the Agreement for each project. Specifically, in January 2021, the Agency entered into a sub-grant agreement with the CCSD for Project 1: Emergency Deep Aquifer Supply and Storage Tank Project to receive $395,000 in IRWM grant funds.

Amendments to the Primary Agreement
To-date, the Agency has completed four amendments to the Agreement with DWR.

In April 2022, Amendment 1 to the Agreement was executed to reflect a correction in Project

Representatives and make a budget adjustment to Project 3 (implemented by RCDMC), reallocating funds between budget categories but retaining the same overall agreement amount.

In July 2023, Amendment 2 to the Agreement was executed to extend the term of the agreement to July 31, 2025.

In May 2025, Amendment 3 to the Agreement was completed to make a non-material change to the budget of Project 3, reallocating funds between budget categories but retaining the same overall agreement amount.

In July 2025, Amendment 4 to the Agreement was completed to extend the term of the agreement to June 30, 2027 and change the frequency of progress reporting and invoicing from quarterly to monthly (Attachment 1). As a result of Amendment 4, the Agency needs to amend its sub-grant disbursement with the CCSD to reflect the extended Agreement term and updated submittal schedule for progress reports and invoices.

CCSD Sub-Grant Agreement
In January 2021, a sub-grant agreement with the CCSD was executed.

In March 2023, Amendment 1 to the sub-grant agreement with the CCSD was completed to extend the term of the agreement and update contact information for Agency representatives.

Amendment 2 to the sub-grant agreement would extend the term to June 30, 2027 (Attachment 2).

Other Discussion
Agency efforts on the work covered by the IRWM Agreement align with Agency Strategic Plan Goal C - Strategy 6: Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

The Finance Committee supported staff's recommendation, as presented herein, at the September 5, 2025 meeting.

OTHER AGENCY INVOLVEMENT:
California Department of Water Resources and Castroville Community Services District

FINANCING:
There is no financial impact to the Agency as a result of Amendment 2 to the sub-grant amendment. No cost share is required for the Agency's role in administration of the IRWM grant and the IRWM grant funds are included in the Fiscal Year 2025-2026 Adopted Budget. The total amount estimated for the Agreement in the current fiscal year is $20,000 in expenditures and $20,000 in grant revenue.

Prepared by: Amy Woodrow, Senior Hydrologist, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Grant Agreement between the State of California (Department of Water Resources) and Monterey County Water Resources Agency Agreement Number 4600013799 Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Amendment 4
2. Amendment No. 2 to the Proposition 1 Integrated Regional Water Management Sub-Grant Disbursement Agreement between Monterey County Water Resources Agency and the Castroville Community Services District Sub-grantee

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Sub-grant Disbursement Agreement with the Castroville Community Services District Sub-grantee to extend the term to June 30, 2027 and update the submittal schedule for progress reports and invoices; and authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement.

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

a. Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Subgrant Disbursement Agreement with the Castroville Community Services District Sub-grantee to extend the term to June 30, 2027 and update the submittal schedule for progress reports and invoices; and

b. Authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement.

SUMMARY/DISCUSSION:
In 2020, the Monterey County Water Resources Agency ("Agency") was awarded $3,462,861 in Proposition 1 Round 1 Integrated Regional Water Management ("IRWM") Implementation grant funds by the State of California, Department of Water Resources ("DWR").

The Agency is the implementing agency for administration of agreement number 4600013799 ("Agreement"). This role involves administration of the IRWM grant funds and coordination with other project-specific implementing agencies for the projects covered in the Agreement's Work Plan, which include the City of Salinas, Castroville Community Services District ("CCSD"), and Resource Conservation District of Monterey County ("RCDMC"). Sub-grant agreements with each of these entities were executed in 2021 to disburse the IRWM funds allocated in the Agreement for each project. Specifically, in January 2021, the Agency entered into a sub-grant agreement with the CCSD for Project 1: Emergency Deep Aquifer Supply and Storage Tank Project to receive $395,000 in IRWM grant funds.

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In July 2025, Amendment 4 to the Agreement was completed to extend the term of the agreement to June 30, 2027 and change the frequency of progress reporting and invoicing from quarterly to monthly (Attachment 1). As a result of Amendment 4, the Agency needs to amend its sub-grant disbursement with the CCSD to reflect the extended Agreement term and updated submittal schedule for progress reports and invoices.

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Amendment 2 to the sub-grant agreement would extend the term to June 30, 2027 (Attachment 2).

Other Discussion
Agency efforts on the work covered by the IRWM Agreement align with Agency Strategic Plan Goal C - Strategy 6: Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

The Finance Committee supported staff's recommendation, as presented herein, at the September 5, 2025 meeting.

OTHER AGENCY INVOLVEMENT:
California Department of Water Resources and Castroville Community Services District

FINANCING:
There is no financial impact to the Agency as a result of Amendment 2 to the sub-grant amendment. No cost share is required for the Agency's role in administration of the IRWM grant and the IRWM grant funds are included in the Fiscal Year 2025-2026 Adopted Budget. The total amount estimated for the Agreement in the current fiscal year is $20,000 in expenditures and $20,000 in grant revenue.

Prepared by: Amy Woodrow, Senior Hydrologist, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Grant Agreement between the State of California (Department of Water Resources) and Monterey County Water Resources Agency Agreement Number 4600013799 Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Amendment 4
2. Amendment No. 2 to the Proposition 1 Integrated Regional Water Management Sub-Grant Disbursement Agreement between Monterey County Water Resources Agency and the Castroville Community Services District Sub-grantee

Docusign Envelope ID: 55AF0F08-57BA-45C4-98B4-B22962F3E1F9

GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT NUMBER 4600013799
PROPOSITION 1 ROUND 1 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM)
IMPLEMENTATION GRANT
AMENDMENT 4

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or “DWR,” and the Monterey County Water Resources Agency a public agency. in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1) PURPOSE. The State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) to the Grantee to assist in financing the projects, which are included in and implemented in an adopted Integrated Regional Water Management Plan (IRWM Plan), pursuant to Chapter 7. Regional Water Security, Climate, and Drought Preparedness (Wat. Code, § 79740 et seq.). The provision of State funds pursuant to this Agreement shall be construed or interpreted to mean that the IRWM Plan, or any components of the IRWM Plan, implemented in accordance with the Work Plan as set forth in Exhibit A, has been adopted through the IRWM Plan Review Process, and is/are consistent with Water Code section 10530 et seq.

2) TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on June 27, 2020 through final payment plus three (3) years unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed by June 30, 2027 in accordance with the Schedule as set forth in Exhibit C and no funds may be requested after September 30, 2027.

3) GRANT AMOUNT. The maximum amount payable by the State under this Grant Agreement shall not exceed $3,462,861.

4) GRANTEE COST SHARE. The Grantee is required to provide a Local Cost Share (non-state funds) as set forth in Exhibit B (Budget). Local Cost Share may include Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015.

5) BASIC CONDITIONS.

   A. Unless exempt as per the 2019 IRWM Implementation Grant Proposal Solicitation Package, project(s) that are subject to the California Environmental Quality Act (CEQA) including final land purchases, shall not be included in this Agreement until the CEQA process is completed and all permits necessary to begin construction are acquired. Projects providing at least 75% of benefits to a disadvantaged community (DAC), economically distressed area (EDA), and/or Tribe (based on population or geography), or projects implemented by Tribes will be exempt from this requirement.

      i. Such projects will be included in the Agreement as a placeholder. Placeholder projects are not eligible for grant reimbursement and may not submit invoices to DWR until such time as they are fully included in the Agreement.

      ii. Placeholder projects that complete CEQA and/or acquire permits (necessary to begin construction) within eighteen (18) months of the agreement execution date will be amended into the agreement. At the end of the eighteen (18)-month term, any placeholder projects that fail to complete CEQA and/or acquire permits will be deleted from the Agreement. The total grant award will be reduced by the amount of the deleted project(s). Replacement projects will not be allowed. Reduced amount will be made available to the respective Funding Area in future funding rounds on a competitive basis. Deleted placeholder projects will not be eligible to receive any grant reimbursement under this Agreement; however, such project could be eligible under the next round of grant solicitation.

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B. The State shall have no obligation to disburse money for the Project(s) under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):

i. The Grantee shall demonstrate compliance with all eligibility criteria as set forth on pages 9-11, inclusive, of the 2019 IRWM Implementation Grant Program Guidelines (2019 Guidelines).

ii. For the term of this Agreement, the Grantee shall submit Monthly Progress Reports which must accompany an invoice and all invoice backup documentation ($0 Invoices are acceptable). The Monthly Progress Report shall be submitted within 60 days following the end of the calendar quarter (i.e. reports due May 30, August 29, November 29, and March 1) and all other deliverables as required by Paragraph 14, "Submission of Reports" and Exhibit A, "Work Plan".

iii. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State.

1. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.

2. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:

a) The Grantee submits to the State all applicable environmental permits, as indicated on the Environmental Information Form to the State,

b) Documents that satisfy the CEQA process are received by the State,

c) The State has completed its CEQA process as a Responsible Agency, and

d) The Grantee receives written notification from the State of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The Grantee or Local Project Sponsor (LPS) shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/ implementation.

iv. A monitoring plan as required by Paragraph 16, "Monitoring Plan Requirements," if applicable.

6) DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.

7) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project

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construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after June 26, 2020 may be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to, the following items:

A. Costs, other than those noted above, incurred prior to the award date of this Grant.

B. Costs for preparing and filing a grant application.

C. Operation and maintenance costs, including post construction performance and monitoring costs.

D. Purchase of equipment that is not an integral part of a project.

E. Establishing a reserve fund.

F. Purchase of water supply.

G. Replacement of existing funding sources for ongoing programs.

H. Meals, food items, or refreshments.

I. Payment of any punitive regulatory agency requirement, federal or state taxes.

J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.

K. Overhead and Indirect Costs. “Indirect Costs” means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee or LPSs; non-project-specific accounting and personnel services performed within the Grantee’s or LPS’ organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee, LPSs, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.

8) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 5, “Basic Conditions” are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee of an electronic invoice certified and transmitted via electronic/digital signature system (e.g., DocuSign) or via US mail or Express mail delivery of a “wet signature” for costs incurred, including Local Cost Share, and timely Monthly Progress Reports as required by Paragraph 14, “Submission of Reports.” Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Monthly Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1). The State will notify the Grantee, in a timely manner, whenever, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

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Invoices submitted by the Grantee shall include the following information:

A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.

B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.

C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:

   i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.

   ii. Invoices shall be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).

   iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.

   iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount" and those costs that represent the Grantee's costs, as applicable, in Paragraph 4, "Grantee Cost Share."

   v. Original signature and date of the Grantee's Project Representative. Submit an electronic invoice, certified and transmitted via electronic/digital signature system (e.g., DocuSign), from authorized representative to the Project Manager or the original "wet signature" copy of the invoice form to the Project Manager at the following address: PO Box 942836, Sacramento, CA 94236-0001.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

9) ADVANCED PAYMENT. Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than $1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment. The Advanced Payment Request shall contain the following:

   A. Documentation demonstrating that each Local Project Sponsor (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not.

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B. If the Grantee is requesting the advanced payment, the request(s) shall include:

   i. Descriptive information of each project with an update on project status

   ii. The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC

   iii. A detailed Funding Plan which includes how the advanced payment will be expended (in terms of workplan, budget, and schedule) within the timeframe agreed upon by DWR and the Grantee. The Funding Plan must clearly identify the total budget (at Budget Category Level) for each project clearly showing the portion of advanced payment and reimbursement funds.

   iv. Any other information that DWR may deem necessary

C. Upon review and approval of the Advanced Payment Request, DWR will authorize payment of the fully requested amount for the qualified project(s). Based on the project's Funding Plan and other considerations, DWR may determine it is not prudent to advance the full request in a single disbursement. In such a case, DWR will develop a "Disbursement Schedule," to disburse funds in installments. This Disbursement Schedule may change based on the project's ongoing compliance with the Advanced Payment requirements and the project's cash flow needs.

D. Once DWR authorizes the Advanced Payment Request, the Grantee shall submit Advanced Payment Invoice(s) for the initial amount based on the "Disbursement Schedule" on behalf of the LPS(s), containing the request for each qualified project, to the State with signature and date of the Grantee's Project Representative, as indicated in Paragraph 21, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective LPS(s). The Advanced Payment Invoice(s) shall be submitted on forms provided by the State and shall meet the following format requirements:

   i. Invoice shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.

   ii. Invoice shall be itemized based on the budget categories specified in Exhibit B, "Budget."

   iii. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).

   iv. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:

      1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.

      2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by DWR and the Grantee when the advanced payment request was approved.

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3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.

4. Proof of distribution of advanced funds to LPS(s), if applicable.

v. The State's Project Manager will notify the Grantee, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A, the State will reject the claim and remove them from the Accountability Report.

E. Once the Grantee has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 8, "Method of Payment for Reimbursement."

10) REPAYMENT OF ADVANCES. The State may demand repayment from the Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

A. A project is not being implemented in accordance with the provisions of the Grant Agreement.

B. The Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction.

C. Failure by the Grantee to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by DWR.

D. Failure to deposit funds in a non-interest-bearing account.

E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.

F. Inappropriate use of funds, as deemed by DWR.

G. Repayment amounts may also include:

i. Actual costs incurred which are not consistent with the activities presented in Exhibit A, not supported, or are ineligible.

ii. Advanced funds which are not fully expended by project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to DWR within sixty (60) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The State may consider the Grantee's refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to demand repayment or withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Agreement.

11) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, "Default

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Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

12) DEFAULT PROVISIONS. The Grantee shall be in default under this Grant Agreement if any of the following occur:

A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations;

B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;

C. Failure to operate or maintain the Project in accordance with this Grant Agreement.

D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.

E. Failure to submit monthly progress reports pursuant to Paragraph 5.

F. Failure to routinely invoice the State pursuant to Paragraph 8.

G. Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

Should an event of default occur, the State shall provide a notice of default to the Grantee and shall give the Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, the State may do any of the following:

H. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.

I. Terminate any obligation to make future payments to the Grantee.

J. Terminate the Grant Agreement.

K. Take any other action that it deems necessary to protect its interests.

In the event the State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, the Grantee agrees to pay all costs incurred by the State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

13) CONTINUING ELIGIBILITY. The Grantee shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2019 Guidelines to remain eligible to receive State funds:

A. An urban water supplier that receives grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2019 Guidelines and as stated on page 22 of the Proposal Solicitation Package.

B. An agricultural water supplier receiving grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2019 Guidelines.

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C. A surface water diverter receiving grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.

D. If applicable, the Grantee shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2019 Guidelines.

E. If the Grantee has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Grantee shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.

F. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.

G. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive Order.pdf. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

14) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Project Manager and shall be submitted via the DWR "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any funds retained for such project.

A. Monthly Progress Reports: The Grantee shall submit monthly Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar month.

B. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an advanced payment, consistent with the provisions in Paragraph 9, "Advanced Payment."

C. Project Completion Report: The Grantee shall prepare and submit to the State a separate Project Completion Report for each project included in Exhibit A. The Grantee shall submit a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) within ninety (90) calendar days of Project/Component completion as outlined in Exhibit F.

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D. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A, and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State.

E. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports for the applicable project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.

15) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, “useful life” means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; “operation costs” include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and “maintenance costs” include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, “Default Provisions.”

16) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F, and follow the guidance provided in Exhibit L, “Project Monitoring Plan Guidance.”

17) STATEWIDE MONITORING REQUIREMENTS. The Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G for web links and information regarding other State monitoring and data reporting requirements.

18) NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:

A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.

B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State’s representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.

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C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.

D. The initiation of any litigation or the threat of litigation against the Grantee or an LPS regarding the Project or which may affect the Project in any way.

E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The Grantee shall notify the State's Project Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.

19) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

A. By delivery in person.

B. By certified U.S. mail, return receipt requested, postage prepaid.

C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.

D. By electronic means.

E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

20) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

21) PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources	Monterey County Water Resources Agency
Arthur Hinojosa	Ara Azhderian
Manager, Division of Regional Assistance	General Manager
P.O. Box 942836	1441 Schilling Place
Sacramento, CA 94236-0001	Salinas, CA 93901
Phone: (916) 653-4736	(831) 755-4864
Email: Arthur.Hinojosa@water.ca.gov	Email: AzhderianA@countyofmonterey.gov

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Direct all inquiries to the Project Manager:

Department of Water Resources	Monterey County Water Resources Agency
Angela Murvine Engineering Geologist P.O. Box 942836 Sacramento, CA 94236-0001 Phone: (916) 326-9996 Email: Angela.Murvine@water.ca.gov	Amy Woodrow Senior Water Resources Hydrologist 1441 Schilling Place Salinas, CA 93901 Phone: (831) 204-6218 Email: WoodrowA@countyofmonterey.gov

Either party may change its Project Representative or Project Manager upon written notice to the other party.

22) STANDARD PROVISIONS. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements for the Grantee

Exhibit I – Local Project Sponsors and Project Locations

Exhibit J – Appraisal Specifications

Exhibit K – Information Needed for Escrow Processing and Closure

Exhibit L – Project Monitoring Plan Guidance

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IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Arthur Hinojosa
Manager,
Division of Regional Assistance

Date 7/18/2025

MONTEREY COUNTY WATER
RESOURCES AGENCY

Ara Azhderian
General Manager

Date 7/18/2025

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EXHIBIT A

WORK PLAN

PROPOSITION 1 ROUND 1 GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

Grant Administration

IMPLEMENTING AGENCY: Monterey County Water Resources Agency

DESCRIPTION: The Grantee will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. The grantee will act in a coordination role: disseminating grant compliance information to the project managers responsible for implementing the projects contained in this Agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for progress reports from individual project managers, assembling and submitting progress reports to the State, and coordinating all invoicing and payment of invoices.

Budget Category (a): Project Administration

Task 1: Agreement Administration

The Grantee will respond to DWR's reporting and compliance requirements associated with the grant administration and will coordinate with the project managers responsible for implementing the projects contained in this Agreement.

Task 2: Invoicing

The Grantee will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the Local Project Sponsors and compiling the information into a DWR Invoice Packet.

Deliverables:

- Monthly or quarterly invoices, as needed, and associated backup documentation

Task 3: Reporting

The Grantee will be responsible for compiling progress reports for submittal to DWR. The Grantee will coordinate with Local Project Sponsor staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Reports will meet generally accepted professional standards for technical reporting and the requirements terms of the contract with DWR outlined in Exhibit F of this Agreement.

Deliverables:

- Progress Reports
- Grant Completion Report

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PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

IMPLEMENTING AGENCY: Castroville Community Services District (District)

PROJECT DESCRIPTION: The purpose of the Emergency Deep Aquifer Supply and Storage Tank Project is to provide a safe and reliable water supply for Castroville. The project includes the planning, design and construction of three components: Deep Aquifer Well (1,400 feet), Arsenic Treatment System, and a Storage Tank (640,000 gallons). The District will construct a potable water storage tank at the Well No. 4 site to provide approximately 640,000 gallons of additional storage and operational redundancy. The existing water supply is being degraded by saltwater intrusion and has exceeded safe drinking water standards for Chloride. In 2018, detection reached up to 733 milligrams per liter (mg/L), well above the recommended maximum contaminant limit of 250 mg/L. The project will provide approximately 300 acre-feet per year (AFY) of clean drinking water to the community of Castroville and increase water reliability.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – The District will fund land acquisition from existing reserves set aside for the implementation of this water supply project.

Deliverables:

- Documentation supporting property value (if purchased)
- All relevant documentation regarding property ownership transfer or acquisition of easement including final recorded deed, title report, etc.

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Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Project Feasibility Studies were completed as part of the project development process. The preliminary studies and work required to support project design and CEQA/permitting include a Hydrogeologic Evaluation, Topographic and Boundary Survey, and Geotechnical Investigation.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

An amendment to the State Water Resources Control Board Domestic Water Supply Permit is anticipated.

Deliverables:

- Permits as required

Task 7: Design

The Design Engineer will prepare contract documents for the 30% Design submittal. Plans will be sufficiently detailed to adequately describe the project scope and provide a basis for the District's review. The 30% Design documents will be used by the Design-Build Contractor identified in construction.

Deliverables:

- 30% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR’s review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed. The contract will be a design-build contract for this project. The Design-Build Contractor will utilize the 30% Design Documents identified in Design to prepare Design Development Documents.

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Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed
- 100% Design Plans and Specifications

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

11(a): Mobilization and Demobilization: This will include preparatory work that is performed prior to starting work on various bid items of the project (e.g., security fencing, mobilizing equipment to the site, staging construction equipment and supplies, etc.) and after completion of various bid items of the project (e.g., removing equipment and restoring the site to pre-construction conditions).

11(b): Site preparation: Site preparation will include removing existing materials and vegetation and establishing site security prior to the start of construction.

11(c): Construction: Includes site improvements, install an approximately 640,000-gallon storage tank, install a new groundwater well, arsenic treatment system, connection to the existing water system and associated civil, mechanical, and electrical items necessary to operate the new system.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

IMPLEMENTING AGENCY: Monterey County Water Resources Agency

PROJECT DESCRIPTION: The purpose of this project is to develop decision support tools that will enable the Grantee to improve reservoir operations and better plan for future conditions, particularly considering anticipated impacts of climate change. Through a qualitative, quantitative, and policy analysis of streamflow and reservoir operations, this project will identify how reservoir operations at Nacimiento and San Antonio reservoirs, river diversions along the Salinas River, and groundwater extractions in the Salinas Valley impact instream flows in the Salinas River. The analysis will then be used to develop a water management plan that considers all the necessary uses for this water. The intended outcome is the development of re-operation protocols.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

A Notice of Exemption was completed for this project in December of 2020. Prepare letter stating no legal challenges (or addressing legal challenges).

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Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting – Not applicable

Task 7: Project Monitoring Plan – Not applicable

Budget Category (d): Construction/Implementation

Task 8: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract.

Deliverables:

- Bid Documents, if necessary
- Proof of Advertisement, if necessary
- Award of Contract, if necessary

Task 9: Setting Description

This task will provide a description of the geologic setting of the Salinas Valley relevant to both geomorphic and hydrologic conditions impacting instream flows within the project area and will include a review of previous studies and relevant current projects and investigations. A qualitative analysis will be supplemented using a recently developed integrated hydrogeologic model (Salinas Valley Integrated Hydrologic Model, USGS 2018) to provide a detailed description of reach-by-reach water budgets of surface water flow regimes throughout historical hydrologic periods.

This task will re-evaluate steelhead passage flow criteria within the study area. Current river conditions will be assessed to identify areas of critical passage needs and evaluated to identify the flow necessary to provide for passage of adult and juvenile steelhead during the migration season(s). It is anticipated that drone technology using 3D mapping will be utilized to identity the critical passage areas with field verification as necessary. The final methodology will be determined with the consultant identified to assist with the project.

Both historical and current groundwater extractions within the study area will be evaluated utilizing the hydrogeologic model to quantify the impacts of these operations on instream flows. The hydrologic components of a flow management plan necessary to ensure the maintenance of surface water flows to support uses of the water (e.g., environmental, agricultural, groundwater, etc.) will be developed.

Deliverables:

- Technical Memorandum

Task 10: Public Outreach

The primary goal of this task is to have stakeholder engagement and participation that creates widespread support for the goals and content of the re-operation protocols. The program includes a series of conversations with different focal points and levels of information that culminate in a plan that is accepted and understood among a diverse range of Salinas River System stakeholders. A Stakeholder Planning Group will be organized and stakeholders representing all of the major interests in the Salinas River System will have the opportunity to be represented on this body. Meetings will be open to the public to promote transparency. The purpose of this group is to create a highly informed group of stakeholders who can engage in joint fact-finding processes (framing key questions and developing a high level of understanding of the planning

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process opportunities and technical approaches) and advance the planning process in the larger communities among stakeholders.

Deliverables:

- Meeting agendas and minutes

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PROJECT 3: Salinas River Flood and Habitat Improvement Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

PROJECT DESCRIPTION: The goal of the Salinas River Flood and Habitat Improvement Program (program) is to provide 5 to 7-year recurrence level flood risk reduction for the Salinas River and three tributaries and to control *Arundo donax* and tamarisk in the Salinas River. The Salinas River Flood and Habitat Improvement Program is comprised of two activities: vegetation and sediment management for flood risk improvement, and invasive species eradication for habitat improvement. The primary benefit for this project is flood protection for approximately 1,000 acres of farmland. The secondary benefit is the improvement of approximately 12,000 acres of riparian habitat.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

A Notice of Determination for an Environmental Impact Report was filed with the Office of Planning and Research in June of 2014. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

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Task 6: Permitting

All permits have been secured for the project.

Deliverables:

- Permits as required

Task 7: Design – Not applicable

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents, as applicable
- Proof of Advertisement, as applicable
- Award of Contract, as applicable
- Notice to Proceed, as applicable

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A construction observer will be on site each day of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/updating project schedule, reviewing contractor log submittals and pay requests, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion

Task 11: Construction

Construction activities are outlined below.

11 (a): Site preparation will include flagging, assessment of current conditions including vegetation type and location, biological resource assessment and best management practices.

11 (b): The flood management work is conducted in approximately 127 secondary channels located along 92 miles of the Salinas River. For habitat stewardship and additional flood risk reduction, the program also seeks to control *Arundo donax* and woody nonnatives such as tamarisk in the Salinas River system and allow native shrubs, forbs and grasses to return in the riparian corridor. Construction activities will include

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vegetation removal with rotary or flail mower, disking and grading, sediment removal and storage outside of the channel, herbicide spraying from a spray rig or backpack sprayers from licensed applicators. Applicators conduct all herbicide treatment according to California regulations and reporting including the filing of herbicide application reports with the Monterey County Agriculture Commissioner and documentation for reporting to the Regional Water Quality Control Board.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

PROJECT DESCRIPTION: This project will provide decision and implementation support to guide Monterey County farmers' management changes and conservation projects to better manage soil, water, and nutrients to improve local water quality and streamline production inputs. The project will expand the bilingual farm water quality support services to meet increasing demand associated with the Central Coast Regional Board's anticipated Agricultural Order renewal. The project will include regional grower education, 75 individual on-farm consultations, over 25 detailed irrigation and nutrient management assessments with recommendations, and corresponding implementation assistance and effectiveness tracking at a subset of approximately 12 farm sites.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare draft Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Paragraph D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

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Task 6: Permitting

Expected to acquire grading permit from the Monterey County Housing and Community Development within 6 months of grant execution.

Deliverables:

- Permits as required

Task 7: Design

Provide technical assistance and design for implementation of water, nutrient, and soil on-field conservation management practices and engineered water management projects as identified through farm resource/site assessment process.

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications with Personally Identifying Information redacted (to comply with USDA terms of match funding)
- Tracking sheet of on-farm implementation sites and management changes
- Tabulated list of engineered project designs with scale, project type, acreages impacted, farm type/size, and intended benefit

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 (guidance provided in Exhibit L) for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Paragraph D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents, as applicable
- Proof of Advertisement, as applicable
- Award of Contract, as applicable
- Notice to Proceed, as applicable

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. An engineering construction observer will conduct regular site visits for the duration of engineered projects. Construction observer duties include documenting of pre-construction conditions, addressing questions of contractors on site, reviewing/ updating project schedule, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

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Deliverables:

- DWR Certificate of Project Completion
- Record Drawings, as applicable

Task 11: Construction

Typical construction activities are described below.

Typical construction activities include the farmer clearing the project area of any equipment followed by the farmer or contractor clearing and grubbing vegetation if necessary. The contractor and/or farmer typically installs additional protections such as silt fences and straw wattles or hay bales to contain sediment within the farmer's property. The farmer or contractor may erect security fencing in or adjacent to the project area as a staging area to keep equipment and materials safe. The materials (pipes, catch basins, etc.) are typically ordered and delivered to the site while the workers layout the improvements. The engineer may be called to set control points, set elevations, or provide staking. The contractor installs the improvements per NRCS specifications, and the engineer will conduct regular site visits to answer questions and inspect trenching, excavation, fill compaction, dimensions and elevations. Once the installation is complete, the engineer will do a final inspection and will survey the installed components to measure lengths and elevations to create record drawings. The farmer typically completes the temporary erosion control such as seeding and/or mulching.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

IMPLEMENTING AGENCY: Central Coast Wetlands Group (CCWG), City of Salinas

PROJECT DESCRIPTION: This project is a series of improvements to the City of Salinas's Industrial Wastewater Treatment Facility (IWTF), with the goal of increasing the functionality of this facility for multiple water resource and environmental benefits. The project updates three components of the facility: 1) separating source water types entering the facility to enhance the efficiency of treatment; 2) removing nitrate and phosphates from water leaving the facility before it reaches the Monterey One Water (M1W) Regional Treatment Plant (RTP); and 3) improving flood protection for the power infrastructure to run the facility.

The project consists of:

1. Assess and Rehabilitate a 33-inch Pipeline: M1W will conduct a condition assessment and subsequent rehabilitation of an abandoned-in-place 33-inch pipeline. The 33-inch pipeline provides an opportunity to utilize existing infrastructure to achieve a reduction in energy consumption by an estimated 10% and the capture of up to 300 AFY more storm water during peak storm events.
2. Treatment Wetland Pilot Study: The Central Coast Wetlands Group (CCWG) will construct an initial water treatment system at the IWTF consisting of a treatment wetland chamber in series with several pilot phosphate removal chambers, and will assess its functionality to determine the most cost-effective phosphate removal process.
3. Electrical Components Flood Protection: City of Salinas will make improvements to select IWTF electrical components associated with the influent pump station, enhancing its flood and climate resilience by installing the components at the engineer recommended location above the 100-year floodplain.

These improvements will result in an additional 200-300 acre-feet per year (AFY) of storm water captured for groundwater recharge or reuse. The secondary benefit is the downstream flood reduction during storms, estimated to be approximately 2 MGD (millions of gallons per day) reduction for a 10-year storm event.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare draft Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports

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- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Paragraph D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Feasibility studies for the Electrical Components Flood Protection component of this project have been completed. Other feasibility studies will be conducted as follows:

(a) RTP Treatment Methods: A feasibility and cost-benefit study will be conducted to assess alternative treatment methods at the RTP, including incremental costs for recycling industrial wastewater. Budget Attachment 1 contains a scope of work and budget for consultant services for support of the feasibility study, including assessing alternative treatment methods at the RTP.

(b) Wetland Treatment System: CCWG will conduct a feasibility study to investigate the site-specific viability of phosphate reduction. This study will involve testing multiple media types using nutrient-rich source water run through several containers at the Moss Landing Marine Laboratories Aquaculture facility. Nutrient levels will be measured at the input and outlet of each container to test the efficacy of each media type. CCWG will then compare nutrient removal rates with media costs and disposal requirements to select the optimal nutrient removal media to deploy at the IWTF.

Deliverables:

- Feasibility Study Report

Task 5: CEQA Documentation

A Notice of Determination for the Environmental Impact Report was filed in April of 2021 with the State Clearing House for this project. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

Expected to acquire county encroachment and grading permits, in September 2021.

Deliverables:

- Permits as required

Task 7: Design

The project team will complete designs for each project component, as described below. The designs will describe the overall project concept for use in development of final design plans, and specifications including preliminary earthwork calculations, preliminary design details including piping, electrical, mechanical and/or housing design details and design-build performance criteria.

(a) Pipeline Assessment and Repair: Condition assessment of the pipeline will be done using MSI Inspections CCTV/3D Laser/Lidar inspection with defect coding and internal visual inspection with measurements (after appropriate excavations and shoring have been conducted). Utilize data from the

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assessment to create the scope of work, design and final plans for repair or replacement. M1W staff to manage a consultant to provide the engineering design services for the condition assessment and rehabilitation design (see Budget Attachment 3).

(b) Wetland Treatment System: CCWG will prepare 100% design for the wetland treatment system.

(c) Electrical Components Flood Protection: The electrical components flood protection component of the project will require additional design work in order to develop 100% construction bid and design documents. The City of Salinas will leverage as much as possible the most recent design efforts which were part of the Phase 1B Salinas Dry Weather Diversion Project (see Budget Attachment 2).

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 (guidance provided in Exhibit L) for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Paragraph D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

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Construction activities are outlined below.

11(a): Mobilization and Demobilization: This will include setting up construction equipment at the various locations and lay down of necessary materials.

11(b): Site preparation will include Site preparation will include excavation, grading, shoring, storm water and erosion best management measures, and traffic control, as applicable.

11(c): Install, construct, excavate: Construction activities will include installation of the treatment wetland improvements, pipeline assessment and repair, and constructing a new concrete pad and installing new electrical components for climate change. Construction and implementation activities specific to each project component will consist of the following:

(a) Pipeline Repair: The pipeline starts at the City's storm water diversion structure #2, cuts southwesterly across many acres of prime farmland, across Hitchcock and Davis Roads, and terminates (plugged with concrete) immediately north of the IWTF influent pump station. Task 7 would include repair of parts of the pipeline found to have significant defects that may prevent reliable use of the pipeline to convey storm water. Repair of the pipeline segments on agricultural land will occur in the winter to avoid any growing season activities. Repairing sections of the pipeline within City-owned land and at the IWTF can occur in any season. The work may include re-stabilizing and reinforcing joints, repairing any holes, cracks or other pipeline flaws. At the influent pump station, a pipeline may be installed to bypass the influent pump station and connect to existing ponds. The final scope of repairs will depend upon budget available.

(b) Wetland Treatment System (see Figure 3): Water from the IWTF will be directed into adjacent abandon infiltration basins for treatment. Piping modifications will be made to direct water from the source water through each of the treatment basins. Soil amendments, plants, and flow regulation infrastructure will be installed within the treatment wetland basin to achieve linear flow and extend residence time for initial nutrient removal. Piping will be installed to allow water to through selected media prior to exiting the treatment systems. Water will then return to an ITWF pond during the pilot study.

(c) Electrical Components Flood Protection: Construction activities to relocate the electrical components above the 100-year floodplain will include evaluation and locating all equipment and connections, stub in of all necessary conduit, construction of new concrete equipment pad, tie in of all electrical connections, demolition of existing components, start up and testing of new instrumentation, controllers and related equipment

Deliverables:

- Photographic Documentation of Progress

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BUDGET

PROPOSITION 1 ROUND GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

AGREEMENT BUDGET SUMMARY

		Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost	Percent Cost Share
	Grant Administration	$346,284	N/A	$0	**$346,284**	N/A
	PROJECTS					
1	Emergency Deep Aquifer Supply and Storage Tank Project	$395,000	$25,000	$7,712,000	**$8,132,000**	0.3%
2	Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley	$750,000	$910,000	$160,000	**$1,820,000**	56%
3	Salinas River Flood and Habitat Improvement Program	$526,525	$679,856	$0	**$1,206,381**	50%
4	Monterey County Farm Nutrient Management and Water Quality Assistance Program	$315,169	$0	$315,301	**$630,470**	0%
5	Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use	$1,129,883	$1,277,852	$0	**$2,407,735**	53%
	GRAND TOTAL	**$3,462,861**	**$2,892,708**	**$8,187,301**	**$14,542,870**	**-**

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Grant Administration

Implementing Agency: Monterey County Water Resources Agency

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost
a	Project Administration	$346,284	N/A	$0	**$346,284**
	TOTAL COSTS	**$346, 284**	**N/A**	**$0**	**$346,284**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

Implementing Agency: Castroville Community Services District

Project directly serves a need of a Disadvantaged Community: Yes

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
a	Project Administration	$0	$25,000	$0	**$25,000**
b	Land Purchase / Easement	$0	$0	$100,000	**$100,000**
c	Planning / Design / Engineering / Environmental Documentation	$270,000	$0	$125,000	**$395,000**
d	Construction / Implementation	$125,000	$0	$7,487,000	**$7,612,000**
	TOTAL COSTS	**$395,000**	**$25,000**	**$7,712,000**	**$8,132,000**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Grantee received a 100% cost share waiver. However, to meet the proposal cost share requirements, Castroville Community Services District (District) will fund 100% of project administration, the District will fund land acquisition from existing reserves set aside for the implementation of this water supply project.

**Other Cost Share: Fund for part of the design costs will be coming from State Water Resources Control Board's Small Community Funding grant or loan.

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PROJECT 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

Implementing Agency: Monterey County Water Resources Agency

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$60,000	$0	**$60,000**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$15,000	$0	$0	**$15,000**
d	Construction / Implementation	$735,000	$850,000	$160,000	**$1,745,000**
	TOTAL COSTS	**$750,000**	**$910,000**	**$160,000**	**$1,820,000**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Required Cost Share: In Kind services provided by United States Geological Service.

PROJECT 3: Salinas River Flood Protection and Habitat Improvement Program

Implementing Agency: Resource Conservation District of Monterey County

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$10,000	$0	**$10,000**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$77,648	$402,925	$0	**$559,324**
d	Construction / Implementation	$448,877	$266,931	$0	**$637,057**
	TOTAL COSTS	**$526,525**	**$679,856**	**$0**	**$1,206,381**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Required Cost Share: All cost share is from non-State sources and includes landowner payments from River Management Unit members and in-kind services from landowners.

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PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

Project directly serves a need of a Disadvantaged Community: Yes

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share*	Total Cost
a	Project Administration	$0	$0	$28,500	**$28,500**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$287,698	$0	$136,801	**$430,970**
d	Construction / Implementation	$27,471 $21,000	$0	$150,000	**$171,000**
	TOTAL COSTS	**$315,169**	**$0**	**$315,301**	**$630,470**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Cost Share: Grantee received a 100% cost share waiver. At least 50% other cost share will be provided through existing, long-term agreements with the Monterey County Agricultural Commissioner and USDA Natural Resources Conservation Service (NRCS) for bilingual farmer technical assistance, and through USDA NRCS Environmental Quality Incentives Program (EQIP) for project design and implementation.

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PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

IMPLEMENTING AGENCY: City of Salinas

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$7,300	$0	**$7,300**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$184,902	$150,544	$0	**$335,446**
d	Construction / Implementation	$944,981	$1,120,008	$0	**$2,064,989**
	TOTAL COSTS	**$1,129,883**	**$1,277,852**	**$0**	**$2,407,735**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Required Cost Share: City of Salinas is providing $955,552, Monterey One Water is providing $315,000 match via the SRF loan spent in 2017 - 2019 on the Advanced Water Purification Facility for the Pure Water Monterey Project for which this project is a component, and is providing $7,300 for project administration.

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EXHIBIT C

SCHEDULE

PROPOSITION 1 ROUND 1 GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

Grant Administration

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/07/2020	06/30/2027

PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	09/01/2020	6/30/2027
b	Land Purchase / Easement	06/01/2019	08/31/2022
c	Planning / Design / Engineering / Environmental Documentation	09/01/2020	12/31/2023
d	Construction / Implementation	08/31/2021*	03/31/2027

*Planning and Construction schedules overlap because acquisition of contractors through the bid process will be completed during the planning phase to ensure construction can begin directly behind finalizing planning efforts.

PROJECT 2: Re-Operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	09/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	12/31/2023
d	Construction / Implementation	01/01/2015*	06/30/2025

*The timeframe for this task allows the collection and processing of two additional years of groundwater extraction data to be included into the report.

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PROJECT 3: Salinas River Flood Protection and Habitat Stewardship Program

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	04/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	01/31/2025
d	Construction / Implementation	08/01/2021*	01/31/2025

*Treatment of *Arundo donax* and tamarisk will take place in June through October 2021 and will include documentation of work areas through GIS mapping, photo documentation, and herbicide spray records. Implementation from one year can overlap with Planning for subsequent years.

PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	9/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	01/31/2025
d	Construction / Implementation	10/01/2021*	07/31/2025

*This project includes many smaller projects and Planning phases can be ongoing while Construction phases for other projects are already underway.

PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	09/01/2021	06/30/2027
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	06/01/2017	01/31/2025
d	Construction / Implementation	07/01/2017*	03/31/2027

*Portions of the project are ongoing, and implementation overlaps with other planning phases.

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EXHIBIT D

STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

A. Separate Accounting of Funding Disbursements: Grantee shall account for the money disbursed pursuant to this Grant agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.

B. Disposition of Money Disbursed: All money disbursed pursuant to this Grant agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.

C. Remittance of Unexpended Funds: Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Grant agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Grant agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may elect to pursue any remedies provided in Paragraph 12 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

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Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant agreement with respect of all matters connected with this Grant agreement, including but not limited to, the cost of administering this Grant agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. (Water Code, § 79708, subd. (b).)

D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant agreement does not appropriate sufficient funds for this program, this Grant agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant agreement and Grantee shall not be obligated to perform any provisions of this Grant agreement. Nothing in this Grant agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant agreement with no liability occurring to State, or offer a Grant agreement amendment to Grantee to reflect the reduced amount.

D.7. CALIFORNIA CONSERVATION CORPS: Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.

D.8. CEQA: Activities funded under this Grant agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 12, "Default Provisions."

D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:

A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

D.10. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

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D.11. COMPETITIVE BIDDING AND PROCUREMENTS: Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting.

D.12. COMPUTER SOFTWARE: Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.

A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant agreement, such reports, data, information, and certifications as may be reasonably required by State.

D.15. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than thirty (30) calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than $5,000.00 per item. Within sixty (60) calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.

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D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
   i. The dangers of drug abuse in the workplace,
   ii. Grantee's policy of maintaining a drug-free workplace,
   iii. Any available counseling, rehabilitation, and employee assistance programs, and
   iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant agreement:
   i. Will receive a copy of Grantee's drug-free policy statement, and
   ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

D.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.
Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.
Failure to provide an easement acceptable to the State may result in termination of this Agreement.

D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant agreement.

D.19. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:

A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Exhibits B and C.
B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
C. Comply with all applicable California, federal, and local laws and regulations.
D. Implement the Project in accordance with applicable provisions of the law.
E. Fulfill its obligations under the Grant agreement and be responsible for the performance of the Project.

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F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.
G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.

D.20. GOVERNING LAW: This Grant agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

D.21. INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.22. INDEMNIFICATION: Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

D.23. INDEPENDENT CAPACITY: Grantee, and the agents and employees of Grantees, in the performance of the Grant agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

D.24. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.

D.25. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant agreement with State.

D.26. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/ lcp.asp.

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For more information, please refer to DIR's *Public Works Manual* at: https://www.dir.ca.gov/dlse/PWManualCombined.pdf. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

D.27. MODIFICATION OF OVERALL WORK PLAN: At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

D.28. NONDISCRIMINATION: During the performance of this Grant agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant agreement.

D.29. OPINIONS AND DETERMINATIONS: Where the terms of this Grant agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

D.30. PERFORMANCE BOND: Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)

D.31. PRIORITY HIRING CONSIDERATIONS: If this Grant agreement includes services in excess of $200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.

D.32. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State.

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Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this Grant agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.

D.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.

D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.

D.35. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

D.36. RETENTION: The State shall withhold ten percent (10%) of the funds, for each project, until the project is complete, and a Final Project Report is approved and accepted by DWR. If a project has multiple Components (within a project), at the State's discretion and upon a written request by the Grantee, any retained amount attributable to a single component may be released when that component is complete and the Final Component Completion Report is approved. Upon approval of the Final Project Report and/or Final Component Completion Report, any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest.

D.37. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

D.38. SEVERABILITY: Should any portion of this Grant agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant agreement shall continue as modified.

D.39. SUSPENSION OF PAYMENTS: This Grant agreement may be subject to suspension of payments or termination, or both if the State determines that:

A. Grantee, its contractors, or subcontractors have made a false certification, or
B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant agreement.

D.40. SUCCESSORS AND ASSIGNS: This Grant agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

D.41. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing

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accomplishments up until termination date.

D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 12, "Default Provisions," the State may terminate this Grant agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 12, "Default Provisions."

D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.

D.44. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

D.45. TIMELINESS: Time is of the essence in this Grant agreement.

D.46. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the IRWM region shall be reimbursed unless prior written authorization is obtained from the State.

D.47. UNION ORGANIZING: Grantee, by signing this Grant agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant agreement. Furthermore, Grantee, by signing this Grant agreement, hereby certifies that:

A. No State funds disbursed by this Grant agreement will be used to assist, promote, or deter union organizing.
B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant agreement to show those funds were allocated to that expenditure.
C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.

D.48. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.

D.49. WAIVER OF RIGHTS: None of the provisions of this Grant agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

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EXHIBIT E

AUTHORIZING RESOLUTION

RESOLUTION No. 19-002

Authorize and direct the General Manager to apply for grant funding from the California Department of Water Resources for a Round 1 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code § 79700 *et seq.*), and to enter into an agreement to receive a grant titled "Managing Water Resources for Multiple Benefits in the Greater Monterey County Region"

WHEREAS, the Monterey County Water Resources Agency proposes to submit an application to the Department of Water Resources on behalf of the Greater Monterey County Integrated Regional Management Region; and

WHEREAS, the Monterey County Water Resources Agency intends to apply for grant funding from the California Department of Water Resources for the project costs;

NOW THEREFORE, BE IT RESOLVED, that the Monterey County Water Resources Agency hereby

a. Directs this Agency, pursuant and subject to all of the terms and provisions of the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1), to apply to the California Department of Water Resources to obtain a grant titled "Managing Water Resources for Multiple Benefits in the Greater Monterey County Region"

b. Authorizes and directs the General Manager, or designee, to prepare the necessary data, make investigations, sign, and file such proposal, and subject to review and approval by County Counsel, execute a grant agreement with California Department of Water Resources

c. Authorizes the General Manager, or designee, subject to review and approval by County Counsel to execute up to three (3) amendments to the Grant Agreement that do not materially alter the terms of the Grant Agreement.

d. Authorizes the General Manager, or designee, subject to review and approval by County Counsel to enter into sub-grantee agreements with the other project proponents.

This Resolution shall take effect upon approval by the Monterey County Water Resources Agency Board of Directors.

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PASSED AND ADOPTED this 21th day of October 2019, at a regular meeting of the Monterey County Water Resources Agency Board of Directors by the following vote:

AYES: Directors Gonzalez, Baillie, Sullivan, Ekelund, Ortiz, Scattini, LeBarre, Smith and Simis

NOES: None

ABSENT: None

BY: Mark Gonzalez, Chair
Board of Directors

ATTEST: Brent Buche
General Manager

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MONTEREY COUNTY

WATER RESOURCES AGENCY

PO BOX 930
SALINAS, CA 93902
P: (831) 755-4860
F: (831) 424-7935

BRENT BUCHE
GENERAL MANAGER

STREET ADDRESS
1441 SCHILLING PLACE, NORTH BUILDING
SALINAS, CA 93901

July 14, 2020

Monia Holleman
Environmental Scientist
California Department of Water Resources
Division of Regional Assistance
Financial Assistance Branch
901 P Street
Sacramento CA 95814

RE: Authorization of the DocuSign use for all official transactions related to Proposition 1 Round 1 Implementation Grant

To Whom It May Concern:

By signing this letter, Monterey County Water Resources Agency does hereby agree to the following option regarding the use of DocuSign for all official transactions related to the Proposition 1 Round 1 Implementation Grant award including Agreement execution, Amendments, Invoices and various other documents.

Please check one:

X We do consent to the use of DocuSign for all transactions by both us and DWR

We do not consent to the use of DocuSign by us. However, we do consent to the use of DocuSign by DWR

We do not consent to the use of DocuSign by either us or DWR

Regards,

Brent Buche
General Manager

The Water Resources Agency manages, protects, stores and conserves water resources in Monterey County for beneficial and environmental use, while minimizing damage from flooding to create a safe and sustainable water supply for present and future generations

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EXHIBIT F

REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.
- Budget projections for grant share for the next two quarters

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report (or a Component Completion Report, if a Project has multiple Components) shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted
- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

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Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

Additional Information

- Benefits derived from the Project, with quantification of such benefits provided.
- If applicable, Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.
- Submittal schedule for the Post-Performance Report.

GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects funded by this Grant Agreement, and includes the following:

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion of: each project completed and how they achieved IRWM Plan objectives and/or Regional goals and whether the level, type, or magnitude of benefits of the project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; the benefits to DAC and/or EDA as part of this Grant Agreement if a DAC or EDA Cost Share Waiver was approved for a project; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post-Performance Reports applicable for the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
  - Grantee Name
  - Implementing Agency (if different from Grantee)
  - Grant Agreement Number
  - Project Name
  - Funding grant source (i.e., 2019 Proposition 1 IRWM Implementation Grant)
  - Report number

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- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2018 through December 2018)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

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EXHIBIT G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: http://www.ceden.org.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: http://www.water.ca.gov/waterdatalibrary/.

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EXHIBIT H

STATE AUDIT DOCUMENT REQUIREMENTS FOR THE GRANTEE

The following provides a list of documents typically required by State Auditors and general guidelines for the Grantee. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. The Grantee should ensure that such records are maintained for each funded project.

State Audit Document Requirements

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
   a) Receipts and deposits
   b) Disbursements
   c) State reimbursement requests
   d) Expenditure tracking of State funds
   e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

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Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

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EXHIBIT I

LOCAL PROJECT SPONSORS AND PROJECT LOCATIONS

The Grantee has assigned, for each project, a Local Project Sponsor (LPS) according to the roles of the participating agencies identified in the IRWM Plan. LPSs may act on behalf of the Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below:

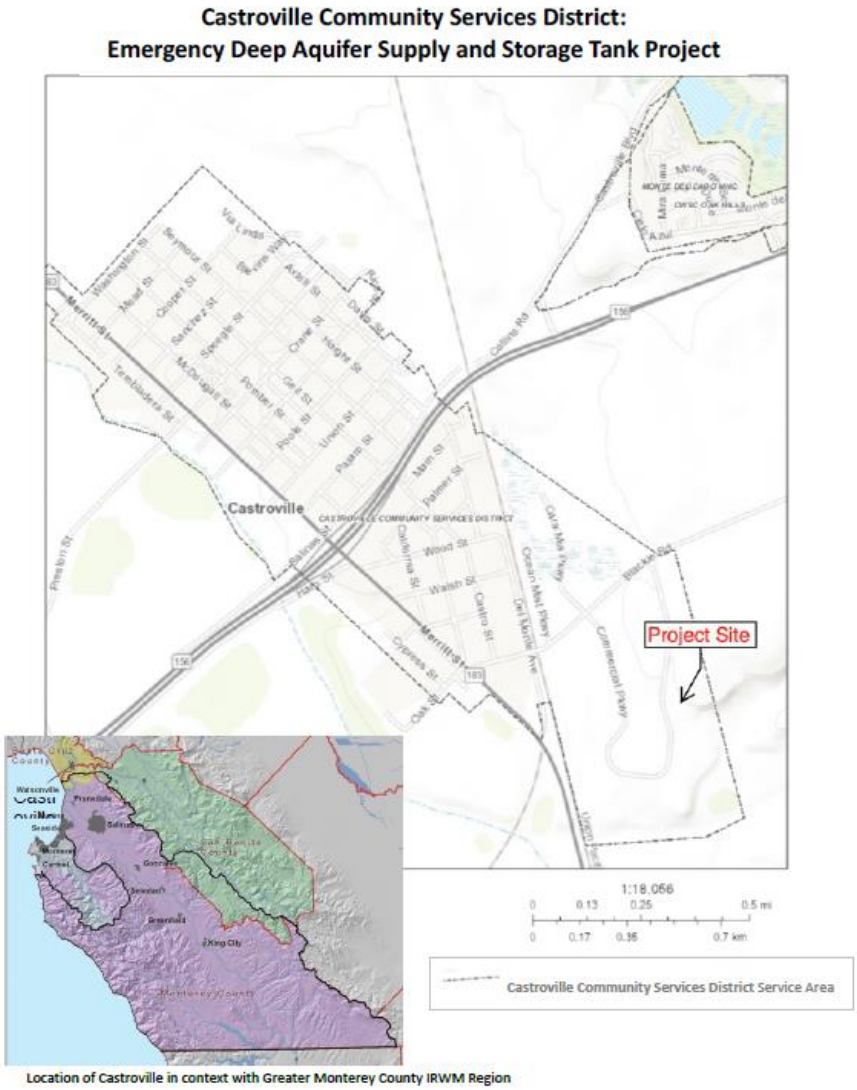
Local Project Sponsor Agency Designation

Sponsored Project: Project 1: Emergency Deep Aquifer Supply and Storage Tank Project

Sponsor Agency: Castroville Community Services District

Agency Address: 11497 Geil St, Castroville, CA 95012

Project Location: Monterey County, California (36.75612, -121.73768)



Location of Castroville in context with Greater Monterey County IRWM Region

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Sponsored Project: Project 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

Sponsor Agency: Monterey County Water Resources Agency

Agency Address: 1441 Schilling Pl, Salinas, CA 93901

Project Location: Salinas, CA (35.81861, -120.9303)



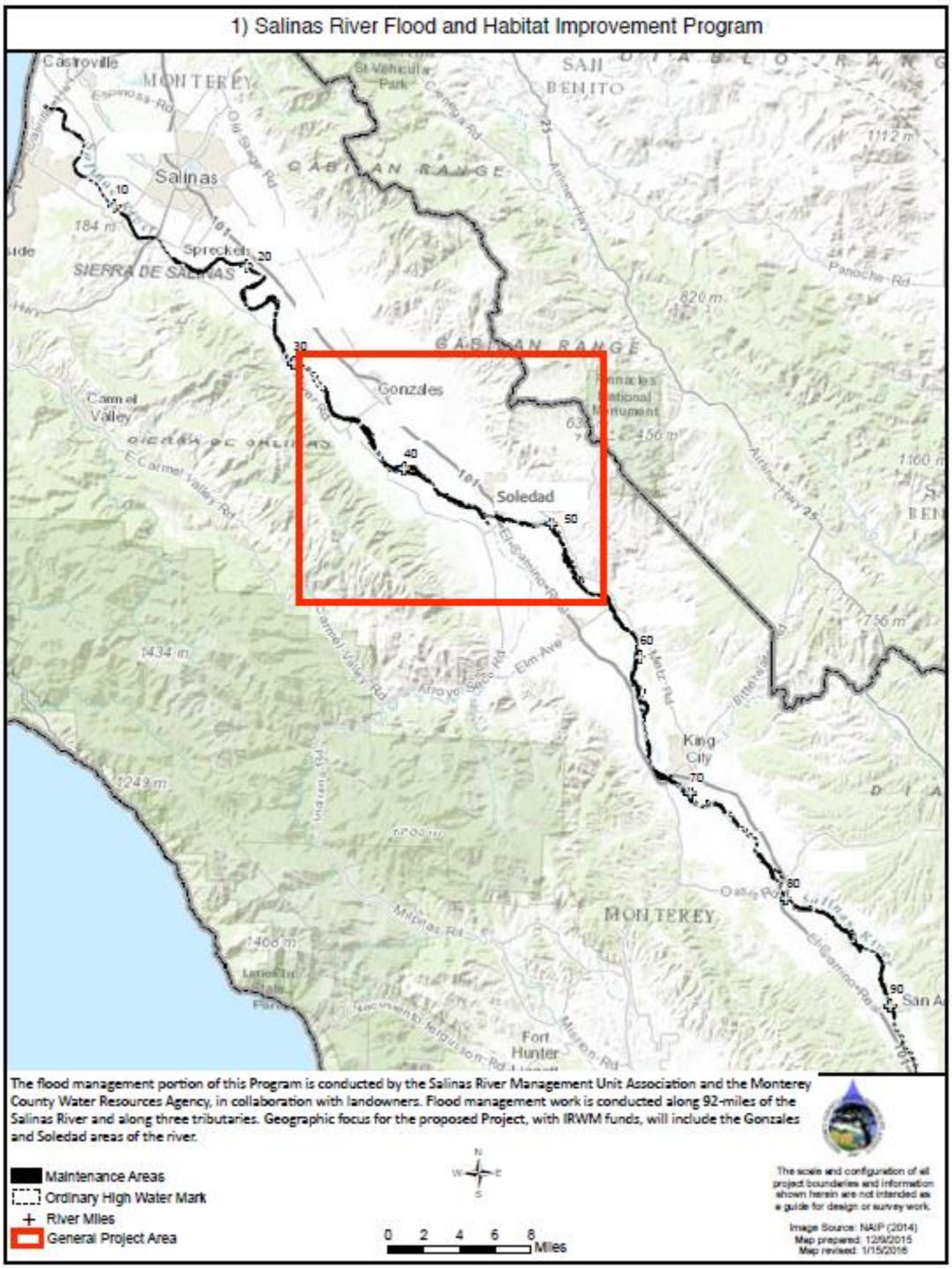
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Sponsored Project: Project 3: Salinas River Flood and Habitat Improvement Program

Sponsor Agency: Resource Conservation District of Monterey County

Agency Address: 744 La Guardia St a, Salinas, CA 93905

Project Location: Monterey County, California (36.33361, -121.2022)



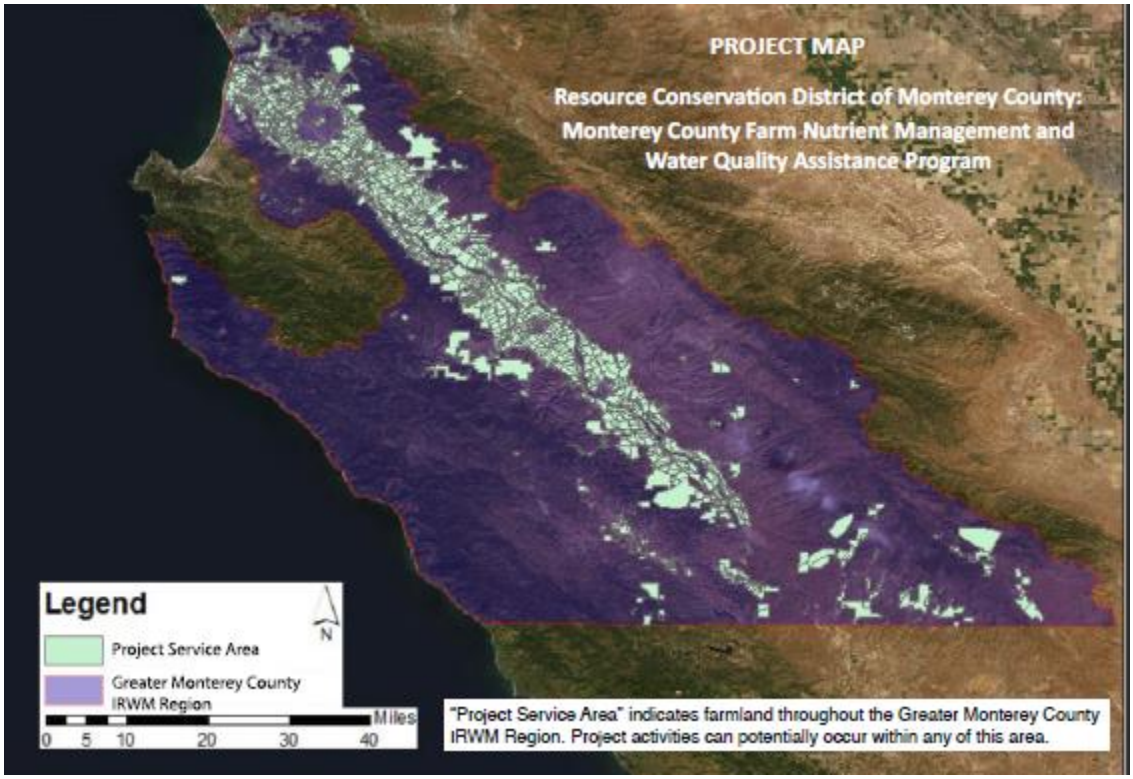
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Sponsored Project: Project 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

Sponsor Agency: Resource Conservation District of Monterey County

Agency Address: 744 La Guardia St a, Salinas, CA 93905

Project Location: Monterey County, California (36.42028, -121.4075)



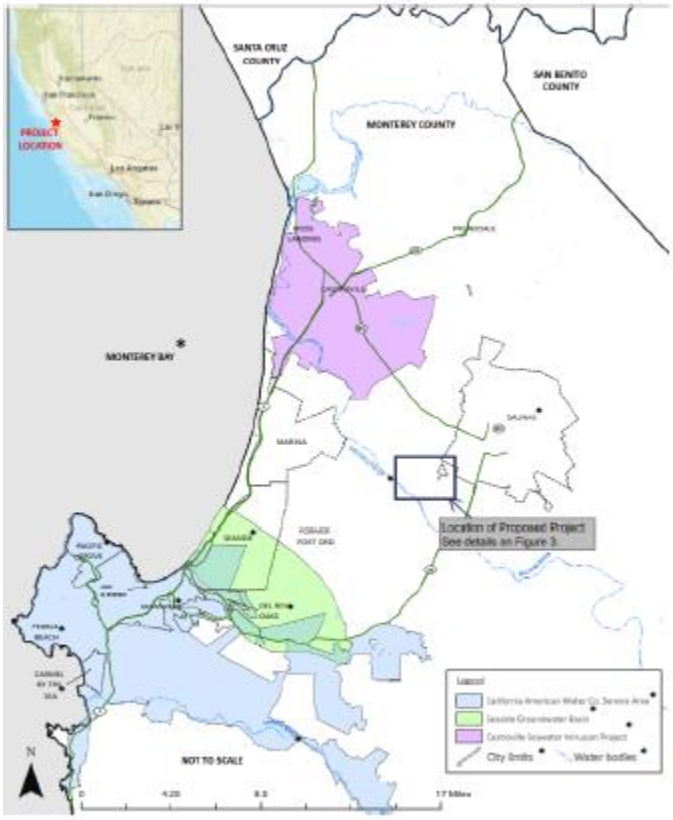
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Sponsored Project: Project 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

Sponsor Agency: Central Coast Wetlands Group, City of Salinas

Agency Address: 5 Harris Ct, Monterey, CA 93940, 8272 Moss Landing Rd Moss Landing, CA 95039, 200 Lincoln Ave. Salinas, CA 93901

Project Location: Monterey County, California (36.66333, -121.7222)



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EXHIBIT J

APPRAISAL SPECIFICATIONS

For property acquisitions funded by this Grant Agreement, the Grantee shall submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. All appraisal reports, regardless of report format, shall include all applicable Appraisal Specifications below. Appraisals for a total compensation of $150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than $150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be a narrative analysis regardless of the reporting format.

1. Title page with sufficient identification of appraisal assignment.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value and date of report.
3. Table of contents.
4. Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions as needed.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining relevant data.
6. Definition of Fair Market Value, as defined by California Code of Civil Procedure, § 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements, if applicable.
8. Copies of Tax Assessor's plat map with the subject marked along with all contiguous assessor's parcels that depict the ownership.
9. A legal description of the subject property, if available.
10. For large, remote or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three (3) year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue required increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the State. If the appraiser discovers evidence of an Option or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client.
13. Regional, area, and neighborhood analyses. This information may be presented in a summary format.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area, and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area. This information may be presented in a summary format.
15. Discussion of subject land/site characteristics (size, topography, current use, elevations, zoning and land use issues, development entitlements, General Plan designation, utilities, offsite improvements, access, land features such as levees and creeks, offsite improvements, easements and

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encumbrances, covenants, conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).

16. Description of subject improvements including all structures, square footage, physical age, type of construction, quality of construction, condition of improvements and/or identification of any permanent plantings. Discussion of construction cost methodology, costs included and excluded, accrued depreciation from all causes, remaining economic life, items of deferred maintenance and cost to cure, and incurable items. Construction cost data shall include cost data source, date of estimate or date of publication of cost manual, section and page reference of cost manual, copies of cost estimate if provided from another source, replacement or reproduction cost method used, and supporting calculations including worksheets or spreadsheets.
17. Subject property leasing and operating cost history, including all items of income and expense.
18. Analysis and conclusion of the larger parcel for partial taking appraisals. For partial taking appraisals, Appraisal Specifications generally apply to the larger parcel rather than an ownership where the larger parcel is not the entire ownership.
19. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit. Discuss the title exceptions and analyze the effect of title exceptions on fair market value.
20. For appraisals of partial takings or easements, a detailed description of the taking or easement area including surface features and topography, easements, encumbrances or improvements including levees within the subject partial take or easement, and whether the take area is characteristic of the larger parcel. Any characteristics of the taking area, including existing pre-project levees that render the take area different from the larger parcel shall be addressed in the valuation.
21. Opinion of highest and best use for the subject property, based on an in-depth analysis supporting the concluded use which includes the detail required by the complexity of the analysis. Such support typically requires a discussion of the four criteria of tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.
22. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
23. Map(s) showing all comparable properties in relation to the subject property.
24. Photographs and plat maps of comparable properties.
25. In-depth discussion of comparable properties, similarities and differences compared to the subject property, adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value. Improved comparable sales which are used to compare to vacant land subject properties shall include an allocation between land and improvements, using methodology similar to methodology used in item 16 above to estimate improvement value when possible, with an explanation of the methodology used.
26. Comparable data sheets.

    a. For sales, include information on grantor/Grantee, sale/recordation dates, listed or asking price as of the date of sale, highest and best use, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvements, and confirming source.

    b. For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available.

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c. For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source. When comparing improved sales to a vacant land subject, the contributory value of the improvements shall be segregated from the land value.

27. For appraisals of easements, a before and after analysis of the burden of the easement on the fee, with attention to how the easement affects highest and best use in the after condition. An Easement Valuation Matrix or generalized easement valuation references may be used ONLY as a reference for a secondary basis of value.

28. For partial taking and easement appraisals, valuation of the remainder in the after condition and analysis and identification of any change in highest and best use or other characteristics in the after condition, to establish severance damages to the remainder in the after condition, and a discussion of special and general benefits, and cost to cure damages or construction contract work.

29. There are occasions where properties involve water rights, minerals, or salable timber that require separate valuations. If an appraisal assignment includes water rights, minerals, or merchantable timber that requires separate valuation, the valuation of the water rights, minerals, or merchantable timber shall be completed by a credentialed subject matter specialist.

30. For partial taking and easement appraisals, presentation of the valuation in California partial taking acquisition required format.

31. Implied dedication statement.

32. Reconciliation and final value estimate. Include analysis and comparison of the comparable sales to the subject, and explain and support conclusions reached.

33. Discussion of any departures taken in the development of the appraisal.

34. Signed Certification consistent with the language found in Uniform Standards of Professional Appraisal Practice.

35. If applicable, in addition to the above, appraisals of telecommunication sites shall also provide:

    a. A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.

    b. An analysis of other leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.

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EXHIBIT K

INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE

The Grantee shall provide the following documents to the State Project Representative during the escrow process. Property acquisition escrow documents shall be submitted within the term of this Grant Agreement and after a qualified appraisal has been approved.

- Name and Address of Title Company Handling the Escrow
- Escrow Number
- Name of Escrow Officer
- Escrow Officer's Phone Number
- Dollar Amount Needed to Close Escrow
- Legal Description of Property Being Acquired
- Assessor's Parcel Number(s) of Property Being Acquired
- Copy of Title Insurance Report
- Entity Taking Title as Named Insured on Title Insurance Policy
- Copy of Escrow Instructions in Draft Form Prior to Recording for Review Purposes
- Copy of Final Escrow Instructions
- Verification that all Encumbrances (i.e., Liens, Back Taxes, and Similar Obligations) have been Cleared Prior to Recording the Deed to Transfer Title
- Copy of Deed for Review Purposes Prior to Recording
- Copy of Deed as Recorded in County Recorder's Office
- Copy of Escrow Closure Notice

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EXHIBIT L

Project Monitoring Plan Guidance

Introduction

For each project contained in Exhibit A, please include a brief description of the project (maximum ~150 words) including project location, implementation elements, need for the project (what problem will the project address) and responds to the requirements listed below.

Project Monitoring Plan Requirements

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at…, at stream mile…)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

AMENDMENT NO. 2 TO THE PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT SUB-GRANT DISBURSEMENT AGREEMENT BETWEEN MONTEREY COUNTY WATER RESOURCES AGENCY AND THE CASTROVILLE COMMUNITY SERVICES DISTRICT SUB-GRANTEE

THIS AMENDMENT NO. 2 to the Proposition 1 Integrated Regional Water Management Sub-Grant Agreement between the Monterey County Water Resources Agency, a local public entity (hereinafter, "Agency") and the Castroville Community Services District Sub-Grantee, a local public entity (hereinafter, "Sub-Grantee"), is hereby entered into between the Agency and the Sub-Grantee (collectively, the Agency and Sub-Grantee are referred to as the "Parties").

WHEREAS, Sub-Grantee entered into an Agreement with the Agency on January 13, 2021 (hereinafter, "Agreement"); and

WHEREAS, Sub-Grantee executed Amendment No. 1 to the Agreement with a term extension and an updated to the Agency representative contact information on March 24, 2023; and

WHEREAS, the Parties wish to amend the Agreement with a term extension and an updated submittal schedule for progress reports and invoices;

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend Section 1.1 Implementation, Subsection A. Commencement of Project to read as follows:

   A. Commencement of Project. The Sub-Grantee shall commence and diligently pursue the Project pursuant to all the terms of the Grant Agreement. **Monthly** progress reports and other grant related reports; final plans and specifications; California Environmental Quality Act/National Environmental Protection Act documentation; and other relevant information shall be completed by the estimated and critical due dates set forth in the Grant Agreement.

2. Amend Section 1.1 Implementation, Subsection B. Completion of Project to read as follows:

   B. Completion of Project. The Sub-Grantee hereby agrees to complete the construction and installation of all components of the Project by **June 30, 2027**, pursuant to the mandates of the Grant Agreement.

3. Amend Section 2.5 General Sub-Grantee Obligations, Subsection B as follows:

   B. The Sub-Grantee's submission of data, plans, and documents necessary for the Agency to prepare a Project Monitoring Plan, **Monthly Progress** Reports, an Accountability Report, a Project Completion Report, Grant Completion Report, and Post-Performance Reports as required by the Grant Agreement.

4. All other terms and conditions of the Agreement remain unchanged and in full force.

5. This Amendment No. 2 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 to the Agreement as of the day and year written below:

MONTEREY COUNTY WATER RESOURCES AGENCY

By: ___ _____
General Manager (Signature)

_____
Print Name

Date: _____

CASTROVILLE COMMUNITY SERVICES DISTRICT SUB-GRANTEE

By: _____
General Manager (Signature)

_____
Print Name

Date: _____

Approved as to Form and Legality
Office of the County Counsel

By: _____
Chief Assistant County Counsel

Date: _____

Approved as to Fiscal Provisions

By: _____
Auditor-Controller

Date: _____

By: _____
Administrative Analyst, CAO Office

Date: _____

*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the agreement.

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No. _____

AUTHORIZE THE GENERAL MANAGER TO ENTER INTO	**)**
AMENDMENT NUMBER 2 TO THE PROPOSITION 1 INTEGRATED	**)**
REGIONAL WATER MANAGEMENT SUB-GRANT DISBURSEMENT	**)**
AGREEMENT WITH THE CASTROVILLE COMMUNITY SERVICES	**)**
DISTRICT SUB-GRANTEE TO EXTEND THE TERM TO	**)**
JUNE 30, 2027 AND UPDATE THE SUBMITTAL SCHEDULE FOR	**)**
PROGRESS REPORTS AND INVOICES; AND AUTHORIZE THE	**)**
GENERAL MANAGER TO EXECUTE UP TO TWO NO-COST	**)**
AMENDMENTS TO THE SUB-GRANT AGREEMENT.	**)**

Upon motion of _____, seconded by _____, and carried by those members present, the Board of Directors hereby:

1. Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Subgrant Disbursement Agreement with the Castroville Community Services District Sub-grantee to extend the term to June 30, 2027 and update the submittal schedule for progress reports and invoices; and

2. Authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement.

PASSED AND ADOPTED on this **15th** day of **September 2025**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Mike LeBarre, Chair
Board of Directors

ATTEST: Ara Azhderian
General Manager

Introduced: 9/9/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Sub-grant Disbursement Agreement with the City of Salinas to extend the term to June 30, 2027; and authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement. (Staff: Amy Woodrow)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

a. Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Subgrant Disbursement Agreement with the City of Salinas to extend the term to June 30, 2027; and
b. Authorize the General Manager to execute up to two no-cost amendments to the Subgrant Agreement.

SUMMARY/DISCUSSION:
In 2020, the Monterey County Water Resources Agency ("Agency") was awarded $3,462,861 in Proposition 1 Round 1 Integrated Regional Water Management ("IRWM") Implementation grant funds by the State of California, Department of Water Resources ("DWR").

The Agency is the implementing agency for administration of agreement number 4600013799 ("Agreement"). This role involves administration of the IRWM grant funds and coordination with other project-specific implementing agencies for the projects covered in the Agreement's Work Plan, which include the City of Salinas, Castroville Community Services District, and Resource Conservation District of Monterey County ("RCDMC"). Sub-grant agreements with each of these entities were executed in 2021 to disburse the IRWM funds allocated in the Agreement for each project. Specifically, in May 2021, the Agency entered into a sub-grant agreement with the City of Salinas to receive $1,129,883 in IRWM grant funds for Project 5: Salinas Storm Water Management - Increasing Capture, Improving Treatment, Reducing Energy Use.

Amendments to the Primary Agreement
To-date, the Agency has completed four amendments to the Agreement with DWR.

In April 2022, Amendment 1 to the Agreement was executed to reflect a correction in Project Representatives and make a budget adjustment to Project 3 (implemented by RCDMC), reallocating funds between budget categories but retaining the same overall agreement amount.

In July 2023, Amendment 2 to the Agreement was executed to extend the term of the agreement to July 31, 2025.

In May 2025, Amendment 3 to the Agreement was completed to make a non-material change to the budget of Project 3, reallocating funds between budget categories but retaining the same overall agreement amount.

In July 2025, Amendment 4 to the Agreement was completed to extend the term of the agreement to June 30, 2027 and change the frequency of progress reporting and invoicing from quarterly to monthly (Attachment 1). As a result of Amendment 4, the Agency needs to amend its sub-grant disbursement with the City of Salinas to reflect the extended Agreement term.

City of Salinas Sub-Grant Agreement
In May 2021, the sub-grant agreement with the City of Salinas was executed.

In March 2023, Amendment 1 to the sub-grant agreement with the City of Salinas was completed to extend the term of the agreement and update contact information for Agency representatives.

Amendment 2 to the sub-grant agreement would extend the term to June 30, 2027 (Attachment 2).

Other Discussion
Agency efforts on the work covered by the IRWM Agreement align with Agency Strategic Plan Goal C - Strategy 6: Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

The Finance Committee supported staff's recommendation, as presented herein, at the September 5, 2025 meeting.

OTHER AGENCY INVOLVEMENT:
California Department of Water Resources and City of Salinas

FINANCING:
There is no financial impact to the Agency as a result of Amendment 2 to the sub-grant amendment. No cost share is required for the Agency's role in administration of the IRWM grant and the IRWM grant funds are included in the Fiscal Year 2025-2026 Adopted Budget. The total amount estimated for the Agreement in the current fiscal year is $20,000 in expenditures and $20,000 in grant revenue.

Prepared by: Amy Woodrow, Senior Hydrologist, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. Grant Agreement between the State of California (Department of Water Resources) and Monterey County Water Resources Agency Agreement Number 4600013799 Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Amendment 4

2. Amendment No. 2 to the Proposition 1 Integrated Regional Water Management Sub-Grant Disbursement Agreement between Monterey County Water Resources Agency and the City of Salinas.
3. Board Order

County of Monterey

Board Report

Legistar File Number: WRAG 25-151

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/9/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Sub-grant Disbursement Agreement with the City of Salinas to extend the term to June 30, 2027; and authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement.

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It is recommended that the Monterey County Water Resources Agency Board of Directors:

a. Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Subgrant Disbursement Agreement with the City of Salinas to extend the term to June 30, 2027; and
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Agency efforts on the work covered by the IRWM Agreement align with Agency Strategic Plan Goal C - Strategy 6: Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

The Finance Committee supported staff's recommendation, as presented herein, at the September 5, 2025 meeting.

OTHER AGENCY INVOLVEMENT:
California Department of Water Resources and City of Salinas

FINANCING:
There is no financial impact to the Agency as a result of Amendment 2 to the sub-grant amendment. No cost share is required for the Agency's role in administration of the IRWM grant and the IRWM grant funds are included in the Fiscal Year 2025-2026 Adopted Budget. The total amount estimated for the Agreement in the current fiscal year is $20,000 in expenditures and $20,000 in grant revenue.

Prepared by: Amy Woodrow, Senior Hydrologist, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

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3. Board Order

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GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT NUMBER 4600013799
PROPOSITION 1 ROUND 1 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM)
IMPLEMENTATION GRANT
AMENDMENT 4

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or “DWR,” and the Monterey County Water Resources Agency a public agency. in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1) PURPOSE. The State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) to the Grantee to assist in financing the projects, which are included in and implemented in an adopted Integrated Regional Water Management Plan (IRWM Plan), pursuant to Chapter 7. Regional Water Security, Climate, and Drought Preparedness (Wat. Code, § 79740 et seq.). The provision of State funds pursuant to this Agreement shall be construed or interpreted to mean that the IRWM Plan, or any components of the IRWM Plan, implemented in accordance with the Work Plan as set forth in Exhibit A, has been adopted through the IRWM Plan Review Process, and is/are consistent with Water Code section 10530 et seq.

2) TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on June 27, 2020 through final payment plus three (3) years unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed by June 30, 2027 in accordance with the Schedule as set forth in Exhibit C and no funds may be requested after September 30, 2027.

3) GRANT AMOUNT. The maximum amount payable by the State under this Grant Agreement shall not exceed $3,462,861.

4) GRANTEE COST SHARE. The Grantee is required to provide a Local Cost Share (non-state funds) as set forth in Exhibit B (Budget). Local Cost Share may include Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015.

5) BASIC CONDITIONS.

   A. Unless exempt as per the 2019 IRWM Implementation Grant Proposal Solicitation Package, project(s) that are subject to the California Environmental Quality Act (CEQA) including final land purchases, shall not be included in this Agreement until the CEQA process is completed and all permits necessary to begin construction are acquired. Projects providing at least 75% of benefits to a disadvantaged community (DAC), economically distressed area (EDA), and/or Tribe (based on population or geography), or projects implemented by Tribes will be exempt from this requirement.

      i. Such projects will be included in the Agreement as a placeholder. Placeholder projects are not eligible for grant reimbursement and may not submit invoices to DWR until such time as they are fully included in the Agreement.

      ii. Placeholder projects that complete CEQA and/or acquire permits (necessary to begin construction) within eighteen (18) months of the agreement execution date will be amended into the agreement. At the end of the eighteen (18)-month term, any placeholder projects that fail to complete CEQA and/or acquire permits will be deleted from the Agreement. The total grant award will be reduced by the amount of the deleted project(s). Replacement projects will not be allowed. Reduced amount will be made available to the respective Funding Area in future funding rounds on a competitive basis. Deleted placeholder projects will not be eligible to receive any grant reimbursement under this Agreement; however, such project could be eligible under the next round of grant solicitation.

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B. The State shall have no obligation to disburse money for the Project(s) under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):

i. The Grantee shall demonstrate compliance with all eligibility criteria as set forth on pages 9-11, inclusive, of the 2019 IRWM Implementation Grant Program Guidelines (2019 Guidelines).

ii. For the term of this Agreement, the Grantee shall submit Monthly Progress Reports which must accompany an invoice and all invoice backup documentation ($0 Invoices are acceptable). The Monthly Progress Report shall be submitted within 60 days following the end of the calendar quarter (i.e. reports due May 30, August 29, November 29, and March 1) and all other deliverables as required by Paragraph 14, "Submission of Reports" and Exhibit A, "Work Plan".

iii. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State.

1. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.

2. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:

a) The Grantee submits to the State all applicable environmental permits, as indicated on the Environmental Information Form to the State,

b) Documents that satisfy the CEQA process are received by the State,

c) The State has completed its CEQA process as a Responsible Agency, and

d) The Grantee receives written notification from the State of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The Grantee or Local Project Sponsor (LPS) shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/ implementation.

iv. A monitoring plan as required by Paragraph 16, "Monitoring Plan Requirements," if applicable.

6) DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.

7) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project

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construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after June 26, 2020 may be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to, the following items:

A. Costs, other than those noted above, incurred prior to the award date of this Grant.

B. Costs for preparing and filing a grant application.

C. Operation and maintenance costs, including post construction performance and monitoring costs.

D. Purchase of equipment that is not an integral part of a project.

E. Establishing a reserve fund.

F. Purchase of water supply.

G. Replacement of existing funding sources for ongoing programs.

H. Meals, food items, or refreshments.

I. Payment of any punitive regulatory agency requirement, federal or state taxes.

J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.

K. Overhead and Indirect Costs. “Indirect Costs” means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee or LPSs; non-project-specific accounting and personnel services performed within the Grantee’s or LPS’ organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee, LPSs, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.

8) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 5, “Basic Conditions” are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee of an electronic invoice certified and transmitted via electronic/digital signature system (e.g., DocuSign) or via US mail or Express mail delivery of a “wet signature” for costs incurred, including Local Cost Share, and timely Monthly Progress Reports as required by Paragraph 14, “Submission of Reports.” Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Monthly Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1). The State will notify the Grantee, in a timely manner, whenever, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

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Invoices submitted by the Grantee shall include the following information:

A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.

B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.

C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:

   i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.

   ii. Invoices shall be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).

   iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.

   iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount" and those costs that represent the Grantee's costs, as applicable, in Paragraph 4, "Grantee Cost Share."

   v. Original signature and date of the Grantee's Project Representative. Submit an electronic invoice, certified and transmitted via electronic/digital signature system (e.g., DocuSign), from authorized representative to the Project Manager or the original "wet signature" copy of the invoice form to the Project Manager at the following address: PO Box 942836, Sacramento, CA 94236-0001.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

9) ADVANCED PAYMENT. Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than $1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment. The Advanced Payment Request shall contain the following:

   A. Documentation demonstrating that each Local Project Sponsor (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not.

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B. If the Grantee is requesting the advanced payment, the request(s) shall include:

   i. Descriptive information of each project with an update on project status

   ii. The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC

   iii. A detailed Funding Plan which includes how the advanced payment will be expended (in terms of workplan, budget, and schedule) within the timeframe agreed upon by DWR and the Grantee. The Funding Plan must clearly identify the total budget (at Budget Category Level) for each project clearly showing the portion of advanced payment and reimbursement funds.

   iv. Any other information that DWR may deem necessary

C. Upon review and approval of the Advanced Payment Request, DWR will authorize payment of the fully requested amount for the qualified project(s). Based on the project's Funding Plan and other considerations, DWR may determine it is not prudent to advance the full request in a single disbursement. In such a case, DWR will develop a "Disbursement Schedule," to disburse funds in installments. This Disbursement Schedule may change based on the project's ongoing compliance with the Advanced Payment requirements and the project's cash flow needs.

D. Once DWR authorizes the Advanced Payment Request, the Grantee shall submit Advanced Payment Invoice(s) for the initial amount based on the "Disbursement Schedule" on behalf of the LPS(s), containing the request for each qualified project, to the State with signature and date of the Grantee's Project Representative, as indicated in Paragraph 21, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective LPS(s). The Advanced Payment Invoice(s) shall be submitted on forms provided by the State and shall meet the following format requirements:

   i. Invoice shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.

   ii. Invoice shall be itemized based on the budget categories specified in Exhibit B, "Budget."

   iii. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).

   iv. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:

      1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.

      2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by DWR and the Grantee when the advanced payment request was approved.

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3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.

4. Proof of distribution of advanced funds to LPS(s), if applicable.

v. The State's Project Manager will notify the Grantee, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A, the State will reject the claim and remove them from the Accountability Report.

E. Once the Grantee has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 8, "Method of Payment for Reimbursement."

10) REPAYMENT OF ADVANCES. The State may demand repayment from the Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

A. A project is not being implemented in accordance with the provisions of the Grant Agreement.

B. The Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction.

C. Failure by the Grantee to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by DWR.

D. Failure to deposit funds in a non-interest-bearing account.

E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.

F. Inappropriate use of funds, as deemed by DWR.

G. Repayment amounts may also include:

i. Actual costs incurred which are not consistent with the activities presented in Exhibit A, not supported, or are ineligible.

ii. Advanced funds which are not fully expended by project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to DWR within sixty (60) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The State may consider the Grantee's refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to demand repayment or withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Agreement.

11) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, "Default

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Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

12) DEFAULT PROVISIONS. The Grantee shall be in default under this Grant Agreement if any of the following occur:

A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations;

B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;

C. Failure to operate or maintain the Project in accordance with this Grant Agreement.

D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.

E. Failure to submit monthly progress reports pursuant to Paragraph 5.

F. Failure to routinely invoice the State pursuant to Paragraph 8.

G. Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

Should an event of default occur, the State shall provide a notice of default to the Grantee and shall give the Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, the State may do any of the following:

H. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.

I. Terminate any obligation to make future payments to the Grantee.

J. Terminate the Grant Agreement.

K. Take any other action that it deems necessary to protect its interests.

In the event the State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, the Grantee agrees to pay all costs incurred by the State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

13) CONTINUING ELIGIBILITY. The Grantee shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2019 Guidelines to remain eligible to receive State funds:

A. An urban water supplier that receives grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2019 Guidelines and as stated on page 22 of the Proposal Solicitation Package.

B. An agricultural water supplier receiving grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2019 Guidelines.

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C. A surface water diverter receiving grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.

D. If applicable, the Grantee shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2019 Guidelines.

E. If the Grantee has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Grantee shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.

F. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.

G. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive Order.pdf. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

14) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Project Manager and shall be submitted via the DWR "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any funds retained for such project.

A. Monthly Progress Reports: The Grantee shall submit monthly Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar month.

B. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an advanced payment, consistent with the provisions in Paragraph 9, "Advanced Payment."

C. Project Completion Report: The Grantee shall prepare and submit to the State a separate Project Completion Report for each project included in Exhibit A. The Grantee shall submit a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) within ninety (90) calendar days of Project/Component completion as outlined in Exhibit F.

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D. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A, and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State.

E. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports for the applicable project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.

15) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, “useful life” means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; “operation costs” include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and “maintenance costs” include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, “Default Provisions.”

16) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F, and follow the guidance provided in Exhibit L, “Project Monitoring Plan Guidance.”

17) STATEWIDE MONITORING REQUIREMENTS. The Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G for web links and information regarding other State monitoring and data reporting requirements.

18) NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:

A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.

B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State’s representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.

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C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.

D. The initiation of any litigation or the threat of litigation against the Grantee or an LPS regarding the Project or which may affect the Project in any way.

E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The Grantee shall notify the State's Project Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.

19) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

A. By delivery in person.

B. By certified U.S. mail, return receipt requested, postage prepaid.

C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.

D. By electronic means.

E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

20) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

21) PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources	Monterey County Water Resources Agency
Arthur Hinojosa Manager, Division of Regional Assistance P.O. Box 942836 Sacramento, CA 94236-0001 Phone: (916) 653-4736 Email: Arthur.Hinojosa@water.ca.gov	Ara Azhderian General Manager 1441 Schilling Place Salinas, CA 93901 (831) 755-4864 Email: AzhderianA@countyofmonterey.gov

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Direct all inquiries to the Project Manager:

Department of Water Resources	Monterey County Water Resources Agency
Angela Murvine Engineering Geologist P.O. Box 942836 Sacramento, CA 94236-0001 Phone: (916) 326-9996 Email: Angela.Murvine@water.ca.gov	Amy Woodrow Senior Water Resources Hydrologist 1441 Schilling Place Salinas, CA 93901 Phone: (831) 204-6218 Email: WoodrowA@countyofmonterey.gov

Either party may change its Project Representative or Project Manager upon written notice to the other party.

22) STANDARD PROVISIONS. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements for the Grantee

Exhibit I – Local Project Sponsors and Project Locations

Exhibit J – Appraisal Specifications

Exhibit K – Information Needed for Escrow Processing and Closure

Exhibit L – Project Monitoring Plan Guidance

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IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Arthur Hinojosa
Manager,
Division of Regional Assistance

Date 7/18/2025

MONTEREY COUNTY WATER
RESOURCES AGENCY

Ara Azhderian
General Manager

Date 7/18/2025

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EXHIBIT A

WORK PLAN

PROPOSITION 1 ROUND 1 GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

Grant Administration

IMPLEMENTING AGENCY: Monterey County Water Resources Agency

DESCRIPTION: The Grantee will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. The grantee will act in a coordination role: disseminating grant compliance information to the project managers responsible for implementing the projects contained in this Agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for progress reports from individual project managers, assembling and submitting progress reports to the State, and coordinating all invoicing and payment of invoices.

Budget Category (a): Project Administration

Task 1: Agreement Administration

The Grantee will respond to DWR's reporting and compliance requirements associated with the grant administration and will coordinate with the project managers responsible for implementing the projects contained in this Agreement.

Task 2: Invoicing

The Grantee will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the Local Project Sponsors and compiling the information into a DWR Invoice Packet.

Deliverables:

- Monthly or quarterly invoices, as needed, and associated backup documentation

Task 3: Reporting

The Grantee will be responsible for compiling progress reports for submittal to DWR. The Grantee will coordinate with Local Project Sponsor staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Reports will meet generally accepted professional standards for technical reporting and the requirements terms of the contract with DWR outlined in Exhibit F of this Agreement.

Deliverables:

- Progress Reports
- Grant Completion Report

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PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

IMPLEMENTING AGENCY: Castroville Community Services District (District)

PROJECT DESCRIPTION: The purpose of the Emergency Deep Aquifer Supply and Storage Tank Project is to provide a safe and reliable water supply for Castroville. The project includes the planning, design and construction of three components: Deep Aquifer Well (1,400 feet), Arsenic Treatment System, and a Storage Tank (640,000 gallons). The District will construct a potable water storage tank at the Well No. 4 site to provide approximately 640,000 gallons of additional storage and operational redundancy. The existing water supply is being degraded by saltwater intrusion and has exceeded safe drinking water standards for Chloride. In 2018, detection reached up to 733 milligrams per liter (mg/L), well above the recommended maximum contaminant limit of 250 mg/L. The project will provide approximately 300 acre-feet per year (AFY) of clean drinking water to the community of Castroville and increase water reliability.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – The District will fund land acquisition from existing reserves set aside for the implementation of this water supply project.

Deliverables:

- Documentation supporting property value (if purchased)
- All relevant documentation regarding property ownership transfer or acquisition of easement including final recorded deed, title report, etc.

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Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Project Feasibility Studies were completed as part of the project development process. The preliminary studies and work required to support project design and CEQA/permitting include a Hydrogeologic Evaluation, Topographic and Boundary Survey, and Geotechnical Investigation.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

An amendment to the State Water Resources Control Board Domestic Water Supply Permit is anticipated.

Deliverables:

- Permits as required

Task 7: Design

The Design Engineer will prepare contract documents for the 30% Design submittal. Plans will be sufficiently detailed to adequately describe the project scope and provide a basis for the District's review. The 30% Design documents will be used by the Design-Build Contractor identified in construction.

Deliverables:

- 30% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR’s review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed. The contract will be a design-build contract for this project. The Design-Build Contractor will utilize the 30% Design Documents identified in Design to prepare Design Development Documents.

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Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed
- 100% Design Plans and Specifications

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

11(a): Mobilization and Demobilization: This will include preparatory work that is performed prior to starting work on various bid items of the project (e.g., security fencing, mobilizing equipment to the site, staging construction equipment and supplies, etc.) and after completion of various bid items of the project (e.g., removing equipment and restoring the site to pre-construction conditions).

11(b): Site preparation: Site preparation will include removing existing materials and vegetation and establishing site security prior to the start of construction.

11(c): Construction: Includes site improvements, install an approximately 640,000-gallon storage tank, install a new groundwater well, arsenic treatment system, connection to the existing water system and associated civil, mechanical, and electrical items necessary to operate the new system.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

IMPLEMENTING AGENCY: Monterey County Water Resources Agency

PROJECT DESCRIPTION: The purpose of this project is to develop decision support tools that will enable the Grantee to improve reservoir operations and better plan for future conditions, particularly considering anticipated impacts of climate change. Through a qualitative, quantitative, and policy analysis of streamflow and reservoir operations, this project will identify how reservoir operations at Nacimiento and San Antonio reservoirs, river diversions along the Salinas River, and groundwater extractions in the Salinas Valley impact instream flows in the Salinas River. The analysis will then be used to develop a water management plan that considers all the necessary uses for this water. The intended outcome is the development of re-operation protocols.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

A Notice of Exemption was completed for this project in December of 2020. Prepare letter stating no legal challenges (or addressing legal challenges).

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Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting – Not applicable

Task 7: Project Monitoring Plan – Not applicable

Budget Category (d): Construction/Implementation

Task 8: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract.

Deliverables:

- Bid Documents, if necessary
- Proof of Advertisement, if necessary
- Award of Contract, if necessary

Task 9: Setting Description

This task will provide a description of the geologic setting of the Salinas Valley relevant to both geomorphic and hydrologic conditions impacting instream flows within the project area and will include a review of previous studies and relevant current projects and investigations. A qualitative analysis will be supplemented using a recently developed integrated hydrogeologic model (Salinas Valley Integrated Hydrologic Model, USGS 2018) to provide a detailed description of reach-by-reach water budgets of surface water flow regimes throughout historical hydrologic periods.

This task will re-evaluate steelhead passage flow criteria within the study area. Current river conditions will be assessed to identify areas of critical passage needs and evaluated to identify the flow necessary to provide for passage of adult and juvenile steelhead during the migration season(s). It is anticipated that drone technology using 3D mapping will be utilized to identity the critical passage areas with field verification as necessary. The final methodology will be determined with the consultant identified to assist with the project.

Both historical and current groundwater extractions within the study area will be evaluated utilizing the hydrogeologic model to quantify the impacts of these operations on instream flows. The hydrologic components of a flow management plan necessary to ensure the maintenance of surface water flows to support uses of the water (e.g., environmental, agricultural, groundwater, etc.) will be developed.

Deliverables:

- Technical Memorandum

Task 10: Public Outreach

The primary goal of this task is to have stakeholder engagement and participation that creates widespread support for the goals and content of the re-operation protocols. The program includes a series of conversations with different focal points and levels of information that culminate in a plan that is accepted and understood among a diverse range of Salinas River System stakeholders. A Stakeholder Planning Group will be organized and stakeholders representing all of the major interests in the Salinas River System will have the opportunity to be represented on this body. Meetings will be open to the public to promote transparency. The purpose of this group is to create a highly informed group of stakeholders who can engage in joint fact-finding processes (framing key questions and developing a high level of understanding of the planning

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process opportunities and technical approaches) and advance the planning process in the larger communities among stakeholders.

Deliverables:

- Meeting agendas and minutes

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PROJECT 3: Salinas River Flood and Habitat Improvement Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

PROJECT DESCRIPTION: The goal of the Salinas River Flood and Habitat Improvement Program (program) is to provide 5 to 7-year recurrence level flood risk reduction for the Salinas River and three tributaries and to control *Arundo donax* and tamarisk in the Salinas River. The Salinas River Flood and Habitat Improvement Program is comprised of two activities: vegetation and sediment management for flood risk improvement, and invasive species eradication for habitat improvement. The primary benefit for this project is flood protection for approximately 1,000 acres of farmland. The secondary benefit is the improvement of approximately 12,000 acres of riparian habitat.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

A Notice of Determination for an Environmental Impact Report was filed with the Office of Planning and Research in June of 2014. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

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Task 6: Permitting

All permits have been secured for the project.

Deliverables:

- Permits as required

Task 7: Design – Not applicable

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents, as applicable
- Proof of Advertisement, as applicable
- Award of Contract, as applicable
- Notice to Proceed, as applicable

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A construction observer will be on site each day of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/updating project schedule, reviewing contractor log submittals and pay requests, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion

Task 11: Construction

Construction activities are outlined below.

11 (a): Site preparation will include flagging, assessment of current conditions including vegetation type and location, biological resource assessment and best management practices.

11 (b): The flood management work is conducted in approximately 127 secondary channels located along 92 miles of the Salinas River. For habitat stewardship and additional flood risk reduction, the program also seeks to control *Arundo donax* and woody nonnatives such as tamarisk in the Salinas River system and allow native shrubs, forbs and grasses to return in the riparian corridor. Construction activities will include

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vegetation removal with rotary or flail mower, disking and grading, sediment removal and storage outside of the channel, herbicide spraying from a spray rig or backpack sprayers from licensed applicators. Applicators conduct all herbicide treatment according to California regulations and reporting including the filing of herbicide application reports with the Monterey County Agriculture Commissioner and documentation for reporting to the Regional Water Quality Control Board.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

PROJECT DESCRIPTION: This project will provide decision and implementation support to guide Monterey County farmers' management changes and conservation projects to better manage soil, water, and nutrients to improve local water quality and streamline production inputs. The project will expand the bilingual farm water quality support services to meet increasing demand associated with the Central Coast Regional Board's anticipated Agricultural Order renewal. The project will include regional grower education, 75 individual on-farm consultations, over 25 detailed irrigation and nutrient management assessments with recommendations, and corresponding implementation assistance and effectiveness tracking at a subset of approximately 12 farm sites.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare draft Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Paragraph D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

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Task 6: Permitting

Expected to acquire grading permit from the Monterey County Housing and Community Development within 6 months of grant execution.

Deliverables:

- Permits as required

Task 7: Design

Provide technical assistance and design for implementation of water, nutrient, and soil on-field conservation management practices and engineered water management projects as identified through farm resource/site assessment process.

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications with Personally Identifying Information redacted (to comply with USDA terms of match funding)
- Tracking sheet of on-farm implementation sites and management changes
- Tabulated list of engineered project designs with scale, project type, acreages impacted, farm type/size, and intended benefit

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 (guidance provided in Exhibit L) for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Paragraph D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents, as applicable
- Proof of Advertisement, as applicable
- Award of Contract, as applicable
- Notice to Proceed, as applicable

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. An engineering construction observer will conduct regular site visits for the duration of engineered projects. Construction observer duties include documenting of pre-construction conditions, addressing questions of contractors on site, reviewing/ updating project schedule, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

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Deliverables:

- DWR Certificate of Project Completion
- Record Drawings, as applicable

Task 11: Construction

Typical construction activities are described below.

Typical construction activities include the farmer clearing the project area of any equipment followed by the farmer or contractor clearing and grubbing vegetation if necessary. The contractor and/or farmer typically installs additional protections such as silt fences and straw wattles or hay bales to contain sediment within the farmer's property. The farmer or contractor may erect security fencing in or adjacent to the project area as a staging area to keep equipment and materials safe. The materials (pipes, catch basins, etc.) are typically ordered and delivered to the site while the workers layout the improvements. The engineer may be called to set control points, set elevations, or provide staking. The contractor installs the improvements per NRCS specifications, and the engineer will conduct regular site visits to answer questions and inspect trenching, excavation, fill compaction, dimensions and elevations. Once the installation is complete, the engineer will do a final inspection and will survey the installed components to measure lengths and elevations to create record drawings. The farmer typically completes the temporary erosion control such as seeding and/or mulching.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

IMPLEMENTING AGENCY: Central Coast Wetlands Group (CCWG), City of Salinas

PROJECT DESCRIPTION: This project is a series of improvements to the City of Salinas's Industrial Wastewater Treatment Facility (IWTF), with the goal of increasing the functionality of this facility for multiple water resource and environmental benefits. The project updates three components of the facility: 1) separating source water types entering the facility to enhance the efficiency of treatment; 2) removing nitrate and phosphates from water leaving the facility before it reaches the Monterey One Water (M1W) Regional Treatment Plant (RTP); and 3) improving flood protection for the power infrastructure to run the facility.

The project consists of:

1. Assess and Rehabilitate a 33-inch Pipeline: M1W will conduct a condition assessment and subsequent rehabilitation of an abandoned-in-place 33-inch pipeline. The 33-inch pipeline provides an opportunity to utilize existing infrastructure to achieve a reduction in energy consumption by an estimated 10% and the capture of up to 300 AFY more storm water during peak storm events.
2. Treatment Wetland Pilot Study: The Central Coast Wetlands Group (CCWG) will construct an initial water treatment system at the IWTF consisting of a treatment wetland chamber in series with several pilot phosphate removal chambers, and will assess its functionality to determine the most cost-effective phosphate removal process.
3. Electrical Components Flood Protection: City of Salinas will make improvements to select IWTF electrical components associated with the influent pump station, enhancing its flood and climate resilience by installing the components at the engineer recommended location above the 100-year floodplain.

These improvements will result in an additional 200-300 acre-feet per year (AFY) of storm water captured for groundwater recharge or reuse. The secondary benefit is the downstream flood reduction during storms, estimated to be approximately 2 MGD (millions of gallons per day) reduction for a 10-year storm event.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare draft Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports

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- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Paragraph D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Feasibility studies for the Electrical Components Flood Protection component of this project have been completed. Other feasibility studies will be conducted as follows:

(a) RTP Treatment Methods: A feasibility and cost-benefit study will be conducted to assess alternative treatment methods at the RTP, including incremental costs for recycling industrial wastewater. Budget Attachment 1 contains a scope of work and budget for consultant services for support of the feasibility study, including assessing alternative treatment methods at the RTP.

(b) Wetland Treatment System: CCWG will conduct a feasibility study to investigate the site-specific viability of phosphate reduction. This study will involve testing multiple media types using nutrient-rich source water run through several containers at the Moss Landing Marine Laboratories Aquaculture facility. Nutrient levels will be measured at the input and outlet of each container to test the efficacy of each media type. CCWG will then compare nutrient removal rates with media costs and disposal requirements to select the optimal nutrient removal media to deploy at the IWTF.

Deliverables:

- Feasibility Study Report

Task 5: CEQA Documentation

A Notice of Determination for the Environmental Impact Report was filed in April of 2021 with the State Clearing House for this project. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

Expected to acquire county encroachment and grading permits, in September 2021.

Deliverables:

- Permits as required

Task 7: Design

The project team will complete designs for each project component, as described below. The designs will describe the overall project concept for use in development of final design plans, and specifications including preliminary earthwork calculations, preliminary design details including piping, electrical, mechanical and/or housing design details and design-build performance criteria.

(a) Pipeline Assessment and Repair: Condition assessment of the pipeline will be done using MSI Inspections CCTV/3D Laser/Lidar inspection with defect coding and internal visual inspection with measurements (after appropriate excavations and shoring have been conducted). Utilize data from the

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assessment to create the scope of work, design and final plans for repair or replacement. M1W staff to manage a consultant to provide the engineering design services for the condition assessment and rehabilitation design (see Budget Attachment 3).

(b) Wetland Treatment System: CCWG will prepare 100% design for the wetland treatment system.

(c) Electrical Components Flood Protection: The electrical components flood protection component of the project will require additional design work in order to develop 100% construction bid and design documents. The City of Salinas will leverage as much as possible the most recent design efforts which were part of the Phase 1B Salinas Dry Weather Diversion Project (see Budget Attachment 2).

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 (guidance provided in Exhibit L) for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Paragraph D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

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Construction activities are outlined below.

11(a): Mobilization and Demobilization: This will include setting up construction equipment at the various locations and lay down of necessary materials.

11(b): Site preparation will include Site preparation will include excavation, grading, shoring, storm water and erosion best management measures, and traffic control, as applicable.

11(c): Install, construct, excavate: Construction activities will include installation of the treatment wetland improvements, pipeline assessment and repair, and constructing a new concrete pad and installing new electrical components for climate change. Construction and implementation activities specific to each project component will consist of the following:

(a) Pipeline Repair: The pipeline starts at the City's storm water diversion structure #2, cuts southwesterly across many acres of prime farmland, across Hitchcock and Davis Roads, and terminates (plugged with concrete) immediately north of the IWTF influent pump station. Task 7 would include repair of parts of the pipeline found to have significant defects that may prevent reliable use of the pipeline to convey storm water. Repair of the pipeline segments on agricultural land will occur in the winter to avoid any growing season activities. Repairing sections of the pipeline within City-owned land and at the IWTF can occur in any season. The work may include re-stabilizing and reinforcing joints, repairing any holes, cracks or other pipeline flaws. At the influent pump station, a pipeline may be installed to bypass the influent pump station and connect to existing ponds. The final scope of repairs will depend upon budget available.

(b) Wetland Treatment System (see Figure 3): Water from the IWTF will be directed into adjacent abandon infiltration basins for treatment. Piping modifications will be made to direct water from the source water through each of the treatment basins. Soil amendments, plants, and flow regulation infrastructure will be installed within the treatment wetland basin to achieve linear flow and extend residence time for initial nutrient removal. Piping will be installed to allow water to through selected media prior to exiting the treatment systems. Water will then return to an ITWF pond during the pilot study.

(c) Electrical Components Flood Protection: Construction activities to relocate the electrical components above the 100-year floodplain will include evaluation and locating all equipment and connections, stub in of all necessary conduit, construction of new concrete equipment pad, tie in of all electrical connections, demolition of existing components, start up and testing of new instrumentation, controllers and related equipment

Deliverables:

- Photographic Documentation of Progress

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BUDGET

PROPOSITION 1 ROUND GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

AGREEMENT BUDGET SUMMARY

		Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost	Percent Cost Share
	Grant Administration	$346,284	N/A	$0	**$346,284**	N/A
	PROJECTS					
1	Emergency Deep Aquifer Supply and Storage Tank Project	$395,000	$25,000	$7,712,000	**$8,132,000**	0.3%
2	Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley	$750,000	$910,000	$160,000	**$1,820,000**	56%
3	Salinas River Flood and Habitat Improvement Program	$526,525	$679,856	$0	**$1,206,381**	50%
4	Monterey County Farm Nutrient Management and Water Quality Assistance Program	$315,169	$0	$315,301	**$630,470**	0%
5	Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use	$1,129,883	$1,277,852	$0	**$2,407,735**	53%
	GRAND TOTAL	**$3,462,861**	**$2,892,708**	**$8,187,301**	**$14,542,870**	**-**

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Grant Administration

Implementing Agency: Monterey County Water Resources Agency

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost
a	Project Administration	$346,284	N/A	$0	**$346,284**
	TOTAL COSTS	**$346, 284**	**N/A**	**$0**	**$346,284**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

Implementing Agency: Castroville Community Services District

Project directly serves a need of a Disadvantaged Community: Yes

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
a	Project Administration	$0	$25,000	$0	**$25,000**
b	Land Purchase / Easement	$0	$0	$100,000	**$100,000**
c	Planning / Design / Engineering / Environmental Documentation	$270,000	$0	$125,000	**$395,000**
d	Construction / Implementation	$125,000	$0	$7,487,000	**$7,612,000**
	TOTAL COSTS	**$395,000**	**$25,000**	**$7,712,000**	**$8,132,000**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Grantee received a 100% cost share waiver. However, to meet the proposal cost share requirements, Castroville Community Services District (District) will fund 100% of project administration, the District will fund land acquisition from existing reserves set aside for the implementation of this water supply project.

**Other Cost Share: Fund for part of the design costs will be coming from State Water Resources Control Board's Small Community Funding grant or loan.

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PROJECT 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

Implementing Agency: Monterey County Water Resources Agency

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$60,000	$0	**$60,000**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$15,000	$0	$0	**$15,000**
d	Construction / Implementation	$735,000	$850,000	$160,000	**$1,745,000**
	TOTAL COSTS	**$750,000**	**$910,000**	**$160,000**	**$1,820,000**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Required Cost Share: In Kind services provided by United States Geological Service.

PROJECT 3: Salinas River Flood Protection and Habitat Improvement Program

Implementing Agency: Resource Conservation District of Monterey County

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$10,000	$0	**$10,000**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$77,648	$402,925	$0	**$559,324**
d	Construction / Implementation	$448,877	$266,931	$0	**$637,057**
	TOTAL COSTS	**$526,525**	**$679,856**	**$0**	**$1,206,381**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Required Cost Share: All cost share is from non-State sources and includes landowner payments from River Management Unit members and in-kind services from landowners.

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PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

Project directly serves a need of a Disadvantaged Community: Yes

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share*	Total Cost
a	Project Administration	$0	$0	$28,500	**$28,500**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$287,698	$0	$136,801	**$430,970**
d	Construction / Implementation	$27,471 $21,000	$0	$150,000	**$171,000**
	TOTAL COSTS	**$315,169**	**$0**	**$315,301**	**$630,470**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Cost Share: Grantee received a 100% cost share waiver. At least 50% other cost share will be provided through existing, long-term agreements with the Monterey County Agricultural Commissioner and USDA Natural Resources Conservation Service (NRCS) for bilingual farmer technical assistance, and through USDA NRCS Environmental Quality Incentives Program (EQIP) for project design and implementation.

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PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

IMPLEMENTING AGENCY: City of Salinas

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$7,300	$0	**$7,300**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$184,902	$150,544	$0	**$335,446**
d	Construction / Implementation	$944,981	$1,120,008	$0	**$2,064,989**
	TOTAL COSTS	**$1,129,883**	**$1,277,852**	**$0**	**$2,407,735**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Required Cost Share: City of Salinas is providing $955,552, Monterey One Water is providing $315,000 match via the SRF loan spent in 2017 - 2019 on the Advanced Water Purification Facility for the Pure Water Monterey Project for which this project is a component, and is providing $7,300 for project administration.

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EXHIBIT C

SCHEDULE

PROPOSITION 1 ROUND 1 GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

Grant Administration

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/07/2020	06/30/2027

PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	09/01/2020	6/30/2027
b	Land Purchase / Easement	06/01/2019	08/31/2022
c	Planning / Design / Engineering / Environmental Documentation	09/01/2020	12/31/2023
d	Construction / Implementation	08/31/2021*	03/31/2027

*Planning and Construction schedules overlap because acquisition of contractors through the bid process will be completed during the planning phase to ensure construction can begin directly behind finalizing planning efforts.

PROJECT 2: Re-Operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	09/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	12/31/2023
d	Construction / Implementation	01/01/2015*	06/30/2025

*The timeframe for this task allows the collection and processing of two additional years of groundwater extraction data to be included into the report.

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PROJECT 3: Salinas River Flood Protection and Habitat Stewardship Program

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	04/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	01/31/2025
d	Construction / Implementation	08/01/2021*	01/31/2025

*Treatment of *Arundo donax* and tamarisk will take place in June through October 2021 and will include documentation of work areas through GIS mapping, photo documentation, and herbicide spray records. Implementation from one year can overlap with Planning for subsequent years.

PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	9/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	01/31/2025
d	Construction / Implementation	10/01/2021*	07/31/2025

*This project includes many smaller projects and Planning phases can be ongoing while Construction phases for other projects are already underway.

PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	09/01/2021	06/30/2027
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	06/01/2017	01/31/2025
d	Construction / Implementation	07/01/2017*	03/31/2027

*Portions of the project are ongoing, and implementation overlaps with other planning phases.

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EXHIBIT D

STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

A. Separate Accounting of Funding Disbursements: Grantee shall account for the money disbursed pursuant to this Grant agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.

B. Disposition of Money Disbursed: All money disbursed pursuant to this Grant agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.

C. Remittance of Unexpended Funds: Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Grant agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Grant agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may elect to pursue any remedies provided in Paragraph 12 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

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Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant agreement with respect of all matters connected with this Grant agreement, including but not limited to, the cost of administering this Grant agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. (Water Code, § 79708, subd. (b).)

D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant agreement does not appropriate sufficient funds for this program, this Grant agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant agreement and Grantee shall not be obligated to perform any provisions of this Grant agreement. Nothing in this Grant agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant agreement with no liability occurring to State, or offer a Grant agreement amendment to Grantee to reflect the reduced amount.

D.7. CALIFORNIA CONSERVATION CORPS: Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.

D.8. CEQA: Activities funded under this Grant agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 12, "Default Provisions."

D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:

A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

D.10. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

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D.11. COMPETITIVE BIDDING AND PROCUREMENTS: Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting.

D.12. COMPUTER SOFTWARE: Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.

A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant agreement, such reports, data, information, and certifications as may be reasonably required by State.

D.15. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than thirty (30) calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than $5,000.00 per item. Within sixty (60) calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.

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D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
   i. The dangers of drug abuse in the workplace,
   ii. Grantee's policy of maintaining a drug-free workplace,
   iii. Any available counseling, rehabilitation, and employee assistance programs, and
   iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant agreement:
   i. Will receive a copy of Grantee's drug-free policy statement, and
   ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

D.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.
Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.
Failure to provide an easement acceptable to the State may result in termination of this Agreement.

D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant agreement.

D.19. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:

A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Exhibits B and C.
B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
C. Comply with all applicable California, federal, and local laws and regulations.
D. Implement the Project in accordance with applicable provisions of the law.
E. Fulfill its obligations under the Grant agreement and be responsible for the performance of the Project.

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F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.
G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.

D.20. GOVERNING LAW: This Grant agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

D.21. INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.22. INDEMNIFICATION: Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

D.23. INDEPENDENT CAPACITY: Grantee, and the agents and employees of Grantees, in the performance of the Grant agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

D.24. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.

D.25. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant agreement with State.

D.26. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/ lcp.asp.

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For more information, please refer to DIR's *Public Works Manual* at: https://www.dir.ca.gov/dlse/PWManualCombined.pdf. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

D.27. MODIFICATION OF OVERALL WORK PLAN: At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

D.28. NONDISCRIMINATION: During the performance of this Grant agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant agreement.

D.29. OPINIONS AND DETERMINATIONS: Where the terms of this Grant agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

D.30. PERFORMANCE BOND: Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)

D.31. PRIORITY HIRING CONSIDERATIONS: If this Grant agreement includes services in excess of $200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.

D.32. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State.

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Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this Grant agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.

D.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.

D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.

D.35. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

D.36. RETENTION: The State shall withhold ten percent (10%) of the funds, for each project, until the project is complete, and a Final Project Report is approved and accepted by DWR. If a project has multiple Components (within a project), at the State's discretion and upon a written request by the Grantee, any retained amount attributable to a single component may be released when that component is complete and the Final Component Completion Report is approved. Upon approval of the Final Project Report and/or Final Component Completion Report, any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest.

D.37. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

D.38. SEVERABILITY: Should any portion of this Grant agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant agreement shall continue as modified.

D.39. SUSPENSION OF PAYMENTS: This Grant agreement may be subject to suspension of payments or termination, or both if the State determines that:

A. Grantee, its contractors, or subcontractors have made a false certification, or
B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant agreement.

D.40. SUCCESSORS AND ASSIGNS: This Grant agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

D.41. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing

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accomplishments up until termination date.

D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 12, "Default Provisions," the State may terminate this Grant agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 12, "Default Provisions."

D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.

D.44. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

D.45. TIMELINESS: Time is of the essence in this Grant agreement.

D.46. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the IRWM region shall be reimbursed unless prior written authorization is obtained from the State.

D.47. UNION ORGANIZING: Grantee, by signing this Grant agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant agreement. Furthermore, Grantee, by signing this Grant agreement, hereby certifies that:

A. No State funds disbursed by this Grant agreement will be used to assist, promote, or deter union organizing.
B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant agreement to show those funds were allocated to that expenditure.
C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.

D.48. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.

D.49. WAIVER OF RIGHTS: None of the provisions of this Grant agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

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EXHIBIT E

AUTHORIZING RESOLUTION

RESOLUTION No. 19-002

Authorize and direct the General Manager to apply for grant funding from the California Department of Water Resources for a Round 1 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code § 79700 *et seq.*), and to enter into an agreement to receive a grant titled "Managing Water Resources for Multiple Benefits in the Greater Monterey County Region"

WHEREAS, the Monterey County Water Resources Agency proposes to submit an application to the Department of Water Resources on behalf of the Greater Monterey County Integrated Regional Management Region; and

WHEREAS, the Monterey County Water Resources Agency intends to apply for grant funding from the California Department of Water Resources for the project costs;

NOW THEREFORE, BE IT RESOLVED, that the Monterey County Water Resources Agency hereby

a. Directs this Agency, pursuant and subject to all of the terms and provisions of the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1), to apply to the California Department of Water Resources to obtain a grant titled "Managing Water Resources for Multiple Benefits in the Greater Monterey County Region"

b. Authorizes and directs the General Manager, or designee, to prepare the necessary data, make investigations, sign, and file such proposal, and subject to review and approval by County Counsel, execute a grant agreement with California Department of Water Resources

c. Authorizes the General Manager, or designee, subject to review and approval by County Counsel to execute up to three (3) amendments to the Grant Agreement that do not materially alter the terms of the Grant Agreement.

d. Authorizes the General Manager, or designee, subject to review and approval by County Counsel to enter into sub-grantee agreements with the other project proponents.

This Resolution shall take effect upon approval by the Monterey County Water Resources Agency Board of Directors.

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PASSED AND ADOPTED this 21th day of October 2019, at a regular meeting of the Monterey County Water Resources Agency Board of Directors by the following vote:

AYES: Directors Gonzalez, Baillie, Sullivan, Ekelund, Ortiz, Scattini, LeBarre, Smith and Simis

NOES: None

ABSENT: None

BY: Mark Gonzalez, Chair
Board of Directors

ATTEST: Brent Buche
General Manager

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MONTEREY COUNTY

WATER RESOURCES AGENCY

PO BOX 930
SALINAS, CA 93902
P: (831) 755-4860
F: (831) 424-7935

BRENT BUCHE
GENERAL MANAGER

STREET ADDRESS
1441 SCHILLING PLACE, NORTH BUILDING
SALINAS, CA 93901

July 14, 2020

Monia Holleman
Environmental Scientist
California Department of Water Resources
Division of Regional Assistance
Financial Assistance Branch
901 P Street
Sacramento CA 95814

RE: Authorization of the DocuSign use for all official transactions related to Proposition 1 Round 1 Implementation Grant

To Whom It May Concern:

By signing this letter, Monterey County Water Resources Agency does hereby agree to the following option regarding the use of DocuSign for all official transactions related to the Proposition 1 Round 1 Implementation Grant award including Agreement execution, Amendments, Invoices and various other documents.

Please check one:

X We do consent to the use of DocuSign for all transactions by both us and DWR

We do not consent to the use of DocuSign by us. However, we do consent to the use of DocuSign by DWR

We do not consent to the use of DocuSign by either us or DWR

Regards,

Brent Buche
General Manager

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EXHIBIT F

REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.
- Budget projections for grant share for the next two quarters

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report (or a Component Completion Report, if a Project has multiple Components) shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted
- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

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Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

Additional Information

- Benefits derived from the Project, with quantification of such benefits provided.
- If applicable, Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.
- Submittal schedule for the Post-Performance Report.

GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects funded by this Grant Agreement, and includes the following:

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion of: each project completed and how they achieved IRWM Plan objectives and/or Regional goals and whether the level, type, or magnitude of benefits of the project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; the benefits to DAC and/or EDA as part of this Grant Agreement if a DAC or EDA Cost Share Waiver was approved for a project; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post-Performance Reports applicable for the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
  - Grantee Name
  - Implementing Agency (if different from Grantee)
  - Grant Agreement Number
  - Project Name
  - Funding grant source (i.e., 2019 Proposition 1 IRWM Implementation Grant)
  - Report number

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- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2018 through December 2018)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

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EXHIBIT G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: http://www.ceden.org.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: http://www.water.ca.gov/waterdatalibrary/.

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EXHIBIT H

STATE AUDIT DOCUMENT REQUIREMENTS FOR THE GRANTEE

The following provides a list of documents typically required by State Auditors and general guidelines for the Grantee. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. The Grantee should ensure that such records are maintained for each funded project.

State Audit Document Requirements

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
   a) Receipts and deposits
   b) Disbursements
   c) State reimbursement requests
   d) Expenditure tracking of State funds
   e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

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Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

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EXHIBIT I

LOCAL PROJECT SPONSORS AND PROJECT LOCATIONS

The Grantee has assigned, for each project, a Local Project Sponsor (LPS) according to the roles of the participating agencies identified in the IRWM Plan. LPSs may act on behalf of the Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below:

Local Project Sponsor Agency Designation

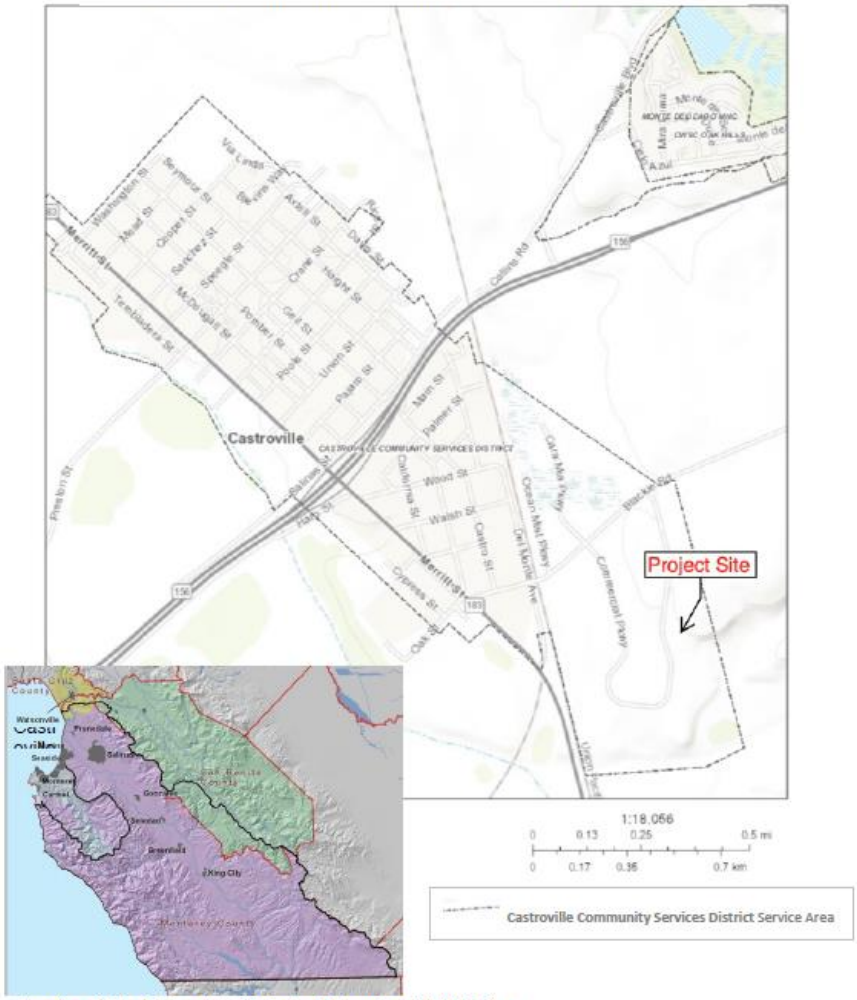
Sponsored Project: Project 1: Emergency Deep Aquifer Supply and Storage Tank Project

Sponsor Agency: Castroville Community Services District

Agency Address: 11497 Geil St, Castroville, CA 95012

Project Location: Monterey County, California (36.75612, -121.73768)

Castroville Community Services District:
Emergency Deep Aquifer Supply and Storage Tank Project



Location of Castroville in context with Greater Monterey County IRWM Region

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Sponsored Project: Project 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

Sponsor Agency: Monterey County Water Resources Agency

Agency Address: 1441 Schilling Pl, Salinas, CA 93901

Project Location: Salinas, CA (35.81861, -120.9303)



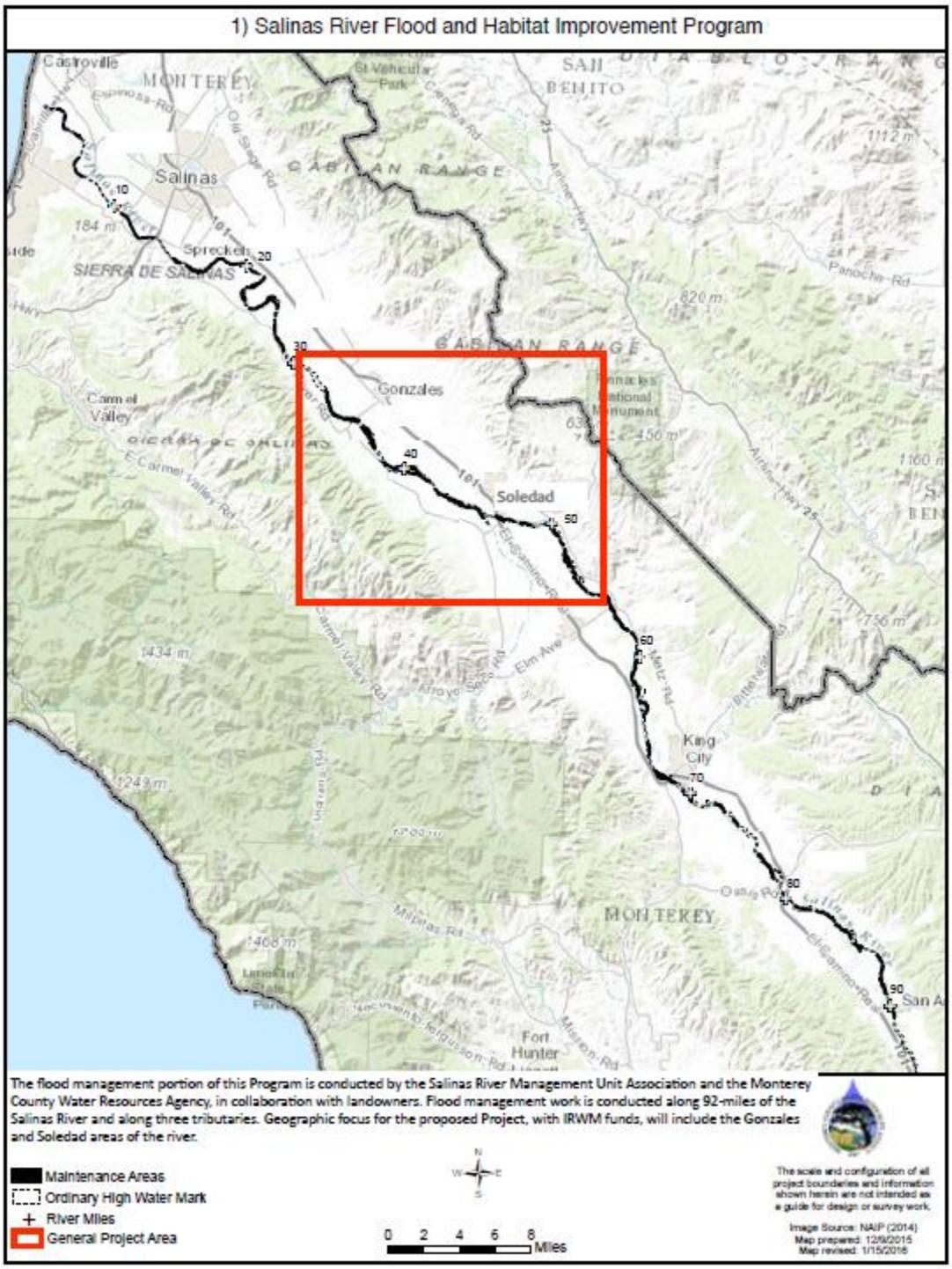
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Sponsored Project: Project 3: Salinas River Flood and Habitat Improvement Program

Sponsor Agency: Resource Conservation District of Monterey County

Agency Address: 744 La Guardia St a, Salinas, CA 93905

Project Location: Monterey County, California (36.33361, -121.2022)



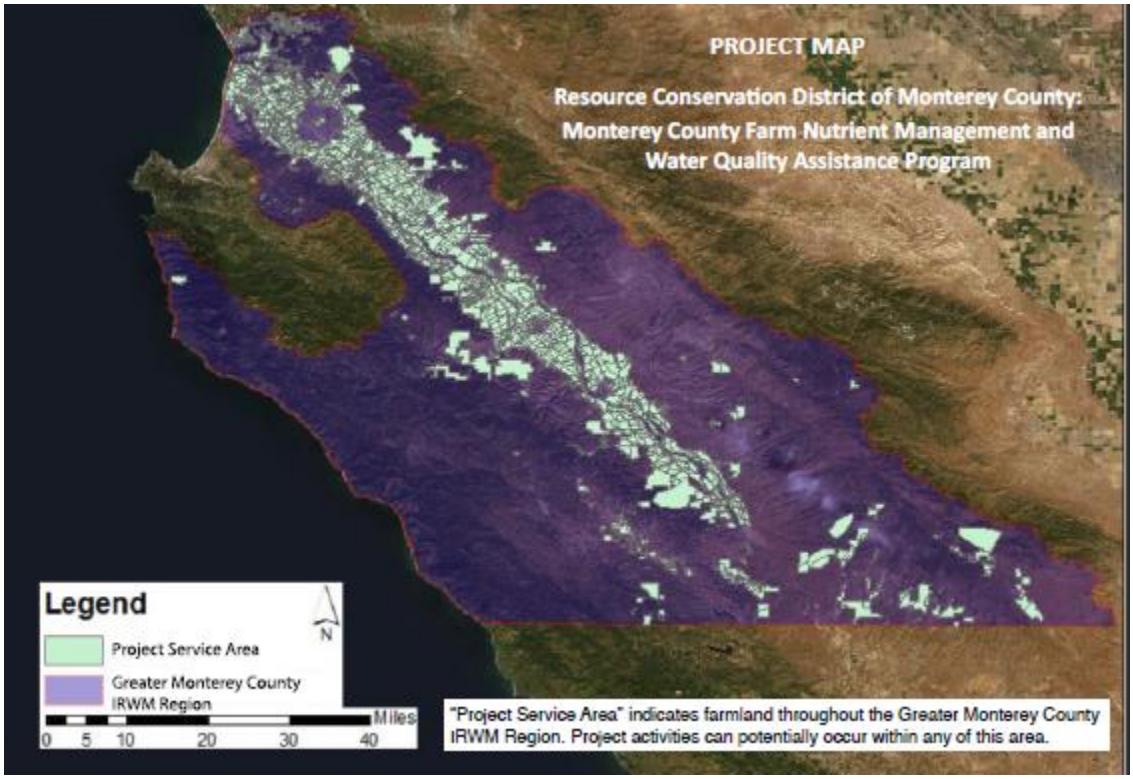
Docusign Envelope ID: 55AF0F08-57BA-45C4-98B4-B22962F3E1F9

Sponsored Project: Project 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

Sponsor Agency: Resource Conservation District of Monterey County

Agency Address: 744 La Guardia St a, Salinas, CA 93905

Project Location: Monterey County, California (36.42028, -121.4075)



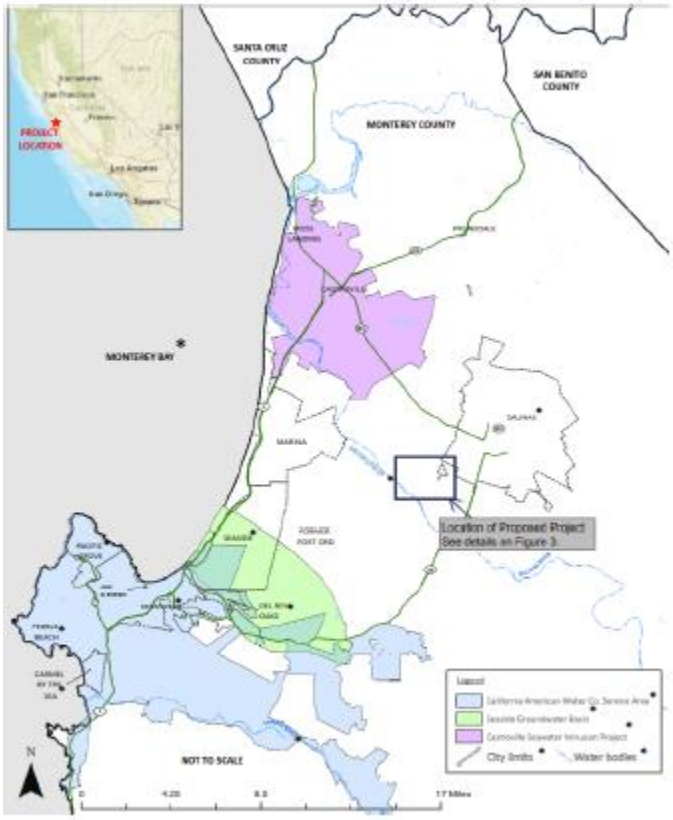
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Sponsored Project: Project 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

Sponsor Agency: Central Coast Wetlands Group, City of Salinas

Agency Address: 5 Harris Ct, Monterey, CA 93940, 8272 Moss Landing Rd Moss Landing, CA 95039, 200 Lincoln Ave. Salinas, CA 93901

Project Location: Monterey County, California (36.66333, -121.7222)



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EXHIBIT J

APPRAISAL SPECIFICATIONS

For property acquisitions funded by this Grant Agreement, the Grantee shall submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. All appraisal reports, regardless of report format, shall include all applicable Appraisal Specifications below. Appraisals for a total compensation of $150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than $150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be a narrative analysis regardless of the reporting format.

1. Title page with sufficient identification of appraisal assignment.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value and date of report.
3. Table of contents.
4. Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions as needed.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining relevant data.
6. Definition of Fair Market Value, as defined by California Code of Civil Procedure, § 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements, if applicable.
8. Copies of Tax Assessor's plat map with the subject marked along with all contiguous assessor's parcels that depict the ownership.
9. A legal description of the subject property, if available.
10. For large, remote or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three (3) year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue required increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the State. If the appraiser discovers evidence of an Option or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client.
13. Regional, area, and neighborhood analyses. This information may be presented in a summary format.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area, and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area. This information may be presented in a summary format.
15. Discussion of subject land/site characteristics (size, topography, current use, elevations, zoning and land use issues, development entitlements, General Plan designation, utilities, offsite improvements, access, land features such as levees and creeks, offsite improvements, easements and

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encumbrances, covenants, conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).

16. Description of subject improvements including all structures, square footage, physical age, type of construction, quality of construction, condition of improvements and/or identification of any permanent plantings. Discussion of construction cost methodology, costs included and excluded, accrued depreciation from all causes, remaining economic life, items of deferred maintenance and cost to cure, and incurable items. Construction cost data shall include cost data source, date of estimate or date of publication of cost manual, section and page reference of cost manual, copies of cost estimate if provided from another source, replacement or reproduction cost method used, and supporting calculations including worksheets or spreadsheets.
17. Subject property leasing and operating cost history, including all items of income and expense.
18. Analysis and conclusion of the larger parcel for partial taking appraisals. For partial taking appraisals, Appraisal Specifications generally apply to the larger parcel rather than an ownership where the larger parcel is not the entire ownership.
19. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit. Discuss the title exceptions and analyze the effect of title exceptions on fair market value.
20. For appraisals of partial takings or easements, a detailed description of the taking or easement area including surface features and topography, easements, encumbrances or improvements including levees within the subject partial take or easement, and whether the take area is characteristic of the larger parcel. Any characteristics of the taking area, including existing pre-project levees that render the take area different from the larger parcel shall be addressed in the valuation.
21. Opinion of highest and best use for the subject property, based on an in-depth analysis supporting the concluded use which includes the detail required by the complexity of the analysis. Such support typically requires a discussion of the four criteria of tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.
22. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
23. Map(s) showing all comparable properties in relation to the subject property.
24. Photographs and plat maps of comparable properties.
25. In-depth discussion of comparable properties, similarities and differences compared to the subject property, adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value. Improved comparable sales which are used to compare to vacant land subject properties shall include an allocation between land and improvements, using methodology similar to methodology used in item 16 above to estimate improvement value when possible, with an explanation of the methodology used.
26. Comparable data sheets.

    a. For sales, include information on grantor/Grantee, sale/recordation dates, listed or asking price as of the date of sale, highest and best use, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvements, and confirming source.

    b. For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available.

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c. For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source. When comparing improved sales to a vacant land subject, the contributory value of the improvements shall be segregated from the land value.

27. For appraisals of easements, a before and after analysis of the burden of the easement on the fee, with attention to how the easement affects highest and best use in the after condition. An Easement Valuation Matrix or generalized easement valuation references may be used ONLY as a reference for a secondary basis of value.

28. For partial taking and easement appraisals, valuation of the remainder in the after condition and analysis and identification of any change in highest and best use or other characteristics in the after condition, to establish severance damages to the remainder in the after condition, and a discussion of special and general benefits, and cost to cure damages or construction contract work.

29. There are occasions where properties involve water rights, minerals, or salable timber that require separate valuations. If an appraisal assignment includes water rights, minerals, or merchantable timber that requires separate valuation, the valuation of the water rights, minerals, or merchantable timber shall be completed by a credentialed subject matter specialist.

30. For partial taking and easement appraisals, presentation of the valuation in California partial taking acquisition required format.

31. Implied dedication statement.

32. Reconciliation and final value estimate. Include analysis and comparison of the comparable sales to the subject, and explain and support conclusions reached.

33. Discussion of any departures taken in the development of the appraisal.

34. Signed Certification consistent with the language found in Uniform Standards of Professional Appraisal Practice.

35. If applicable, in addition to the above, appraisals of telecommunication sites shall also provide:

    a. A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.

    b. An analysis of other leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.

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EXHIBIT K

INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE

The Grantee shall provide the following documents to the State Project Representative during the escrow process. Property acquisition escrow documents shall be submitted within the term of this Grant Agreement and after a qualified appraisal has been approved.

- Name and Address of Title Company Handling the Escrow
- Escrow Number
- Name of Escrow Officer
- Escrow Officer's Phone Number
- Dollar Amount Needed to Close Escrow
- Legal Description of Property Being Acquired
- Assessor's Parcel Number(s) of Property Being Acquired
- Copy of Title Insurance Report
- Entity Taking Title as Named Insured on Title Insurance Policy
- Copy of Escrow Instructions in Draft Form Prior to Recording for Review Purposes
- Copy of Final Escrow Instructions
- Verification that all Encumbrances (i.e., Liens, Back Taxes, and Similar Obligations) have been Cleared Prior to Recording the Deed to Transfer Title
- Copy of Deed for Review Purposes Prior to Recording
- Copy of Deed as Recorded in County Recorder's Office
- Copy of Escrow Closure Notice

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EXHIBIT L

Project Monitoring Plan Guidance

Introduction

For each project contained in Exhibit A, please include a brief description of the project (maximum ~150 words) including project location, implementation elements, need for the project (what problem will the project address) and responds to the requirements listed below.

Project Monitoring Plan Requirements

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at…, at stream mile…)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

AMENDMENT NO. 2 TO THE PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT SUB-GRANT DISBURSEMENT AGREEMENT BETWEEN MONTEREY COUNTY WATER RESOURCES AGENCY AND THE CITY OF SALINAS

THIS AMENDMENT NO. 2 to the Proposition 1 Integrated Regional Water Management Sub-Grant Agreement between the Monterey County Water Resources Agency, a local public entity (hereinafter, "Agency") and the City of Salinas, a California charter city and municipal corporation (hereinafter, "Sub-Grantee"), is hereby entered into between the Agency and the Sub-Grantee (collectively, the Agency and Sub-Grantee are referred to as the "Parties").

WHEREAS, Sub-Grantee entered into an Agreement with the Agency on May 27, 2021 (hereinafter, "Agreement"); and

WHEREAS, Sub-Grantee executed Amendment No. 1 to the Agreement with a term extension and an updated to the Agency representative contact information on March 24, 2023; and

WHEREAS, the Parties wish to amend the Agreement with a term extension;

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend Section 1.1 Implementation, Subsection B. Completion of Project to read as follows:

   B. Completion of Project. The Sub-Grantee hereby agrees to complete the construction and installation of all components of the Project by **June 30, 2027**, pursuant to the mandates of the Grant Agreement.

2. All other terms and conditions of the Agreement remain unchanged and in full force.

3. This Amendment No. 2 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 to the Agreement as of the day and year written below:

MONTEREY COUNTY WATER RESOURCES AGENCY

By: ___ _____
General Manager (Signature)

_____
Print Name

Date: _____

CITY OF SALINAS SUB-GRANTEE

By: _____
City Manager (Signature)

_____
Print Name

Date: _____

Approved as to Form and Legality
Office of the County Counsel

By: _____
Chief Assistant County Counsel

Date: _____

Approved as to Fiscal Provisions

By: _____
Auditor-Controller

Date: _____

By: _____
Administrative Analyst, CAO Office

Date: _____

*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the agreement.

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No. _____

AUTHORIZE THE GENERAL MANAGER TO ENTER INTO AMENDMENT NUMBER 2 TO THE PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT SUB-GRANT DISBURSEMENT AGREEMENT WITH THE CITY OF SALINAS TO EXTEND THE TERM TO JUNE 30, 2027; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE UP TO TWO NO-COST AMENDMENTS TO THE SUB-GRANT AGREEMENT.	**)**

Upon motion of _____, seconded by _____, and carried by those members present, the Board of Directors hereby:

1. Authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Subgrant Disbursement Agreement with the City of Salinas to extend the term to June 30, 2027; and

2. Authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement.

PASSED AND ADOPTED on this **15th** day of **September 2025**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Mike LeBarre, Chair
Board of Directors

ATTEST: Ara Azhderian
General Manager

County of Monterey

Board Report

Legistar File Number: WRAG 25-153

Item No.11

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/9/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Approve the annual Joint Funding Agreement with the United States Geological Survey for streamgaging and reservoir elevation gaging work in Monterey County in the amount of $256,210; and Authorize the General Manager to execute the Agreement. (Staff: Joey Klein)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

a. Approve the Annual Joint Funding Agreement with the United States Geological Survey for streamgaging and reservoir elevation gaging work in Monterey County in the amount of $256,210; and
b. Authorize the General Manager to execute the Agreement.

SUMMARY/DISCUSSION:
Annually, a proposal to continue the Joint Funding Agreement (JFA) with the United States Geological Survey (USGS) is submitted to the Board for consideration. This proposal for Federal Fiscal Year 2025-2026 covers streamgaging work to be performed by the USGS during the twelve-month period, October 1, 2025 to September 30, 2026.

The cooperative program with the USGS provides quantification of flow and sedimentation on major streams and creeks throughout the County. Services provided by the USGS through this program include the installation and maintenance of equipment, the collection of data using mechanical recorders and USGS personnel, emergency response during flooding, and the analyses of data and preparation of annual streamflow records. Data collected through this program has been used to determine the frequency and magnitude of surface water flow in order to estimate the infiltration of water and the transport of sediment within streambeds; and to estimate the annual sedimentation into reservoirs. The data is also critical to the calculating surface water travel times used in the Agency's ALERT Flood Monitoring Program and for guidance of reservoir releases year-round, including when the SRDF is operational. Complete and timely surface water data are essential to the management of water resources and greatly facilitates the utilization of modern tools such as groundwater and surface water models and forecast informed reservoir operations. The reservoir elevation gages have provided accurate high frequency logging of reservoir levels needed to meet water rights reporting requirements from the State Water Resources Control Board. The reservoir gages also enhance flood-control monitoring through automated continuous realtime reservoir elevation reporting.

The Joint Funding Agreement was taken to the Finance Committee on September 5, 2025, and was recommended to be approved by the Board of Directors.

OTHER AGENCY INVOLVEMENT:
The Agency and USGS have collaborated in the development of this Agreement. No other agencies have been involved.

FINANCING:
The total cost to of this program is projected to be $311,260 reflecting an overall 82/18 split; with 82% funding from the Agency (Projected $256,210) matched by 18% funding from the Federal government ($55,050). Funding for this program comes from Agency Funds 111 (17%), 116 (76%), and 122 (7%). The breakdown between funds is determined by gage location, with gages that influence reservoir operations being funded by Fund 116 and flood warning gages located outside the Salinas watershed being funded by Fund 111. The one gage on the Reclamation ditch is funded by Fund 122. Gages in the San Lorenzo Creek and Pajaro watersheds are among those receiving full federal funding, so no funding is allocated from their corresponding funds. Funding for this agreement between October 1, 2025 and June 30, 2026 has been identified in the Agency's FY 2025-26 Adopted budget. Funding for July 1, 2026 through September 30, 2026 will be budgeted in FY 2026-27. Funding for one gage, Salinas R at King City CA, will be reimbursed by the California Department of Water Resources as part of the California Streamgage Improvement Program. Projected costs for this gage are $17,550.

Prepared by: Joseph Klein, Hydrologist, (831) 755-4860
Approved by, Ara Azhderian, General Manager, (831) 755-4860

Attachment:
1. Joint Funding Agreement for Federal Fiscal Year 2025-26 with Letter, Scope of Work, and Funding Table for FY 2025-2026
2. Board Order

County of Monterey

Board Report

Legistar File Number: WRAG 25-153

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/9/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

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Prepared by: Joseph Klein, Hydrologist, (831) 755-4860
Approved by, Ara Azhderian, General Manager, (831) 755-4860

Attachment:
1. Joint Funding Agreement for Federal Fiscal Year 2025-26 with Letter, Scope of Work, and Funding Table for FY 2025-2026
2. Board Order

United States Department of the Interior

U.S. GEOLOGICAL SURVEY
California Water Science Center
6000 J Street
Sacramento, CA 95819

September 8, 2025

Peter Kwiek
Associate Hydrologist
Monterey County Water Resources Agency
1441 Schilling Place P.O Box 930
Salinas, CA 93902

Dear Peter Kwiek:

Enclosed is our standard joint-funding agreement 26ZGJFA03000019 between the U.S. Geological Survey California Water Science Center and Monterey County Water Resources Agency for negotiated deliverables (see attached), during the period October 1, 2025 through September 30, 2026 in the amount of $256,210 from your agency. U.S. Geological Survey contributions for this agreement are $55,050 for a combined total of $311,260. Please sign and return one fully-executed original to Nayely Nieto-Reyes at nnieto-reyes@usgs.gov or mail to the address above.

Federal law requires that we have a signed agreement before we start or continue work. Please return the signed agreement by **October 1, 2025**. If, for any reason, the agreement cannot be signed and returned by the date shown above, please contact Anthony Guerriero at (831) 460-7494 or email aguerrie@usgs.gov to make alternative arrangements.

This is a fixed cost agreement to be billed quarterly via Down Payment Request (automated Form DI-1040). Please allow 30-days from the end of the billing period for issuance of the bill. If you experience any problems with your invoice(s), please contact Nayely Nieto-Reyes at phone number (619) 225-6114 or nnieto-reyes@usgs.gov.

The results of all work performed under this agreement will be available for publication by the U.S. Geological Survey. We look forward to continuing this and future cooperative efforts in these mutually beneficial water resources studies.

Sincerely,

Anke Mueller-Solger
Director, USGS California
Water Science Center

Enclosure
26ZGJFA03000019 (2)

Form 9-1366
(May 2018)

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 6000000803
Agreement #: 26ZGJFA03000019
Project #:
TIN #: 94-6000524

Fixed Cost Agreement YES[X] NO[ ]

THIS AGREEMENT is entered into as of October 1, 2025, by the U.S. GEOLOGICAL SURVEY, California Water Science Center, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the Monterey County Water Resources Agency party of the second part.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation for negotiated deliverables (see attached), herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50, and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) include In-Kind-Services in the amount of $0.00

(a) $55,050 by the party of the first part during the period October 1, 2025 to September 30, 2026

(b) $256,210 by the party of the second part during the period October 1, 2025 to September 30, 2026

(c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: $0

Description of the USGS regional/national program:

(d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.

(e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program, and if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at cost, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records or reports published by either party shall contain a statement of the cooperative relations between the parties. The Parties acknowledge that scientific information and data developed as a result of the Scope of Work (SOW) are subject to applicable USGS review, approval, and release requirements, which are available on the USGS Fundamental Science Practices website (https://www.usgs.gov/office-of-science-quality-and-integrity/fundamental-science-practices).

Form 9-1366
(May 2018)

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 6000000803
Agreement #: 26ZGJFA03000019
Project #:
TIN #: 94-6000524

9. Billing for this agreement will be rendered **quarterly**. Invoices not paid within 60 days from the billing date will bear Interest, Penalties, and Administrative cost at the annual rate pursuant the Debt Collection Act of 1982, (codified at 31 U.S.C. § 3717) established by the U.S. Treasury.

USGS Technical Point of Contact

Name:	Anthony Guerriero
	Supervisory Hydrologic Technician
Address:	400 Natural Bridges Drive
	Santa Cruz, CA 95060
Telephone:	(831) 460-7494
Fax:	(831) 427-4475
Email:	aguerrie@usgs.gov

Customer Technical Point of Contact

Name:	Peter Kwiek
	Associate Hydrologist
Address:	1441 Schilling Place P.O Box 930
	Salinas, CA 93902
Telephone:	(831) 755-4836
Fax:	(n/a)
Email:	kwiekpk@co.monterey.ca.us

USGS Billing Point of Contact

Name:	Nayely Nieto-Reyes
	Accounting Technician
Address:	4165 Spruance Road Suite 200
	San Diego, CA 92101-0821
Telephone:	(619) 225-6114
Fax:	(n/a)
Email:	nnieto-reyes@usgs.gov

Customer Billing Point of Contact

Name:	Tanya Hernandez
	Accounts Payable
Address:	1441 Schilling Place P.O. Box 930
	Salinas, CA 93901
Telephone:	(831) 755-4860
Fax:	(n/a)
Email:	WRAAccountsPayable@co.monterey.ca.us

U.S. Geological Survey
United States
Department of Interior

Signature

By_____ **Date:** _____

Name: Anke Mueller-Solger

Title: Director, USGS California Water Science Center

Monterey County Water Resources Agency

Signatures

By_____ **Date:** _____
Name: Ara Azhderian
Title: General Manager

By_____ **Date:** _____
Name: Kelly L. Donlon
Title: Chief Assistant County Counsel

By_____ **Date:** _____
Name:
Title:

By_____ **Date:** _____
Name:
Title:

FY 2026 **USGS Cooperative Water Program**

Agreement Period Oct 1, 2025 - Sept 30, 2026

Agreement # 26ZGJFA03000020

9/08/2025

Monterey County Water Resources Agency

Mr. Peter Kwiek
Associate Hydrologist
Monterey County Water Resources Agency
Post Office Box 930
Salinas, California 93902

USGS Contact:

Anthony Guerriero
2885 Mission Street
Santa Cruz CA 95060
(831) 460-7494
aguerrie@usgs.gov

Program Total = $311,260
USGS Cooperative Matching Funds = $55,050
Cooperator Total = $256,210

Type	Station Number	Station Name	Activity	Activity Cost	USGS Funds	Cooperator Funds
SW	11143000	Big Sur R nr Big Sur CA	Streamflow, continuous (CMF)	$ 28,050	$ 7,340	$ 20,710
SW	11143200	Carmel R a Robles Del Rio CA	Streamflow, continuous (CMF)	$ 28,050	$ 7,340	$ 20,710
SW	11147500	Salinas R a Paso Robles CA (50% Split with San Luis Obispo County FC&WD)	Streamflow, continuous (CMF)	$ 14,030	$ 3,670	$ 10,360
SW	11148900	Nacimiento R bl Sapaque C nr Bryson CA	Streamflow, continuous (CMF)	$ 28,050	$ 7,340	$ 20,710
SW	11149400	Nacimiento R bl Nacimiento Dam nr Bradley CA	Streamflow, continuous	$ 29,210	$ -	$ 29,210
SW	11149400	Nacimiento R bl Nacimiento Dam nr Bradley CA (Five Extra Measurments)	Discharge measurement	$ 2,950	$ -	$ 2,950
SW	11149900	San Antonio R nr Lockwood CA	Streamflow, continuous (CMF)	$ 28,050	$ 7,340	$ 20,710
SW	11151700	Salinas R a Soledad CA	Streamflow, continuous (CMF)	$ 28,050	$ 7,340	$ 20,710
SW	11151870	Arroyo Seco nr Greenfield CA (Operated October - April)	Streamflow, Seasonal	$ 17,550	$ -	$ 17,550
SW	11152050	Arroyo Seco bl Reliz C nr Soledad CA	Streamflow, continuous (CMF)	$ 28,050	$ 7,340	$ 20,710
SW	11152300	Salina R nr Chualar CA	Streamflow, continuous (CMF)	$ 28,050	$ 7,340	$ 20,710
SW	11152650	Reclamation Ditch nr Salinas CA (Adjusted 60% due to Weir)	Streamflow, continuous	$ 17,530	$ -	$ 17,530
SW	11149300	Nacimiento Res nr Bradley CA	Water Level/Reservoir, continuous	$ 10,220	$ -	$ 10,220
SW	11150100	San Antonio Res nr Bradley CA	Water Level/Reservoir, continuous	$ 10,220	$ -	$ 10,220
SW	Measurments	Annual Salinas River Survey (Two Measurements)	Discharge measurement	$ 1,180	$ -	$ 1,180
SW	New	Salinas River nr King City	Streamflow, Partial Range	$ 17,550	$ -	$ 17,550
SW	New	Salinas River nr King City	Refund 2025WY for work not completed	-$5,530	$ -	$ (5,530)

Summary of Monitoring Conducted in Cooperation with Other Agencies

SW	11147500	Salinas R a Paso Robles CA	Streamflow, continuous (CMF)	San Luis Obispo County
SW	11150500	Salinas R a Bradley CA	Streamflow, continuous	California Department of Water Resources
SW	11151300	San Lorenzo C bl Bitterwater C nr King City CA	Streamflow, continuous	USGS Federal Priority Streamgage
SW	11152000	Arroyo Seco nr Soledad CA	Streamflow, continuous	USGS Federal Priority Streamgage
SW	11152500	Salinas R a Spreckles CA	Streamflow, continuous	California Department of Water Resources
SW	11159000	Pajaro R a Chittenden CA	Streamflow, continuous	USGS Federal Priority Streamgage

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No. _____

APPROVE THE ANNUAL JOINT FUNDING AGREEMENT WITH THE UNITED STATES GEOLOGICAL SURVEY FOR STREAMGAGING AND RESERVOIR ELEVATION GAGING WORK IN MONTEREY COUNTY IN THE AMOUNT OF $256,210 AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENT

Upon motion of Director _____, seconded by Director _____, and carried by those members present, the Board of Directors hereby:

1. Approves the Annual Joint Funding Agreement with the United States Geological Survey for streamgaging and reservoir elevation gaging work in Monterey County in the amount of $256,210
2. Authorizes the General Manager to execute the Agreement.

PASSED AND ADOPTED on this **date** day of **Month Year**, by the following vote, to-wit:

BY: Mike LeBarre, Chair Board of Directors	ATTEST: Ara Azhderian General Manager

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Consider approving an Agreement for Services with GEI Consultants, Inc. in the amount of $226,815 for work to be performed related to the *Enhancing Predictive Tools and Operational Strategies for the Nacimiento and San Antonio Dams and Reservoirs Project* (Project). (Staff: Peter Kwiek)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Approve an Agreement for Services with GEI Consultants, Inc. in the amount of $226,815 and authorize the General Manager to execute the agreement.

SUMMARY/DISCUSSION:
In October, 2023, the Monterey County Water Resources Agency (Agency) submitted a grant application with the U.S. Department of the Interior - Bureau of Reclamation ("USBR") to receive $400,000 in funding (funds) for the *Enhancing Predictive Tools and Operational Strategies for the Nacimiento and San Antonio Dams and Reservoirs* project (Project). USBR issued a Notice of Award to the Agency on September 10, 2024. In October, 2024, the Agency Board of Directors adopted a resolution authorizing the Agency enter into an agreement with USBR to received the funds to proceed with the Project.

Subsequently, in the Spring of 2025, the Agency developed and issued a Request for Qualifications (RFQ) seeking a consultant to perform specific tasks related to the Project. After reviewing submittals from six firms, an Agency ad hoc Selection Committee selected a Statement of Qualification (SOQ) from GEI Consultants, Inc with Sonoma Water as a project participant on specific tasks. The attached Agreement is for Services with GEI, who will oversee and direct technical and grant supportive tasks to be completed by GEI and Sonoma Water staff, and Sonoma Water for the completion of specific project tasks. A separate agreement with Sonoma Water is expected to be finalized for Board consideration in October.

The Project aims to leverage recent improvements in reservoir modeling and forecasting technology to develop tools to aid in forecast informed operations of the Nacimiento and San Antonio Reservoirs with a long-term goal of maximizing storage of winter inflow while minimizing downstream flood risk.

The grant scope includes an evaluation of existing reservoir operational methods and tools; documentation of Agency decision-making processes to develop operational guidelines; development of updated tools to evaluate operational factors including reservoir inflow, elevation-dependent outlet capacity, joint operation of both reservoirs and the timing and coordination of releases with forecasted

flows in the Salinas River.

This action is consistent with the Agency's Strategic Plan for 2020-2025, specifically Goal B, Strategy 7 - Use data and analysis to make informed decisions based on science; and, Goal C, Strategy 6 - Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

OTHER AGENCY INVOLVEMENT:
At its September 6, 2025 meeting, the Agency Finance Committee recommended that the Board of Directors consider approving the subject agreement; Funding for the Project is provided in part by USBR.

FINANCING:
The total cost of the agreements will be funded by the FIRO grant.

The total Project cost is $545,605, spanning FY26-FY27 and requires at least 25% be funded with local match funds. The grant provides reimbursable funding of $400,000 or approximately 73% with the remaining 27% or $145,605 to be funded by the Agency. $226,815 of the awarded $400,000 will be allocated for GEI under the subject agreement while the remaining $173,185 will be used for work performed by Sonoma Water, under a separate agreement currently being finalized for later consideration. The Agency plans to use in-kind staff effort on eligible activities for cost share. Funding for consultant work (reimbursable by the grant) and Agency staff time have been included in the Adopted FY26 budget. Any remaining reimbursable funding and staff labor will be incorporated into future budgets through the end of the grant term.

The FY26 Adopted Budget of Fund 116 includes an estimated Project expense and has sufficient appropriations to pay for the agreement.

Prepared by: Peter Kwiek, Associate Water Resources Hydrologist, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. GEI Professional Service Agreement with Exhibits
2. Board Order

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

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The grant scope includes an evaluation of existing reservoir operational methods and tools; documentation of Agency decision-making processes to develop operational guidelines; development of updated tools to evaluate operational factors including reservoir inflow, elevation-dependent outlet capacity, joint operation of both reservoirs and the timing and coordination of releases with forecasted

flows in the Salinas River.

This action is consistent with the Agency's Strategic Plan for 2020-2025, specifically Goal B, Strategy 7 - Use data and analysis to make informed decisions based on science; and, Goal C, Strategy 6 - Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

OTHER AGENCY INVOLVEMENT:
At its September 6, 2025 meeting, the Agency Finance Committee recommended that the Board of Directors consider approving the subject agreement; Funding for the Project is provided in part by USBR.

FINANCING:
The total cost of the agreements will be funded by the FIRO grant.

The total Project cost is $545,605, spanning FY26-FY27 and requires at least 25% be funded with local match funds. The grant provides reimbursable funding of $400,000 or approximately 73% with the remaining 27% or $145,605 to be funded by the Agency. $226,815 of the awarded $400,000 will be allocated for GEI under the subject agreement while the remaining $173,185 will be used for work performed by Sonoma Water, under a separate agreement currently being finalized for later consideration. The Agency plans to use in-kind staff effort on eligible activities for cost share. Funding for consultant work (reimbursable by the grant) and Agency staff time have been included in the Adopted FY26 budget. Any remaining reimbursable funding and staff labor will be incorporated into future budgets through the end of the grant term.

The FY26 Adopted Budget of Fund 116 includes an estimated Project expense and has sufficient appropriations to pay for the agreement.

Prepared by: Peter Kwiek, Associate Water Resources Hydrologist, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. GEI Professional Service Agreement with Exhibits
2. Board Order

MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and GEI, a Corporation hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Scope of Work. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**:

   a) The scope of work is briefly described and outlined as follows:

      CONTRACTOR will design and develop a set of operational guidelines and supporting tools for improving the storage and release of winter inflows at Agency-owned reservoirs.

   b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on 915/2025 by CONTRACTOR and Agency, and will terminate on 6/30/2027, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is Two hundred, twenty six thousand, eight hundred fifteen dollars. ($ 226,815).

4. Monthly Invoices by CONTRACTOR; Payment.

a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@countyofmonterey.gov and to the Contract Administrator listed in Section 27.

c) CONTRACTOR agrees that Agency may withhold five percent (5%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.

d) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

e) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification.

5.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any

extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code sections 2782 or 2782.8, the broadest indemnity protection for the AGENCY under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

5.2 Indemnification for Design Professional Services Claims: CONTRACTOR shall indemnify, defend and hold harmless AGENCY, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of AGENCY, or defect in a design furnished by AGENCY, but in no event shall the amount of such CONTRACTOR's liability exceed such CONTRACTOR's proportionate percentage of fault as determined by a court, arbitrator or mediator, or as set out in a settlement agreement. In the event one or more defendants to any action involving such claim or claims against AGENCY is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, such CONTRACTOR shall meet and confer with the other parties to such action regarding unpaid defense costs.

5.3 Indemnification for All Other Claims or Loss:
For any claim, loss, injury, damage, expense or liability other than claims arising out of the CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless AGENCY, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of the AGENCY, or defect in a design furnished by the AGENCY.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the

work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination

of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractors, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractors showing each subcontractors has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000)****. The required endorsement form for Automobile Additional Insured endorsement is* ***ISO Form CA 20 48 02 99****.*

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If

the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subcontractors relating to this Agreement. Government Code section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of

the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic

negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Independent Contractor Compliance with Government Code Section 1097.6(c). This section applies to those situations when a contractor/consultant is awarded a contract for a preliminary phase of a project, with future phases to bid separately. This section does not apply to those situations when a contract is awarded for multiple phases of a project under a single contract/proposal. When applicable, and as described below, CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the Agency with any portion of the Agency's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Agency. The Agency shall at all times retain responsibility for public contracting, including with respect to any subsequent phase stemming from this Agreement. CONTRACTOR's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. CONTRACTOR shall cooperate with the Agency to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if applicable, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.

17. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

18. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

19. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

20. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

21. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

22. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

23. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

24. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

25. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

26. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

27. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be:

_____

Agency's designated administrator of this Agreement shall be:
Peter Kwiek

28. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY	TO CONTRACTOR
Name: Peter Kwiek, MCWRA	Name: GEI Consultants
Address: 1441 Schilling Pl., Salinas, CA 93901	Address: 11010 White Rock Road, Suite 200 | Rancho Cordova, CA 95670
Telephone: 831.755.4860	Telephone: 916.912.4792
Fax:	Fax:
E-Mail: kwiekpk@countyofmonterey.gov	E-Mail: rputty@geiconsultants.com

29. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats.

30. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

31. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

32. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work/ Work Schedule
    Exhibit B - Fee Schedule

33. Entire Agreement. As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:	**CONTRACTOR:**
BY:	BY:
Ara Azhderian General Manager	Type Name:
	Title:
Date:	Date:
	BY:
	Type Name:
	Title:
	Date:

* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

_____
Chief Assistant County Counsel

Dated: _____

Approved as to fiscal provisions:

_____
Administrative Analyst

Dated: _____

_____
County Counsel – Risk Manager:

Dated: _____

_____
Auditor-Controller [2]:

Dated: _____

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

Scope of Work

The GEI Team will assist Monterey County Water Resources Agency (MCWRA) with enhancing predictive tools and operational strategies for the Nacimiento and San Antonio Dams and Reservoirs to support water resource management objectives. The project aims to improve reservoir operations by integrating advanced forecasting and modeling capabilities that support water supply management, groundwater recharge, flood management, and riverine habitat restoration. This work will build upon existing policies and procedures, ensuring operational decisions align with MCWRA's water rights while optimizing the beneficial use of stored water under changing hydrologic conditions.

The GEI Team brings a uniquely integrated approach to implementing FIRO to enhance water supply reliability for the MCWRA. Leveraging decades of experience in California reservoir operations, hydrologic modeling, and climate science, GEI's FIRO strategy combines cutting-edge forecasting technologies with system-specific operational expertise tailored to the Nacimiento and San Antonio Reservoirs.

Our methodology begins with a comprehensive assessment of current reservoir operations, infrastructure constraints, and water supply objectives. Building on this foundation, the GEI Team will integrate advanced ensemble flow forecasts from the CNRFC with state-of-the-art reservoir simulation models (e.g., HEC-ResSim and/or custom Python-based tools) to evaluate a wide range of hydrometeorological scenarios. The team will calibrate and validate models using historical data.

A central component of our approach is the co-development of FIRO decision-support tools and dynamic operating procedures in close collaboration with MCWRA. The GEI Team emphasizes operational flexibility and resilience, ensuring that new procedures are not only technically sound but also actionable under real-time conditions. These tools will quantify trade-offs between flood risk management, water supply yield, and ecosystem needs—offering MCWRA a transparent and science-driven framework for adaptive decision-making. To meet operating requirements, we will coordinate with the California Division of Safety of Dams (DSOD) on any proposed operating procedures that may require the current certificate of approval to be altered.

By integrating the latest forecasting science with agency stakeholder-informed operational strategies, the GEI Team will deliver a robust FIRO implementation plan that improves reservoir efficiency, enhances drought resilience, and aligns with regional water management goals. Our approach reflects GEI's commitment to innovation, practicality, and long-term water resource sustainability.

In addition to flood and water supply goals, the FIRO approach also considers ecological and water quality benefits.

Upon completion of this Project:

- MCWRA will have a FIRO framework to evaluate the viability of FIRO for the Salinas River. A real time operations dashboard will be developed that will allow reservoir managers and operators to become familiar with FIRO concepts and assess the feasibility of future implementation.
- MCWRA will have an implementable plan to integrate the DST into MCWRA's current decision-making process.
- MCWRA will have a summary of needs and estimated costs for long-term FIRO support.

The GEI Team includes qualified staff from GEI as well as support from Sonoma Water to leverage their years of experience to evaluate FIRO and develop decision support tools to support real-time operations. GEI will manage all project tasks covered under this agreement. GEI and Sonoma Water's respective responsibilities for each task are identified in the Scope of Work below. Sonoma Water's contributions will be compensated through a separate agreement with MCWRA.

Task 1: Information Gathering

Implementation of a FIRO framework will require an initial review of all modeling and decision support components. A tailored reservoir operations decision support system will require design based on specific water management requirements, data availability and current capabilities of the MCWRA modeling system. Additionally, development of this system will require the acquisition of data to drive models and aid in decision making. Our approach to Task 1 focuses on establishing a robust foundation for the FIRO framework by conducting a comprehensive evaluation of MCWRA's current reservoir operations and collecting essential hydrologic and forecasting data.

Leveraging the GEI Team's deep expertise in flood control modeling and reservoir operations, we will accomplish the objective of Task 1 through four steps:

1. Summarize MCWRA operations and system constraints and acquire additional necessary information through coordination with MCWRA engineers and operators. (GEI and Sonoma Water)
2. Review and evaluate existing capabilities of the MCWRA reservoir operation/flood management tools. (GEI)

3. Gather and review pertinent historical data for model development. (GEI and Sonoma Water)
4. Review available hindcast data and determine reasonable data streams for real-time reservoir simulations. (GEI and Sonoma Water)

Steps 1) and 2) are described in the following section (Current System Review and Evaluation), and steps 3) and 4) are described in "Model Data Gathering."

Current System Review and Evaluation

As an initial step, the GEI Team will review the current reservoir system within the Salinas River watershed. Leveraging prior experience within the Salinas River, we will evaluate systemwide constraints to support the development of the FIRO framework. Consideration of the current operations and system constraints will include analysis of existing water supply agreements, water rights holders at and downstream of flood control operation locations (e.g., Nacimiento and San Antonio Reservoirs, Salinas River Diversion Facility), overlaid with governing requirements of dam safety, flood control, conservation and fisheries releases, and climate. Using our experience in assessing and developing watershed operational control systems, we will evaluate the current and historical operations concerning flood control releases from MCWRA-managed reservoirs.

After assessing the operational constraints within the Salinas River watershed, the GEI Team will evaluate the existing reservoir management tools used by MCWRA. GEI Team members will assess the usage of existing tools, identifying their utility in a FIRO framework and ensuring existing capabilities are carried forward into a new system.

Model Data Gathering

Historical data, including observed flows and reservoir stage information, will be essential for model development for the FIRO system. Data gathering work will begin with the identification of available data sources, working with MCWRA first to identify readily available data, and reaching out to other agencies as necessary (e.g. USGS, California Data Exchange Center (CDEC), USACE).

Development of a real-time operations model framework will require information about the hydrologic forecasts that drive the reservoir models. Based on previous FIRO applications, natural flow forecasts will be gathered from the Hydrologic Ensemble Forecast System (HEFS) and other forecast products. The GEI Team will work with the CNRFC to gather all available hindcasts, which will be necessary to create operating rules and review performance under historical scenarios. As a part of gathering hindcast information, the GEI Team will develop an approach to real-time data gathering of the forecast information required for developing a real-time operations model framework.

GEI will lead the above approach to information and data gathering to achieve the objectives of Task 1, and to lay the groundwork for real-time operation model and decision support tool development in subsequent tasks. Sonoma Water's role for Task 1 will be to advise GEI on Task 1 objectives and outcomes needed to support other project tasks. Two deliverables will be provided:

Deliverable 1: A memo summarizing the review of current operations, system constraints and existing tools used by MCWRA for flood control operations as well as a summary of the data organization for Deliverable 2.

Deliverable 2: Model and forecast data packaged for the support of later tasks.

Task 2: Develop Models to Simulate Historical Conditions

The GEI Team will develop a reservoir operations model to represent the physical system and will include Nacimiento and San Antonio Reservoirs, and downstream reaches of the Salinas River to the City of Soledad. Sonoma Water will lead the development of the model using the latest version of the Ensemble Forecast Operations (EFO) model base code that has been developed to support previous FIRO projects including Lake Mendocino, Prado Dam, and the Yuba Feather River system. GEI's role for Task 2 will be to advise Sonoma Water on the Task 2 scope and deliverables, review Task 2 deliverables, and coordinate and track Task 2 activities relative to the overall project requirements (scope, schedule, budget, and deliverables). The model developed for the Salinas River will incorporate hydrology and hindcasts of the HEFS prepared by the CNRFC for the period 2010 through 2023. GEI will also assess the need to develop reservoir operations models in other software platforms, such as HEC-ResSim, to assist with model validation and enable future integration with other DST platforms such as the California Department of Water Resources (DWR) Forecast-Coordinated Operations (F-CO) framework.

Working closely with MCWRA, GEI will advise Sonoma Water with developing simulations of existing flood control operations of Nacimiento and San Antonio for 5 high flow events sampled from the CNRFC hydrology. Simulations of existing operations will incorporate reservoir rules such as reservoir guide curves, release rate of change, and downstream objective flow rules. We will work with MCWRA to validate these simulations comparing simulation results of storage, release, and downstream flows to observed conditions. Modifications to model parameters may be made to improve validation.

GEI will advise Sonoma Water with developing the EFO flood control alternative approach for Nacimiento and San Antonio Reservoirs, which will require close coordination with MCWRA. The EFO approach uses ensemble streamflow predictions to forecast the probability or risk of exceeding critical operational thresholds. Reservoir releases are

formulated that mitigate the forecasted risk to a defined risk tolerance profile. Additional FIRO alternatives may be assessed, such as an alternative that utilizes deterministic streamflow forecasts, if adequate information and resources to complete the assessment of additional alternatives are available. GEI and Sonoma Water will work with MCWRA engineers and operators to determine the project objectives and identify critical thresholds of reservoir storage and downstream flows. Risk tolerance curves will be calibrated to optimize system performance to meet project objectives. Calibration will be completed through simulation of historical floods using hydrology and hindcasts developed by the CNRFC.

In addition, the GEI Team understands that MCWRA has been working on the Interlake Tunnel project, which has been under consideration since 1991, represents a long-standing regional water management challenge. While the current scope does not include a comprehensive system operations model for the Interlake Tunnel, our approach will maintain flexibility to potentially incorporate tunnel-related considerations in future iterations. This allows us to develop tools that can adapt to evolving regional water management needs and potentially support broader infrastructure planning objectives.

The deliverables from Task 2 include:

- **Technical Memo.** GEI will advise Sonoma Water with preparing a technical memo (Model and Simulation Memo) for MCWRA documenting the development of the model, validation of existing operations, and the development and calibration of the FIRO alternatives for Nacimiento and San Antonio.
- **Model.** GEI will advise Sonoma Water with providing the Model and Simulation Memo that will include summaries of simulation results to demonstrate performance of FIRO alternatives relative to simulations of existing operations, and discussion as to whether the identified Project objectives associated with critical thresholds of reservoir storage and downstream flows were met.
- **Model**: GEI will advise Sonoma Water with providing the EFO model source code and input files.
- **Model Results.** GEI will advise Sonoma Water with providing model results in a comma-separated values (CSV) file format.

Task 3: Develop Real-Time Operations Model Framework and Operations Dashboard

A critical component for the implementation of FIRO is the development of a decision support system that can provide operators and water managers with a dashboard of important operational information to allow for rapid and informed decision-making.

GEI and Sonoma Water will employ a comprehensive, scalable approach to develop a proof-of-concept level real-time operations DST modeling framework and dashboard utilizing the reservoir operations model developed through **Task 2.** The initial DST developed under this scope will allow reservoir managers and operators to evaluate forecast results and release recommendations in real-time to become familiar with FIRO concepts and assess the feasibility of future implementation. The model framework and dashboard will be tailored to the operational and forecasting needs of MCWRA and will leverage observed hydrology and HEFS forecasts from the CNRFC to formulate recommended reservoir release schedules on a daily or sub daily basis. The GEI Team will work closely with MCWRA to design a system that suits the agency's IT infrastructure and workflow.

Key features of the DST include the following.

- Import, formatting, and QA for hindcast and forecast boundary conditions. This includes importing CNRFC ensemble forecast data.
- Managing model runs, including organizing forecast configuration and boundary condition data, executing the model runs, managing model output.
- Post processing and analysis of model results.

Sonoma Water, with support from GEI, will develop data extraction and web scraping tools to obtain required data from online sources such as observed reservoir storage levels, downstream flows, and HEFS forecasts from the CNRFC. Sonoma Water, with support from GEI, will develop a database structure to store and archive observed hydrology and forecasts used for the real time operations model.

The forecasting model will run within a flexible compute environment (cloud or on-premises), equipped with observability features such as logging, performance metrics, and alerts. Emphasis will be placed on maintaining security, data integrity, and compliance with best practices in water resources forecasting.

The GEI Team will work closely with MCWRA to create a user-friendly dashboard to support real time operations of Nacimiento and San Antonio Reservoirs. Sonoma Water, with support from GEI, will develop an initial draft of a dashboard based on experience with developing dashboards for other FIRO projects (Lake Mendocino, Lake Sonoma and Prado Dam). Dashboards will include forecasted reservoir storage, forecasted downstream flows, and forecasted risk of exceeding critical operations thresholds.

As a standard practice, the GEI software development team utilizes a modern devOps workflow for full software life cycle management including version control, issue tracking, testing, software build systems, and artifact management. Our team has utilized these

methodologies to develop and maintain long-lived enterprise systems for public agencies for more than two decades.

Deliverables from Task 3 will include initial implementation of the DST and presentation of DST analysis projects in a dashboard display. While the precise form of the DST and supporting dashboard will be developed in collaboration with MCWRA through this project, we expect the software to have the following characteristics:

- GEI will advise Sonoma Water with providing the DST that will incorporate the EFO model developed through Task 2 and will run either on a workstation, local server, or cloud instance. Internet connectivity will be required to allow automatic data collection of boundary condition data. Forecast simulations will be initiated manually or on a time schedule, and DST output graphics and text will be saved to a location accessible for dashboard reporting.
- The dashboard will present tabular and/or graphical results from individual simulations performed by the DST along with descriptive text. We expect the dashboard to be accessed through a web browser, although it is also possible to provide the dashboard as a desktop software application if that is preferred by MCWRA.

Task 4: Develop a Decision Support Tool (DST) Implementation Plan to Update Existing Operating Procedures and Train Staff

The GEI Team will develop an Implementation Plan for the FIRO DST that will include the following components: FIRO DST Computation Needs, Virtual Operations (**optional**), a FIRO DST Integration Plan, and FIRO DST Training. Each of these components are described in further detail below.

FIRO DST Computation Needs

GEI, with support from Sonoma Water, will assess computational needs and requirements to host the DST and work with MCWRA to develop and evaluate hosting options such as using existing networks used by MCWRA or hosting the DST on an off-site network such as a cloud-based service and/or other resources.

Virtual Operations (Optional)

To get a sense of how FIRO would play out – but in a safe environment – virtual FIRO-based operations can be developed. Virtual operations will simulate real time reservoir and downstream conditions as if the reservoir releases provided by the reservoir operations model developed in Task 2 and 3 are fully implemented. This will allow operators to compare current operations to the decisions recommended by the EFO model, helping to

gain a better understanding of the FIRO DST and to possibly identify areas of future improvement of the DST for future seasons. GEI, with support from Sonoma Water, will assess the information and time available to develop Virtual Operations simulations and can make recommendations to MCWRA on pursuing this option. This approach has been used successfully at Lake Mendocino and Prado Dam.

FIRO DST Integration

GEI with support from Sonoma Water will work with MCWRA to evaluate existing operational tools and identify a process to integrate the FIRO DST developed in Tasks 2 and 3 into the existing operational framework. This may also include a plan to update the water control manuals for Nacimiento and San Antonio Reservoirs to modify any existing reservoir rules and policies that may be needed to fully implement FIRO. Additionally, the GEI Team will assess needs and costs for long-term support, maintenance and refinement of the DST to support operators.

GEI, with support from Sonoma Water, will assist MCWRA with conceptualizing the DWR F-CO framework as the foundation of the MCWRA DST. The F-CO, which is managed by DWR, is a program that works with water management agencies to facilitate the coordination of reservoir operations using forecast information. DWR has been supportive of local efforts to stand up an F-CO and our relationships with F-CO staff at DWR will make such an effort a truly collaborative process. The F-CO program utilizes a common web-based user interface that leverages additional DWR resources such as the CDEC for hosting DSTs and accessing real time observations and forecasts. F-CO also holds recurring management agency coordination meetings, annual workshops, and training exercises each Fall to prepare reservoir operators and water managers for the upcoming winter season. The integration plan will include an assessment of feasibility and potential benefits of integrating the FIRO DST into the F-CO program.

FIRO DST Training

GEI with support from Sonoma Water will provide a 1-day training workshop to MCWRA to introduce and train MCWRA operators and engineers on the FIRO DST. This will be an in-person workshop with role-specific training to build capacity within MCWRA. The training will include the development of a workbook with a step-by-step guide that trainees can annotate. Any lessons learned from the training will be incorporated and the updated product will be delivered to MCWRA as a user's manual.

The deliverables from Task 4 include a 1-day training workshop and the DST Implementation Plan document that includes the following components:

- An evaluation of the computational and hosting requirements

- Development and assessment of hosting options
- Virtual Operations Scenario (**Optional**)
- FIRO DST Integration
- FIRO DST Training Program

Task 5: WaterSmart Grant Support

While developing an exceptional DST and DST Implementation Plan will be the measure of success for project outcomes, meeting the administrative and reporting requirements of the WaterSMART Grant Agreement (Grant Agreement), held between MCWRA and U.S. Bureau of Reclamation (USBR), is also a critical part of the project. GEI, with support from Sonoma Water, will document the outcomes of the project in a draft and final report. Per the Grant Agreement, the report will include the following:

a. Discussion as to whether the Project objectives and goals were met;
b. Discussion of the benefits achieved by the Project, including project outcomes and relevant information supporting the benefits; and
c. How the Project improves long-term resiliency to drought.

As the project progresses, GEI will provide supporting information to assist MCWRA with completion of semi-annual Interim Performance Reports to USBR to comply with the Grant Agreement requirements. Supporting information provided by GEI, with support from Sonoma Water, to MCWRA for each Interim Performance Report will include:

- A comparison of actual accomplishments to the milestones established for the reporting period;
- The reasons why established milestones were not met, if applicable;
- The status of milestones from the previous reporting period that were not met, if applicable;
- Whether the project is on schedule and within the original cost estimate;
- Any additional pertinent information or issues related to the status of the project.

The deliverables from Task 5 include:

- Draft and Final Project Report
- Participation in a BOR-Sponsored Webinar (upon request)
- Supporting information for MCWRA to use in semi-annual Interim Performance Reports. MCWRA will be responsible for preparing and submitting all forms and reports to USBR required by the Grant Agreement.

Work Schedule

For the above GEI Team Scope of Work, the following schedule will be followed:

Task	Description of Milestone Item	Timeframe
1	Complete Information Gathering	November 30, 2025
2	Complete model to simulate historical conditions	April 30, 2026
3	Complete operations model framework and dashboard	July 31, 2026
4	Complete DST Implementation Plan	September 30, 2026
5	Complete Draft Project Report	September 30, 2026
5	Complete Final Project Report	September 30, 2026
5	Input to MCWRA Project Completion Webinar to BOR	September 30, 2026

Task descriptions and timelines may be modified by agreement of both parties. Task cost and individual staff effort is estimated and may be shifted between tasks with Agency approval.

EXHIBIT B
FEE SCHEDULE

The table below summarizes GEI's estimated cost for tasks described in Exhibit A: GEI Scope of Work / Work Schedule.

Estimated Project Cost by Task	
Task	**Estimated Cost**
Task 1: Information Gathering	***$22,589***
Task 2: Develop Models to Simulate Historical Conditions	***$26,146***
Task 3: Develop Realtime Operations Model Framework and Operations Dashboard	***$97,012***
Task 4: Develop Decision Support Tool Implementation Plan and Train Staff	***$64,515***
Task 5: WaterSMART Grant Support	***$16,553***
Project Total	**$226,815**

The GEI Cost Estimate Detail and 2025 GEI Standard Fee Schedule with Hourly Rates is provided on the following pages.

GEI Cost Estimate Detail

Task No.	Description	Grade 8	Grade 7	Grade 6	Grade 5	Grade 4	Grade 3	Grade 2	Grade 1	Admin	Labor Subtotals		Other Direct Costs	Total Project Costs
											Hours	Costs		
		$370 /hr	$331 /hr	$278 /hr	$244 /hr	$207 /hr	$184 /hr	$168 /hr	$153 /hr	$137 /hr	Hrs	$	$	$
1	**Information Gathering**													
	Kickoff Meeting	2	2								4	$1,402		$1,402
	Review Physical and Operational Setting of the Salinas River	1	1	4	4	8					18	$4,445		$4,445
	Evaluate MCWRA reservoir operation/flood management tools	1	1	4	4	8					18	$4,445		$4,445
	Gather and review historical data			2	4	16					22	$4,844		$4,844
	Gather and review hindcast			2	4	8					14	$3,188		$3,188
	Task 1 Summary Memo	1	1	4						4	10	$2,361		$2,361
	Client Meeting	2	2							1	5	$1,539	$365	$1,904
		7	**7**	**16**	**16**	**40**				**5**	**91**	**$22,224**	**$365**	**$22,589**
2	**Models and Simulations**													
	Develop Reservoir Operations Model		4	12							16	$4,660		$4,660
	Develop simulations of existing flood control operations		4	12							16	$4,660		$4,660
	Develop the EFO flood control alternative approach		4	4							8	$2,436		$2,436
	Determine project objectives and identify critical thresholds	4	4	4							12	$3,916		$3,916
	Draft Model and Simulation Memo	4	4	4	4	8				4	28	$7,096	$122	$7,218
	Final Model and Simulation Memo	2	2	2	2	2				2	12	$3,134	$122	$3,256
		10	**22**	**38**	**6**	**10**				**6**	**92**	**$25,902**	**$244**	**$26,146**
3	**DST Framework and Dashboard**													
	Requirements meeting with MCWRA Staff	4	4	2							10	$3,360		$3,360
	Decision Support Tool (DST)/Dashboard Design	4	12	24	4	46					90	$22,622		$22,622
	Design Review with MCWRA Staff	4	8	24	4	30					70	$17,986		$17,986
	DST Implementation	4	8	24	4	36				5	81	$19,913	$200	$20,113
	Dashboard Implementation	4	8	24	4	36				5	81	$19,913	$200	$20,113
	DST/Dashboard Demonstration	4	8	16	4	12				4	48	$12,584	$234	$12,818
		24	**48**	**114**	**20**	**160**				**14**	**380**	**$96,378**	**$634**	**$97,012**
4	**DST Implementation Plan**													
	FIRO DST Training Workshop (1 day)	8	16	32	8	48				4	116	$29,588	$200	$29,788
	FIRO DST Computation Needs and Integration Plan	8	16	48	8	48				8	136	$34,584	$143	$34,727
		16	**32**	**80**	**16**	**96**				**12**	**252**	**$64,172**	**$343**	**$64,515**
5	**WaterSMART Grant Support**													
	Project Completion Webinar	1	4	2		2					9	$2,664		$2,664
	Draft Project Report	1	8	4		8				4	25	$6,334	$200	$6,534
	Final Project Report	1	4	4		4				2	15	$3,908	$201	$4,109
	Interim Progress Reports	1	2	4		4				2	13	$3,246		$3,246
		4	**18**	**14**	**0**	**18**				**8**	**62**	**$16,152**	**$401**	**$16,553**
	Project Direct Costs													
	HOURLY TOTALS	**122**	**254**	**524**	**116**	**648**	**0**	**0**	**0**	**90**	**1,754**			
	PROJECT COST TOTALS	**$45,140**	**$84,074**	**$145,672**	**$28,304**	**$134,136**	**$0**	**$0**	**$0**	**$12,330**		**$224,828**	**$1,987**	**$226,815**

FEE SCHEDULE

Personnel Category	*Hourly Billing Rate* $ per hour
Staff Professional – Grade 1	$ 153
Staff Professional – Grade 2	$ 168
Project Professional – Grade 3	$ 184
Project Professional – Grade 4	$ 207
Senior Professional – Grade 5	$ 244
Senior Professional – Grade 6	$ 278
Senior Professional – Grade 7	$ 331
Senior Consultant – Grade 8	$ 370
Senior Consultant – Grade 9	$ 451
Senior Principal – Grade 10	$ 451
Senior Drafter and Designer	$ 184
Drafter / Designer and Senior Technician	$ 168
Field Professional	$ 170
Technician, Word Processor, Administrative Staff	$ 137
Office Aide	$ 107

These rates are billed for both regular and overtime hours in all categories.
Rates will increase up to 5% annually, at GEI's option, for all contracts that extend into the next calendar year. Rates for Deposition and Testimony are increased 1.5 times.

OTHER PROJECT COSTS

Subconsultants, Subcontractors and Other Project Expenses - All costs for subconsultants, subcontractors and other project expenses will be billed at cost plus a 15% service charge. Examples of such expenses ordinarily charged to projects are subcontractors; subconsultants: chemical laboratory charges; rented or leased field and laboratory equipment; outside printing and reproduction; communications and mailing charges; reproduction expenses; shipping costs for samples and equipment; disposal of samples; rental vehicles; fares for travel on public carriers; special fees for insurance certificates, permits, licenses, etc.; fees for restoration of paving or land due to field exploration, etc.; state and local sales and use taxes and state taxes on GEI fees. The 15% service charge will not apply to GEI-owned equipment and vehicles or in-house reproduction expenses.

Field and Laboratory Equipment Billing Rates – GEI-owned field and laboratory equipment such as pumps, sampling equipment, monitoring instrumentation, field density equipment, portable gas chromatographs, etc. will be billed at a daily, weekly, or monthly rate, as needed for the project. Expendable supplies are billed at a unit rate.

Transportation and Subsistence - Automobile expenses for GEI or employee owned cars will be charged at the rate per mile set by the Internal Revenue Service for tax purposes plus tolls and parking charges or at a day rate negotiated for each project. When required for a project, four-wheel drive vehicles owned by GEI or the employees will be billed at a daily rate appropriate for those vehicles. Per diem living costs for personnel on assignment away from their home office will be negotiated for each project.

PAYMENT TERMS

Invoices will be submitted monthly or upon completion of a specified scope of service, as described in the accompanying contract (proposal, project, or agreement document that is signed and dated by GEI and CLIENT).

Payment is due upon receipt of the invoice. Interest will accrue at the rate of 1% of the invoice amount per month, for amounts that remain unpaid more than 30 days after the invoice date. All payments will be made by either check or electronic transfer to the address specified by GEI and will include reference to GEI's invoice number.

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No. _____

APPROVE AGREEMENT FOR SERVICES WITH GEI CONSULTANTS, INC. IN THE AMOUNT OF $226,815 FOR WORK TO BE PERFORMED RELATED TO THE ENHANCING PREDICTIVE TOOLS AND OPERATIONAL STRATEGIES FOR THE NACIMIENTO AND SAN ANTONIO DAMS AND RESERVOIRS PROJECT AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENTS

Upon motion of _____, seconded by _____, and carried by those members present, the Board of Directors hereby:

1. Approve agreements with GEI Consultants, Inc. in the amount of $226,815 for work to be performed related to the *Enhancing Predictive Tools and Operational Strategies for the Nacimiento and San Antonio Dams and Reservoirs Project*; and

2. Authorize the General Manager to execute the Agreement.

PASSED AND ADOPTED on this **15th** day of **September 2025**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Mike LeBarre, Chair
Board of Directors

ATTEST: Ara Azhderian
General Manager

Introduced: 9/10/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Consider receiving an update on the MCWRA activities related to the Salinas Valley Basin Groundwater Sustainability Agency's Subgrant Agreements.(Presenter: Shaunna Murray)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Receive an update on the MCWRA activities related to the Salinas Valley Basin Groundwater Sustainability Agency's Subgrant Agreements.

SUMMARY/DISCUSSION:
On September 19, 2022 the Board of Directors authorized the General Manager to enter into a Subgrant Agreement with the Salinas Valley Basin Groundwater Sustainability Agency ("SVBGSA") to receive funding from the State of California Department of Water Resources for Sustainable Groundwater Management related to Grant Agreement Number 4600014638, in the amount of $3,690,000, to financially support the Monterey County Water Resources Agency's ("Agency") involvement with certain components of the SVBGSA's Round 1 (SGM Round 1) Implementation projects. Subsequent amendments have been approved and executed for a new total of $3,483,300.

The work plan in the SGM Round 1 Subgrant Agreement provided funding for the Agency to work collaboratively with the SVBGSA on activities associated with planning, development, preparation, and/or implementation of the Dry Chlorine Scrubber Upgrade; Castroville Seawater Intrusion Project Distribution System Upgrades; Interested Parties Outreach and Engagement; Feasibility Studies on Aquifer Storage and Recovery; Demand Management Feasibility; Compliance Reporting and Data Expansion; Operationalizing Deep Aquifers Study Recommendations, and grant administration tasks

In 2024, the SVBGSA and Marina Coast Water District Groundwater Sustainability Agency ("MCWDGSA") were awarded funding from the State of California Department of Water Resources for Sustainable Groundwater Management Round 2 ("SGM Round 2") Implementation Grants. The SGM Round 2 grants to the SVBGSA and MCWDGSA include tasks related to expanding well registration and groundwater extraction reporting programs for compliance with the Sustainable Groundwater Management Act ("SGMA"); these tasks are a continuation of work that the Agency has been collaborating on with the SVBGSA through a SGM Round 1. The SGM Round 2 Implementation Grant also includes work to engage interested parties in to further develop and study various GSP implementation projects. Those studies include the Castroville Seawater Intrusion Expansion, Brackish Groundwater Restoration Project, Reservoir Re-operations, and the Castroville and Eastside Canals Project and Alternatives.

Since 2022, staff has been working on the components of the subgrant agreements and will present updates on those components, status of completion of those items as well as some next steps.

Agency efforts on the work covered by the Subgrant Agreements align with Agency Strategic Plan Goal B - Strategy 2: Collaborate with location Groundwater Sustainability Agencies, define MCWRA's role, and implement a GSA integration plan and Goals C - Strategy 6: Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

OTHER AGENCY INVOLVEMENT:
The California Department of Water Resources administers the grant agreements. The SVBGSA administers the subgrant agreements, leads many of the components of the grant agreements and collaborates with the Agency.

FINANCING:
Staff time to participate in the subgrant activities and staff updates is included in the FY2026 approved budget and are funded through the two subgrant agreements with the SVBGSA and one subgrant agreement with the MCWDGSA.

Prepared by: Shaunna Murray, Deputy General Manager, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. Presentation
2. Board Order

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Prepared by: Shaunna Murray, Deputy General Manager, (831) 755-4860
Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:
1. Presentation
2. Board Order



TODAY'S ACTION

Update on the MCWRA activities related to the Salinas Valley Basin Groundwater Sustainability Agency's Subgrant Agreements



Background

- Local Groundwater Sustainability Agencies (GSAs) have received State funding for studies and projects that rely on Agency programs, permits, water rights, and infrastructure
- Subgrant agreements have been developed between the SVBGSA and Agency to cover staff time to participate in, advise on, or complete various studies and activities.



Prior BOD Action

- Approved Subgrant Agreement and Amendments for services in support of Sustainable Groundwater Management Act Implementation Grant, Round 1
  - September 2022: original agreement totaling $3,690,000
  - July 2023: amendment 1 for an additional $131,000 for services and revised work plan (total $3,821,000)
  - June 2024: amendment 2 to align with grant deadline and reduce grant total by $341,000 (total $3,480,000)
  - February 2025: amendment 3 for an additional $1,500, revised work plan and time extension (total $3,483,300)
- Approved Subgrant Agreement and Amendment for services in support of Sustainable Groundwater Management Act Implementation Grant, Round 2
  - January 2025: original agreement totaling $250,000
  - February 2025: amendment 1 for an additional $150,000 for services (total $400,000)

Financial Impact

- Subgrant Agreement Round 1 is for an amount not to exceed $3,483,300 allocated to staff time and other project costs related to planning, design and implementation
- Subgrant Agreement Round 2 is for an amount not to exceed $400,000 and has been allocated to staff time to complete the projects and coordination
- No required matching funds or cost share from the Agency



Strategic Plan Alignment

Agency work under the Subgrant Agreements aligns with the Strategic Plan

- **Goal B, Planning and New Projects**
  - **Strategy 1** - Expand and optimize the CSIP system.
  - **Strategy 2** - Collaborate with local Groundwater Sustainability Agencies, define MCWRA's role, and implement a GSA integration plan.
  - **Strategy 3** - Identify new water projects for development, utilizing existing or new water rights in collaboration with the GSA.
- **Goal C, Financial Sustainability**
  - **Strategy 6** – Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

Discussion

- **Both the SVGBSA and MCWRA have crucial roles related to the management of regional water supplies**
- **MCWRA staff is participating in various processes as memorialized in the relevant agreements in place**
  - Continue to collect and expand groundwater monitoring for evaluation of current conditions and to inform decisions
  - Focus on evaluating GSPs Management Actions for feasible implementation
    - Priority questions include:
      - How do current facilities and operations work?
        - » Are there missed opportunities?
        - » What can be improved/done differently?
      - How much water is available?
      - When is the water available?
      - Where is the water available?
      - What can we do with the water, e.g., storage vs direct use?
    - Projects all have ambitious timeframes

Discussion

SGMA Goals

- Avoid undesirable results to demonstrate that a basin is operating within its sustainable yield (Water Code 10721)
- Set measurable objectives that have a reasonable margin of operational flexibility above the minimum thresholds (SMC BMP pg 27)
- Design projects and management actions to meet the measurable objectives (SMC BMP pg 27)

GSP Implementation

- Reach Sustainability in 20 years (2040/2042)
- Consider 6 Sustainability Indicators



Types of Activities

Existing Facility/Operations Studies and Improvements:

- Dry Chlorine Scrubber Upgrade at Recycled Water Plant
- CSIP System & Operations Hydraulic Modeling
  - CSIP Distribution System Upgrades
  - Water scheduling system
  - Input on development of a Recycled Water Master Plan
- CSIP Distribution system booster enhancements

New Project Studies:

- Feasibility study on Aquifer Storage and Recovery
- Assessment of project constraints related to Agency permits and policies.
- Feasibility study for NSIP/CSIP Expansion
- Advise on Brackish Groundwater Restoration Project
- Reservoir operations modeling
- Castroville and Eastside Canals and Alternatives

Data Collection, Analysis and Monitoring:

- Expansion of Groundwater Monitoring Program
- Monitoring plan for the Deep Aquifers
- Water quality sampling to provide data for the Brackish Groundwater Restoration Project



Existing Facility Improvements: Dry Chlorine Scrubber Upgrade at Recycled Water Plant COMPLETED

Overview:

The Dry Chlorine Scrubber Upgrade at the Salinas Valley Reclamation Project (SVRP) reduces the annual maintenance requirements for the treatment system and increases the number of days that recycled water is available for delivery to CSIP users. M1W has had to shut down its tertiary treatment process every winter for maintenance of the existing chlorination system to comply with hazardous materials plan requirements and maintain its reliability. During that period, river water is also not permitted for diversion and use; therefore, the system must rely solely on groundwater from CSIP supplemental wells to deliver irrigation water to farmers in the seawater-intruded area. If a chlorine leak should occur during the summer, the entire treatment plant and river diversion facility would have to be shut down for repairs, also forcing CSIP to rely on groundwater.

This Component implements the first phase of GSP Priority Project #3: CSIP Winter Modifications through installing a dry chlorine scrubber system to replace the existing wet scrubber system. Chlorine is used to disinfect both recycled and surface water. The previous scrubber system used liquid caustic chlorine scrubbers to contain and remove toxic gaseous chlorine from the air in the event of an accidental release from the chlorine containment system. The new system incorporates two dry scrubbers into the existing chlorination system. The dry scrubbers are much safer to operate due to the elimination of liquid caustic ammonia which is a hazardous material that is corrosive to the system. The new system utilizes two scrubber tanks so that one is always available during maintenance of the other.



Existing Facility Improvements: CSIP Hydraulic Modeling IN PROGRESS

Technical Memo Overview:

The report documents the development, calibration, and application of a new hydraulic computer model for the CSIP distribution system. The purpose of this study is to replace the previous hydraulic model, evaluate existing CSIP distribution system capacity and performance under peak irrigation demands, and provide recommendations to guide MCWRA's capital improvement planning and long-term operational strategies, with the goal of optimizing existing operations and minimizing reliance on supplemental groundwater wells.

Existing Facility Improvements: CSIP Hydraulic Modeling

Outcomes: recommended system improvements to address hydraulic constraints, minimize reliance on groundwater, while enhancing system redundancy and reliability.

CIP 1 – Rodgers Loop Check Valve and Pressure Relief Valve

Installation of a check valve and pressure relief valve along the 24-inch pipe at Rodgers Loop prevents the Espinosa Booster Pump Station from recirculating through the loop, thereby improving pumping efficiency.

CIP 2 – Second CSIP Storage Pond Outlet Pipe

Construction of a new 30-inch outlet pipeline from the CSIP Storage Pond to Turnout 78 increases conveyance capacity across the Salinas River and provides operational redundancy for the existing 51-inch outlet pipe.

CIP 3 – In-System Storage and Booster Pump Station

Construction of 10–12.5 million gallons of new water storage with a booster pump station on the northeastern side of the CSIP distribution system adjacent to Blackie Road creates a secondary pressurized supply point. By reducing headloss and improving pressures at critical turnouts, the project strengthens redundancy and balances weekly demand fluctuations.



Existing Facility Improvements: CSIP Distribution System Booster Enhancements IN PROGRESS

Overview:

The Booster Station Enhancements will reduce the use of CSIP groundwater wells to address distribution system hydraulic deficiencies by optimizing the effectiveness of the three booster station sites.

All eight booster pumps at the three booster station sites (Espinosa, Molera, and Lapis) have been fully rebuilt and recoated, this includes both the pumping equipment and the motor. Final onsite equipment recoating was completed, and the optimization efforts are finalizing. The Molera Booster station motor VFD's control units have been ordered and are in production with arrival anticipated in September 2025, which will then complete this project.

PLANNING PHASE: Aquifer Storage and Recovery

Goals and Objectives

Address seawater intrusion in 180/400-Foot Aquifer Subbasin by:

- Maximizing surface water diversions
- Raising groundwater levels through injection
- Reducing groundwater pumping

Preliminary Feasibility Study / Conceptual Analysis

Summary Report

TM-1: Assesses physical and operational constraints, considering existing infrastructure such as the Nacimiento and San Antonio Reservoirs, the Salinas River Diversion Facility, and CSIP, while identifying new infrastructure needs.

TM-2: Reviews permitting and regulatory requirements, including water rights.

TM-3: Summarizes available water quality data and recommends a sampling plan for further treatment analysis.

TM-4: Presents groundwater flow modeling results.

PLANNING PHASE: Aquifer Storage and Recovery COMPLETED

ASR Scenarios Evaluated

Scenario	Description
Seasonal Release with ASR project concept	• Shift reservoir releases and diversions at SRDF to Dec-June • Injects treated water via new ASR wells • Summer extraction from ASR wells
New Diversion of Winter High Flows for ASR project concept – Alternative 1	• No change to current April-October SRDF operations or "business as usual CSIP" • For ASR: use excess flows to divert November-April and inject (no extraction from ASR wells)
New Diversion of Winter High Flows for ASR project concept with injection into 400-Foot Aquifer only – Alternative 1A	• Same as Alternative 1, except all diverted water is injected into 400-Foot Aquifer only

PLANNING PHASE: Aquifer Storage and Recovery COMPLETED

Key Findings

ASR Scenarios did not achieve SWI Minimum Threshold

Seasonal Release with ASR project concept has significant operational constraints associated with releasing stored reservoir water and rediverting it at SRDF in winter.

Modified or new water rights would be needed for either approach.

Existing CSIP and SRDF infrastructure upgrades are likely required to implement either approach.

The timing of diversions and injection is key for meeting CSIP demands in the peak season.

Seasonal release/re-diversion scenario may create additional issues with not being able to meet CSIP demands, exacerbating the need to pump more groundwater



PLANNING PHASE: Castroville and Eastside Canals and Alternatives Roadmap
IN PROGRESS

Purpose:

- Support MCWRA to put Permit 11043 water right to beneficial use
- Understand project options, including but not limited to Permit 11043, for achieving groundwater sustainability, to be further studied.

Project Scenario(s):

- Identify a realistic project concept using additional supply from the Salinas River for:

  - Mitigating seawater intrusion

  and/or

  - Addressing lowered groundwater levels to help achieving Sustainable Management Criteria (SMC) in Eastside, Langley, 180/400

PLANNING PHASE: Castroville and Eastside Canals and Alternatives Roadmap

Timeline:

Phase 1: Historical review and identification of potential project components

Phase 2: Use framework to identify and develop 2 project scenarios

Phase 3: High level feasibility assessment of project scenarios

June 2025 – September 2025

October 2025 – March 2026

Phase 1 includes:

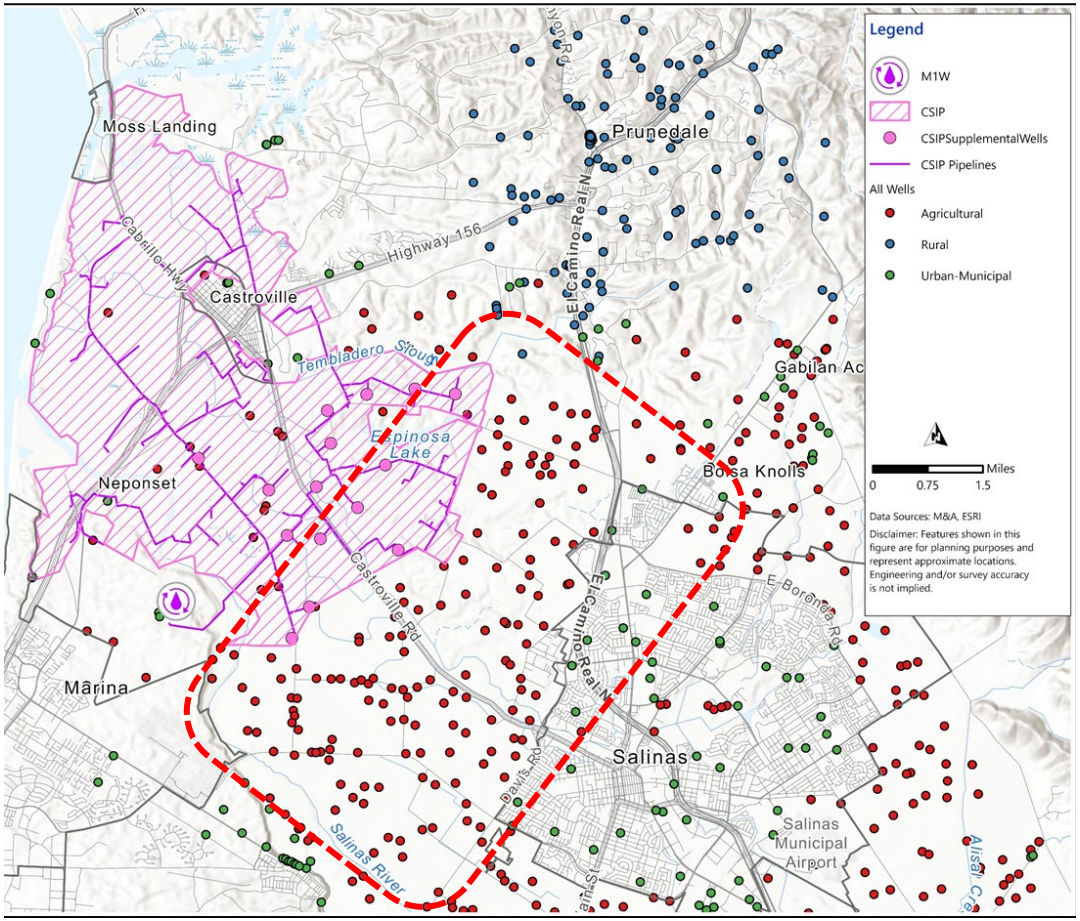
- History / Project Ideas
- Permit 11043 and new water rights
- Project concept to use Salinas River diversions to mitigate seawater intrusion
- Estimation of how much water might be diverted
- Tool for project evaluation and ranking
- Report

Phases 2 & 3 include: Modeling of streamflow and permitted and alternative points of diversion and effects relative to Sustainable Management Criteria. Modeling of at least 2 climate change scenarios.

PLANNING PHASE: New Seawater Intrusion Project (NSIP) IN PROGRESS

Overview:

- Modified description of CSIP Expansion
- Evaluation of a new agricultural water supply project to compare options for delivery of alternative supplies to areas experiencing or at risk of seawater intrusion, outside of CSIP area
- High Level Feasibility Study for New Seawater Intrusion Project (NSIP)





PLANNING PHASE: New Seawater Intrusion Project (NSIP)

Approach:

- Includes source water investigations, identification of delivery areas and irrigation demands, infrastructure needs and sizing paired with source water options, costs

- First Step: Source Water Usability Evaluation

  This includes identifying different source waters that could be used for NSIP and defining volumes, quality, timing, and other issues, e.g. water rights, related with securing these supplies. Water quality evaluation and storage needs.

- Subsequent Steps: Project Configurations and Modeling; and Delivery Area Scenarios and Technical Memorandum

- Carollo Engineers to support this study, including assistance with documenting findings on potential source waters, engineering analysis of options for distribution system sizing and layouts, and cost estimates



PLANNING PHASE: New Seawater Intrusion Project (NSIP)

- Source waters to be considered may include:
  - effluent available from Monterey One Water Regional Treatment Plant currently not put to beneficial use 2) the City of Salinas industrial ponds
  - Tembladero Slough, Reclamation Ditch No.1665, and the Blanco Drain surface water related to water right applications A032263C, and A032263D currently not put to beneficial use
  - excess or available Salinas River Diversion Facility (SRDF)
  - other potential sources under investigation in SVBGSA's feasibility studies for Salinas River water as identified from the Castroville and Eastside Canals and Alternatives study related to water right permit 11043
  - treated brackish groundwater



PLANNING PHASE: Implement Deep Aquifer Study Recommendations IN PROGRESS

Agency staff participating in the **Deep Aquifers Agencies Working Group** ("Working Group") alongside:

- Salinas Valley Basin GSA
- Monterey County Health Department
- Marina Coast Water District GSA .

Agency staff developed a Monitoring Plan for the Deep Aquifers at the request of the Working Group.

- The purpose of the Monitoring Plan is to expand monitoring, coordinate monitoring efforts across agencies with jurisdiction over the Deep Aquifers, and streamline data reporting to agencies utilizing the data.
- The Monitoring Plan is a deliverable in the Round 1 subgrant agreement.

PLANNING PHASE:
Data Expansion and SGMA Compliance
IN PROGRESS

Work plans for both SGMA Round 2 grants include tasks related to expanding well registration and groundwater extraction reporting programs in the Salinas Valley Groundwater Basin

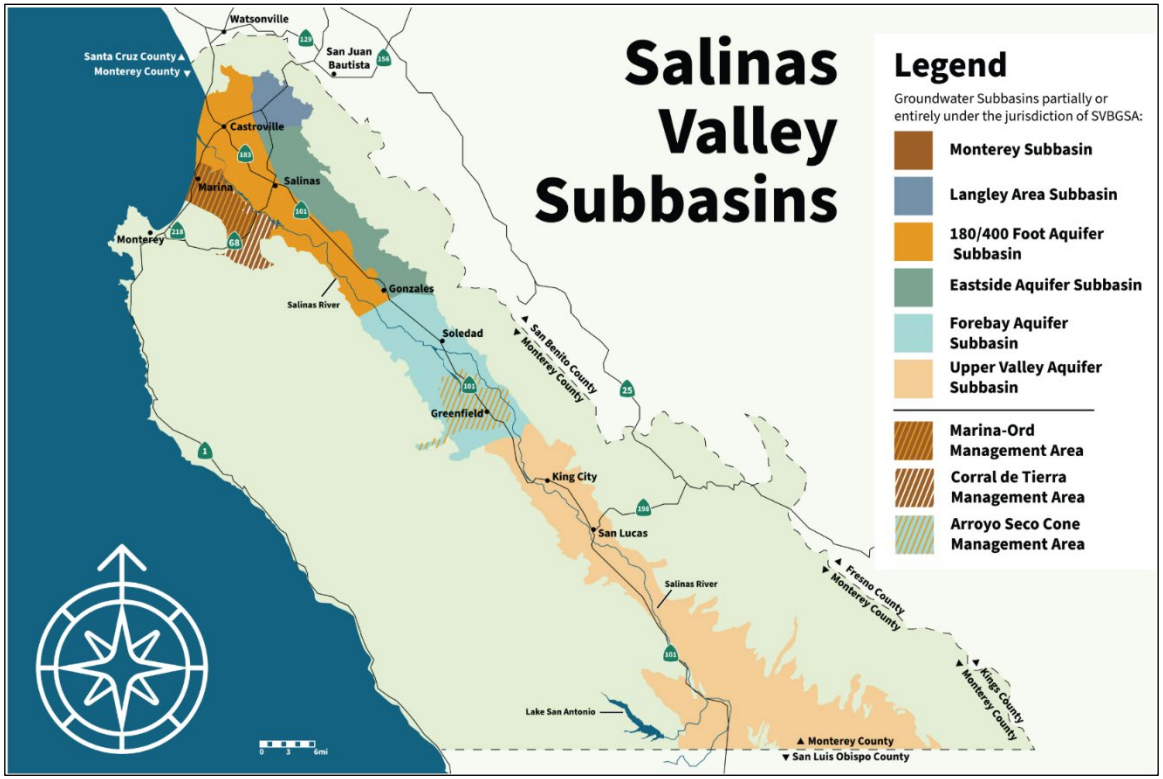


Figure source: www.svbgsa.org



Status of Round 1 Projects

Components/Budget Category		Original Sub Grant	Amendment 1	Amendment 2	Amendment 3	Total Sub Grant Amount	YTD Expenses	Sub Grant Balance	% Complete
COMPONENT 2: Dry Chlorine Scrubber Upgrade at Monterey One Water Recycled Water Plant									
(c): Implementation/Construction		1,185,000		310,000		1,495,000	1,495,000	0	100%
Component Total Amount		**1,185,000**				**1,495,000**	**1,495,000**	**0**	**100%**
COMPONENT 3: Castroville Seawater Intrusion Project (CSIP) Distribution System Upgrades									
(a): Component 3 Administration		5,000				5,000	2,258	2,742	45%
(b): Planning / Design / Environmental		520,000		867,000	-290,000	1,097,000	808,069	288,931	74%
(c): Implementation/Construction		1,622,000		-1,462,000	290,000	450,000	450,000	0	100%
(d): Monitoring / Assessment		3,000				3,000	199	2,801	7%
Component Total Amount		**2,150,000**			**0**	**1,555,000**	**1,260,527**	**294,473**	**81%**
COMPONENT 5: Conduct Feasibility Study on Aquifer Storage and Recovery									
(b): Planning / Design / Environmental		45,000			-8,700	36,300	36,300	0	100%
Component Total Amount		**45,000**			**36,300**	**36,300**	**36,300**	**0**	**100%**
COMPONENT 7: Compliance Reporting and Data Expansion									
(b): Planning/Design/Environmental		0		250,000		250,000	250,000	0	100%
(c): Implementation/Construction		310,000		-250,000		60,000	60,000	0	100%
Component Total Amount		**310,000**				**310,000**	**310,000**	**0**	**100%**
COMPONENT 8: Implement Deep Aquifer Study Recommendation									
(b): Planning / Design / Environmental		0			12,000	12,000	8,109	3,891	68%
Component Total Amount		**0**			**12,000**	**12,000**	**8,109**	**3,891**	**68%**
COMPONENT 9: Seawater Intrusion Feasibility Study									
(b): Planning / Design / Environmental		0	131,000	-56,000		75,000	74,279	721	99%
Component Total Amount		**0**				**75,000**	**74,279**	**721**	**99%**
Subgrant Total Amount		**3,690,000**	**3,821,000**	**3,480,000**	**3,483,300**	**3,483,300**	**3,184,216**	**299,084**	**91%**

Status of Round 2 Projects

Components/Budget Category		Original Sub Grant	Amendment 1	Total Sub Grant Amount	YTD Expenses	Sub Grant Balance	% Complete
SALINAS COMPONENT 2: Data Expansion and SGMA Compliance							
(b): Environmental/Engineering/Design		200,000		200,000	75,646	124,354	38%
Component Total Amount		**200,000**		**200,000**	**75,646**	**124,354**	**38%**
MONTEREY COMPONENT 2: Monterey Subbasin Data Expansion and SGMA Compliance							
(b): Environmental/Engineering/Design		50,000	0	50,000	18,911	31,089	38%
Component Total Amount		**50,000**		**50,000**	**18,911**	**31,089**	**38%**
SALINAS COMPONENT 3: Engagement/Outreach							
(e): Engagement/ Outreach		0	150,000	150,000	14,385	135,615	10%
Component Total Amount		**0**	**150,000**	**150,000**	**14,385**	**135,615**	**10%**
Subgrant Total Amount		**250,000**	**400,000**	**400,000**	**108,942**	**291,058**	**27%**

Discussion (cont.)

- Timelines for relevant agreements:
  - Round 1 grant: activities end October 31, 2025, and reporting due by 12/31/2025
  - Round 2 grant: activities end March 31, 2026, and reporting due by April 15, 2026
  - GMP Service Agreement for March 1, 2025 to June 30, 2026 recommended by BOD and being considered by BOS to fund full year of program activities
  - SVBGSA/MCWRA MOU for additional services valid through June 15, 2026

- Other coordination efforts
  - Staff-level meetings on a regular basis
  - Both SVBGSA and MCWRA Committee participation
    - e.g.: MCWRA BMAC and SVBGSA Advisory Committee

Next Steps

- Closeout Round 1 Grant
  - Complete final CSIP Distribution System project design
    - Report out on preferred project scope and estimated costs
  - Finalize Subgrant Completion Report and Deliverables
- GMP data collection activities have commenced and reporting will be provided as available
- Coordinated updates on Management Action Progress will be presented by SVBGSA and MCWRA staff this fall/winter
  - A roadmap to decision making will be developed for actions next year

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No.

IT IS RECOMMENDED THAT THE MONTEREY COUNTY WATER RESOURCES AGENCY BOARD OF DIRECTORS CONSIDER RECEIVING AN UPDATE ON THE MCWRA ACTIVITIES RELATED TO THE SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY'S SUBGRANT AGREEMENTS.

Upon motion of Director___, seconded by Director____, and carried by those members present, the Board of Directors hereby:

Receive an update on the MCWRA activities related to the Salinas Valley Basin Groundwater Sustainability Agency's Subgrant Agreements.

PASSED AND ADOPTED on this **15th** day of **September 2025**, by the following vote, to-wit:

AYES:

NOES:

ABSTAINED:

ABSENT:

BY: Mike LeBarre, Chair
Board of Directors

ATTEST: Ara Azhderian
General Manager

County of Monterey

Board Report

Legistar File Number: WRAG 25-154

Item No.14

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/10/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Consider approving Amendment No. 1 to the Agreement for Services with Fieldman, Rolapp and Associates, Inc., to extend the term of the contract from August 3, 2028, to December 31, 2028, to increase the dollar amount by $75,000 for a total contract amount not to exceed $165,000 for municipal financing services; and authorize the General Manager to execute the amendment. (Presenter: Ara Azhderian)

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Approve Amendment No. 1 to the Agreement for Services with Fieldman, Rolapp and Associates, Inc., to extend the term of the contract from August 3, 2028, to December 31, 2028, to increase the dollar amount by $75,000 for a total contract amount not to exceed $165,000 for municipal financing services; and authorize the General Manager to execute the amendment.

SUMMARY/DISCUSSION:
The Agency has initiated an effort to identify and implement future funding and cost allocation and recovery methods to support the local cost share for safety projects and operations at Nacimiento and San Antonio dams. This effort has included, among other things, an update to the Agency's 1998 Historical Benefits Analysis, development and maintenance of a Long Range Financial Plan Model, and development and presentation of potential financing options to the Agency's Planning Committee, Finance Committee, and July 9th funding strategies stakeholder workshop and special meeting of the Board of Directors.

The successful development and implementation of future funding and cost allocation and recovery methods will require engagement several subject matter experts, including a municipal finance team. Typically, a municipal finance team is comprised of (a) bond counsel - a law firm experienced in structuring multiple forms of municipal financial structures and products; this firm is also experienced in federal tax code regulations enabling issuers and investors to rely upon its opinion that income on municipal debt is exempt from federal taxation; (b) disclosure counsel - a law firm experienced in federal securities law enabling it to prepare offering and disclosure documents on behalf of clients that meet federal securities laws and regulations; (c) trustee/paying agent - typically a large financial institution (bank or trust company) that is experienced in administering the funds generated from the sale of municipal securities, managing the transfer of securities by bond owners and making timely payments of debt service to bond holders; (d) an underwriter - not always engaged as part of the

finance team, it is a banking firm with experience in structuring and selling municipal securities to investors; and (e) the municipal advisor - as with attorneys, municipal advisors have a fiduciary duty to the issuer. To meet this duty, municipal advisors must for fully understand each aspect of the financial products/debt it recommends, including the suitability and risks to the issuer, proper and adequate disclosure to the market including credit rating agencies and bond insurers. While investment bankers are regulated and qualified by Securities and Exchange Commission (SEC) examinations, municipal advisory firms are required to establish and maintain a fiduciary relationship with an issuer.
After the Great Recession, sweeping federal legislation (commonly referred to as Dodd-Frank) affected nearly every sector of the banking and financial services industry. The Great Recession caused significant financial distress in the fixed-income markets, especially from the aspect of liquidity, and many municipalities' finances were significantly and negatively impacted from financial products and strategies that proved unsuitable for them. Dodd-Frank created regulations to protect municipalities from parties that were not adequately disclosing and or quantifying risks and thereby required Municipal Advisors to be subject to rules and regulations established by the Municipal Securities Rulemaking Board (MSRB) and enforced by the SEC.

Individual municipal advisors are qualified by the MSRB and SEC through the successful completion of examinations testing the understanding of financial markets, financial products, legal structures of bonds and other forms of debt, credit analysis, bond mathematics, tax code rules and regulations and financial risks, among other things. The Agency's team at Fieldman includes individuals with both Series 50 Certifications and advanced Series 54 Certifications, which requires the completion of additional examinations testing an advisor's understanding of advising clients, including matters related to "understanding your clients", risk tolerance, and suitability of financial products. These certifications help ensure that the expert advice being provided to the Agency and its Boards not only meets the rigorous legal requirements, but also the practical needs of the Agency and its stakeholders.

On August 3, 2023, the Agency entered into an Agreement, attached, with Fieldman, Rolapp and Associates, Inc., to provide municipal financial advice and management services, including development and maintenance of a Long Range Financial Plan Model and identification of potential funding strategies to support development of the Agency's Dam Safety & Operations Financial Strategy. Fieldman has presented the Long Range Financial Plan Model and potential funding strategies to the Planning Committee, February 2024, Finance Committee, February 2025, and the Special Board of Directors Workshop with stakeholders on July 9, 2025.

Amendment No. 1 seeks to expand Fieldman's Scope of Services to complete Phase I of the original Agreement, maintaining the Long Range Financial Plan Model and supporting development of a long-range financial plan, and to implement Phase II, Analysis of Funding Options and Implementation of the Funding Strategy. Implementation of the Funding Strategy includes:

Review and revision of financial policies;
Support for S&P Rating Evaluation Service;
Advise on WIFIA Loan determination;
Support for Funding Strategy general election;
Support staff and Agency presentations.

The Agency will direct the scope of work over the next three and a half years. All or none of the scope of work may be implemented, depending upon stakeholder engagement, legal and technical review and reports, including hydrologic and economic analysis, competing time constraints, and election results. Extension of the contract is to align services with the November 7, 2028, general election.

At its August 1st, 2025, meeting, the Finance Committee directed that Amendment #1 be brought to the Board of Directors for consideration on August 18th, without offering a recommendation. At the August 18th meeting, the majority of Directors present elected to not approve the amendment. The services called for under the Amendment remain necessary to securing future funding for the Agency's dam safety projects in compliance with the Federal Energy Regulatory Commission and California Division of Safety of Dams guidance.

STRATEGIC PLAN ALIGNMENT:
This recommendation aligns with the Board approved Strategic Plan Goals: A, Strategies 3 & 5; C, Strategies 1 & 2; and D, Strategies 1 & 3.

OTHER AGENCY INVOLVEMENT:
None.

FINANCING:
Funding for this Amendment was approved by the Board of Directors on April 21, and the Board of Supervisors on June 17, and are budgeted from Funds 111 - Administration & Countywide Services and 116 - Salinas Valley Water Project Dam Operations, Maintenance & Administration for the adopted FY2025-2026 Budget. The proposed Scope of Services spans three and a half years and in the current fiscal-year, ~$25,000 in expenses are anticipated. Other Funds may also be identified in future fiscal years.

Prepared and Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Original Agreement for Services
2. Amendment No. 1
3. Revised Scope of Services
4. Board Order

County of Monterey

Board Report

Legistar File Number: WRAG 25-154

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investors; and (e) the municipal advisor - as with attorneys, municipal advisors have a fiduciary duty to the issuer. To meet this duty, municipal advisors must for fully understand each aspect of the financial products/debt it recommends, including the suitability and risks to the issuer, proper and adequate disclosure to the market including credit rating agencies and bond insurers. While investment bankers are regulated and qualified by Securities and Exchange Commission (SEC) examinations, municipal advisory firms are required to establish and maintain a fiduciary relationship with an issuer.
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Prepared and Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Original Agreement for Services
2. Amendment No. 1
3. Revised Scope of Services
4. Board Order

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MONTEREY COUNTY WATER RESOURCES AGENCY
AND FIELDMAN, ROLAPP AND ASSOCIATES, INC.
AGREEMENT FOR SERVICES

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and Fieldman, Rolapp & Associates, Inc. , a California Corporation hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Employment of CONTRACTOR. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**:

   (a) The scope of work is briefly described and outlined as follows:

   Creating a 10-year financial forecasting model and financial plan.

   (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on August 3, 2023 by CONTRACTOR and Agency, and will terminate on August 3, 2028, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein,

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Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is ninety thousand dollars,

($ 90,000.00).

4. Monthly Invoices by CONTRACTOR; Payment.

   (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

   (b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@co.monterey.ca.us and to the Contract Administrator listed in Section 26.

   (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

   (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification. CONTRACTOR shall indemnify, defend, and hold harmless the Agency and the County of Monterey, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence, active negligence, or willful misconduct of the Agency. "CONTRACTOR's performance" includes CONTRACTOR's

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action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subCONTRACTORs.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section

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3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subCONTRACTOR, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subCONTRACTOR showing each subCONTRACTOR has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000)****. The required*

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endorsement form for Automobile Additional Insured endorsement is ***ISO Form CA 20 48 02 99.***

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subCONTRACTORs relating to this Agreement. Government Code Section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subCONTRACTORs shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

   CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the

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purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

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14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

17. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

18. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

19. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

20. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

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21. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

22. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

23. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

24. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

25. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

26. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be
Robert A. Porr, Executive Vice President

Agency's designated administrator of this Agreement shall be
Ara Azhedrian, General Manager

27. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY	**TO CONTRACTOR**
Name: Ara Azhedrian, GM	Name: Robert A. Porr, EVP
Address: 1441 Schilling Place - North	Address: 19900 MacArthur Irvine, CA 92612
Telephone: 831.755.4860	Telephone: 949.660.7323
Fax: 831.424.7935	Fax:
E-Mail: AzhedrianA@co.monterey.ca.us	E-Mail: rporr@fieldman.com

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28. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats in accordance with the specifications listed in Exhibit C.

29. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

30. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

31. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work/ Work Schedule
    Exhibit B - Payment Provisions
    Exhibit C - Deliverables

32. Entire Agreement --As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AND FIELDMAN, ROLAPP & ASSOCIATES, INC.
AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:

BY: DocuSigned by: Ara Azhderian 1F182FFB49A2435...

Ara Azhderian
General Manager

Date: 8/17/2023 | 8:34 AM PDT

CONTRACTOR:

BY:

Type Name: Robert A. Porr

Title: Executive Vice President

Date: August 2, 2023

BY:

Type Name: Lora A Nichols

Title: Vice President

Date: August 2, 2023

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* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

DocuSigned by:
Kelly L. Donlon
22D690CA05A940B...

Assistant County Counsel

Dated: 8/16/2023 | 8:19 AM PDT

Approved as to fiscal provisions:

DocuSigned by:
Juan Pablo Lopez
A59152F49ADC476...

Administrative Analyst

Dated: 8/16/2023 | 1:36 PM PDT

_____

County Counsel – Risk Manager:

Dated: _____

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...

Auditor-Controller [2]:

Dated: 8/16/2023 | 1:20 PM PDT

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

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EXHIBIT A - SCOPE OF WORK

Scope of Services

A. Phase I – Development of Financial Model and Funding Strategy. Completion within 6 months of contract execution.

Financial Review

a. Review and analysis of historical financial results;
b. Review of the current year adopted budget (capital and operations) and amendments, if any;
c. Review of the Agency's CIP;
d. Review of fund balances and investments along with expected expenses to determine liquidity levels and amounts available to meet capital expenditures, if any;
e. Review the Agency's reserve and debt management policies;
f. Developing a debt capacity analysis; and
g. Evaluating opportunities to refinance outstanding debt.
h. Other tasks as directed by the Agency.

Financial Model and Long-Range Financial Plan

(i) Create a financial model that will be an aggregation of the revenues, operational expenses, and capital expenditures of the Agency and its funds to produce a customary revenue-supported cash flow with key credit criteria, such as days cash and debt service coverage as outputs. The model permits us to advise the Agency in connection with (a) revenue requirements, (b) potential sources of capital funding, (c) possible credit rating outcomes, and (d) timing for the execution of debt. The financial model will meet the requirements of WIFIA and credit rating agencies.

(ii) Incorporate debt structures into the financial model, including but not limited to traditional municipal securities, loans through the California State Water Resources Control Board, loans through the Water Infrastructure and Finance Innovation Act ("WIFIA") program and cash from reserves or from future cash flow. Our analysis will examine the benefits and drawbacks of each of the municipal securities.

(iii) Develop an overview of a financial plan that will provide approximate timing and amounts to be borrowed and identify the securities to be used to generate proceeds for the CIP.

(iv) Create, or revise as necessary, debt management and reserve policies that provide a practical approach to supporting the implementation of the long-range financial plan.

(v) Working with the Agency's legal team to develop financial covenants which will be intended to optimize the Agency's credit rating, if possible.

(vi) If directed by the Agency, draft a long-range financial plan ("LRFP") document in addition to the financial model, that accurately reflects the LRFP.

(vii) Recommend a specific course of action to secure the funding of the CIP.

(viii) Other tasks as directed by the Agency.

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EXHIBIT B - FEE SCHEDULE

The table below shows our current hourly rates.

Personnel	Hourly Rate
Executive Officer	$395.00
Principal	$385.00
Executive / Senior Vice President	$375.00
Vice President	$320.00
Assistant Vice President	$295.00
Senior Associate	$265.00
Associate	$235.00
Analyst	$130.00
Administrative Assistant	$95.00

Expenses

Expenses will be billed separately and will cover, among other things, travel, lodging, subsistence, overnight courier, conference calls, and computer charges. Advances made on behalf of the District for costs of preparing, printing or distributing disclosure materials or related matter whether by postal services or electronic means, may also be billed through to the District upon prior authorization. For Robert and Lora to attend a meeting at the Agency's offices in Monterey we estimate the cost to the Agency would be approximately $6,500, which includes airfare, meals and travel time.

Costs Sheets and Rates

Please refer to the cost sheet below for our estimate of fees and expenses in connection with the creation of a financial model and plan. If directed by Staff, Consultant will incorporate the LRFP and financial model into a separate detailed document. Our fees and expenses will be invoiced monthly, but they are not contingent.

Our travel expenses are estimated at $6,420, based on Robert and Lora attending a single meeting in Monterey. Expenses include airfare (assuming ticket prices of $700 per passenger), transportation to and from airports, travel time for each passenger and meals. We will work with Agency Staff to do our best to minimize travel and travel-related expenses.

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Financial Model and Plan						
SERVICES	PORR	NICHOLS	REDMON	MARC	BENNETT	TOTAL
	EXECUTIVE VP	VICE PRESIDENT	ASSISTANT VP	INTERN/ANALYST	ADMIN. ASSISTANT	
Hourly Rate	$375	$320	$295	$130	$95	
Financial Review - Review overall financial status of the Agency; review budgets, audits and Strategic Plan and other relevant planning documents	10	10	0	12	1	**33**
Finance Plan - provide financing options by conducting studies and analyses determining the appropriate and cost-effective financing methods, terms, security, and repayment structures relative to the Agency's current finances	4	8	0	16	1	**29**
Finance Plan - provide debt affordability/capacity analysis in relation to existing debt. Evaluate the feasibility of utilizing existing revenue sources and the need for additional revenue sources	4	8	0	8	1	**21**
Finance Plan - develop a pro-forma financial model and prepare a capital financing plan for the Agency's 10-year Water System CIP	12	84	0	62	1	**159**
Quality control review	6	4	6	3	1	**20**
Recommendation - advice on the amount, type of financing vehicle, maturity structure and market timing of the transaction, as well as the credit structure, call provisions, and repayment terms to obtain the lowest practical interest cost	4	8	0	8	0	**20**
Recommendation - develop a funding strategy in the form of a memo and PowerPoint presentation	4	5	0	5	4	**18**
Prepare for and attendance at meetings as requested, including Finance and Board Agency meetings (will vary depending upon scope, nature of matter). Excludes travel time.	8	8	0	4	4	**24**
Memo Highlighting Funding Strategy	4	2		1	3	**10**
Total Hours	**56**	**137**	**6**	**119**	**16**	**324**
TOTAL ESTIMATED HOURLY COST	**$21,000**	**$43,840**	**$1,770**	**$15,470**	**$1,496**	**$83,576**
Travel, if required, estimated per trip						**$6,420**
TOTAL ESTIMATED COSTS INCLUDING 1 TRIP						**$89,996**

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EXHIBIT C

DELIVERABLES

Required Document Formats

When required by this agreement, the following documents shall be delivered to the Agency project or contract administrator:

Long-Range Financial Model in excel

Memorandum highlighting funding strategy

AMENDMENT NO. 1
TO
AGREEMENT FOR SERVICES
BETWEEN MONTEREY COUNTY WATER RESOURCES AGENCY AND
FIELDMAN, ROLAPP & ASSOCIATES, INC.

THIS AMENDMENT NO. 1 to the Agreement for Services between the Monterey County Water Resources Agency, a political subdivision of the State of California (hereinafter, "Agency") and Fieldman, Rolapp & Associates, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the Agency and the CONTRACTOR (collectively, the Agency and CONTRACTOR are referred to as the "Parties").

WHEREAS, CONTRACTOR entered into an Agreement for Services with the Agency on August 3, 2023 (hereinafter, "Agreement");

WHEREAS, the Parties wish to extend the term of the Agreement from August 3, 2028, to December 31, 2028.

WHEREAS, the Parties wish to amend the Agreement with a dollar amount increase of $75,000.00, for a total contract amount not to exceed $165,000.00 to continue providing services identified in the Agreement.

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend Section 2 Term of Agreement; to read as follows:

Term of Agreement. The term of this Agreement shall begin on August 3, 2023, by CONTRACTOR and Agency, and will terminate on December 31, 2028, unless earlier terminated as provided herein.

2. Amend Section 3 Payments to CONTRACTOR; maximum liability to read as follows:

Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to the CONTRACTOR under this contract is **One Hundred and Sixty-Five Thousand Dollars ($165,000**).

3. All other terms and conditions of the Agreement remain unchanged and in full force.

4. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 to the Agreement as of the day and year written below:

MONTEREY COUNTY WATER RESOURCES AGENCY

By: ___ _____
General Manager

Date: _____

Approved as to Form and Legality
Office of the County Counsel

By: _____
Chief Assistant County Counsel

Date: _____

Approved as to Fiscal Provisions

By: _____
Auditor-Controller

Date: _____

By: _____
Administrative Analyst

Date:_____

Approved as to Indemnity, Insurance Provisions

By: _____
Risk Management

Date: _____

CONTRACTOR: FIELDMAN, ROLAPP & ASSOCIATES, INC.

By: _____
(Signature of Chair, President or Vice President)

Title: _____
(Print Name and Title)

Date: _____

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Title: _____
(Print Name and Title)

Date:_____

*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

EXHIBIT A – Scope of Services

Monterey County Water Resources Agency - Scope of Services

A. Phase I – Development of Financial Model and Funding Strategy

Financial Review

(i) Review and update analysis of historical financial results;

(ii) Review of the current year adopted budget (capital and operations) and amendments, if any;

(iii) Review of the Agency's CIP;

(iv) Review of fund balances and investments along with expected expenses to determine liquidity levels and amounts available to meet capital expenditures, if any;

(v) Review the Agency's reserve and debt management policies;

(vi) Developing a debt capacity analysis; and

(vii) Evaluating opportunities to refinance outstanding debt.

(viii) Other tasks as directed by the Agency.

Financial Model and Long-Range Financial Plan

(i) Update the financial model that reflects an aggregation of the revenues, operational expenses, and capital expenditures of the Agency and its funds to produce a customary revenue-supported cash flow with key credit criteria, such as days cash and debt service coverage as outputs. The model permits us to advise the Agency in connection with (a) revenue requirements, (b) potential sources of capital funding, (c) possible credit rating outcomes, and (d) timing for the execution of debt. The financial model will meet the requirements of WIFIA and credit rating agencies.

(ii) Review the debt structures incorporated into the financial model, including but not limited to traditional municipal securities, loans through the California State Water Resources Control Board, loans through the Water Infrastructure and Finance Innovation Act ("WIFIA") program and cash from reserves or from future cash flow. Our analysis will examine the benefits and drawbacks of each of the municipal securities.

(iii) Develop an overview of a financial plan that will provide approximate timing and amounts to be borrowed and identify the securities to be used to generate proceeds for the CIP.

(iv) Create, or revise as necessary, debt management and reserve policies that provide a practical approach to supporting the implementation of the long-range financial plan.

(v) If directed by the Agency, draft a long-range financial plan ("LRFP") document in addition to the financial model, that accurately reflects the LRFP.

(vi) Recommend a specific course of action to secure the funding of the CIP.

(vii) Other tasks as directed by the Agency.

B. Phase II – Analysis of Funding Options

(i) Work with the Agency's legal team to develop financial covenants which will be intended to optimize the Agency's credit rating, if possible.

(ii) Work with the Agency's legal team to develop a revenue pledge for a proposed issuance of debt.

(iii) Obtain indicative credit ratings for multiple funding options.

(iv) Assist with outreach committees or discussion pertaining to public sentiment for implementation of new taxes and assessments.

(v) Attend any committee or board meetings, as requested.

C. Phase IIIA – Implementing the Funding Strategy -WIFIA Loan

(i) Prepare and file with US Environmental Protection Agency, or Army Corps of Engineers letter of interest / application.

(ii) If selected for WIFIA Funding prepare and apply with the appropriate federal agency the necessary documentation.

(iii) Obtain a credit rating for the WIFIA Loan.

(iv) Lead the finance team in negotiating terms and conditions of a WIFIA Loan, including due diligence correspondence.

(v) Compute Sizing and Design Structure of the WIFIA Loan.

(vi) Provide Pre-Closing and Closing Assistance.

(vii) Calculate Additional Debt Test Compliance.

(viii) Price and close the WIFIA Loan.

Phase IIIB – Implementing the Funding Strategy - SRF Funding

(ix) Prepare and file with the State Water Resources Control Board ("SWRCB") an application for a State Revolving Fund Loan ("SRF Loan").

(x) If selected for SRF funding prepare the required credit package for SWRCB's analysis and credit approval.

(xi) Lead the finance team in negotiating terms and conditions of the SRF Loan.

(xii) Provide Pre-Closing and Closing Assistance.

(xiii) Calculate Additional Debt Test Compliance.

(xiv) Close the SRF Loan.

Phase IIIC – Implementing the Funding Strategy – Tax-Exempt Bonds

(i) Develop the Financing Schedule.

(ii) Monitor the Transaction Process.

(iii) Review the Official Statement, both preliminary and final.

(iv) Procure and Coordinate Additional Service Providers.

(v) Provide Financial Advice to the Agency Related to Financing Documents.

(vi) Compute Sizing and Design Structure of the Debt Issue.

(vii) Plan and Schedule Rating Agency Presentation.

(viii) Conduct Credit Enhancement Procurement and Evaluation.

(ix) Conduct Market Analysis and Evaluate Timing of Market Entry.

(x) Recommend Award of Debt Issuance and Assist with Pricing Discussions.

(xi) Provide Pre-Closing and Closing Assistance.

(xii) Calculate Additional Debt Test Compliance.

Before the Board of Directors of the Monterey County Water Resources Agency
County of Monterey, State of California

BOARD ORDER No. _

APPROVE AMENDMENT NO. 1 TO THE AGREEMENT FOR SERVICES WITH FIELDMAN, ROLAPP AND ASSOCIATES, INC., TO EXTEND THE TERM OF THE CONTRACT FROM AUGUST 3, 2028, TO DECEMBER 31, 2028, TO INCREASE THE DOLLAR AMOUNT BY $75,000 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED $165,000 FOR MUNICIPAL FINANCING SERVICES; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AMENDMENT.

Upon motion of Director, seconded by Director, and carried by those members present, the Board of Directors hereby:

Approve Amendment No. 1 to the Agreement for Services with Fieldman, Rolapp and Associates, Inc., to extend the term of the contract from August 3, 2028, to December 31, 2028, to increase the dollar amount by $75,000 for a total contract amount not to exceed $165,000 for municipal financing services; and authorize the General Manager to execute the amendment.

PASSED AND ADOPTED on this **15th** day of **September 2025**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Mike LeBarre, Chair
Board of Directors

ATTEST: Ara Azhderian
General Manager

County of Monterey

Board Report

Legistar File Number: WRAG 25-144

Item No.15

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

September, October and November 2025 Calendars.

September 2025

September 2025

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October 2025

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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Aug 31	Sep 1	2	3 8:30am Basin Management 8:30am Basin Management 10:00am Planning Committee-2025	4	5 8:30am Finance Committee-2025 (https://montereycty.zoom.us/j/92403510520?pwd=ektEZUNZenYyMStLMVZ6U0c2SUN	6
7	8	9	10	11	12 BOD Presentation (PPT) Due - Gonzales, Eva	13
14	15 Board of Directors Meeting - 930-Board of Directors 12:00pm Board of Directors Meeting-2025	16	17	18 8:30am All Hands Meeting 8:30am Bridal Shower - Riley (Saffron Room) - 10:30am Joint Water Resources/Board of	19	20
21	22	23	24 2:30pm TAMC RTVA TAC Meeting (Microsoft Teams Meeting) - Daisy Ramirez Lopez	25 1:30pm Reservoir Operations Advisory Committee - 2024 (https://montereycty.zoom.us/j/92085702216?pwd=RzQ0R1RNaU	26	27
28	29	30	Oct 1	2	3	4

October 2025

October 2025

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November 2025

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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Sep 28	29	30	Oct 1 8:30am Basin Management 8:30am Basin Management 10:00am Planning Committee-2025	2	3 8:30am Finance Committee-2025 (https://montereycty.z 10:00am Personnel & Administration Committee-2025	4
5	6	7	8	9	10	11
12	13	14	15	16	17 BOD Presentation (PPT) Due - Gonzales, Eva	18
19	20 Board of Directors Meeting - 930-Board of Directors 12:00pm Board of Directors Meeting-2025	21	22	23 8:30am All Hands Meeting (https://montereycty.zoom.us/j/91898667535; 194-SaffronRM) - Gonzales, Eva	24	25
26	27	28	29	30 1:30pm Reservoir Operations Advisory Committee - 2024 (https://montereycty.zoom.us/j/92085702216?pwd=RzQ0R1RNaU	31	Nov 1

November 2025

November 2025

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December 2025

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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Oct 26	27	28	29	30	31	Nov 1
2	3	4	5 8:30am Basin Management 8:30am Basin 10:00am Planning	6	7 8:30am Finance Committee-2025 10:00am Personnel & Administration	8
9	10	11	12	13	14 BOD Presentation (PPT) Due - Gonzales, Eva	15
16	17 Board of Directors Meeting - 930-Board 12:00pm Board of Directors	18	19	20 8:30am All Hands Meeting 10:30am Joint Water Resources/Board of	21	22
23	24	25	26	27 1:30pm Reservoir Operations Advisory Committee - 2024 (https://montereycty.z	28	29
30	Dec 1	2	3	4	5	6

County of Monterey

Board Report

Legistar File Number: WRAG 25-145

Item No.16

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

1. Personnel
2. Groundwater Monitoring Program Regulatory Implementation
3. Deep Aquifers Monitoring Plan
4. Dam Safety & Operations Future Funding Strategy
5. Salinas River Habitat Conservation Plan
6. Property Management

Personnel:

After four years with the Agency, our Senior Secretary Eva Gonzales has announced her resignation as of September 19th. Eva has been a valued member of the Agency team and we will miss her administrative expertise "herding the cats", clerking the Board, and generally keeping the trains running on time. As for recruitment of a Water Resources Engineer, it remains in process with additional interviews held recently. Lastly, staff is preparing a recruitment for a Maintenance Worker to augment the south crew at the dams.

GMP Implementation:

During the last month, Agency staff has completed data collection for three groundwater level monitoring events – August Trough, August monthly, and August Representative Monitoring Sites. The data are currently under review for quality control and, in the coming weeks, will be used to develop groundwater elevation contour maps. Staff has also been collecting groundwater quality samples to inform an analysis of seawater intrusion.

For the well registration program, Agency and SVBGSA staff have been coordinating on development of outreach materials to inform all well owners of new well registration requirements and the current opportunity to register wells with the Agency for free prior to January 31, 2026. Postcards, a sample is attached, with information about well registration and a link to the Agency's updated well registration webpage will be mailed out to well owners within the next 1-2 weeks. Finally, activity around the groundwater extraction reporting program has been ramping up in anticipation of the Water Year 2025 reporting period, which will be from October 1-31, 2025. Agency staff are preparing informational letters for well owners and operators, which will be distributed within the next week.

Deep Aquifers Monitoring Plan:

A Monitoring Plan for the Deep Aquifers ("MPDA") has been prepared as part of the Agency's work under the Round 1 Subgrant Agreement with the SVBGSA. The MPDA captures all existing groundwater level, quality, and extraction monitoring activities conducted by the multiple entities with responsibility over the Deep Aquifers; describes an approach for aligning the timing and frequency of data collection to streamline data sharing between entities; and includes enhancements to existing monitoring programs in response to recommendations in the 2024 Deep Aquifers Study. Input on the scope and content of the MPDA has been provided by the SVBGSA's Groundwater Technical Advisory Committee and partner monitoring entities such as the SVBGSA, the County's Health Department, Marina Coast Water District GSA, Monterey Peninsula Water Management District, and the Seaside Watermaster. Because the Deep Aquifer spans a number of political boundaries, the Agency is also working with these partner entities towards developing a Memorandum of Understanding to document the roles and responsibilities of the various entities towards implementing the MPDA.

Dam Safety & Operations Future Funding Strategy:

On July 9th, the Agency hosted a Dam Safety & Operations Financial Strategy stakeholder workshop. Turnout was good, with over 50 participants. Agency staff presented on the Mission of the Agency and the ingredients for success, the work being performed with existing grant funds, status of the 2025-26 fiscal-year budget, the unmet financial needs of the future, and options for funding them. Staff received numerous constructive comments and set a September 1 due date for

submission of formal comments, three of which have thus far been received and are included in this Agenda packet under Correspondence. The Agency is reviewing the comments and will begin developing a scope of work to support next steps with the aim of holding another stakeholder workshop in early December. A recording of the July 9th workshop can be found on the Agency website under the Board of Directors tab at:

WRA Dam Safety & Operations Financial Strategy Workshop - Zoom

Salinas River Habitat Conservation Plan:

On September 9th, the Agency held our third Stakeholder Engagement meeting related to the Salinas River Operations Habitat Conservation Plan (HCP). The focus of the workshop was to present the recommended reservoir reoperation protocols, activities that will be covered under the HCP, and next steps in HCP development. Agency staff and our HCP consulting team from ICF (HCP team) presented the reservoir reoperation protocols that were developed with the input of a Technical Advisory Committee (TAC) consisting of subject matter experts that met between December 2023 and April 2025. The HCP team provided an overview of the TAC process and the goals of the reoperation protocols followed by a description of the major components of the reoperation protocols and a high-level overview of the modeled outcomes. The HCP team also discussed the process used to evaluate activities for coverage under the HCP and discussed specific activities that will be covered, some examples of activities that did not meet the screening criteria for coverage, and the amendment process that could be used to add additional activities in the future. To close out the meeting, the HCP team discussed next steps including the goal of completing the second Administrative Draft HCP by the end of this calendar year and the uncertainty of future grant funding that has being requested to complete the environmental review and reach an approved permit. The team also expressed the goal of holding another Stakeholder Engagement Workshop early in 2026 if funding is available. Meeting materials will be emailed to the stakeholder working group and posted to the project web site Salinas River Management Program | Overview in the near future.

Property Management:

Recent discussions with the Town Creek Association, which is a group of homeowners situated on Nacimiento Reservoir and a tenant of Agency land, have been very positive and productive. The Association has taken decisive steps towards improving compliance with its Agency lease and educating its homeowners regarding the importance of the mussel prevention program. Included with this packet is an email from Association Secretary Danette Henthorn describing recent steps taken to address concerns expressed by the Agency in its July 24th letter. Also included is a copy of a letter the Association sent notifying its members of the Agency's concerns and of the immediate actions being taken to address them. These important steps to enforce the terms of our lease and to protect the interests of both the Agency and Association are much appreciated. On September 8th, Property Specialist Tom Shepard and I met with the Association's President, Jason Linker, to discuss the Agency's concerns and the Association's responses, and the potential extension of their lease and construction of a permanent boat ramp on the Agency's land. I requested the Association draft a proposal for further discussion and Agency consideration.

Also on September 8th, Property Specialist Tom Shepard and I met with San Antonio Reservoir Grazing Lease 3 tenant Ray Franscioni to inspect and discuss the state of Agency fencing along the lease's property line. Similar to fencing on other leases around San Antonio, it was constructed approximately sixty-years ago with the dam. The fencing in some areas remains in adequate condition, while in others it has completely failed. During the meeting, we also discussed the concept of a tenant replacing fencing in return for lease credit. While this concept has been around for a while now, it has not been put into practice. To do so would require the Agency to establish standards for fencing to ensure proper construction and accountability regarding cost. It would also require discussions with other tenants to ascertain interest and explore other ideas that could potentially improve workability. I suggested to Mr. Franscioni that if he has a proposal, please send it to the Agency for consideration. In the meantime, we will expand our outreach to the other tenants for further consideration.


Salinas Valley Basin
Groundwater Sustainability Agency
MONTEREY COUNTY WATER RESOURCES AGENCY
1947
New well registration requirement
— Learn more!
Nuevo requisito de registro de pozos
— ¡Aprenda más!
410

California now requires groundwater management across the state. The Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) was formed to meet this mandate through local control. The foundation of a strong groundwater plan is reliable data about wells and water conditions.

To utilize existing expertise and keep costs low, SVBGSA partnered with the Monterey County Water Resources Agency for carrying out the new Groundwater Monitoring Program, which was adopted in October 2024.

What's next? All wells in the Salinas Valley Basin must be registered. If you own a well, please register it now to help protect the shared water supply and maintain local control.

Register at no cost by Jan. 31, 2026

California ahora exige la gestión de las aguas subterráneas en todo el estado. La Agencia de Sostenibilidad de las Aguas Subterráneas de la Cuenca del Valle de Salinas (SVBGSA) se creó para cumplir con este mandato mediante el control local. La base de un plan sólido de aguas subterráneas son los datos fiables sobre los pozos y las condiciones del agua.

Para aprovechar la experiencia existente y mantener bajos los costos, la SVBGSA se asoció con la Agencia de Recursos Hídricos del Condado de Monterey para implementar el nuevo Programa de Monitoreo de Aguas Subterráneas, que se adoptó en octubre de 2024.

¿Qué sigue? Todos los pozos de la Cuenca del Valle de Salinas deben estar registrados. Si usted es el propietario de un pozo, regístrelo ahora para ayudar a proteger el suministro de agua de todos y mantener el control local.

Regístrate sin costo antes del 31 de enero de 2026

Salinas Valley Basin Groundwater Sustainability Agency
P.O. Box 1350
Carmel Valley, CA 93924

Scan to register, visit svbgsa.org/gmp, or call 831-755-8905 to get started.

Escanear para registrarse, visite svbgsa.org/gmp, o llame al 831-755-8905 para comenza

From: DANETTE HENTHORN
Sent: Tuesday, August 26, 2025 6:54 PM
To: Azhderian, Ara <AzhderianA@countyofmonterey.gov>
Cc: Jason Linker; Shepherd, Thomas J. <ShepherdTJ@countyofmonterey.gov>; Fenley, Jessell M. <fenleyjm@countyofmonterey.gov>
Subject: Re: Town Creek Ramp Concerns

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe.]
Hi Ara,

I'm reaching out to provide updates on our recent efforts to enhance lake safety and compliance, as well as to discuss scheduling a meeting.

Meeting Availability: Jason and I are typically at our properties on weekends, but Jason is available on the morning of September 8th if that works for you. Please let us know if this date suits your schedule.

Recent Improvements:
We've made significant upgrades to ensure safety and compliance at the lake, including:
- New Signage: Installed at the main gate and launch ramp for clear guidance.
- Locked Launch Ramp: Equipped with accompanying signage to enhance security.
- Security Cameras: Now operational at the main gate, launch ramp, and dock area.
Attached are photos showcasing these improvements, including camera vantage points, along with the member notice sent on August 7.

Additional Efforts:
- We've appointed a Mussel Coordinator and informed members about the resident vessel program to strengthen compliance.
- We've requested a QR code sign from Layla Decker at the marina to streamline lake fee payments at the ramp. We're awaiting its delivery.

These initiatives reflect our commitment to collaborating with Monterey and San Luis Obispo Counties. Our association remains dedicated to securing a long-term lease and permanent launch ramp, which we believe is the best path to ensuring the safety and sustainability of our community and the lake.

Please let us know a convenient time to discuss further. We look forward to your feedback.

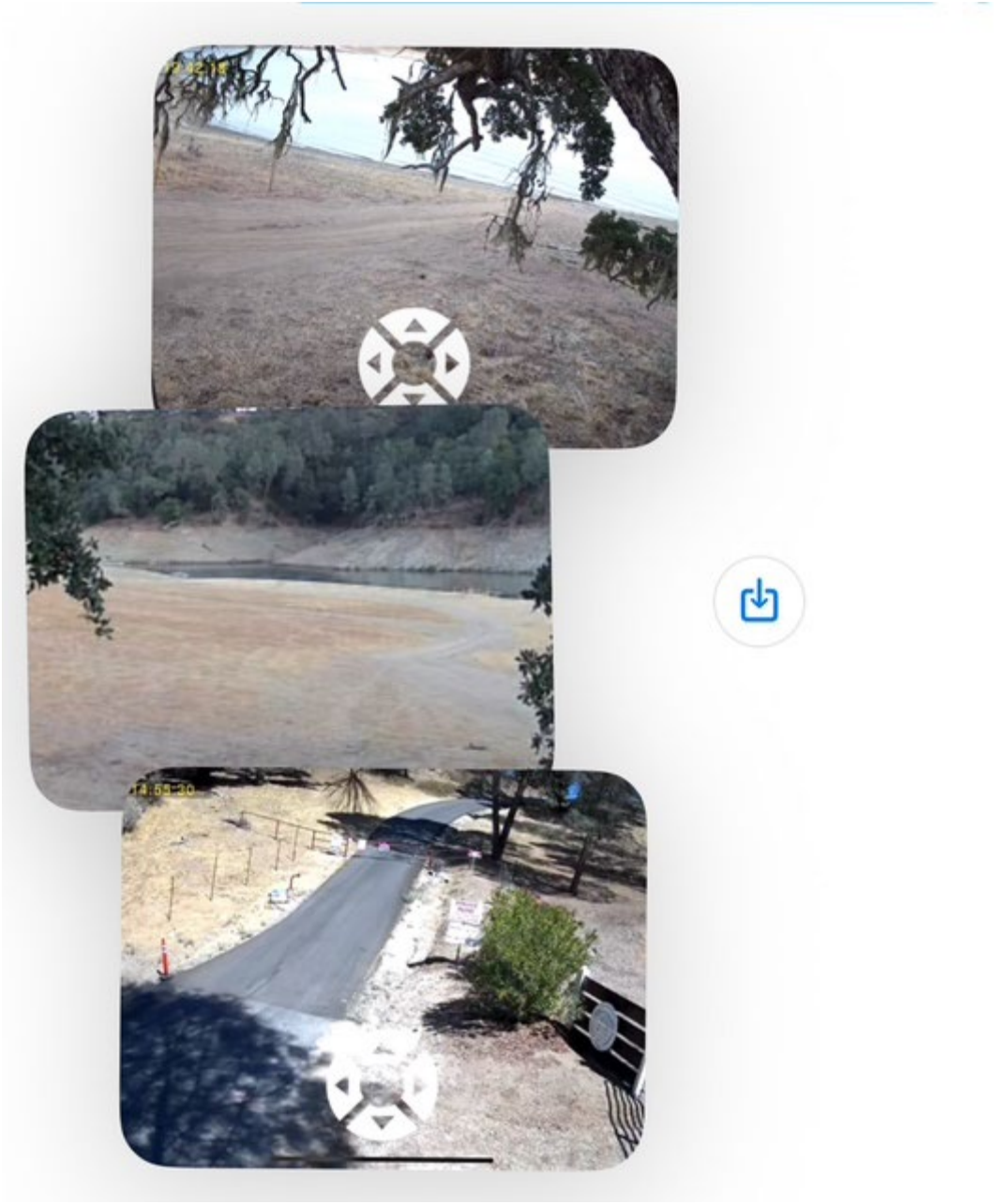
Best regards,
Danette


DON'T MOVE A MUSSEL
GATE OPENS OUT TO HERE
Yield to Vehicles


DON'T MOVE A MUSSEL


TOWN CREEK ASSOCIATION
MEMBERS ONLY
ALLOWED IN MONTEREY LEASE
DON'T MOVE A MUSSEL
DON'T MOVE A MUSSEL
BEFORE YOU LAUNCH


Master



Town Creek Association: Commitment to Monterey County and Our Lake

Dear Members,

Monterey County has expressed significant concern about the community's commitment to preventing a mussel infestation in our lake, noting a perceived lack of engagement with the mussel prevention program. This perception conflicts with our association's mission to secure a long-term lease and a permanent launch ramp for our community.

To address these concerns and demonstrate our dedication to partnering with Monterey County, we are implementing the following improvements effective immediately:

- **Enhanced Signage**: Clear, updated signs to reinforce rules and expectations.
- **Locked Launch Ramp**: Access restricted to ensure compliance and security.
- **Video Surveillance**: Monitoring to protect our facilities and ensure proper use.

Launch Ramp Access Details:



- **Exclusive Use:** The launch ramp is reserved for paid, current Town Creek Association members and their guests only. Please do not share access with non-members or those who have opted out of the association. Unauthorized use increases wear, tear, and liability risks, jeoparizing our efforts to secure a long-term lease and permanent ramp.

Important Reminders:

- All members and guests must have a current mussel inspection and stamped permit and pay the daily lake fee before using the launch ramp.
- Please ensure you and your guests clean up all trash and debris, leaving no trace. This is a recurring concern raised by Monterey County.

Your cooperation is critical to maintaining our lake’s health and achieving our shared

goals. Thank you for your commitment to our community and Monterey County.

Danette McFarland
Secretary
Town Creek Association



Tap to Download
dmv14.pdf
3.1 MB



Tap to Download
dmv14.pdf
3.1 MB

County of Monterey

Board Report

Legistar File Number: WRAG 25-146

Item No.17

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 15, 2025

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

Committee Agenda's and Cancellation Notices for August and September 2025:

- Water Resources Agency Reservoir Operations Advisory Committee
- Water Resources Agency Finance Committee
- Water Resources Personnel and Administration Committee Cancellation Notice
- Water Resources Agency Basin Management Advisory Committee Cancellation Notice
- Water Resources Agency Planning Committee
- County of Monterey Legislative Committee

County of Monterey

Saffron Room
1441 Schillings Place
Salinas, Ca 93901

Meeting Agenda

Thursday, August 28, 2025

1:30 PM

SLO County Chair location: Old Courthouse Room 207
976 Osos St. San Luis Obispo Ca. 93408

Layla Decker remotely from Administrative Conference Room
10625 Lake Nacimiento Rd. Bradley Ca. 93426

Water Resources Agency Reservoir Operations Advisory Committee

Ken Ekelund , Chair

Mark Gonzalez	***Matthew Simis***
Jon Anthony	***Dennis Lebow***
Bill Lipe	***Patrick Breen***
Anna McKenna	***Marc Kelley***
Layla Decker	***Doug Scattini***
Richard Ortiz	***Zachary Barnes***
Steve Blois	***John Baillie***

To participate in this Reservoir Operations Advisory Committee meeting, the public is invited to observe and address the Committee telephonically or electronically. Instructions for public participation are below:

1. For ZOOM participation please join by computer audio at:
https://montereycty.zoom.us/j/92085702216
OR to participate by phone call any of these numbers below:
+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 920 8570 2216 PASSWORD 877574 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.
You will be placed in the meeting as an attendee; when you are ready to make a public comment, if joined by computer audio, please Raise your Hand; and by phone, please push *9 on your keypad.

2. If you wish to comment on a specific agenda item while the matter is being heard, you may participate by the following means:
When the Chair calls for public comment on an agenda item, the Zoom Meeting Host, or his or her designee, will first ascertain who wants to comment (among those who are in the meeting electronically or telephonically) and will then call on speakers and unmute their device one at a time. Public speakers may be broadcast in audio form only.

3. If you wish to comment on a particular agenda item, please submit your comments in writing via email to Monterey County Water Resources Agency at WRApubliccomment@countyofmonterey.gov by 5:00 p.m. on the Wednesday prior to the Committee meeting. To assist Agency staff in identifying the agenda item to which the comment relates please indicate the Reservoir Operations Advisory Committee meeting date and agenda number in the subject line. Comments received by the 5:00 p.m. Wednesday deadline will be distributed to the Committee and will be placed in the record.

4. If you wish to make either a general public comment for items not on the day's agenda or to comment on a specific agenda item as it is being heard, please submit your comment, limited to 250 words or less, to the Monterey County Water Resources Agency at WRApubliccomment@countyofmonterey.gov. In an effort to assist Agency staff in identifying the agenda item relating to your public comment please indicate in the subject line, the meeting body (i.e. Reservoir Operations Advisory Committee) and item number (i.e. Item No. 10). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior

to end of meeting.

5. If speakers or other members of the public have documents they wish to distribute to the Committee for an agenda item, they are encouraged to submit such documents by 5:00 p.m. on Wednesday before the meeting to: WRApubliccomment@countyofmonterey.gov. To assist Agency staff in identifying the agenda item to which the comment relates, the public is requested to indicate the Reservoir Operations Advisory Committee date and agenda number in the subject line.

6. If members of the public want to present documents/Power Point presentations while speaking, they should submit the document electronically by 5:00 p.m. on Wednesday before the meeting at WRApubliccomment@countyofmonterey.gov. (If submitted after that deadline, staff will make best efforts, but cannot guarantee, to make it available to present during the Committee meeting.)

7. Individuals with disabilities who desire to request a reasonable accommodation or modification to observe or participate in the meeting may make such request by sending an email to WRApubliccomment@countyofmonterey.gov. The request should be made no later than noon on the Wednesday prior to the Committee meeting in order to provide time for the Agency to address the request.

8. The Chair and/or Secretary may set reasonable rules as needed to conduct t the meeting in an orderly manner.

Para participar en esta reunión del Comité Asesor de la Operación de Embalses, el público están invitados a observar y dirigirse al Comité telefónicamente o por vía electrónica. Las instrucciones para la participación pública están a continuación:

1. El público puede observar la reunión ZOOM a través de computadora haciendo clic en el siguiente enlace: https://montereycty.zoom.us/j/92085702216
O el público puede escuchar a través del teléfono llamando al:
+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Cuando se le solicite el código de acceso para el código de acceso para entrar a la reunión, presione los siguientesnúmeros:920 8570 2216 PASSWORD 877574 Tenga en cuenta que no hay un Código de participante, simplemente presionará # nuevamente después de que la grabación lo solicite.
Se le colocará en la reunión como asistente; cuando esté listo para hacer un comentario público si se une al audio de la computadora, levante la mano; y por teléfono presione * 9 en su teclado.

2. Los miembros del público que desean comentar en un artículo específico de la agenda, mientras que el artículo se este presentando durante la reunión, pueden participar por cualquiera de los siguientes medios: Cuando el Presidente del Comité solicite comentarios públicos sobre un artículo de la agenda, el anfitrión de la reunión Zoom o su designado, primero determinará quién quiere testificar (entre los que están en la reunión por vía electrónica o telefónica) y luego llamará a los oradores (speakers) y activará la bocina para el orador, uno a la vez. Todo orador, será transmitido por audio en altavoz solamente.

3. Si un miembro del público desea comentar sobre un artículo de la agenda en particular, se le es sumamente recomendable que envie sus comentarios por escrito por correo electrónico a la Agencia de Administración de Recursos del Agua (Agencia) a WRApubliccomment@countyofmonterey.gov antes de las 5:00 P. M. el Miércoles antes de la reunión del Comité. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunión del Comité y el número del artículo de la agenda en la línea de asunto. Comentarios recibidos en la fecha limite del Miércoles a las 5 P.M, serán distribuidos al Comité y serán colocados en el registro.

4. Los miembros del público que deseen hacer un comentario público general para temas que no están en la agenda del día o que deseen comentar en un artículo específico mientras se escucha la presentación, lo pueden hacer enviando un comentario por correo electrónico, preferiblemente limitado a 250 palabras o menos, a WRApubliccomment@countyofmonterey.gov. Para ayudar al personal de la Agencia a identificar el artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique el nombre del Comité (por ejemplo: Comité Asesor de la Operación de Embalses) y el número del artículo de la agenda (por ejemplo: Artículo # 10). Se hará todo lo posible para leer el comentario en el registro, pero algunos comentarios pueden no leerse en voz alta debido a limitaciones de tiempo. Los comentarios recibidos después del cierre del período de comentarios públicos sobre un artículo de la agenda serán parte del registro si se reciben antes que termine la reunión del Comité.

5. Si los oradores u otros miembros del público tienen documentos que desean distribuir al Comité para un artículo de la agenda, se les recomienda enviar dichos documentos antes de las 5:00 P.M. el Miércoles antes de la reunión a: WRApubliccomment@countyofmonterey.gov. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunion del Comité y el número de agenda en la línea de asunto.

6. Si los miembros del público desean presentar documentos o presentaciones de PowerPoint mientras hablan, deben enviar el documento electrónicamente antes de las 5:00 P.M. del Miércoles antes de la reunión a WRApubliccomment@countyofmonterey.gov (Si se presenta después de ese plazo, el personal hará los mejores esfuerzos, pero no puede garantizar que esté disponible su PowerPoint para presentar durante la reunión del Comité).

7. Las personas con discapacidades que deseen solicitar una modificación o modificación razonable para observar o participar en la reunión pueden realizar dicha solicitud enviando un correo electrónico a WRApubliccomment@countyofmonterey.gov. La solicitud debe hacerse a más tardar el mediodía del Miércoles antes de a la reunión del Comité para dar tiempo a la Agencia para que atienda la solicitud .

8. El Presidente y / o Secretario pueden establecer reglas razonables según sea necesario para llevar a cabo la reunión de manera ordenada.

Call to Order

Roll Call

Public Comment

Committee Member Comments

Consent Calendar

1. Approve the Action Minutes of the Reservoir Advisory Committee Meeting held on June 26, 2025.

Attachments: draft ResOps Minutes June 26, 2025

Staff Reports

2. Reservoir Storage and Release Schedule Update. (Staff Presenting: Joseph Klein)

Attachments: Reservoir Storage Release Update Report
ResOps Slides 20250820

3. Current Operations and Maintenance Activities at the Reservoirs. (Staff Presenting: Jason Demers)

Status Reports

4.

- Reservoir Recreation by Concessionaire and Parks Department
- County of San Luis Obispo Activities
- Invasive Mussel Update

Calendar

5. Set next meeting date and discuss future agenda items.

Adjournment

County of Monterey

Saffron Room
1441 Schilling Place
Salinas, Ca 93901

Meeting Agenda

Friday, September 5, 2025

8:30 AM

Saffron Room 1441 Schilling Place, Salinas, Ca. 93901

Water Resources Agency Finance Committee

John Baillie
Mark Gonzalez
Mike LeBarre
Matthew Simis

To participate in this Finance Committee meeting through the following methods:

1. You may attend in person,

2. For ZOOM participation please join by computer audio at:
https://montereycty.zoom.us/j/92403510520
OR to participate by phone call any of these numbers below:
+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 924 0351 0520 PASSWORD: 404237 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you. You will be placed in the meeting as an attendee; when you are ready to make a public comment, if joined by computer audio, please Raise your Hand; and by phone, please push *9 on your keypad.

PLEASE NOTE: IF ALL COMMITTEE MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE FINANCE COMMITTEE MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE FINANCE COMMITTEE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

3. If you wish to comment on a specific agenda item while the matter is being heard, you may participate by the following means: When the Chair calls for public comment on an agenda item, the Zoom Meeting Host, or his or her designee, will first ascertain who wants to comment (among those who are in the meeting electronically or telephonically) and will then call on speakers and un mute their device one at a time. Public speakers may be broadcast in audio form only.

4. If you wish to comment on a particular agenda item, please submit your comments in writing via email to Monterey County Water Resources Agency at WRApubliccomment@countyofmonterey.gov by 5:00 p.m. on the Thursday prior to the Committee meeting. To assist Agency staff in identifying the agenda item to which the comment relates please indicate the Finance Committee meeting date and agenda number in the subject line. Comments received by the 5:00 p.m. Thursday deadline will be distributed to the Committee and will be placed in the record.

5. If you wish to make either a general public comment for items not on the day's agenda or to comment on a specific agenda item as it is being heard, please submit your comment, limited to 250 words or less, to the Monterey County Water Resources Agency at

WRApubliccomment@countyofmonterey.gov. In an effort to assist Agency staff in identifying the agenda item relating to your public comment please indicate in the subject line, the meeting body (i.e. Finance Committee) and item number (i.e. Item No. 10). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

6. If speakers or other members of the public have documents they wish to distribute to the Committee for an agenda item, they are encouraged to submit such documents by 5:00 p.m. on Thursday before the meeting to: WRApubliccomment@countyofmonterey.gov. To assist Agency staff in identifying the agenda item to which the comment relates, the public is requested to indicate the Finance Committee date and agenda number in the subject line.

7. If members of the public want to present documents/Power Point presentations while speaking, they should submit the document electronically by 5:00 p.m. on Thursday before the meeting at WRApubliccomment@countyofmonterey.gov.. (If submitted after that deadline, staff will make best efforts, but cannot guarantee, to make it available to present during the Committee meeting.)

8. Individuals with disabilities who desire to request a reasonable accommodation or modification to observe or participate in the meeting may make such request by sending an email to WRApubliccomment@countyofmonterey.gov. The request should be made no later than noon on the Thursday prior to the Committee meeting in order to provide time for the Agency to address the request.

9. The Chair and/or Secretary may set reasonable rules as needed to conduct the meeting in an orderly manner.

Participar en esta reunión del Comité de Finanzas a través de los siguientes métodos:

1. Puede asistir en persona,

2. El público puede observar la reunión ZOOM a través de computadora haciendo clic en el siguiente enlace: https://montereycty.zoom.us/j/92403510520
O el público puede escuchar a través del teléfono llamando al:
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+1 346 248 7799 US (Houston)
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TENGA EN CUENTA: SI TODOS MIEMBROS DEL COMITÉ DE FINANZAS DE LA JUNTA ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN PÚBLICA DE ZOOM ES SOLO POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI LA TRANSMISIÓN DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN PUEDE PAUSARSE MIENTRAS SE INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN DEL COMITE DE FINANZAS PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

3. Los miembros del público que desean comentar en un artículo específico de la agenda, mientras que el artículo se este presentando durante la reunión, pueden participar por cualquiera de los siguientes medios: Cuando el Presidente del Comité solicite comentarios públicos sobre un artículo de la agenda, el anfitrión de la reunión Zoom o su designado, primero determinará quién quiere testificar (entre los que están en la reunión por vía electrónica o telefónica) y luego llamará a los oradores (speakers) y activará la bocina para el orador, uno a la vez. Todo orador, será transmitido por audio en altavoz solamente.

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5. Los miembros del público que deseen hacer un comentario público general para temas que no están en la agenda del día o que deseen comentar en un artículo específico mientras se escucha la presentación, lo pueden hacer enviando un comentario por correo electrónico, preferiblemente limitado a 250 palabras o menos, a WRApubliccomment@countyofmonterey.gov. Para ayudar al personal de la Agencia a identificar el artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique el nombre del Comité (por ejemplo: Comité de Finanzas) y el número del artículo de la agenda (por ejemplo: Artículo # 10). Se hará todo lo posible para leer el comentario en el registro, pero algunos comentarios pueden no leerse en voz alta debido a limitaciones de tiempo. Los comentarios recibidos después del cierre del período de comentarios públicos sobre un artículo de la agenda serán parte del registro si se reciben antes que termine la reunión del Comité.

6. Si los oradores u otros miembros del público tienen documentos que desean distribuir al Comité

para un artículo de la agenda, se les recomienda enviar dichos documentos antes de las 5:00 P.M. el Jueves antes de la reunión a: WRApubliccomment@countyofmonterey.gov. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunion del Comité y el número de agenda en la línea de asunto.

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8. Las personas con discapacidades que deseen solicitar una modificación o modificación razonable para observar o participar en la reunión pueden realizar dicha solicitud enviando un correo electrónico a WRApubliccomment@countyofmonterey.gov. La solicitud debe hacerse a más tardar el mediodía del Jueves antes de a la reunión del Comité para dar tiempo a la Agencia para que atienda la solicitud .

9. El Presidente y / o Secretario pueden establecer reglas razonables según sea necesario para llevar a cabo la reunión de manera ordenada.

Call to Order

Roll Call

Public Comment

Committee Member Comments

Consent Calendar

1. Approve the Minutes of the Finance Committee meeting on August 1, 2025.

Attachments: draft Finance Minutes August 1, 2025

Scheduled Items

2. Consider recommending that the Monterey County Water Resources Agency Board of Directors authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Sub-grant Disbursement Agreement with the Castroville Community Services District Sub-grantee to extend the term to June 30, 2027 and update the submittal schedule for progress reports and invoices; and authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement. (Presenter: Amy Woodrow)

Attachments: Board Report
Grant Agreement Amendment No. 4
Amendment No. 2

3. Consider recommending that the Monterey County Water Resources Agency Board of Directors authorize the General Manager to enter into Amendment Number 2 to the Proposition 1 Integrated Regional Water Management Sub-grant Disbursement Agreement with the City of Salinas to extend the term to June 30, 2027; and authorize the General Manager to execute up to two no-cost amendments to the Sub-grant Agreement. (Presenter: Amy Woodrow)

Attachments: Board Report
Grant Agreement Amendment No.4
Amendment No. 2

4. Consider recommending that the Monterey County Water Resources Agency Board of Directors approve Amendment No. 1 to the Professional Service Agreement with Kennedy Jenks Consultants, Inc. for the CSIP Condition Assessment Project, to extend the term length to July 1st, 2027, and a dollar increase of $94,271 for a total contract amount not to exceed $193,971; and authorize the General Manager to execute Amendment No. 1. (Presenter: Pete Vannerus)

Attachments: Board Report
Original Agreement
Amendment No.1

5. Consider recommending that the Board of Directors approve Amendment No. 2 to the Agreement for Services with TCB Industrial, Inc., (TCB), to increase the dollar amount by $275,000 for a total contract amount not-to-exceed $640,000 to provide maintenance and repair services for the Nacimiento Dam Hydroelectric Power Plant; and authorize the General Manager to execute Amendment No. 2. (Presenter: Manuel Saavedra)

Attachments: Board Report
Original Agreement for Services
Amendment No.1
Amendment No. 2

6. Consider recommending that the Board of Directors of the Monterey County Water Resources Agency approve the annual Joint Funding Agreement with the United States Geological Survey for streamgaging and reservoir elevation gaging work in Monterey County in the projected amount of $256,210 subject to review and approval by County Counsel; and authorize the General Manager to execute Agreement. (Presenter: Joey Klein)

Attachments: Board Report
Joint Funding Agreement
Draft Funding Table for FY 2025-2026

7. Consider recommending that the Monterey County Water Resources Agency Board of Directors approve Amendment No. 1 to the Agreement for Services with Errol L. Montgomery & Associates, Inc. for CSIP Groundwater Well Consulting Services, to add a dollar increase of $150,000 for a total contract amount not to exceed $250,000; and authorize the General Manager to execute Amendment No. 1. (Presenter: Pete Vannerus)

Attachments: Board Report
Original Agreement
Amendment No.1

8. Consider recommending that the Board of Directors approve Agreements for Services with the project team including GEI Consultants, Inc. and Sonoma Water for the combined project total dollar amount of $400,000 for work to be performed related to the *Enhancing Predictive Tools and Operational Strategies for the Nacimiento and San Antonio Dams and Reservoirs Project* (Project). (Presenter: Jason Demers)

Attachments: Board Report

9. Consider receiving the FY2024-25 Financials for All Agency Funds Preliminary Closing. (Presenter: Nan Kim)

Attachments: WRA FY2024-25 Financial Report
WRA Financial FY2024-25 preliminary closing PPT

10. Consider receiving the FY2025-26 Financials for All Agency Funds AP 1. (Presenter: Nan Kim)

Attachments: WRA FY2025-26 Financial Report AP1
WRA Financial FY25-AP1 PPT

Calendar

11. Set next meeting date and discuss future agenda items.

Adjourment

WATER RESOURCES AGENCY

M E M O R A N D U M

Monterey County

DATE: August 28, 2025

PUBLIC MEETING CANCELLATION NOTICE

THE PERSONNEL & ADMINISTRATION COMMITTEE

MEETING SCHEDULED FOR

FRIDAY, SEPTEMBER 5, 2025 @ 10:00AM

HAS BEEN CANCELLED.

THE NEXT MEETING IS SCHEDULED FOR

FRIDAY, OCTOBER 3, 2025 @ 10:00AM

WATER RESOURCES AGENCY
1441 SCHILLING PLACE
SALINAS, CA

WATER RESOURCES AGENCY

M E M O R A N D U M

Monterey County

DATE: August 27, 2025

PUBLIC MEETING CANCELLATION NOTICE

THE BASIN MANAGEMENT ADVISORY

COMMITTEE MEETING SCHEDULED FOR

WEDNESDAY SEPTEMBER 3, 2025 @ 8:30 AM

HAS BEEN CANCELLED.

THE NEXT MEETING IS SCHEDULED FOR

WEDNESDAY OCTOBER 1, 2025 @ 8:30 AM

WATER RESOURCES AGENCY
1441 SCHILLING PLACE
SALINAS, CA

County of Monterey

Saffron Room
1441 Schilling Place
Salinas, CA 93901

Meeting Agenda

Wednesday, September 3, 2025

10:00 AM

Saffron Room 1441 Schilling Place, Salinas, Ca. 93901

Water Resources Agency Planning Committee

Deidre Sullivan, Chair
Ken Ekelund
Mark Gonzalez
Matthew Simis

To participate in this Planning Committee meeting through the following methods:

1. You may attend in person,

2. For ZOOM participation please join by computer audio at:
https://montereycty.zoom.us/j/95511982423
OR to participate by phone call any of these numbers below:
+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 955 1198 2423, PASSWORD: 884853 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.You will be placed in the meeting as an attendee; when you are ready to make a public comment, if joined by computer audio, please Raise your Hand; and by phone, please push *9 on your keypad.

3. If you wish to comment on a specific agenda item while the matter is being heard, you may participate by the following means:When the Chair calls for public comment on an agenda item, the Zoom Meeting Host, or his or her designee, will first ascertain who wants to comment (among those who are in the meeting electronically or telephonically) and will then call on speakers and unmute their device one at a time. Public speakers may be broadcast in audio form only.

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4. If you wish to comment on a particular agenda item, please submit your comments in writing via email to Monterey County Water Resources Agency at WRApubliccomment@countyofmonterey.gov by 5:00 p.m. on the Tuesday prior to the Committee meeting. To assist Agency staff in identifying the agenda item to which the comment relates please indicate the Committee meeting date and agenda number in the subject line. Comments received by the 5:00 p.m. Tuesday deadline will be distributed to the Committee and will be placed in the record.

5. If you wish to make either a general public comment for items not on the day's agenda or to Committee Meeting Agenda comment on a specific agenda item as it is being heard, please submit your comment, limited to 250 words or less, to the Monterey County Water Resources Agency at

WRApubliccomment@countyofmonterey.gov In an effort to assist Agency staff in identifying the agenda item relating to your public comment please indicate in the subject line, the meeting body (i.e. Planning Committee) and item number (i.e. Item No. 10). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

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8. Individuals with disabilities who desire to request a reasonable accommodation or modification to observe or participate in the meeting may make such request by sending an email to WRApubliccomment@countyofmonterey.gov.The request should be made no later than noon on the Wednesday prior to the Committee meeting in order to provide time for the Agency to address the request.

9. The Chair and/or Secretary may set reasonable rules as needed to conduct the meeting in an orderly manner.

Participar en esta reunión del Comité de Planificación a través de los siguientes métodos:

1. Puede asistir en persona,

2.El público puede observar la reunión ZOOM a través de computadora haciendo clic en el siguiente enlace: https://montereycty.zoom.us/j/95511982423
O el público puede escuchar a través del teléfono llamando al:
+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
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955 1198 2423, PASSWORD: 884853 . Tenga en cuenta que no hay un Código de participante, simplemente presionará # nuevamente después de que la grabación lo solicite.Se le colocará en la reunión como asistente; cuando esté listo para hacer un comentario público si se une al audio de la computadora, levante la mano; y por teléfono presione * 9 en su teclado.

3. Los miembros del público que desean comentar en un artículo específico de la agenda, mientras que el artículo se este presentando durante la reunión, pueden participar por cualquiera de los siguientes medios: Cuando el Presidente del Comité solicite comentarios públicos sobre un artículo de la agenda, el anfitrión de la reunión Zoom o su designado, primero determinará quién quiere testificar (entre los que están en la reunión por vía electrónica o telefónica) y luego llamará a los oradores (speakers) y activará la bocina para el orador, uno a la vez. Todo orador, será transmitido por audio en altavoz solamente.

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DEL COMITÉ ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN PÚBLICA DE ZOOM ES SOLO POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI LA FUENTE DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN DEL COMITÉ DE PLANIFICACIÓN PUEDE PAUSARSE MIENTRAS SE INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN DEL COMITÉ DE PLANIFICACIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

4. Si un miembro del público desea comentar sobre un artículo de la agenda en particular, se le es sumamente recomendable que envie sus comentarios por escrito por correo electrónico a la Agencia de Administración de Recursos del Agua (Agencia) a WRApubliccomment@countyofmonterey.gov antes de las 5:00 P. M. el Martes antes de la reunión del Comité. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunión del Comité y el número del artículo de la agenda en la línea de asunto. Comentarios recibidos en la fecha limite del Martes a las 5 P.M, serán distribuidos al Comité y serán colocados en el registro.

5. Los miembros del público que deseen hacer un comentario público general para temas que no están en la agenda del día o que deseen comentar en un artículo específico mientras se escucha la presentación, lo pueden hacer enviando un comentario por correo electrónico, preferiblemente limitado a 250 palabras o menos, a WRApubliccomment@countyofmonterey.gov. Para ayudar al personal de la Agencia a identificar el artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique el nombre del Comité (por ejemplo: Comite de Planificación) y el número del artículo de la agenda (por ejemplo: Artículo # 10). Se hará todo lo posible para leer el comentario en el registro, pero algunos comentarios pueden no leerse en voz alta debido a limitaciones de tiempo. Los comentarios recibidos después del cierre del período de comentarios públicos sobre un artículo de la agenda serán parte del registro si se reciben antes que termine la reunión del Comité.

6. Si los oradores u otros miembros del público tienen documentos que desean distribuir al Comité

para un artículo de la agenda, se les recomienda enviar dichos documentos antes de las 5:00P.M. el Martes antes de la reunión a: WRApubliccomment@countyof.monterey.gov. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunion del Comité y el número de agenda en la línea de asunto.

7. Si los miembros del público desean presentar documentos o presentaciones de PowerPoint mientras hablan, deben enviar el documento electrónicamente antes de las 5:00 P.M. del Martes antes de la reunión a WRApubliccomment@countyof.monterey.gov. (Si se presenta después de ese plazo, el personal hará los mejores esfuerzos, pero no puede garantizar que esté disponible su PowerPoint para presentar durante la reunión del Comité).

8. Las personas con discapacidades que deseen solicitar una modificación o modificación razonable para observar o participar en la reunión pueden realizar dicha solicitud enviando un correo electrónico a WRApubliccomment@countyofmonterey.gov. La solicitud debe hacerse a más tardar el mediodía del Martes antes de la reunión del Comité para dar tiempo a la Agencia para que atiendala solicitud.

9. El Presidente y / o Secretario pueden establecer reglas razonables según sea necesario para llevar a cabo la reunión de manera ordenada.

Call to Order

Roll Call

Public Comment

Committee Member Comments

Consent Calendar

1. Approve the Action Minutes of the Planning Committee Meeting held on August 6, 2025.

Attachments: draft Planning Minutes August 6, 2025

Staff Reports

2. Update on the Nonpoint Source Implementation Plan. (Presenter: Manuel Saavedra)

Attachments: Nonpoint Source Implemenation Plan PPT

3. Update on the activities related to the Salinas Valley Basin Groundwater Sustainability Agency's (SVBGSA) subgrant agreements. (Presenter: Shaunna Murray)

Attachments: SVBGSA Projects Update PPT

Calendar

4. Set next meeting and discuss future agenda items.

Adjournment

County of Monterey

Monterey County Government Center
168 W. Alisal St.
Salinas, CA 93901

Meeting Agenda - Final

Join via Zoom at https://montereycty.zoom.us/j/98147828225 (Meeting ID: 981 4782 8225); or

Monday, September 8, 2025

1:30 PM

In-person at 168 W. Alisal St, 1st Flr, Salinas CA-Board Chambers; or at 11140 Speegle St, Castroville, CA District 2 Office

Legislative Committee

Members of the public may participate in Committee meetings in two (2) ways:

1. You may attend the meeting in-person at 168 W. Alisal Street, 1st Floor, Salinas CA – Board Chambers; or or 11140 Speegle Street, Castroville CA – District 2 Office; or,

2. You may participate via Zoom at: https://montereycty.zoom.us/j/98147828225

If you do not have access to a computer, you may call into the meeting and participate by calling the following number: 1-669-900-6833 and entering the following Meeting ID: 981 4782 8225

If you choose not to attend the Legislative Committee meeting but desire to make a public comment on a specific agenda item, please submit your comment via email by 5:00 p.m. the Friday prior the meeting. Please submit your comment to Sophia Magana at maganas@countyofmonterey.gov and your comment will be placed into the record at the meeting.

If you are watching the live stream of the Legislative Committee meeting and wish to make either a general public comment or to comment on a specific agenda item as it is being heard, please select the "raise hand" option on the Zoom screen, and your microphone will be unmuted so you can speak. To select the "raise hand" option, click on the 'participants' icon at the bottom of your Zoom screen, then click the "raise hand" icon next to your name.

PLEASE NOTE: IF ALL BOARD MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

Participación en reuniones:

Los miembros del público pueden participar en las reuniones del Comité de (2) maneras:

1. Puede asistir a la reunión en persona en 168 W. Alisal Street, Primer Piso, Salinas, CA 93901 - Centro de Gobierno del Condado de Monterey, Las cámaras de la Junta; o,

2. Puede participar a través de Zoom en: https://montereycty.zoom.us/j/98147828225
Si no tiene acceso a una computadora, puede llamar a la reunión y participar llamando al siguiente número: 1-669-900-6833 e ingresando la siguiente identificación de la reunión: 981 4782 8225.

Si decide no asistir a la reunión del Comité pero desea hacer un comentario, envíelo antes de las 5:00 p.m. del viernes anterior a la reunión, a Sophia Magana, por correo electrónico a: maganas@countyofmonterey.gov y su comentario se incluirá en el registro de la reunión.

Si está viendo la retransmisión en directo de la reunión del Comité y desea hacer un comentario

público general o comentar un punto específico del orden del día mientras se escucha, seleccione la opción "levantar la mano" en la pantalla de Zoom, y su micrófono se silenciará para que pueda hablar. Para seleccionar la opción "levantar la mano", haga clic en el icono de "participantes" que encontrará en la parte inferior de la pantalla de Zoom y, a continuación, haga clic en el icono "levantar la mano" que encontrará junto a su nombre.

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DE LA JUNTA ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN DEL PÚBLICO POR ZOOM ES ÚNICAMENTE POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI LA ALIMENTACIÓN DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN PUEDE PAUSARSE MIENTRAS SE INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

NOTE: All agenda titles related to numbered items are live web links. Click on the title to be directed to corresponding Committee Report.

Call to Order

Additions and Corrections

Public Comment Period

This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee.

Approval of Action Minutes

1. Consider approval of the action minutes from the August 14, 2025, Legislative Committee meeting.

   Attachments: 8-14-25 Legislative Committee Meeting Minutes

Reports from Legislative Offices

2. Introduction of staff and brief reports from State/Federal Legislative Offices:
   a. Office of Senator Alex Padilla
   b. Office of Senator Adam Schiff
   c. Office of Congressman Jimmy Panetta
   d. Office of Congresswoman Zoe Lofgren
   e. Office of Senator John Laird
   f. Office of Assemblymember Robert Rivas
   g. Office of Assemblymember Dawn Addis

Federal Report - Presenter: Maria Tripplaar & Katlyn Koegel (Ballard Spahr LLP)

3. Receive reports, provide direction, and consider positions and/or recommendations to the Board of Supervisors on:
   a. Federal Government Update
      i. Congressional Overview
      ii. Executive Order Updates
   b. Appropriations Update, including Community Project Funding Requests
   c. Federal Advocacy
      i. FEMA Reimbursements - 2023 Winter Storms
   d. Federal Bill/Issues Track

   Attachments: 2025-09-08 Federal Report
   2025-09-08 Federal Track

State Report - Presenters: Ashley Walker & Kasha Hunt (Nossaman LLP)

4. Receive reports, provide direction, and consider positions and/or recommendations to the Board of Supervisors on:
   a. Status of the Legislature
   b. Status of the State Budget
   c. Legislation
   d. Proposition 50, Use of Legislative Congressional Redistricting Map Amendment
   e. Special Election Funding
   f. Governor's Actions and Executive Orders
   g. State Bill/Issues Track

Attachments: 2025-09-08 State Report
2025-09-08 State Track

Grant Report – Presenters: Ashley Walker & Kasha Hunt (Nossaman LLP)

5. Receive reports, provide direction, and consider positions and/or recommendations to the Board of Supervisors on:
   a. San Lucas Drinking Water Project
   b. Proposition 4 - Climate Resiliency
   c. Grant Track

Attachments: 2025-09-08 Grant Report
2025-09-08 Grant Track

Adjournment

The next meeting is scheduled on October 13, 2025.

Committee Members: Supervisor Glenn Church, Chair; and Supervisor Luis Alejo, Vice-Chair.Committee Staff: Nicholas E. Chiulos, Chief Assistant CAO; Annette D'Adamo, Legislative Program Manager; and Sophia Magana, Committee Secretary.

• Copies of staff reports or other written documentation relating to items referenced on this agenda and/or submitted after distribution of the agenda packet are on file and available for public inspection at the County Administrative Office, Monterey County Government Center, 168 West Alisal Street, 3rd Floor, Salinas.

• Meetings of the Legislative Committee are accessible to individuals with disabilities. The Administration Building and Monterey Conference Room are wheelchair accessible. Please contact the Monterey County Civil Rights Office at 831-755-5117 if you need assistance or accommodations in order to participate in a public meeting or if you need the agenda and public documents modified as required by Section 202 of the Americans with Disabilities Act.

• The following services are available when requests are made by 5:00 p.m. of the Friday before this noted meeting: American Sign Language interpreters during a meeting, large print agenda or minutes in alternative format.

• If you require the assistance of an interpreter, please contact Sophia Magana, in the County Administrative Office at 831-755-5115. Every effort will be made to accommodate requests for translation assistance. Requests should be made as soon as possible, and at a minimum 24 hours in advance of any meeting.

• Si usted requiere la asistencia de un interprete, por favor comuniquese con las oficina de Administracion localizada en el Centro de Gobierno del Condado de Monterey, (Monterey County Government Center), 168 W. Alisal, Tercer Piso, Salinas - o por telefono llamar a Sophia Magana, 831-755-5115. La asistente hara el esfuerzo para acomodar los pedidos de asistencia de uninterprete. Los pedidos se deberan hacer lo mas pronto posible, y a lo minimo 24 horas de anticipo de cualquier junta.

Introduced: 9/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: WR General Agenda

1. Email Correspondence dated September 2, 2025 to Ara Azhderian, General Manager, Board of Supervisors, Monterey County Water Resources Agency from Eric N. Robinson, Kronick, Moskovitz, Tiedemann & Girard re: Comments on April 2025 Salinas Valley Historical Benefits Analysis Update and May 29, 2025, Draft Interlake Tunnel and San Antonio Spillway Modification Assessment Engineers Report.

2. Email Correspondence dated September 2, 2025 to Amy Woodrow, Senior Hydrologist, Monterey County Water Resources Agency from Thomas Virsik, Attorney at Law re: September 1, 2025(sic) deadline for comments on the HBA Update, 2021 Engineer's Report, et seq.

3. Email Correspondence dated September 11, 2025 to Ara, Azhderian, General Manager, Monterey County Water Resources Agency from Christopher Bunn, President, Salinas Basin Water Alliance re: Concerns regarding Monterey County Water Resources Agency's April 2025 Update to the Historic Benefits Assessment of Water Infrastructure Projects for Salinas Valley.

4. Correspondence dated August 19, 2025, to Ara Azhderian, General Manager, Monterey County Water Resources Agency from Erik J. Malvick, Division Manager, Division of Safety of Dams, State of California Department of Water Resources re: Nacimiento Dam, No. 1008.

5. Correspondence dated August 19, 2025, to Ara, Azhderian, General Manager, Monterey County Water Resources Agency from Erik J. Malvick, Division Manager, Division of Safety of Dams, State of California Department of Water Resources re: San Antonio Dam, No. 1008-2

From:	Robinson, Eric
To:	Azhderian, Ara; Gonzales, Eva
Cc:	Donlon, Kelly L.; kobrien@downeybrand.com; Woodrow, Amy; Nancy Isakson (nisakson@mbay.net)
Subject:	RE: Comments on MCWRA HBA Update and Draft ILT Engineer"s Report
Date:	Wednesday, September 3, 2025 12:06:33 PM
Attachments:	2025-09-02 FINAL SVWC Ltr 2 MCWRA re comments on Draft Historic Benefits Analysis Update 4905-4513-2901 v.2.pdf

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe.]

All:

Our comment letter submitted yesterday refers to its attached memo as being dated August 29, when the memo in fact was dated September 2.

To avoid the potential for confusion, the enclosed letter corrects all date references to the September 2 memo, which is attached. There are no other changes.

Please accept this corrected letter for use in lieu of the version we sent yesterday.

Sincerely,

--Eric Robinson
Counsel, Salinas Valley Water Coalition

Eric Robinson | Attorney
Kronick Moskovitz Tiedemann & Girard | kmtg.com
916.321.4500

CONFIDENTIALITY: This communication may contain confidential information. If you are not the intended recipient, or believe that you have received this communication in error, please do not print, copy, retransmit, disseminate, or otherwise use the information. Also, please indicate to the sender that you have received this email in error, and delete the copy you received.

From: Robinson, Eric <erobinson@kmtg.com>
Sent: Tuesday, September 2, 2025 5:55 PM
To: Azhderian, Ara <azhderiana@countyofmonterey.gov>; cob@co.monterey.ca.us.
Cc: DonlonKL@co.monterey.ca.us; kobrien@downeybrand.com; Nancy Isakson (nisakson@mbay.net) <nisakson@mbay.net>
Subject: Comments on MCWRA HBA Update and Draft ILT Engineer's Report

Dear Mr. Azhderian and Clerk of the Monterey County Water Resources Agency's Board of Directors:

Please accept the enclosed comment letter and attached technical memorandum as the Salinas Valley Water Coalition's written comments on MCWRA's Historic Benefits Analysis Update and Draft Interlake Tunnel Project Engineers Report.

Sincerely,

KRONICK

KRONICK
MOSKOVITZ
TIEDEMANN
& GIRARD

ERIC N. ROBINSON
erobinson@kmtg.com

September 2, 2025

VIA ELECTRONIC MAIL

Ara Azhderian, General Manager
Board of Supervisors
Monterey County Water Resources Agency
1441 Schilling Place
Salinas, CA 93901
azhderiana@countyofmonterey.gov
cob@co.monterey.ca.us

Re: Comments on April 2025 Salinas Valley Historical Benefits Analysis Update and May 29, 2025, Draft Interlake Tunnel and San Antonio Spillway Modification Assessment Engineers Report

Dear Mr. Azhderian and Board of Supervisors:

This letter is submitted on behalf of the Salinas Valley Water Coalition (Coalition) to provide comments on the April 2025 Salinas Valley Historical Benefits Analysis Update (HBA Update) and May 29, 2025, Draft Interlake Tunnel and San Antonio Spillway Modification Assessment Engineers Report (Draft ILT Engineer's Report). These comments incorporate the attached September 2, 2025, Memorandum from UES providing Technical Review Comments on the MCWRA Historical Benefits Analysis and Draft Interlake Tunnel Engineers Report (September 2025 UES Memo).

The Coalition submits that the water resources of the Salinas River Basin should be managed properly in a manner that promotes fairness and equity to all landowners within the basin, and that the management of these resources should have a scientific basis, comply with all laws and regulations, and promote the accountability of the governing agencies.

To that end, the Coalition appreciates MCWRA's request for comments on the HBA Update and Draft ILT Engineer's Report. The Coalition submitted verbal comments during the July 9, 2025, workshop conducted by MCWRA's Board of Directors on the two reports and now submits these additional written comments.

MCWRA describes the purpose of the HBA Update as "to develop an updated analysis of hydrologic, flood control, and economic benefits resulting from the existing suite of Agency projects and present-day operation of those projects, using best available data and modeling tools." (April 2, 2025, MCWRA Staff Report re "Overview of the Salinas Valley Historical Benefits Analysis Update" [April 2025 Staff Report].) The Draft ILT Engineer's Report relies on the HBA Update, (April 2025 Staff Report), which estimates the extent and degree of special hydrologic benefits to landowners arising from the combined operation of the Nacimiento and San Antonio reservoirs, the Salinas Valley Recycling Project (SVRP), the Castroville Seawater Intrusion Project (CSIP), and the Salinas Valley Water Project (SVWP), including

its Salinas River Diversion Facility (SRDF). (*See* Draft ELT Engineer's Report at p. 15 [citing HBA Update's modeled change in groundwater storage as basis for estimating special benefits for Draft ILT Engineer's Report].)

The 2025 HBA Update follows MCWRA's completion of the original Historic Benefits Analysis in 1998 (1998 HBA). To estimate special benefits, the 1998 HBA used a well-vetted version of the Salina Valley Integrated Groundwater Surfacewater Model (SVIGSM) to calculate groundwater elevation changes arising from MCWRA's construction and operation of Nacimiento and San Antonio reservoirs. (HBA Update at p. 1-5 to 1-6; 1998 HBA Appendix A SVIGSM Model Extension and Verification.)[1]

The HBA Update Significantly Understates Actual Groundwater Recharge Special Benefits Because it Relies Upon a Superseded Groundwater Flow Model Suffering From Fundamental Flaws

When the HBA Update was prepared, it relied upon a 2023 "provisional" version of a new groundwater flow model recently developed by the U.S. Geological Survey (USGS). Internal peer review of the 2023 provisional model showed a poor fit between model-estimated groundwater pumping amounts and metered pumping data and a poor fit between modeled Salinas River surface flows and its interaction with groundwater and measured data for these parameters. (September 2025 UES Memo at 2.)

A peer review of the provisional and subsequent versions of the USGS model and use of it to conduct certain hydrologic planning revealed more errors, including understatement of low-flow conditions in the Salinas River, extensive reliance on hypothetical "drains" and water level elevation constraints in vast areas where no such drains or limits physically exist, and Salinas River bed elevations that fail to match measured land surface elevations. (September 2025 UES Memo at 2.)

Almost any groundwater model could be critiqued for being imperfect, but the 2023 provisional Salinas Valley Integrated Hydrologic Model (SVIHM) model version used to prepare the HBA Update is so deeply flawed and misleading that it cannot reasonably be used to estimate the groundwater recharge benefits arising from construction and operation of local water management infrastructure, including Nacimiento and San Antonio reservoirs, the SVRP, the CSIP, and the SVWP (including its SRDF). (September 2025 UES Memo at p. 2-6.)

For example, the HBA Update's groundwater modeling says 177,000 acre-feet per year (AFY) of groundwater flows out of hypothetical drains in the Upper Valley, Forebay, and Arroyo Seco—when no such drains actually exist. (September 2025 UES Memo at p. 4 [excerpting and evaluating HBA Update Table 3-6].) Essentially, the 2023 provisional model was not ready for use to support any policy evaluation or decisionmaking, because it still used hypothetical groundwater elevation constraints that pushed groundwater through hypothetical drains in order to try to get modeled groundwater elevations to match measured groundwater elevations throughout the valley:

[1] The 1998 HBA documents are available on MCWRA's website at: https://www.countyofmonterey.gov/government/government-links/water-resources-agency/documents/historic-benefits-analysis (last accessed September 2, 2025).

> Use of the SVIHM model version with the unacceptable use of "fictitious" drains extensively over the model domain to resolve or mask water budget errors or water elevation errors in the model renders the simulated scenario differences useless for the intended purpose.

(September 2025 UES Memo at p. 3.) In other words:

> [T]he use of fictitious drains in the 2023 provisional SVIHM model presents a severe and nonrectifiable deficiency in the HBA Update work renders the results of the modeling unusable for quantifying groundwater elevation changes over the valley as a result of historically implemented projects, especially the effects of the reservoirs in the southern Pressure Subbasin and the entire Forebay and Upper Valley Subbasins.

(September 2025 UES Memo at p. 4.)

The unacceptable use of hypothetical water-level constraints and drains in the SVIHM model version used for the HBA Update analysis helps to explain the very different model outcomes for predicted groundwater elevation changes with and without the reservoirs in the original 1998 HBA and the 2025 HBA Update. (September 2025 UES Memo at 3.) The 1998 HBA described recharge and related groundwater elevation benefits in a way that generally reflected observed reality. Rather than showing that the 1998 HBA Update overstated groundwater recharge/elevation benefits from the reservoirs, the 2025 HBA Update provides useless information that cannot meaningfully be compared to the 1998 HBA Update to learn anything about the benefits of MCWRA's reservoirs and related projects.

Given the widely varying views of stakeholders about who receives what water supply benefits from MCWRA's reservoirs and related projects, the HBA Update is a like a head-fake that misleads and confuses the players rather than pointing the way toward consensus. In that respect, it is notable that the Salinas Basin Water Alliance (SBWA) says "[t]he HBA Update contains a variety of modeling issues that must be addressed." (July 3, 2025, SBWA Comment Letter re Concerns Regarding Monterey County Water Resources Agency's April 2025 Update to Historic Benefits Assessment of Water Infrastructure Projects for Salinas Valley at p. 6.) The Coalition agrees.

MCWRA Should Re-do The HBA Update Using Updated Models

MCWRA should re-do the HBA Update using an updated version of the 2025 SVIHM that corrects the fundamental flaws described above, in the attached September 2025 UES Memo, and which already are being addressed by the Salinas Valley Basin Groundwater Sustainability Agency's (SVBGSA) modeling team. When it does so, MCWRA should convene qualified stakeholder experts to confirm consensus on use of the then-current version of the SVIHM and of the SVBGSA's Seawater Intrusion Model developed in 2023 by consultant Montgomery & Associates (SWI Model). That SWI Model should be used to evaluate the extent of seawater intrusion with and without MCWRA's reservoirs and projects. Just as with the 2025 HBA Update's significant understatement of groundwater elevation benefits, the HBA Update also significantly understates the reduction in seawater intrusion compared to 1998 HBA (1,000 AFY of avoided seawater intrusion versus 7,000 AFY documented in 1998 HBA). (September 2025 UES Memo

at 5-6.) Use of a corrected SVIHM together with an up-to-date SWI Model should produce the best estimates of groundwater recharge and water level benefits and avoided seawater intrusion).

When MCWRA re-does the HBA Update analysis using current model versions, it should clearly document all the assumptions used as inputs for modeling the without projects/no reservoirs scenarios. That includes documenting how MCWRA estimated the native/no-reservoirs inflow to the model. The native no-reservoir inflow estimates are used to create the baseline conditions from which the HBA Update's hydrologic benefits are identified and evaluated. For example, use of gaged stream data from surface streams entering MCWRA's reservoirs excludes surface flows from a significant portion of the relevant watersheds, which would understate native or natural inflow as a model input for calculating downstream hydrologic conditions, like groundwater elevations, without the reservoirs and related projects. (September 2025 UES Memo at p. 6.)

When MCWRA re-does the HBA Update, it should assign an economic value to avoidance of seawater intrusion that goes beyond relative crop benefit to include the benefit to domestic, municipal and industrial water use in the vicinity of the seawater intruded area. (September 2025 UES Memo at pp. 6-7.) Implementation of the Sustainable Groundwater Management Act (SGMA) in the Salinas Valley is highlighting the cost of responding to seawater intrusion, and any HBA Update should acknowledge and assign value to MCWRA project benefits that avoid seawater intrusion that otherwise would occur.

When MCWRA re-does the HBA Update, it should address all the issues detailed in the attached September 2025 UES Memo.

MCWRA Should Re-do The Draft ILT Engineer's Report That Relies Upon the Flawed HBA Update

The Draft ILT Engineer's Report relies on the HBA Update and its flawed modeling of special benefits, so it suffers from the same foundational problems that are detailed in our comments on the HBA Update. All the preceding modeling and valuation problems require the Draft ILT Engineer's Report to be re-done before MCWRA or anyone else may rely upon it to inform policymaking or other decisions. (September 2025 UES Memo at pp. 7-9.)

First, any Engineer's Report published to support financing of major proposed infrastructure, like the Interlake Tunnel Project (ILT), must detail the anticipated new special benefits of the proposed infrastructure separately from the special benefits provided by operations of existing infrastructure. (September 2025 UES Memo at p. 7.) Only that approach would enable compliance with Proposition 218's substantive limitations on new assessments, including its limiting an assessment to paying the proportional cost of special benefits provided by a project. (*See* Cal. Const., art. XIII D, § 4 ["No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel."].)

Second, the Engineer's Report should be re-done to use the Salinas Valley Operations Model (SVOM), which was specifically developed to provide an appropriate modeling tool to predict future reservoir reoperation scenarios. The Draft ILT Engineer's Report failed to rely upon the SVOM and instead assumed that future reservoir operations with the ILT constructed and operating would cause the same geographical and temporal distribution of special recharge benefits as estimated by the backwards-

looking SVIHM. That approach reflects an inaccurate assumption that past operations will be repeated in the future, even though the whole point of the ILT is to change future reservoir operations. (September 2025 UES Memo at p. 8.)

Third, just as with the HBA Update, the Draft ILT Engineer's report should assign economic value to the special benefits of avoided seawater intrusion and SGMA compliance. (September 2025 UES Memo at p. 9.) That special benefit goes above and beyond increased groundwater elevations, which reduce pump lifts or avoid the need to deepen wells. Any Engineer's Report for a project to increase groundwater recharge and reduce seawater intrusion must put a value on avoided seawater intrusion. (*Ibid.*)

Finally, the Draft ILT Engineer's Report describes changes in groundwater storage amounts that seem to conflict with the values in the HBA Update. The Engineer's Report refers to the HBA Update's Table 3-8 for reported changes in storage values by subarea, but these values should be derived from the SVOM modeling described above—not from the SVIHM's modeling of past project operations. (*Ibid.*) Of course, the storage changes estimated by the HBA Update's use of the superseded 2023 provisional SVIHM are inaccurate and cannot be used because of the widespread use of groundwater elevation constraints and fictitious drains. (*Ibid.*)

Conclusion

The Coalition thanks MCWRA for soliciting stakeholder input on the 2025 HBA Update and Draft ILT Engineer's Report. Updating the 1998 HBA could help stakeholders develop consensus on who receives what level of special benefits from MCWRA reservoir and related project operations. Unfortunately, the deep foundational problems with the 2023 provisional groundwater flow model used to prepare the HBA Update make its results inaccurate and misleading. The Coalition respectfully requests that MCWRA collaborate with qualified technical experts of the Coalition and others to ensure that a re-do of the HBA Update reflects consensus on the underlying groundwater modeling. Resolving this problem with the HBA Update would help MCWRA re-do its Draft ILT Engineer's Report, if it ever seeks to impose a new special assessment for this project.

Sincerely,

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation



ERIC N. ROBINSON

ENR

Enclosure

cc: Kelly Donlon, County Counsel's Office (donlonkl@co.monterey.ca.us)
Kevin O'Brien, Special Water Counsel to MCWRA (kobrien@downeybrand.com)
Nancy Isakson, SVWC President (nisakson@mbay.net)

MEMORANDUM

To:	Nancy Isakson, President, Salinas Valley Water Coalition
CC:	Eric Robinson, Kronick Moskovitz Tiedemann & Girard
From:	Dwight L. Smith, PG, CHg, Principal Hydrogeologist
Date:	September 2, 2025
Subject:	**Technical Review Comments on the MCWRA Historical Benefits Analysis and Draft Interlake Tunnel Engineers Report**

1.0 INTRODUCTION

This memorandum summarizes my technical review comments made on behalf of the Salinas Valley Water Coalition. The documents reviewed are listed below, and these comments focus on hydrologic and hydrogeologic aspects of the reports.

- Salinas Valley Historical Benefits Analysis Update, Final Report, dated April 2025, prepared by West Yost, and referred to in this memorandum as the HBA Update report.
- Economic Benefits of MCWRA's Investments in Water Infrastructure Projects for Salinas Valley, Final Report, April 2025, prepared by One Water Econ.
- Interlake Tunnel and San Antonio Spillway Modification Assessment Engineers Report, Draft, May 29, 2025, prepared by Bartle Wells Associates, and referred to in the memorandum as the ILT Engineers Report.

2.0 CONCLUDING RECOMMENDATIONS

2.1 HBA

Use of a superseded model, which at the time contained wide-spread use of fictitious drain cells to moderate (constrain) shallow water level elevations and potentially address water balance inaccuracies, has created significant inaccuracies in the model results for the HBA Update. Principally, historical water level changes (increases) associated with implementation of the reservoirs cannot be accurately simulated. The issue is clearly evident in the HBA Update results, which produced little to no significant water level changes that can be associated with implementation of the reservoirs, a notable difference from the 1998 HBA work, in which the modeling predicted an average 5-10 ft higher water level elevations under reservoir operations that is wide-spread through the valley, and up to 25 ft of water level elevation increases in the southern Pressure Subbasin and northern Forebay Subbasin. The HBA Update analysis will need to be redone using either the USGS (2025) published SVIHM model version, or preferably, an upcoming update to the 2025 published SVIHM. The USGS (2025) published model version partially addresses the use of wide-spread drain cells by returning the captured shallow groundwater by the drains to the Salinas River, but this adjustment does not address the fictitious constraint of water levels to set elevations by the cell drains. It is our understanding that the fictitious drain cells are currently being addressed (removed from the model) in an ongoing model update being implemented by the SVBGSA.

2.2 ILT Engineers Report

In my opinion, this body of work falls short of meeting professional standards for an Engineers Report, including utilization of incorrect modeling tools (relying on the SVIHM rather than the SVOM), numerous inaccurate or incomplete assumptions, and reliance on the HBA Update modeling results which has serious inaccuracies. My recommendation, if this draft body of work is to progress, is to re-engage and redo the ILT Engineers Report, in an approach similar to that described for the Engineers Report conducted for the SVWP in 2003, which includes technical peer reviews by qualified professionals and representatives of key stakeholders in the valley.

3.0 TECHNICAL EVALUATION POINTS

3.1 Salinas Valley Historical Benefits Analysis Update, Final Report, April 2025

3.1.1 Use of a Superseded Version of the SVIHM Model

The HBA Update needs to be conducted using the most current available version of the numerical flow model. The 2023 "provisional" model version that has been used in the analysis underwent important modifications and additional model calibration to address deficiencies revealed during internally conducted peer review by the USGS. Only the USGS and cooperating agencies understand the full spectrum of model adjustments made during the 2023 and 2024 timeframe and prior to the publication of the model in 2025, but some corrected issues that we are aware of include important modeling attributes associated with:

a. Representation of agricultural pumping and fit of the model simulated pumping to actual metered agricultural pumping.
b. Representation of Salinas River flows and water balances reporting to the river.

Peer review of the 2025 USGS published model along with ongoing use of the model for other hydrological and planning purposes has revealed some additional model shortfalls that can and should be addressed through additional model adjustments and calibration, including:

a. Under-simulation of low flow conditions in the Salinas River,
b. Conceptual use of drains for water balance and water level elevation constraints in areas for which drains do not physically exist (see Section 3.1.2 below), and
c. River bed elevations that do not accurately represent actual land surface elevations.

Furthermore, there have been additional scientific evaluations that improve the understanding of the hydrogeologic framework of Salinas Valley, including the deep aquifers, and to provide more advanced modeling tools for representation of seawater intrusion. The HBA Update modeling analysis needs to be updated to benefit from this work.

It is our understanding that the SVBGSA is advancing development of an updated SVIHM model version (v2) to address issues identified above. In order to gain credibility and confidence in the HBA Update work, it will be important for MCWRA to use the most-up-to-update numerical flow models available.

3.1.2 Notable Apparent Issue Related to Use of Fictitious Drain Cells in the Provisional SVIHM Model Version

It is notable in the HBA Update water balance tables and schematics that a large portion of the water budget in the SVIHM model version is allocated to drain discharge, in subbasins in which agricultural subdrains are not physically present (see HBA Update Table 3-6, copy provided below, highlight added). This use of "fictitious" drains in the 2023 provisional SVIHM model version regulated water level elevations from encroaching to land surface, thus enforcing maximum water level elevations to be maintained at or below the drain elevations. In areas where physical subsurface drains are present to maintain shallow groundwater elevations beneath agricultural lands (portions of the Pressure – 180/400 Subbasin), the use of the drains in the model is appropriate and represents a physical condition. But in areas where subsurface drains do not exist (Forebay, Upper Valley, and Eastside Subbasins), the use of drains is concealing unresolved water balance and groundwater elevation issues in the model. In the published version of the SVIHM (2025), water collected by the drains was routed to the Salinas River, which may partially correct water balance concerns, but the drains are still present, and function to artificially suppress shallow groundwater elevations. It is our understanding the SVBGSA is presently working on correcting this issue in the model by removing drains at locations where they do not exist and recalibrating the model to achieve reasonable match to measured groundwater elevations (SVBGSA Groundwater Technical Advisory Committee presentation, 2025).

The drain issue in the 2023 provisional version of the SVIHM used for the HBA Update has particular relevance to objectives of the modeling and the HBA Update, because the analysis relies heavily on groundwater elevation differences simulated by the model with and without the reservoirs along with CSIP and SVWP to quantify benefits. I believe that the use of the SVIHM model version with the unacceptable use of "fictious" drains extensively over the model domain to resolve or mask water budget errors or water elevation errors in the model renders the simulated scenario differences useless for the intended purpose. For note, one of the largest water budget parameter changes observed in the HBA Update modeling is the change in drain outflows (see Table 3-2 from the HBA Update, copy provided below, highlight added)

The unacceptable use of the drains in the SVIHM model version used for the HBA Update analysis is also a likely explanatory reason for the noticeably different model outcomes for predicted water level elevation changes with and without the reservoirs in the 1998 versus 2025 HBA modeling. Predicted groundwater elevation changes as a result of historical reservoir operations were notable in the southern Pressure Subbasin and north Forebay Subbasin in the 1998 SVIGSM modeling, with average water level elevation increases of 10-25 ft (see Figure 1-6 from the 1998 HBA report, included below). Over most of the Salinas Valley, the 1998 modeling indicated a 5-10 ft average water level increase. By comparison, the 2025 HBA Update modeling predicts essentially no average annual water level increase as a result of the reservoirs, with only modest increase directly along the river, and more substantial water level increases in the northern Pressure subbasin as a direct result of CSIP/SRDF. In review of available historical water level elevation data, it appears that a historical rise in water level elevations post-reservoirs (1958 for Nacimiento) as represented in the 1998 modeling is supported by the data, but perhaps of a more modest magnitude of approximately 5-15 ft (reference is made to hydrographs of water level elevations for 1948-1994 in the Appendix A to the HBA, Montgomery Watson, 1998).

The lack of predicted water level elevation responses from the reservoir operations and inconsistency with the prior body of work from the 1998 HBA modeling, which was a significantly peer reviewed effort, should have led to questioning of the validity of the results being observed in the HBA Updated modeling.

In summary, the use of fictitious drains in the 2023 provisional SVIHM model presents a severe and non-rectifiable deficiency in the HBA Update work, renders the results of the modeling unusable for quantifying groundwater elevation changes over the valley as a result of historically implemented projects, especially the effects of the reservoirs in the southern Pressure Subbasin and the entire Forebay and Upper Valley Subbasins.

Table 3-6. Average Annual Groundwater Budget by Subarea, Historical Scenario (in afy)

	Groundwater Budget Component	Pressure	East Side	Arroyo Seco	Forebay	Upper Valley	Below Dam	Paso Robles Basin	Offshore	Other Non-Zone 2C Area
Inflows	Net Recharge	18,000	29,000	8,000	-5,000	-36,000	-4,000	1,000	0	13,000
	GW/SW Flux	133,000	16,000	14,000	171,000	279,000	6,000	1,000	0	7,000
	Seawater Intrusion	9,000	< 1,000	0	0	0	0	0	0	5,000
	GW Inflow from Other Subareas	11,000	32,000	9,000	1,000	4,000	< 1,000	1,000	0	2,000
	GW Inflow from Ocean	0	0	0	0	0	0	0	15,000	0
	Total In	**172,000**	**76,000**	**32,000**	**167,000**	**247,000**	**2,000**	**3,000**	**15,000**	**27,000**
Outflows	M&I Pumping	24,000	12,000	2,000	5,000	4,000	< 1,000	< 1,000	0	2,000
	Ag Pumping	99,000	68,000	35,000	88,000	119,000	1,000	< 1,000	0	8,000
	Drains	31,000	< 1,000	3,000	49,000	125,000	1,000	0	0	< 1,000
	GW Exchange with Pajaro Basin	0	< 1,000	0	0	0	0	0	0	< 1,000
	GW Exchange with Paso Robles Basin	0	0	0	0	0	0	4,000	0	1,000
	GW Outflow to Other Subareas	25,000	0	0	19,000	2,000	2,000	< 1,000	15,000	12,000
	Total Out	**178,000**	**81,000**	**40,000**	**161,000**	**250,000**	**4,000**	**4,000**	**15,000**	**23,000**
Change in Storage		**-4,000**	**-4,000**	**-8,000**	**+7,000**	**-2,000**	**-2,000**	**-1,000**	**< 1,000**	**+4,000**
Mass Balance Difference		**-1,000**	**< 1,000**	**< 1,000**	**-1,000**	**+1,000**	**< 1,000**	**< 1,000**	**< 1,000**	**< 1,000**

Notes:
- Groundwater budget components are rounded to the nearest 1,000 acre-feet per year; totals may not sum due to rounding

Table 3-2. Average Annual Groundwater Budget for Historical and No Projects Scenario, and Difference Between Scenarios (in afy)

	Groundwater Budget Component	Historical Scenario	No Projects Scenario	Difference
Inflows	Net Recharge	24,000	38,000	-14,000
	GW/SW Flux	627,000	556,000	+72,000
	GW Exchange with Ocean	15,000	16,000	-1,000
	Total In	**666,000**	**610,000**	**+56,000**
Outflows	M&I Pumping	48,000	48,000	< 1,000
	Ag Pumping	419,000	429,000	-10,000
	Drains	209,000	164,000	+45,000
	GW Exchange with Pajaro Basin	< 1,000	< 1,000	< 1,000
	GW Exchange with Paso Robles Basin	4,000	4,000	< 1,000
	Total Out	**680,000**	**645,000**	**+35,000**
Change in Storage		**-11,000**	**-31,000**	**+20,000**
Mass Balance Difference		**-4,000**	**-5,000**	**+1,000**

Notes:
- Groundwater budget components are rounded to the nearest 1,000 acre-feet per year; totals may not sum due to rounding
- Difference between scenarios is calculated as Historical Scenario minus No Projects Scenario

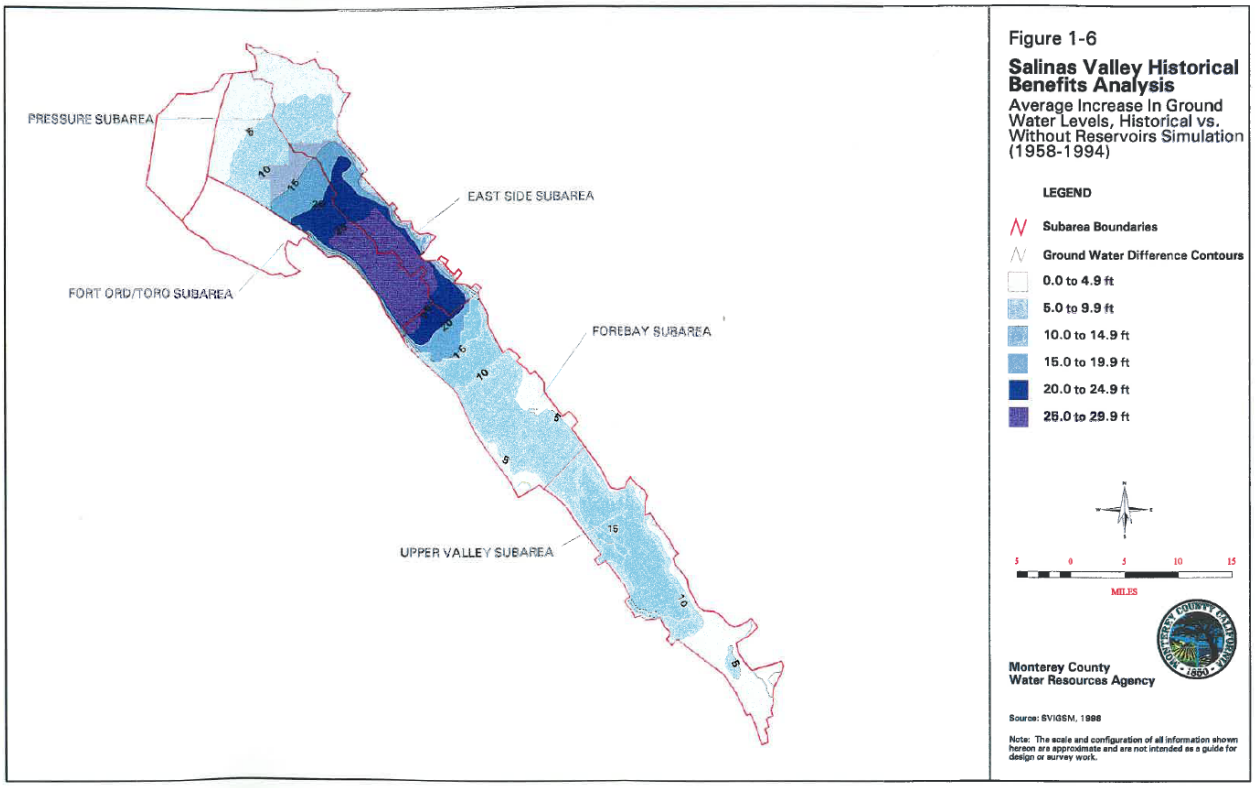


Figure 1-6 (HBA, 1998) of average increase in water levels elevations resulting from reservoir options from the 1998 HBA modeling.

3.1.3 Seawater Intrusion Simulated Differences

While unclear if associated with the use of drains in the provisional model version used for the HBA Update, it is notable that simulated reservoir operations appear to have little effect on predicted seawater intrusion in the HBA Update modeling. The 1998 HBA modeling predicted that seawater intrusion over the 1958 to 1994 period had been curtailed by 7,000 AFA (reduced from 18,000 AFA to 11,000 AFA). The HBA Update model indicates seawater intrusion has been curtailed by only 1,000 AFA over the period of 1968-2018 (16,000 AFA to 15,000 AFA) by mutual operation of the reservoirs, CSIP and the SVWP. However, the HBA Update indicates very little difference in seawater intrusion occurred prior to implementation of CSIP (p. ES-12), a significant difference from the 1998 HBA modeling results. Further work is needed to adequately quantify seawater intrusion differences using the most up-to-date and robust modeling tools available. To date, the most robust seawater intrusion model is recent work published by the SVBGSA (2023) called the SWI Model (Montgomery & Associates, 2023) The SWI model predicts an average annual seawater intrusion of 22,000 AFA over the period of 1974-2020, which differs notably in magnitude of simulated seawater intrusion from the modeling SVIHM model. The SWI up-gradient boundary conditions are associated with the SVIHM / SVOM and will likely need to be updated at some future time but this probably does not significantly influence the seawater intrusion predictive results of the SWI.

Because of the significant economic costs associated with impacts from and future management of seawater intrusion, the HBA Update needs to be based on quantifications of seawater intrusion made using the best available model and technical work, which at this time is the SWI model.

3.1.4 Lack of Documentation for the Computations of No-Reservoir Native Flows in Nacimiento and San Antonio Rivers

Details and documentation of methodology are needed for how the no-reservoir native flows in Nacimiento and San Antonio Rivers have been computed for the period 1958 to present. The draft HBA report references data provided by MCWRA, without any explanation of how the native no-reservoir flow estimates have been computed. As there are several approaches that may have been utilized to make the computations, the methodology needs to be adequately documented.

Critical questions on the computed no-reservoir native flow estimates include:

a. Was the USGS rainfall-runoff model of the Salinas River watershed uplands model (Salinas Valley Watershed Model - SVWM) used to produce simulated the no-reservoirs river flows?
b. Was the computed no-reservoir native flow estimates based on up-stream gage data on Nacimiento and San Antonio Rivers (USGS 11148900 NACIMIENTO R BL SAPAQUE C NR BRYSON CA, period of record 1971-present; USGS 11149900 SAN ANTONIO R NR LOCKWOOD CA, 1965-present), and if so, how were the tributary areas below the gages accounted for in the river flow estimates, and how were any data gaps at the gage records addressed (for example 1958-1970 for Nacimiento)? For note, the tributary area to Nacimiento Reservoir below the Sapaque gage is 108,620 acres, which is greater than the up-stream watershed tributary to the gage of 99,940 acres; and the tributary area below the Lockwood gage is 68,190 acres, contrasted with 138,630 acres up-stream of the gage. Significant un-gaged watershed area produces runoff below the stream gages that reports to both reservoirs.
c. Was a water balance approach used, that factored into consideration historical evaporation losses from the reservoir, changes in reservoir storage volume, and both gaged and non-gaged runoff into the reservoir?
d. How was the gaged reservoir releases and outflow data used, or compared and contrasted with the computations of no-reservoir flows (USGS 11149400 NACIMIENTO R BL NACIMIENTO DAM NR BRADLEY CA, period of record 1957-present; MCWRA reservoir release records)?

Since the native no-reservoir flow estimates are used to create the baseline condition from which HBA Update hydrologic changes are interpreted, it is important that the assumptions imbedded in the baseline condition be presented, utilize best available data and methodologies, and be presented in a manner that can be sufficiently peer reviewed.

3.2 Economic Benefits of MCWRA's Investments in Water Infrastructure Projects for Salinas Valley Final Report April 2025

3.2.1 Seawater Intrusion Does Not Appear to be Adequately Valued

The economic value of seawater intrusion reduction is not adequately represented in the analysis. Only a relative crop value benefit is the basis for the assessed value. The value related of other components of

water supply is not included, such as provision of domestic, municipal and industrial water in the vicinity of the seawater intruded area. Seawater intrusion has driven up the cost to maintain municipal water supplies of suitable quality and has necessitated desalinization facilities and drilling of deep wells into the Deeper Aquifers. These are quantifiable expenses that need to adequately factored into consideration for the valuation of seawater intrusion benefits.

3.2.2 Lack of Consideration of SGMA Implementation Costs

The historical economic benefit is not applicable to a forward analyses in time and is not consistent with regulatory statutes implemented in the past decade. Notably, there is a very substantial cost directly associated with seawater intrusion mitigation and management resulting from the Sustainable Groundwater Management Act (SGMA). Use of the economic model to project potential benefits for existing infrastructure and future projects like the proposed Interlake Tunnel Project will not be accurate without inclusion of projected costs associated with SGMA implementation, especially as it relates to mandates for the seawater intrusion mitigation and management.

3.2.3 Inaccurate Allocation of Avoided Well Construction and Replacement Costs

The approach of assigning value as it relates to avoidance of well deepening does not make physical sense in some geographic areas, notably for the Upper Valley Subbasin and much of the Forebay Subbasin, because there does not exist a deeper aquifer from which drilling of deeper wells could benefit. This attribute of benefit is not applicable to geographic areas where no deeper aquifer system exists, and existing wells effectively penetrate the known productive thickness of the aquifer.

3.3 DRAFT Interlake Tunnel and San Antonio Spillway Modification Assessment Engineers Report, May 29, 2025

Technical comments in this review relate to *Option 2 – Historical Benefit Weighting Approach.*

3.3.1 Projects Have Unique Effects

There is a fundamental deficiency in assuming that benefits derived from a cumulative set of historically implemented projects will have the same proportional effects as a specific proposed project. The Draft EIR completed for the proposed Interlake Tunnel project utilized a project-specific evaluation completed using the USGS SVOM model version (provisional). This technical work was conducted in 2022 and 2023 to quantify the unique predicted outcomes to water supply availability and flood flow releases from the reservoirs associated with the proposed ILT project. A similar project-specific quantification approach should have been utilized by the ILT Engineers Report. Specifically, the technical analysis in the ILT Engineers Report should have relied upon project-specific modeling as conducted using the SVOM to determine geographic distributions and magnitudes in water level elevation changes and seawater intrusion flows, consistent with the DEIR, to quantify the unique benefits of the proposed project and determine allocation of benefits by special benefit areas. The geographic resolution might be more appropriately defined on the HBA economic subunit scale rather than the hydrographic subarea scale. The assumption that past distributions and allocations of benefits can represent a specific future project is both inconsistent with the technical work conducted for the EIR and is not consistent with professional standards for assessment of project-specific associated effects.

3.3.2 Incorrect Modeling Tool has been used to Quantify Hydrologic Benefits

The USGS Salinas Valley Operations Model (SVOM) has been *specifically* developed to provide an appropriate modeling tool for predication of future reservoir reoperation or modification scenarios yet the SVOM was not used to quantify the benefits in the Engineers Report. To the extent that modeling is going to inform future predicted benefits, the appropriate modeling tool, the SVOM needs to be used to determine (estimate) future changes in the aquifer water levels, storage, and seawater intrusion resulting from the proposed Interlake Tunnel and Spillway modification projects. This is completed by running future scenarios with and without the proposed projects and comparing the results, as approached in the Draft EIR for the project. The use of the historical modeling results from the SVIHM, comingles historically implemented projects that came on-line over various times in the modeling period, accompanied with reservoir operational changes. The proposed projects are presumed to result in reservoir operational changes. To assume that any future proposed reservoir change will enact the same geographical and temporal effects is simply an inaccurate assumption, especially in light of the appropriate modeling tool having been developed and published in 2025 to look at future reservoir operations including the Interlake Tunnel. It should be noted that the SVOM published by the USGS in 2025 also has the drain issues that requires addressing before reliable results can be derived.

3.3.3 Special Benefits are Not Adequately Defined and Integrated

Seawater intrusion management, recreation and other benefits do not appear to be adequately factored into consideration in the ILT Engineers Report. The 2025 Engineers report appears to simply apply special benefits for water supply (based on change in storage only) and flood control. Other special benefits are reviewed in the updated HBA, but do not appear to be integrated into the 2025 Engineers Report. For reference, see the 2003 Engineers Report for the SVWP (RMC, 2003, Table ES-3, copy provided below) applied a weighting factor approach to integrate all identified special benefits. Additional general public benefits related to environmental considerations and habitat conservation for steelhead trout needs to be included in the current analysis. Weighting factors also need to be considered in light of today's important issues and regulatory requirements.

Table ES-3: Special Benefits (RMC, 2003)

Special Benefit	Weighting Factor
Control of Seawater Intrusion	3
Flood Control	3
Increased Recharge	1
Groundwater Quality	1
Timing and Location of Recharge	1
Drought Protection	1
Preservation of Aquifer Storage	1
Recreation	1

3.3.4 SGMA Implementation as a Special Benefit

Today's reality is that significant efforts are required to meet the compliance with state regulations for the Sustainable Groundwater Management Act (SGMA). SGMA compliance should be viewed as a special benefit as characterized on an economic unit area scale. The critical overdraft designation for the 180/400 subarea and priority need to control seawater intrusion has significant financial implications for the Salinas Valley communities – focusing much greater weight on seawater intrusion than when the 2003 Engineers Report was completed for the SVWP. Any Engineers Report prepared today to assess future proposed projects in Salinas Valley needs to acknowledge and appropriately weight into the analysis the costs and hydrologic benefits that will help facilitate implementation of SGMA, notably for seawater intrusion mitigation and management that is confronting the community. The lack of recognition of SGMA and associated weighting relevant to SGMA implementation necessities for the community is unacceptable in the ILT 2025 Engineers Report.

3.3.5 Storage Change Inconsistencies and Accuracy

The change in storage values in the ILT Engineers Report do not appear to match the values reported in the HBA Update. Reference is made to HBA Update Table 3-8 for reported changes in storage by subarea. However, these values need to be derived from the SVOM modeling as explained above, and not the SVIHM from past projects operation. Also of note, the accuracy of the storage change attribute derived from the 2023 provisional SVIHM is also in question due to the wide-spread use of fictitious drains.

--Eric Robinson
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From:	Azhderian, Ara
To:	Gonzales, Eva
Subject:	FW: Comments on 2025 HBA Update, 2021 Engineer's Report, 2025 ILT Project Draft Engineers Report
Date:	Wednesday, September 10, 2025 11:19:20 AM
Attachments:	MCWRA re 2025 HBA 9-2-2025.pdf

[redacted]

[redacted]

From: Thomas S. Virsik <thomasvirsiklaw@gmail.com>
Sent: Tuesday, September 2, 2025 11:55 AM
To: Woodrow, Amy <WoodrowA@countyofmonterey.gov>
Cc: Azhderian, Ara <AzhderianA@countyofmonterey.gov>; Donlon, Kelly L. <DonlonKL@countyofmonterey.gov>
Subject: Comments on 2025 HBA Update, 2021 Engineer's Report, 2025 ILT Project Draft Engineers Report

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe.]

Ms. Woodrow:

Attached please find written public comments this first business day following the announced target date.

--

Thomas S. Virsik
Attorney at Law
2515 Santa Clara Avenue, Suite 208
Alameda, CA 94501
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Thomas S.
Virsik
ATTORNEY AT LAW

Via email: WoodrowA@countyofmonterey.gov
2 September 2025

Amy Woodrow
Senior Water Resources Hydrologist
Monterey County Water Resources
1441 Schilling Place
Salinas, CA 93901

Re: September 1, 2025 [sic] deadline for comments on HBA Update, 2021 Engineer's Report, et seq.

Ms. Woodrow:

As invited by the General Manager's comments at the July 9, 2025 workshop, please note the below comments and observations about the current suite of dam-related (being the Nacimiento and San Antonio) project documents, i.e., the 1998 Historic Benefits Analysis (HBA), the current HBA "update" including its Economic Benefits Analysis (New HBA and EBA), the draft 2021 Engineer's Draft Report for Zone 2D (2021 Report), and the recent draft Engineer's Report for the Interlake Tunnel Project (ILT Report). WRA staff at the workshop and in public announcements since then have indicated a further workshop or other public event may be scheduled in October or November on dam safety projects. As staff recognizes, the content of the above array of documents, reports, and drafts overlap in multiple ways – at times inconsistently.

The goal of a reliable funding approach for dam and other infrastructure upkeep is critical and shared broadly throughout the Valley – including by my "southern" clients. It is imperative that whatever path or paths chosen to be reliable. Nobody "wins" if a funding election fails, loans cannot be obtained, much less if even one portion of the Valley loses a key water source, e.g., the 12 K acres of the CSIP. The comments to date, below, and those yet to be made are intended to guide towards solutions, not frustrate them. Nevertheless, beyond the suite of prior reports and studies, the dams and other infrastructure exist within the context of and bound by documents and events on the "legal" or political side of reality. The minutiae thereof are beyond the scope of this comment letter, but include at least the Cost Allocation Committee process, the successful SVWP, Proposition 218 process and the critical role of an Engineer's Report, judgments in validation lawsuits (outright or negotiated through settlement), and robust legal precedent on Proposition 218 and validation actions.

My preliminary oral comments at the July workshop, reduced to bullet points, included:

- The New HBA is not an update but purports to replace the prior HBA.

- The New HBA purports to follow the analyses of the HBA but starkly disagrees that the reservoirs (1) materially slowed seawater intrusion (SWI), (2) prevented multiple 100 K's AF of intruded water from entering the North, and (3) prevented the SWI "line" from advancing multiple additional miles. See e.g., "old" HBA at ES-5 (a main objective of reservoir operation is to slow SWI; 230 K acre feet of seawater intrusion prevented); ES-6 (reservoirs precluded 41 wells from being lost to SWI; SWI line would have been 6.5 miles more inland but for reservoirs).

- The New HBA concedes the USGS model used is not designed to analyze SWI.

- The SVBGSA in conjunction with its partners has developed a version of the USGS model for the purpose of analyzing project impacts on SWI, which model version was not used in the New HBA.

- The New HBA references Bulletin 52 (1946) but only used data from 1967 (after reservoirs were built) forward, while the HBA relied on data from 1949 through 1994.

- The EBA appears to not consider the 2020 and 2022 SVBGA adopted and DWR approved GSP's that categorize parts of the Valley as sustainable or not sustainable when projecting the economic impact of added water or reduced seawater intrusion in discrete locations in the Valley.

2021 Report

Enclosed are letters and their enclosures dated March 22, March 23, and December 20, 2021, addressing the Draft Engineers Report for proposed Zone 2D. This comment letter will not purport to summarize the entire contents of those letters and enclosures. One point, however, made in the December 2021 letter can now be made more empathically: a successful election does not insulate a fee, charge, or other levy from a constitutional challenge, i.e., the substantive requirements of the Constitution must always be met. Lejins v. City of Long Beach (2021) 72 Cal.App.5th 303 (review denied by the California Supreme Court). The 2021 letters strongly urged the WRA and its decision makers to take guidance from the then-applicable (2019) version of the current Leage of California Cities' Propositions 26 and 218 Implementation Guide, August 2021. (Guide). https://www.calcities.org/resource/propositions-26-and-218-implementation-guide. The Guide was updated in 2021 but remains fully consistent with the advocacy expressed in the 2021 letters.

The other fundamental caution is that the dam projects appear for Proposition 218 purposes as an increase in existing assessments, not genuinely new ones. If the safety and maintenance projects are not a "new project" for Constitutional purposes, the default is that such increases should follow current proportionality principles. See March 22, 2021 letter pages 4-6. The Guide addresses increased assessments. Guide at 50. Changing the names of projects or levies (e.g., CAMP, Zone 2D) does not preclude a project from being "repair, replacement, rehabilitation, [or] care" of a project already subject to a validated proportionality. Article XIII d § 4(a). The agency enjoys no presumptions in its favor. Silicon Valley Taxpayers Ass'n, Inc. v. Santa Clara County Open Space Authority (2008) 44 Cal.4th 431, 448-449; see Guide at 45 et seq.

While the present (so far, oral) proposal is not identical to that of the 2021 Report, it is similar: O&M and repair/rehabilitation of the dams. The lessons learned and advocacy around the 2021 Report should be weighed carefully as they continue to apply. The starting point is that increased assessments for the same universe of benefits to the same parcels by any new name or description must follow the validated proportionality of the Zone 2C assessments. That is by far the simplest approach for the WRA. "Often, the best approach is the simplest." Guide at 39. Sometimes the safest path is the most familiar one.

New HBA

The "old" 1998 HBA analyzed the benefits the two dams provided to the Valley, including flood reduction, water reliability, and slowing SWI. It relied on a data set from 1949 (pre-reservoir) through 1994, the most current then available. It divided the Valley into discrete "units" and segregated the several (e.g., flood v SWI) analyses and provided a tabulation by those geographic units. Thus, an area may have benefited tremendously from slowing SWI but not much from flooding or had greatly increased water levels but no other benefit. The old HBA became the topic of much discussion and negotiation among interests from various parts of the Valley, out of which process came a set of broadly acceptable "numbers" – which numbers became the conclusion of the Engineer's Report and thus the Zone 2C assessments. Because the process had involved most of the major Valley (ag) interests, the proposed Zone 2C rates were familiar and the Proposition 218 election passed comfortably. Unfortunately, the New HBA is not (yet) sufficiently reliable to become the foundation for further process, as explained in this comment letter.

The New HBA claims the following:

> Accordingly, this HBA Update relies on the improvements of knowledge and tools over the past 25 years to provide a revised characterization of the benefit accrued by stakeholders in the Basin from the presence of the Nacimiento and San Antonio Reservoirs. HBA 1.3.5 (emphasis added).

The New HBA, however, relies on a tool conceded unsuitable for analyzing SWI and rejects pre-reservoir actual data upon which the old HBA relied. By its own articulated goals, it fails to improve the existing reservoir benefits analysis by using a different data set. HBA 2-5 (model unable to use same data set used in old HBA), B-8 (uncertainty unknown). The New HBA seemingly succeeds in its analyses of the additional benefits of the new projects, e.g., SRDF and CSIP for the northern SWI areas. ES-11 (last sentence of first paragraph). The New HBA's more current tools confirm decades of MCWRA reports that the CSIP has a materially beneficial effect on northern SWI.

Specific concerns about the New HBA include:

- The New HBA Project definition is unclear – the reservoirs exist in the time period of the new analysis, therefore the projects being assessed (in terms of "with" and "without") are the CSIP and the SRDF, and always "with" the reservoirs, never "without" the reservoirs. Results of such an analysis are primarily attributable to the CSIP and SRDF, and to the changes in reservoir operation, which are not discussed in the analysis.
- The New HBA builds upon the HBA without repeating a "with/without" reservoir analysis (as is done in the HBA) and therefore the HBA benefits with respect to the Reservoirs appear to stand as the foundation of the New HBA.
- At 1-16, last sentence of first full paragraph, though SWI was not reversed, the old HBA concludes the reservoirs did lead to a slowing of the rate of storage loss/SWI.
- At the penultimate full paragraph on 3-40, what is estimated? And what are the uncertainties in, and level of accuracy of, estimates?
- Appendix B re uncertainty is useful, but its substantial caveats and recognition of uncertainty are downplayed in much of the narrative, falsely suggesting reliable conclusions, e.g., inability to use actual or "observed" data for streamflow (B-13).

The New HBA is severely limited in the key aspect noted above, e.g., the USGS model is not designed to analyze SWI. ES-13. Consequently, the New HBA has no discussion or analysis of the SWI contour lines and if and how the reservoirs affected those, e.g., the 250 and 500 ppm lines the WRA has been producing for decades. Graphics of the SWI contour lines are included as Figures 1-14 and 1-15 in the background section of the New HBA but appear not to be discussed or otherwise analyzed. SWI is not a minor or additive element – it is the reason the SWRCB threatened to impose State management in 1995 and would be the factual basis of any DWR intervention under SGMA.

Moreover, the New HBA does not include reference data from a time period without/before construction of the reservoirs and instead fabricates a data scenario without reservoirs by using estimates; no development (such as hydrologic trends and historical climate data) is offered to motivate how useful or reasonable the estimates are in this no reservoir scenario, there is only a statement that this scenario cannot be verified by actual timeseries data. In addition to motivating why this data can / should be relied upon, the New HBA must further provide transparency around when the available data and modeling tools have fallen short and the resultant conclusions are not certain or to what degree they are useful.

The New HBA separates benefits into the hydrologic and flood (and a catchall "other"). The EBA, based on the New HBA, was able to include a stand-alone analysis of "pure" SWI avoidance benefits. See below. The two new reports are at odds on a key aspect aspect of benefits: reduction or slowing of SWI in the northern coastal area.

The apparent take-away is that the modeling approach of the New HBA shows how impactful the CSIP and SRDF have been. Yet, the actual data on SWI, such as water quality data and MCWRA published contours, and the continued use of wells that would have otherwise succumbed to SWI, is enough to demonstrate that these projects have been impactful - so what useful conclusions and learning has this modeling effort resulted in? Those useful conclusions, backed up by accurate characterization of the certainty and applicability of the data used to determine them, can and should be offered up front even if they were not the originally scoped focus of an "updated HBA."

EBA

The EBA is premised on the New HBA, which flaws undermine the separate EBA, e.g., that the reservoirs had little effect on SWI until the CSIP came online in 1998. The EBA lacks a comprehensive summary table by areas or study units. But its Tables 2, 3, and 9 reflect that even on the questionable basis of the New HBA, the lion's share of benefits of all projects were to the CSIP and SWI adjacent lands.

The CSIP benefited the growers who received its water, of course. EBA at iii and 18. Had the CSIP not been built, the State (SWRCB) would have directed all pumping cease in the critical SWI area and with it many business operations and land values. The EBA seems unaware of that threat or the history of the CSIP.

Nevertheless, even on the thinner record, the value of the CSIP benefit starts at $28.1 M. (all figures approximate). EBA Table ES-1. In addition to seemingly "pure" SWI benefit, the projects reduced well replacement in the northern and coastal areas. EBA Table 2. The Pressure accounts for some $90 M or the total

$107 M benefit ascribed to avoidance of well replacement. The increased head and consequent reduction of power needed to pump also shows the Pressure and environs received substantial benefit. Table 3 ($33 M of the $76 M total). Finally, flood benefits also primarily benefited the northern areas. EBA Table 9. ($200 M in North of the total $210 M).

As noted in the above paraphrase of my oral comments at the July workshop, the EBA is ignorant of the GSP's and the present default that the South is sustainable while the North is unsustainable. Under basic free market principles, the dearth of a commodity (water) in a location (the North) tends to make it more valuable than in locations where there is enough. The EBA appears to not have taken that basic principle into account, perhaps because it seems unaware of the stark differences in sustainability status among the parts of the Valley.

ILT Report

A between the lines read of the ILT Report suggests its but a grant deliverable. It seems to lack any indication of the specific engineer author, much less their certification, unlike credible engineer reports. "Thus, a defensible assessment largely depends on a credible engineer's report." Guide at 38, see also page 45. Its brevity is also a red flag, as is its proffer of more than one approach to funding. Of course, early administrative report drafts need not meet specific thresholds, but typically such documents are not publicly released for comment.

More granularly, assertion of a "nexus" is common for Proposition 26, not Proposition 218, funding analyses. ILT Report at 6. Curiously, it appears to rely (or so states) on the New HBA but not the EBA even though part of its goal is to quantify economic benefits. ILT Report at 10. It purports to apply the New HBA benefits analysis to the ILT, thus all but conceding that the ILT's benefits are no different than the current suite of projects subject to the Zone 2C Engineer's Report, successful Proposition 218 election, and validation judgment(s). Its analysis violates nearly all norms of what a credible engineer's report must contain, which can be detailed should the ILT Report ever be presented for formal acceptance. Guide at 37-48.

Conclusion

My clients continue to support the WRA's recent increased transparency, epitomized by its release of these various reports and analyses not as a *fait accompli* but more as invitations to or furtherance of discussion with and among stakeholders. The New HBA and the EBA, however, are not well suited as foundations for any serious discussions or negotiations for the reasons explained above. Perhaps their flaws can be readily addressed, but there is a real danger of the perfect being the enemy of the good. The available foundations – the SVBGSA's GSP's, the old HBA, Zone 2C and all that led to it legally and

politically – may be just enough on which to pursue an all (or at least most) Valley approach to keeping (funding) the critical infrastructure viable.

Very truly yours,

Thomas S. Virsik
Thomas S. Virsik

Encl. March 22, 2021 letter to Brent Buche, General Manger MCWRA
March 23, 2021 letter to Brent Buche, General Manger MCWRA
December 20, 2021 letter to Brent Buche, General Manger MCWRA

cc: Ara Azhderian, AzhderianA@countyofmonterey.gov
Kelly Donlon, DonlonKL@co.monterey.ca.us

Thomas S.
Virsik
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Via email only bucheb@co.monterey.ca.us
March 22, 2021

Brent Buche, General Manager
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Salinas, CA 93901

Re: Comments to Draft Engineer's Report for the Monterey County Water Resources Agency Assessment District Formation Zone 2D - Nacimiento and San Antonio Maintenance Project

Dear Mr. Buche:

On behalf of the Orradre interests and Scheid Family Wines, please consider these comments to the Draft Engineer's Report for the Monterey County Water Resources Agency Assessment District Formation Zone 2D - Nacimiento and San Antonio Maintenance Project ("Draft Report" and "MCWRA") dated January 25. 2021. Julia Shiplacoff, PE, of Stetson Engineers reached out to the MCWRA for detailed back-up information after the February 16 workshop – e.g., the spreadsheets or other explanations of the calculations that supported the content of the Draft Report -- but none was provided. See enclosed. Ms. Wagner, the MCWRA's consulting engineer and author of the Draft Report, stated during a presentation to the Salians Valley Water Coalition ("SVWC") on March 3 that I attended as a guest that the material Ms. Shiplacoff had requested was "coming." It has never arrived. This comment letter and the enclosed draft memorandum from Ms. Shiplacoff ("Stetson Draft Memo") are preliminary and subject to revision once the requested material is made available. I also understand that a revised Draft Report may be soon produced, to which additional comments may be submitted. This letter addresses the Draft Report only.

SUMMARY

As a threshold matter, the Draft Report is fatally flawed in several ways. First, the Draft Report fails to identify, quantify, and separate the general benefit from the special benefits as required under controlling precedent (which is most germane, but not limited, to the alleged "avoidance of a dam breach" benefits). Second, the approach to the "avoidance of a dam breach benefits" is logically and legally unsupported – equating the creation of a risk that is then avoided as a benefit. Third, the projects involved are, for Proposition 218 purposes, maintenance of existing permanent public improvements. The proportionate benefits for such maintenance were determined in a Proposition 218 process for the Salians Valley Water Project ("SVWP") over a decade ago, which the Draft

Report ignores. In addition, the MCWRA will be unable in a legal proceeding to meet its burdens of justifying additional components of the desired assessments given its refusal to provide detailed information as requested (and promised).

OTHERS' COMMENTS

Both Landwatch and the SVWC submitted comment letters, identifying potential flaws and concerns. While not adopting all content of both letters, the basic approach and recitation of the law, burdens, and standards in both letters is sound. See, February 10, 2021 letter from John Farrow and March 1, 2021 letter from Pamela Silkwood. Specifically, the MCWRA has no authority to exercise its discretion in a manner that undermines Proposition 218's purpose. Silicon Valley Taxpayer's Ass'n, Inc. v. Santa Clara County Open Space Authority (2008) 44 Cal.3rd 431, 445.

JURISPRUDENCE REQUIRES GENERAL BENEFITS TO BE IDENTIFIED AND QUANTIFIED

The discussion of general benefits in the Draft Report is brief. See 4.2.1 of the Draft Report. Utterly lacking is the required quantification of the benefits. "The City's failure, through the engineer's report, to separate and quantify the general and special benefits provided by the proposed assessment renders the assessment and formation of the District constitutionally infirm." Golden Hill Neighborhood Assoc v. City of San Diego (2011) 199 Cal.App.4th 416, 439. To identify, quantity, and separate the general from the special in the engineer's report has been the law since 2010, which requirement is explicitly part of Proposition 218.

> In any legal action contesting the validity of any assessment, the burden shall be on the agency to demonstrate that the property or properties in question receive a special benefit over and above the benefits conferred on the public at large . . .

Article XIIID section 4. Quantification of the general benefits is among the MCWRA's threshold burdens.

> [T]his case involves the failure to separate and quantify the general and special benefits that will accrue, respectively, to members of the general public and occupants of Wildomar residential properties from their common use and enjoyment of the Wildomar parks. The Wildomar parks, like all public parks, will be used by the public at large at least to some extent. The County acknowledges it was required to fund the general benefit portion of the Master Plan from nonassessment sources, and argues it did so. For the reasons explained, however, the Engineer's Report is insufficient to support the County's argument.

Beutz v. County of Riverside (2010) 184 Cal.App.4th 1516, 1537. The court's rationale in Golden Hill applies to the Draft Report: "Like the engineer's report

in Beutz, the engineer's report here did not attempt to separate and quantify the general and special benefits that the proposed services and improvements would confer." Golden Hill 199 Cal.App4th at 438. The Draft Report is fundamentally and fatally flawed.[1]

If the general benefits are addressed in a further iteration, what is required? To start with, Ms. Wagner clarified at the March 3 presentation to the SVWC that the "breach avoidance" benefits were based on "safety and loss of life." Taking that explanation at face value, any alleged benefit is not to parcels, but to persons[2]. Saving lives – obviously laudable – is not a special benefit. It is a benefit to the public who happen to be present in a specific area under a specific set of circumstances, i.e., "the public at large." Silicon Valley Taxpayer's Ass'n, Inc., 44 Cal.3rd at 455 (citing Article XIIID § 2(i)); see also Propositions 26 and 218 Implementation Guide, May 2019, League of California Cities, at II.A and B. It is difficult to fathom a more generalized benefit than avoiding the loss of life or limb. If the sole metric for "breach avoidance" benefits is safety to persons, the benefits are general, not special.

Moreover, the Draft Report acknowledges benefits to recreational interests in its discussion of general benefits but does not quantify them. Draft report at 4.2.1. Quantifying general recreational benefits is entirely feasible, as several years of low water levels in the reservoirs and then the COVID pandemic illustrate. Recreation activity plummeted during the drought and then due to COVID restrictions, e.g., one could not launch watercraft and with it, pursue various recreational activities that generate economic benefit. If a dam breach occurred, the result would be a parallel inability to launch watercraft. The economic value of the benefits of being able to launch watercraft and pursue water recreation can be calculated and by the Draft Report's own concession, is fatally lacking.

AVOIDANCE OF BREACH BENEFITS IS BACKWARD

As the Draft Stetson Memo explains, the analysis of the avoidance of breach benefits is inconsistent with the balance of the Draft Report's analyses and is an effort to shift the risk of damage from floods. Stetson Draft Memo, III.4.(d).

As my oral comments at the SVWC event on March 3, 2021 noted, the breach avoidance benefits are also logically inconsistent with the rules of liability for an event like a dam breach. Ironically, one of the leading authorities of that jurisprudence involved the MCWRA. Arreola v. County of Monterey (2002) 99

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[1] The SVWP Engineer's report in 2002 also fell short in addressing General Benefits but as many oral commentors at the public presentations of the Draft Report pointed out, the MCWRA carefully shepherded its SVWP project and cooperated with the affected interests such that in the end, the assessment passed and only one, limited, lawsuit arose. The MCWRA has now taken the opposite approach by crafting an engineer's report and only then seeking buy in. In addition, the jurisprudence since the SVWP era has clarified the constitutionally required elements in an engineer's report.

[2] That the avoidance of a breach are not benefits but actually a risk to the parcels subject to breach inundation is addressed below.

Cal.App.4th 722. To be blunt, if a MCWRA dam failed and caused damage to landowners in its path, i.e., those who are faced with a high assessment per the Draft Report, the law provides these interests could seek compensation for damages to their lands via inverse condemnation. To ask parcels to pay the MCWRA to refrain from unlawfully injuring them comes across as an old-time protection racket. Put in less dramatic terms, the parcels most at risk will pay more to offset the risk the MCWRA imposes on them. "The fundamental justification for inverse liability is that the government, acting in furtherance of public objectives, is taking a calculated risk that private property may be damaged." Yee v. City of Sausalito (1983) 141 Cal.App.3d 917, 920. The avoidance of a breach is not a special benefit to lands that would be harmed in a breach, it is an avoidance of a risk controlled by the MCWRA. If breach avoidance is a special benefit at all, the benefit is to lands that benefit from the MCWRA's decision to provide one or more special benefits at another's risk. Put concretely, Parcel A far from the dams benefits by increased sustainability while Parcel B close to the dams suffers greater risk of harm from a breach. The Draft Report claims Parcel B is benefited by breach avoidance, whereas it is harmed (i.e., not benefited) by greater exposure to risk.

Additionally, if a future "avoidance of breach" assessment were to take into account the benefits to parcels rather than public safety, one would expect the benefits to be based to a notable degree on the economic value of the lands subject to injury. Broadly speaking, northern areas have a higher economic value than southern at this time, so benefits of avoiding breach injuries would need to take into account the differential. See e.g., HBA Tables 3-17 to 3-19.

MAINTENANCE PROPORTIONALITY IGNORED

The present set of projects is properly labeled as one for "maintenance." Proposition 218 includes in its definition of "maintenance" the "rehabilitation" or "replacement" of permanent public improvements. Article XIIID § 2(f). The SVWP Engineer's Report determined the proportionality of the operation and maintenance ("O&M") for the "existing facilities" of Zone 2C. See Tables 3-7 and 3-10 and Benefit Matrix ES-5a of the SVWP Engineer's report. The Draft Report does not propose additional facilities, only the repair, maintenance, or rehabilitation of the same facilities supported by Zone 2C. As a matter of logic, why would the benefits of the O&M of the same facilities in 2002 (Zone 2C) be radically different in 2021 (Zone 2D), other than the subjective opinion of a different Report author? The Draft Report chooses not to address that patent logical clash. That the costs of maintenance have materially increased is not a basis for determining, i.e., changing, proportionality. Town of Tiburon v. Bonander (2009) 180 Cal.App.4th 1057, 1081-1082 (determining proportionality based on differential in costs for same benefit is unconstitutional). See also Draft Stetson Memo, III.4.(e).

Unlike the Historic Benefits Analysis ("HBA") referenced in the Draft Report, which is a report and subject to the whims of a future political body, the SVWP Engineers Report is one part of a successful Proposition 218 process that binds

"the world" to what was or could have been litigated therein, i.e., the proportionality of the O&M of the existing facilities. The proportionality of the O&M for the existing facilities (the same as those to be supported by Zone 2D) has been validated by the passage of time.

> An agency need not bring a validation action to validate a decision, however. Instead, " 'an agency may indirectly but effectively "validate" its action by doing nothing to validate it; unless an "interested person" brings an action of his own under section 863 within the 60-day period, the agency's action will become immune from attack whether it was legally valid or not.' [Citations.] As to matters 'which have been or which could have been adjudicated in a validation action, such matters ... must be raised within the statutory limitations period in section 860 et seq. or they are waived.' " (Commerce Casino, supra, 146 Cal.App.4th at p. 1420, 53 Cal.Rptr.3d 626 ; see § 870, subd. (a).)

McGee v. Torrance Unified School District (2020) 49 Cal.App.5th 814, 822; see also CCP §§ 860 to 870. To the extent there is any question whether the creation of Zone 2C and the conclusions in the Engineer's Report were subject to validation, the assessments were challenged and the matter resolved by a judgment. Salinas Valley Property Owners for Lawful Assessments v. County of Monterey et al, Monterey County Superior Court No. M66890 (reverse validation action re SVWP assessments) (March 15, 2006 Stipulated Judgment available on MCWRA website).

The proportionality of the assessments for maintaining the permanent public improvements of Zone 2C (identical to Zone 2D) are final and binding on all persons, including the MCWRA and its agents.

> The judgment, if no appeal is taken, or if taken and the judgment is affirmed, shall, notwithstanding any other provision of law including, without limitation, Sections 473 and 473.5 , thereupon become and thereafter be forever binding and conclusive, as to all matters therein adjudicated or which at that time could have been adjudicated, against the agency and against all other persons[.]

CCP § 870 (emphasis added). What was adjudicated or could have been adjudicated when the MCWRA created Zone 2C? The SVWP Engineer's Report supplies answers: the methodology and proportionality of assessments for maintaining the permanent public improvements, i.e., Table ES-5a. See also Stetson Draft Memo, III.4.(e).

Without waiving the substantive objections, given that Proposition 218 allows an increase of a levy or change of methodology, if viewed as a (disguised) change to Zone 2C assessment methodology, the Draft Report fails to explain to the public that the Zone 2D O&M supports the same facilities as Zone 2C but at a

materially different proportionality. The MCWRA bears the burdens in any litigation and hiding the logical and fiscal clash with Zone 2C is at least dishonest, if not misleading. It is one thing if the relevant public is fully informed and affirmatively chooses a radical departure from past decades and it is another when the MCWRA conspicuously avoids a direct comparison of the Draft Report's proportions of benefit with those set forth in the approved and validated SVWP Engineer's Report. The MCWRA is prohibited from exercising its discretion to mislead the public by avoiding a direct comparison of the radically different proportionality of Zones 2C and 2D levies for maintaining the identical permanent public improvements. Silicon Valley Taxpayer's Ass'n, Inc. 44 Cal.3rd at 445.

OTHER FLAWS AND ISSUES TO BE CONSIDERED

Assuming a change of assessment methodologies from Zone 2C is legally permissible, the Draft Report is nevertheless silent on why no hydrological model was used to calculate or inform benefits. Public discussion by the MCWRA and its agents reflect their position that no model was available, i.e., the several USGS models being used by both the MCWRA for its Interlake Tunnel Project planning and the Salinas Valley Basin Groundwater Sustainability Agency ("SVBGSA") were not sufficiently available. The public record, however, reflects modeling results are being presented, albeit with caveats. Slides 27, 28 and 38 from the SVBGSA Advisory Committee Meeting, March 18, 2021. More tellingly, the MCWRA itself has been relying on the newest USGS model for the Salians Valley (SVOM) since 2020, but apparently chose to not use the SVOM to verify the conclusions in the Draft Report. See Slides 1 to 10 of the July 20, 2020 Interlake Tunnel Project report by the MCWRA. The hydrological models were and are available to the MCWRA and could have been used to verify that the new approach to benefits has integrity. That the MCWRA (or perhaps Ms. Wagner) chose not to do so illustrates that the MCWRA is exercising its discretion to undermine, not further, the purpose of Proposition 218.

The flood control benefits analysis appears flawed, or at least lacking justification. The Draft Report chooses a "scale of impact" from zero to five for flood control benefits. No explanation is provided why that scale is justified. Table 11 of the Draft Report reflects benefits for the various sub-areas (excluding those with a zero amount) of multiple thousands to one area of nearly two million dollars. The zero to five impact scale is used to reduce by orders of magnitude the massive – well over one hundred-fold -- difference in flood control benefits between certain subareas. In addition, the analysis relies directly on certain tables from the HBA addressing flood control but omits others with no explanation, e.g., HBA Table 3-19 (showing the sum of flood control benefits of over three million for a subarea compared to several thousand for others). The Draft Report reflects an impermissible exercise of discretion to (1) rely on certain and omit other HBA tables and (2) use a scale of impact that purposely flattens great disparities in benefits, thereby subsidizing parcels

receiving greater benefits by parcels receiving lesser. Silicon Valley Taxpayer's Ass'n, Inc., 44 Cal.3rd at 445.

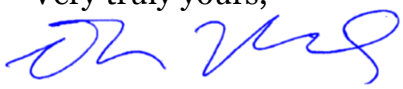
Whether the Draft Report has properly considered the exclusion of federal lands and the inclusion of local and state lands for assessments is not clear. See e.g., Propositions 26 and 218 Implementation Guide, May 2019, League of California Cities, at III.C.

The Draft Report does not explore the fiscal role of the hydroelectric plant. Certain subprojects appear to benefit the hydroelectric plant (low-level outlets), which generates revenue. If the power generation revenue is not fully dedicated to maintenance of the permanent public improvements supported by Zone 2D, then it may be generating special benefits and the cost of the subprojects that support power generation must be apportioned to those that benefit from that revenue.

CONCLUSION

The Draft Report is fatally flawed in several ways, as noted above. It also appears to suffer from a lack of clarity and justification in certain other respects. The best course of action for the MCWRA is to consider the various comments carefully and then engage with the stakeholders in lieu of investing further resources into a new Report or a Proposition 218 proceeding likely to fail and/or be readily and justifiably challenged in court. Alternatively, the MCWRA may consider raising its Zone 2C assessments, which also requires a Proposition 218 process, but has to its advantage decades of consensus on the proportionality thereof.

Very truly yours,



Thomas S. Virsik

c. Kelly Donlon, MCWRA counsel, DonlonKL@co.monterey.ca.us
Clerk, MCWRA Board of Directors, HenaultAG@co.monterey.ca.us

Encl. March 19, 2021 draft memo, Julia Shiplacoff, P.E., Stetson Engineers
February 16, 2021 email, Julia Shiplacoff to Brent Buche
March 18, 2021 GSA Advisory Committee, Slides 27, 28, & 38
July 20, 2020 Interlake Tunnel Project, Slides 1-10, MCWRA

DRAFT MEMORANDUM

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TO:	Thomas S. Virsik, Attorney at Law	DATE:	March 19, 2021
FROM:	Julia Anne Shiplacoff, P.E.	JOB NO:	2745

SUBJECT: **Initial Review of Proposition 218 Engineer's Report: Engineer's Special Benefit Assessment of Monterey County Water Resources Agency's Deferred Maintenance Projects (2021)**

The DRAFT Monterey County 2021 Proposition 218 Draft Engineer's Report on the *Assessment District Formation Zone 2D – Nacimiento and San Antonio Maintenance Project* ("Engineer's Report" or "Report") was made available to Stetson on February 8, 2021 and is dated January 25, 2021. The assessment is made by Wallace Group and the Assessment Engineer is Kari E. Wagner P.E.. Both Nacimiento and San Antonio Reservoirs ("Reservoirs") would receive funding by this special benefit assessment. Analysis and methodology from two prior reports are relied upon and cited frequently by the Engineer's Report:

1.) Montgomery Watson's 1998 Historical Benefit Analysis ("HBA"), and

2.) RMC's 2003 Salinas Valley Water Project Engineer's Report ("SVWP Assessment" and "Zone 2C Assessment").

This memorandum makes use of purple text color to denote a question for, topic of discussion for, or a potential request for information from the authors of the Engineer's Report.

During a public meeting on 2/16/2021 to discuss the Engineer's Report, the Assessment Engineer discussed the content of the supporting spreadsheets detailing the calculation of impact for each benefit. Stetson requested these spreadsheets from the Engineer during the meeting, and followed-up in email to MCWRA, and received positive indication that the materials would be shared. The materials were not shared as of 3/19/2021. These materials were requested to shed light on the methodologies and analyses used to determine the benefit impacts in the Engineer's Report; the current discussion of impact benefits does not contain enough detail to allow for reproduction of the engineer's calculations. For example, in the HBA there are only five sub-areas analyzed in the Salinas Valley, where there are seven sub-areas analyzed in the current Engineer's report – since the Report frequently references the analysis done in the HBA, it was our understanding that the spreadsheet materials could provide the details to show how the HBA analysis translated to the new areas in consideration. Where is the supporting work to show how the analysis resulted in the current benefit impact scales? An appendix of such work would be an important addition to the Engineer's Report.

I. The Engineer's Report, HBA and SVWP Components At-a-Glance:

	HBA (1998)	SVWP (2003)	Engineer's Report on the Maintenance Project (2021)
Flood protection without dams benefits	x	x	x
Water supply benefits	x	x	x
Flood protection from dam breach benefit			x
Five Sub-areas analyzed (Zone 2A)	x		
Seven Sub-areas analyzed (Zone 2C/2D)		x	x
Groundwater quality benefit		x	
Recreation benefit		x	
Weighting factor based on importance of benefit		x	

II. Relevant Background on Reservoir Funding Zones, HBA, and SVWP

1) Reservoir Funding Zones

a) According to *Section 1.1.3. Funding History* of the Engineer's Report, the Reservoirs were originally funded by the creation of the special assessment Zone 2 and Zone 2A, and the rate of increase of those assessments did not provide adequate funding for the ageing dam facilities. The Zone 2C Assessment replaced Zones 2 and 2A to provide O&M for the Reservoirs plus additional construction known as the Salinas Valley Water Project, which was constructed in 2009/2010 (including the Salinas River Diversion Facility). Zone 2C funding also falls short of the O&M needs of the Reservoirs.

b) With each benefit assessment, the boundary of the zone has been redrawn to include or exclude parcels, as consistent with the shared benefit. The Engineer's Report proposes Zone 2D, which is identical to Zone 2C established by the SVWP Assessment because, by the Engineer's determination, the "parcels have been identified to receive a similar special benefit from the operations of Nacimiento and San Antonio Reservoirs" (p.30).

2) HBA

a) The 1998 HBA established that "the major categories of benefits associated with the operations of Nacimiento and San Antonio Reservoirs are:
   (1) *Hydrologic benefits*, including higher ground water levels, greater reliability of ground water supplies, better operation of wells, and higher quality of ground water;
   (2) *Flood control benefits,* including lower risk of flooding during above-normal and extreme rainfall events, and lower risk of agricultural soil erosion; and
   (3) *Economic benefits* associated with the hydrologic and flood control benefits" (HBA p.ES-2).

b) The HBA also makes an assumption that persists in the Engineer's Report that "the benefits from operations of the reservoirs are measured as the difference between the conditions in the valley "with" and "without" the reservoirs in place, under the same level of development" (HBA p.ES-2). *This assumption is further discussed below in part 3)c).*

c) The HBA flood control benefit analysis shows that flooding without dams happens in all river reaches from River Mile 0 to River Mile 105.8 and the extent is similar with and without the reservoirs. However, the depth of inundation is reduced with the reservoirs and this benefit is greater the lower River Miles more greatly than the higher River Miles; this translates to a benefit that is higher by the mouth of the river in the northern end of the valley and a lower benefit upstream, closer to the Reservoirs. Land use plays into this flood protection benefit analysis because damage to lands where there are many residences, buildings and infrastructure (i.e. cities and towns) is much more expensive than damage to open space lands and fields; again, there is a higher density of buildings and infrastructure in the northern part of the valley (the Pressure sub-area) as compared to the Upper Valley sub-area (five sub-areas in the HBA are included in the Zone 2C assessment, SVWP-p.3-4, though the Zone 2C assessment includes two additional sub-areas for a total of seven sub-areas). The HBA's economic analysis of the flood protection by the reservoirs is based on the acreage of various land use types.

   i) The Engineer's Report assumes that the economic impact of flooding from a dam breach would be the same as the HBA's economic analysis with respect to normal flooding (p. 39). A discussion is warranted to motivate the equivalence to show that the economic impact has not changed with land use change since 1998 and does not change as a result of the extreme depths of the Upper Valley inundation by dam breach versus natural flooding.

3) SVWP Assessment

a) The SVWP Assessment was a Proposition 218 special benefit assessment of the Salinas Valley Water Project, defined on page ES-1 as:
   - Operation and maintenance of the existing reservoirs;
   - Construction of the Nacimiento Dam Spillway Modifications; and
   - Construction of the Salinas River Diversion Facility

b) Benefits for the O&M of existing reservoirs were assessed separately from the benefits of construction of the Nacimiento Dam Spillway Modifications and benefits of the construction of the Salinas River Diversion Facility.

c) The SVWP Assessment created Zone 2C and estimated O&M costs (in 2003) to be $2.64 million, annually. According to the Engineer's Report Comparison of Pay As You Go to Bonding, the Zone 2C assessment currently receives about $3 million, annually, of which about $1.2 million goes to O&M; this sum will continue to contribute funding to O&M and is not being replaced by the Maintenance Project special assessment. The difference between the historical Zone 2C estimated O&M cost and the current funding for O&M is $1.44 million ($2.64 million - $1.2 million). There is no discussion about this difference.

d) The SVWP Assessment asserts that not all benefits are equal because "Some benefits are secondary benefits that occur due to providing the primary benefits. To account for this, a weighting factor is assigned to each of the benefits to distinguish the level of benefit

received" (SVWP p. ES-5). Specifically, control of seawater intrusion and flood control are weighted 3 times higher than all other benefits. This Engineer's Report does not use a similar weighting factor and presents all benefits on the same scale.

III. The Engineer's Report Project Definition and Benefit Assessments

4) The Engineer's Report identifies the Maintenance Project as the project for creation of a new special assessment zone, Zone 2D. The Maintenance Project is defined as 27 subprojects which will support MCWRA's O&M of Nacimiento and San Antonio Reservoirs. Specifically, the Engineer's Report delineates "zones of benefit, and the proposed assessments" (p.ES-1). The subprojects include, but are not limited to, road construction, valve replacement, informational studies, security updates, seismic upgrades, drainage repairs and a potential (not certain) spillway replacement; subprojects fall into the categories of critical maintenance, maintenance, risk investigation, and upgrade to existing facilities. The task of the Engineer's Report is to apportion the benefits of said subprojects to parcels in the Salinas Valley.

   a) The project definition matters if the benefits will be measured as "with the project" and "without the project."
   b) The definition of the project as the maintenance of the reservoirs instead of as the continued safe operation of reservoirs is confusing in light of the benefits described in this Engineer's Report.
   c) One reason that the project definition is confusing is that the benefits of this Engineer's Report Maintenance Project are based on the HBA, where benefits of the HBA's defined project are benefits *of* operation of the reservoirs, instead of just the maintenance of the reservoirs where the benefit *is* operation. If the Maintenance Project description is the continued safe operation of the reservoirs, then the HBA benefits remain relevant and logical.
   d) Furthermore, this Engineer's Report refers to benefits which are assessed via comparison of *with the reservoir* and *without the reservoir*, as is done in the HBA. Benefits assessed in the same manner as in the HBA include erosivity impact, agriculture land impact, buildings and structures impacts, avoided groundwater pumping cost, avoided well costs, and avoided well costs due to seawater intrusion. There is one "benefit" in the Engineer's Report that is, however, not evaluated under the with/without reservoir scenario and instead is evaluated under a with/without *maintenance* scenario, and that is the flood protection from dam breach "benefit." While a breach of the dam could certainly occur without proper maintenance, a breach of the dam could never occur without the creation and existence of the reservoir; it's obvious why a with/without reservoir scenario doesn't provide this special "benefit." **All other assessed benefits in this Engineer's Report are benefits conferred by the existence of the reservoir, while the dam breach is a *risk* conferred by the existence of the reservoir.**
      i) The assessment of the risk from dam breach was published in 2018 as a result of inundation modeling and mapping, and has not been included in previous special assessments. Risk from natural flooding was assessed in the HBA. The HBA indicates that the lower valley benefitted most from protection provided by the

reservoirs, while the upper valley did not gain as much protection (specifically, in the form of reduced depth of inundation as discussed in *part 2)c)* above). **Therefore, to discuss the potential breach of a dam as posing an increased risk on the upper valley while providing flood protection to the lower valley is in effect to *shift the risk* of damage by floods from the lower valley to the upper valley.** By saying that the upper valley has a greater benefit from the Maintenance Project in the form of protection from flooding in the case of a dam breach, the report is calling out the greater threat and risk that the dams pose on the upper valley if they are not properly maintained. This risk has been present since the creation of the reservoirs and is minimized as a function of maintenance. This current Zone 2D assessment appears to be compensating for inadequate accounting of this risk in the prior determination of required maintenance projects for Nacimiento and San Antonio dams by previous O&M cost estimates and special assessments.

e) Additionally, reliance on the HBA may not be entirely necessary because, on page 24, the Engineer's Report states that the "nine-year operations and maintenance list should have been covered by the O&M budget from the Zone 2C assessments, but the current funding is insufficient to complete these projects." Projects which should have been covered by the Zone 2C assessment would, reasonably and logically, collect funding from the same parcels at the same portion/share of total cost as in the Zone 2C assessment.
   i) Would a rate increase to Zone 2C make logical sense to provide funding for the Maintenance Project? What is the need for a new assessment?
   ii) Which of the Maintenance Project subprojects should have been covered by Zone 2C and which are a result of the "additional requirements for safety, monitoring and regulatory compliance" (p.23)? How do the subprojects of the Maintenance Project differ from the work done under the additional O&M fund being apportioned in this Engineer's Report?

IV. Discussion

5) Before the Engineer's Report is adopted to reassess and re-apportion the benefits of the Maintenance Project in this proposed Zone 2D, Stetson would like to review the supporting spreadsheets and data which compute the re-apportioning and the land use factor designations.

6) Regarding the Flood Protection from Dam Breach Benefit: Safety and prevention of risk caused by the project isn't a benefit of the project, it's a prerequisite of the project's initial construction and a fundamental responsibility of MCWRA. There is no doubt that the Maintenance Project should be funded and that the work should be completed, however, it is misleading to present a risk as a benefit and that section of the assessment does not read as logical, as it is written. Should a catastrophic dam failure occur, the impact to the community and area would be greater than just the inundation of the parcels – lives could be lost. **Maintenance of the reservoirs doesn't just protect parcels from dam breach inundation, it protects all the benefits conferred by the reservoir's existence.** Inclusion of flood protection due to dam breach may not be a true special benefit; it may be a general benefit.

7) If the Zone 2C assessment methodology, parcel benefit location, and O&M benefits still apply and are still being assessed, could the current Maintenance Project be funded through an increase of the Zone 2C assessment?
8) The SVWP O&M Component assessment is also relevant to this Engineer's Report, and some of its benefits are in fact included in the Engineer's Report – why some and not others? Is this a double counting of special benefits?
9) Possible follow-up research:
   a) Where is the service area receiving power generated at the Nacimiento Hydroelectric Plant? Is maintenance of hydroelectric power a special benefit? Recipients of this power seem to reap a special benefit from certain subprojects which allow for consistent and increased discharge at the low level outlets of Nacimiento Dam into the hydroelectric plant.
   b) What are the general benefits of the Maintenance Project?

Prop 218 Engineer's Report Workshop - Follow-up

Julia Shiplacoff <JuliaS@stetsonengineers.com> Tue, Feb 16, 2021 at 1:02 PM
To: "bucheb@co.monterey.ca.us" <bucheb@co.monterey.ca.us>
Cc: "Woodrow, Amy x4838" <WoodrowA@co.monterey.ca.us>, "Thomas S. Virsik (thomasvirsiklaw@gmail.com)" <thomasvirsiklaw@gmail.com>

Mr. Buche,

Thank you for today's workshop!

I work with Tom Virsik and I made the request to see Kari's spreadsheets detailing the calculation of impact for each benefit, which she mentioned she had in response to Tom's questions. I would also like to understand the calculation of the final impact score/proportion, which I believe a spreadsheet would clear-up.

There were many questions today asking *how* and *why*... I believe the following suggested updates to the report would support everyone's understanding of the how/why of the final impact assessment:

1. A section providing a summary *rationale* with respect to the *use* of information in the HBA and SVWP- what elements were used, what elements not used, and why?
2. Regulatory standards for dam maintenance/operation have changed. Which new regulatory standards impact the benefit assessment and how?
3. Which exact supplemental materials were used in benefit assessment - references and page numbers? Please consider adding references to the appendix of the Engineer's Report (inundation report, HBA, others?).
4. Is there a GIS map of the Factors (what land is designated as what?); one of the tables shows equivalent acreage which suggests this analysis has been completed.
5. Please consider adding a summary table(s) of Benefit Scale of Impact calculations as an appendix.

Thank you for your time and attention. Please feel free to call me to discuss.

Julia

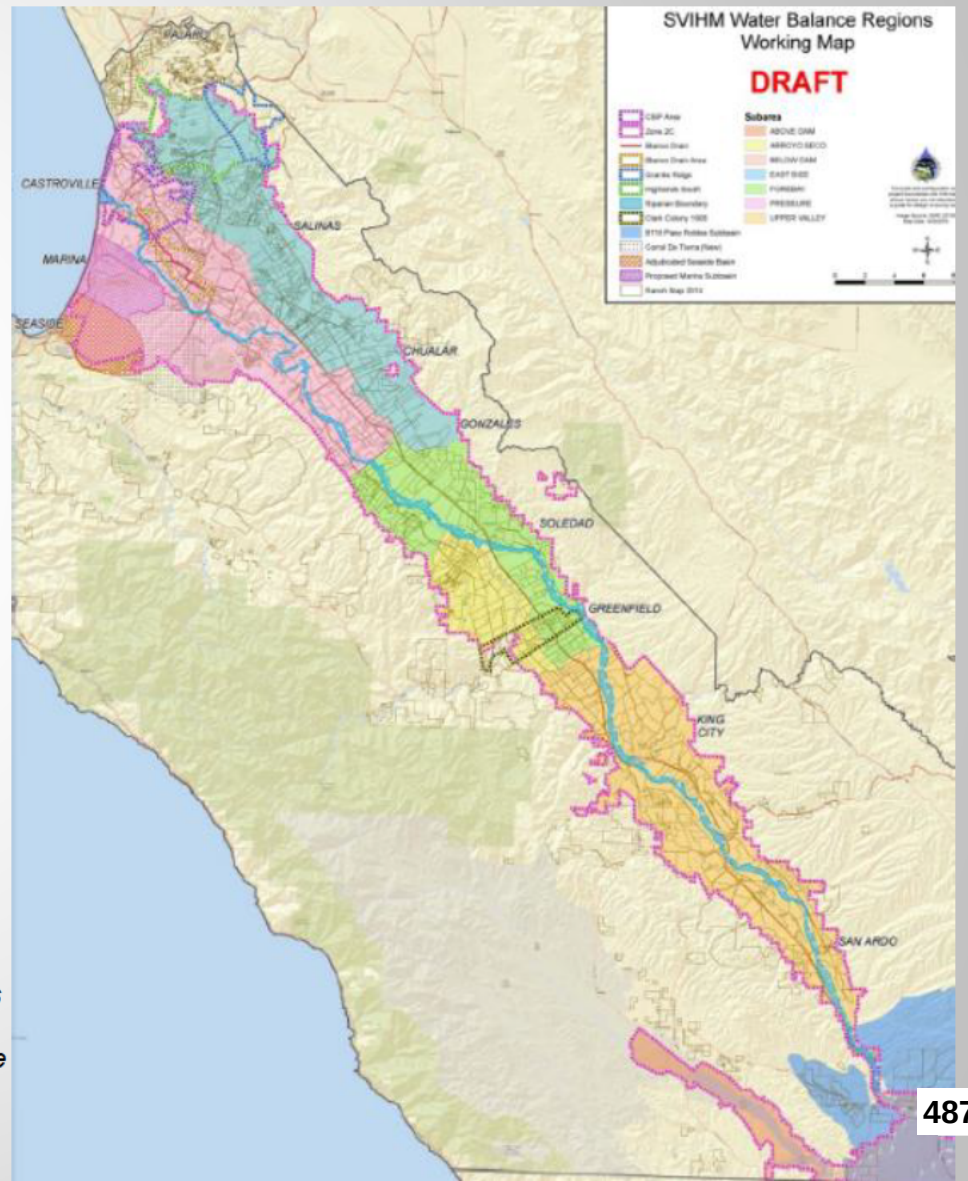


JULIA ANNE SHIPLACOFF, PE Senior Engineer C: 650-479-6044 julias@stetsonengineers.com

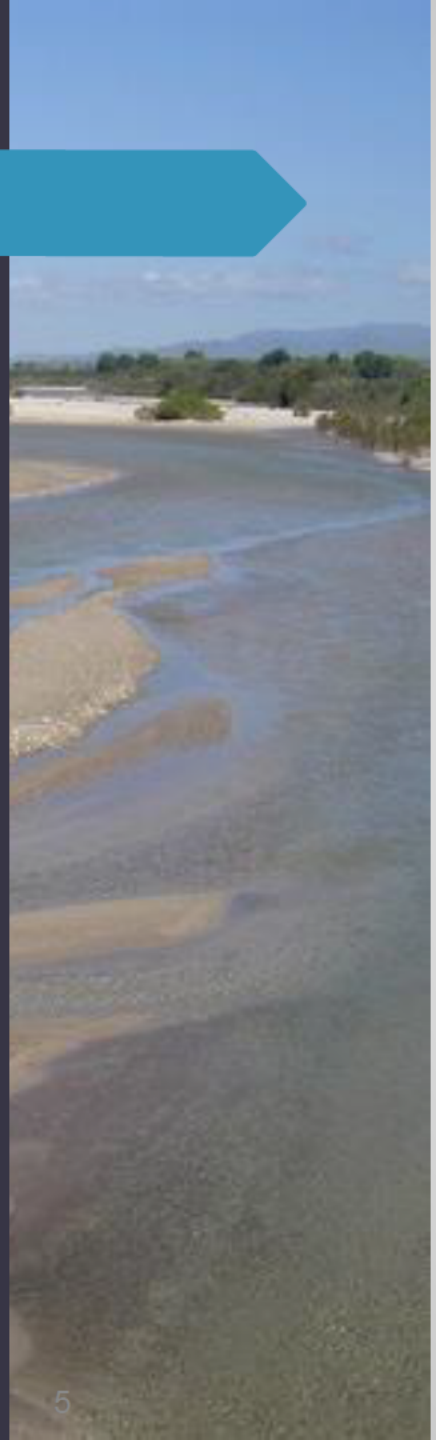
STETSON ENGINEERS INC. 2171 E Francisco Blvd, Suite K, San Rafael CA 94901

Water Budget Tools

- Two models developed by USGS
  - Salinas Valley Integrated Hydrologic Model (SVIHM) – historical and current conditions
  - Salinas Valley Operational Model (SVOM) – future conditions
- Both models will also be used by MCWRA and USBR for other studies in the Valley
- Both models are preliminary. MODELS CONTINUE TO BE UPDATED.



This data (model and/or model results) are preliminary or provisional and are subject to revision. This model and model results are being provided to meet the need for timely best science. The model has not received final approval by the U.S. Geological Survey (USGS). No warranty, expressed or implied, is made by the USGS or the U.S. Government as to the functionality of the model and related material nor shall the fact of release constitute any such warranty. The model is provided on the condition that neither the USGS nor the U.S. Government shall be held liable for any damages resulting from the authorized or unauthorized use of the model.



Important Note

- *This data (model and/or model results) are preliminary or provisional and are subject to revision. This model and model results are being provided to meet the need for timely best science. The model has not received final approval by the U.S. Geological Survey (USGS). No warranty, expressed or implied, is made by the USGS or the U.S. Government as to the functionality of the model and related material nor shall the fact of release constitute any such warranty. The model is provided on the condition that neither the USGS nor the U.S. Government shall be held liable for any damages resulting from the authorized or unauthorized use of the model.*

Preliminary Future Water Budget (2070)

*All model results are preliminary and subject to revision.

	180/400	Eastside	Forebay	Upper Valley	Langley
Groundwater Pumping	-88,500	-78,400	-115,900	-87,500	-1,400
Drain Flow	-8,400	-100	0	0	-600
Evapotranspiration	-37,000	-800	-35,100	-47,300	-2,100
Net Streambed Exchange	54,500	14,500	106,000	72,200	-1,100
Deep Percolation	62,000	38,700	55,400	64,100	11,700
Seawater Exchange	2,800	0	0	0	0
Flow to/from Monterey	-600	0	0	0	0
Flow to/form Eastside	-2,500	0	-500	0	-1,000
Flow to/from Forebay	2,300	500	0	-1,400	0
Flow to/from Upper Valley	0	0	1,400	0	0
Flow to/from Langley	4,300	1,000	0	0	0
Flows to/from Surrounding Watersheds	1,100	1,600	1,300	6,600	100
Flow to/from Pajaro	-200	0	0	0	-300
Flow to/from 180-400 ft	0	2,500	-2,300	0	-4,300
Flow to/from Paso Robles	0	0	0	4,900	0
Flow to/from Seaside	0	0	0	0	0
Storage Change	-10,500	-20,500	9,700	11,400	1,000

Interlake Tunnel Progress Report

July 2020

Leadership Group
Salinas Valley Water Coalition
Salinas Valley GSA

Agenda

1. Update on modeling results – what we learned
2. Water rights amendment requirement
3. Revised project schedule and implementation plan
4. Benefits to Salinas River groundwater sustainability
5. Financial status and cost estimates for various project scenarios
   - Value of project benefits
   - Cost of project benefits
6. Proposition 218 financing & cost allocation options
7. Next steps

Model introduction

Salinas Valley Operational Model

- Built from Salinas Valley Integrated Hydrologic Model (SVIHM) developed by USGS – completed January 2020
- Models the entire Salinas Valley with Reservoirs connected
- Simulates groundwater-surface water interaction
- Operational model configured to MCWRA current operational rules
- Final SVIGSM model expected available to the public – December 2020

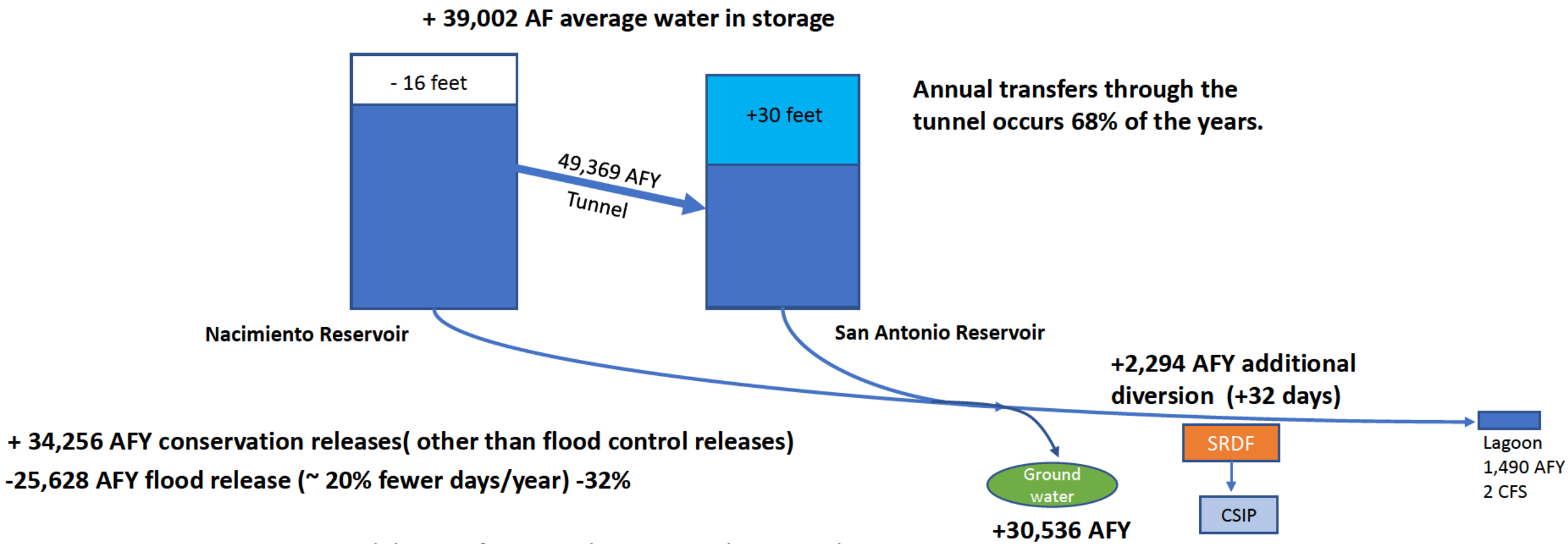
Scenarios modeled:

- Tunnel only
- Tunnel + 7’ San Antonio Spillway raise
- Tunnel + 7’ spillway raise + increased demand at SRDF

Scenarios compared to baseline model

Model results – Tunnel only

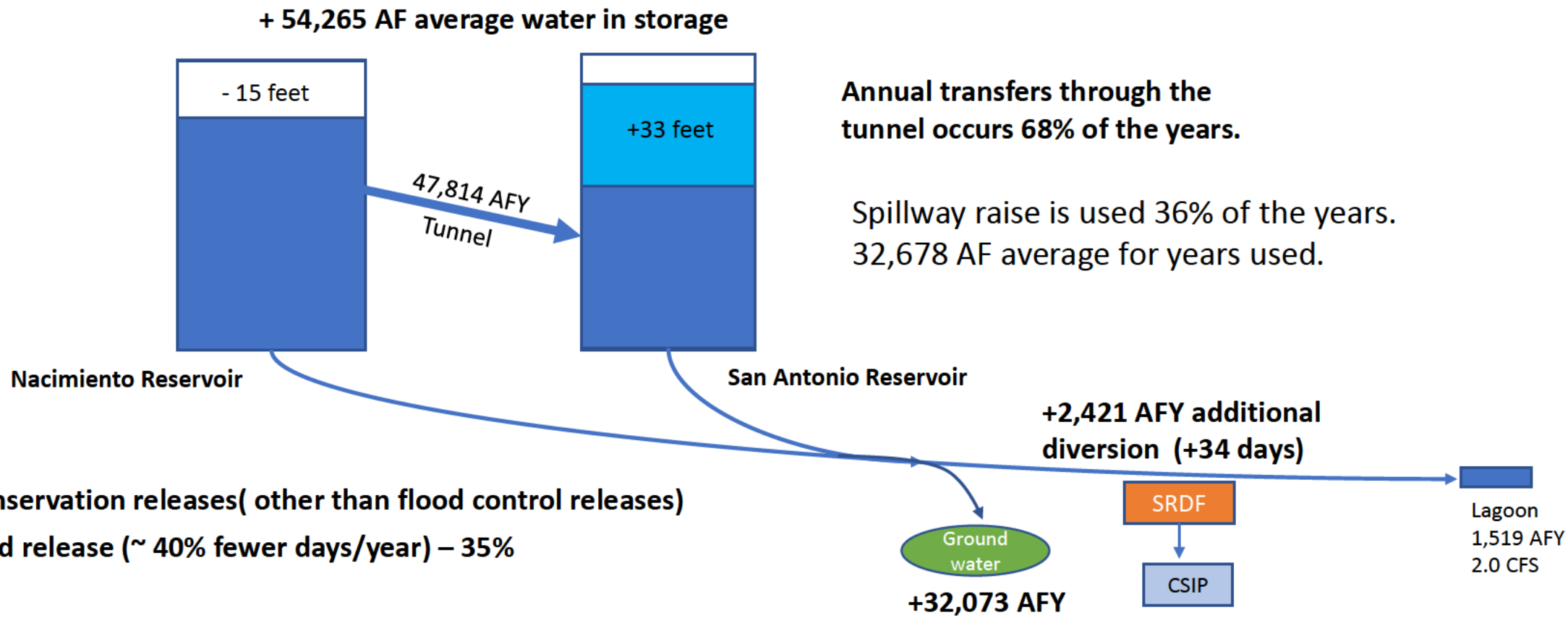
- Increases average water storage by 39,002 AF (average)
- Increases conservation releases by 34,256 AFY
- Reduces flood releases by 32%
- Improves performance of SRDF with 32 additional operating days



(Changes from Baseline – Annual Averages)

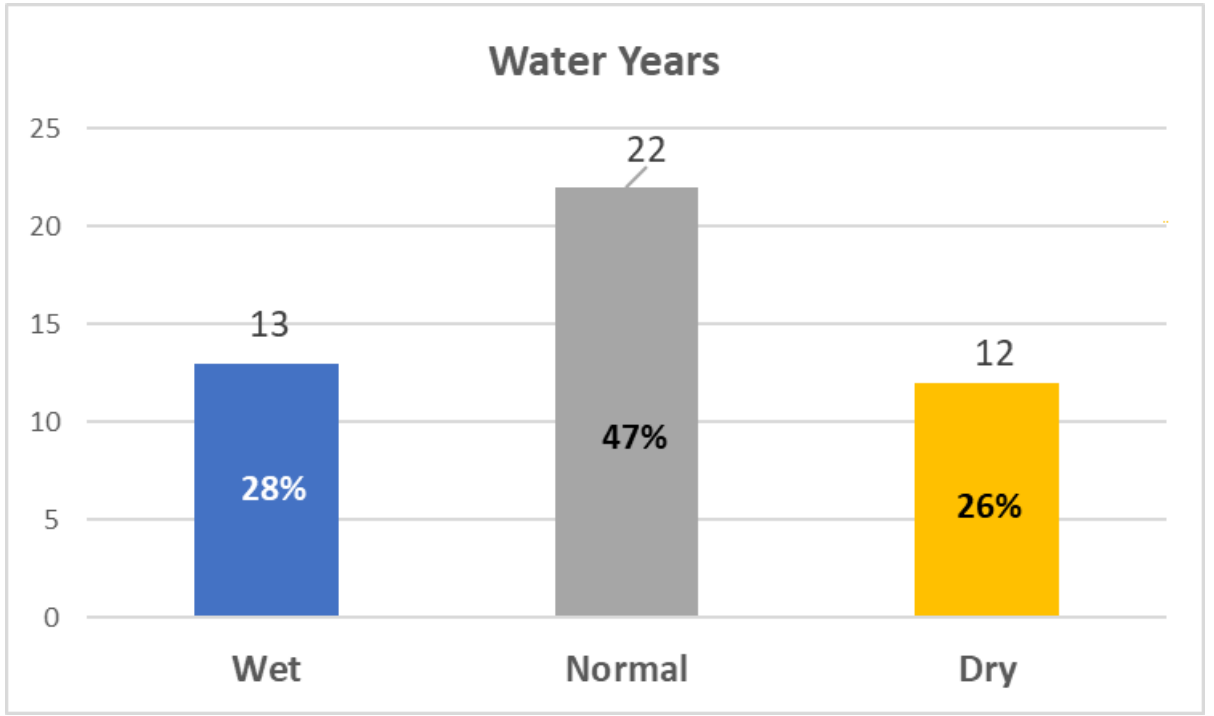
Model results – Tunnel + 7’ Spillway Mod

- Increases average water storage by 54,265 AF (average)
- Increases conservation releases by 35,945 AFY
- Reduces flood releases by 35%
- Improves performance of SRDF with 34 additional operating days



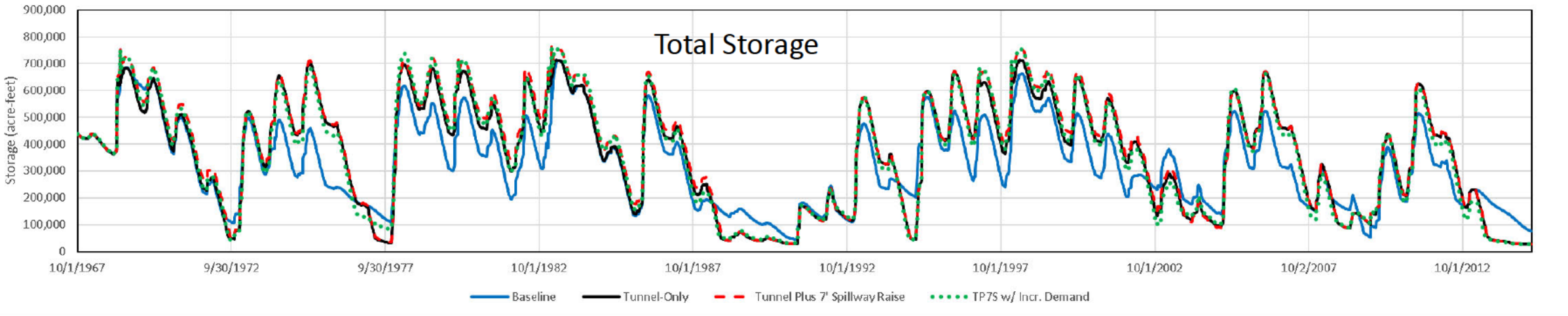
(Changes from Baseline – Annual Averages)

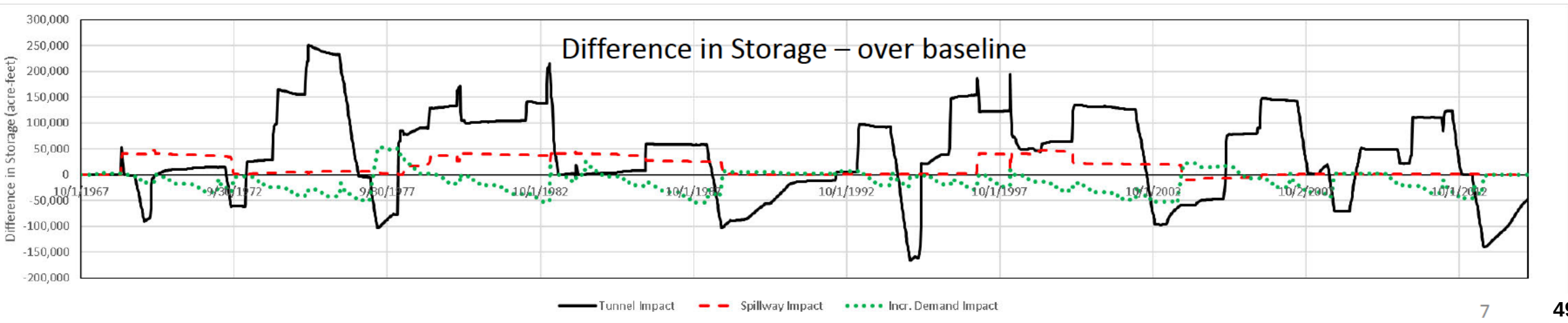
Model results by water year type



Model hydrographs – Storage analysis – 47 year history

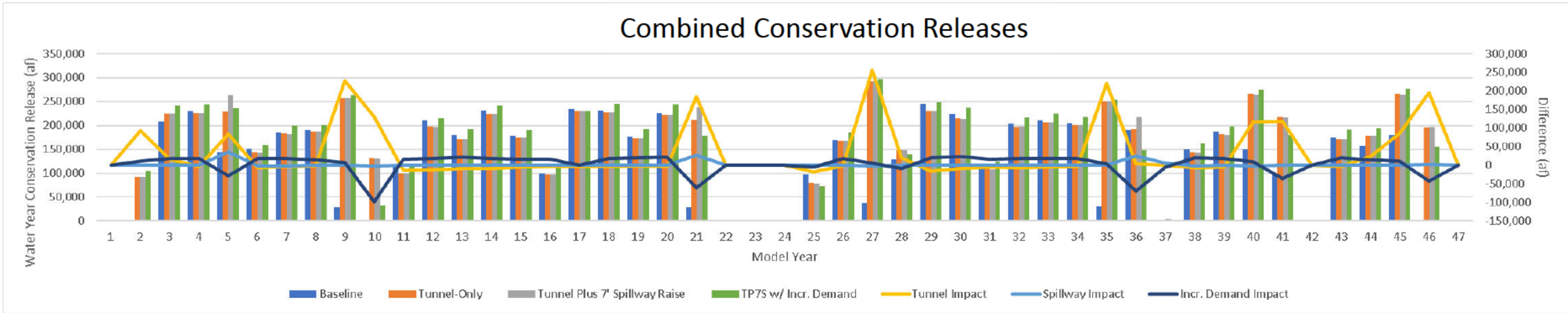


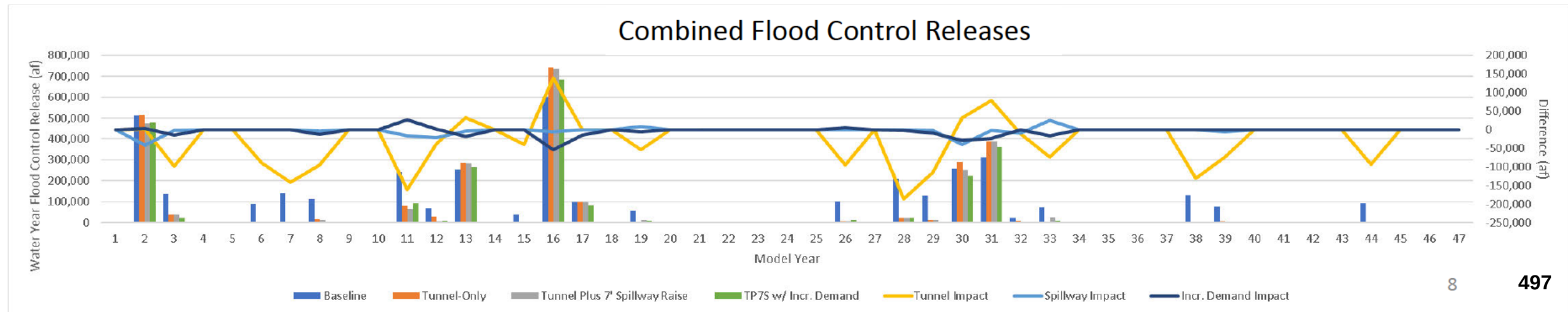




Model hydrographs – Conservation Releases /Flood Control Releases





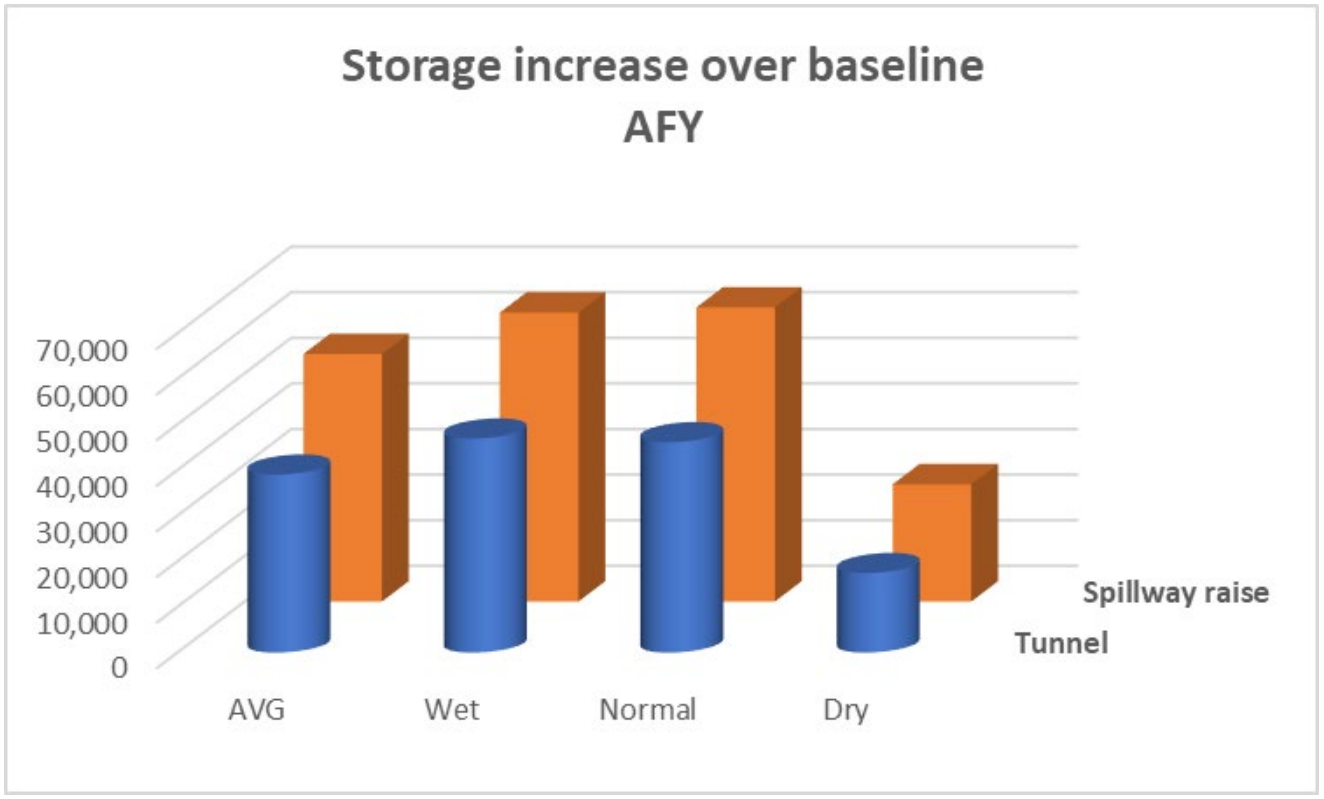


SVOM Results Summary – average years

	Tunnel-Only	Tunnel + 7' Spillway Raise	TP7S w/ Incr. Demand
Shows Effect of:	Tunnel	Spillway Raise	Increased Demand
Average Δ in Storage (af)	+39,000	+54,300	+40,400
Nacimiento Δ Stage (ft)	-16	-15	-16
San Antonio Δ Stage (ft)	+30	+33	+30
Tunnel Transfer (afy)	49,400	47,800	48,300
% of Years w/ Tunnel Transfer	68%	68%	60%
Δ Releases other than FCR (afy)	+34,300	+36,000	+39,100
Δ Flood Control Release (afy)	-25,600	-28,100	-31,600
Δ FCR Days	-20%	-40%	-40%
Δ SRDF Diversion (afy)	+2,300	+2,400	+18,200
Δ SRDF Diversion Days	+32	+34	+27

All differences are calculated from the Baseline scenario

Storage increase over baseline



	Tunnel	Spillway raise
AVG	39,002	54,265
Wet	46,899	63,346
Normal	46,106	64,473
Dry	17,421	25,711

Thomas S. Virsik
ATTORNEY AT LAW

Via email only bucheb@co.monterey.ca.us
March 23, 2021

Brent Buche, General Manager
Monterey County Water Resources Agency
1441 Schilling Place
North Building
Salinas, CA 93901

Re: March 24, 2021 Board of Directors Meeting
Engineer's Report for Zone 2D

Dear Mr. Buche:

Yesterday I submitted a detailed comment letter on behalf of my clients addressing the Report that the public was able to review from February. A new Report dated March 22, 2021 was made available approximately 24 hours before the Agenda suggests the Board may approve it. While not a Brown Act violation, the timing is a gross disappointment to the interests who reached out to the MCWRA and suggests that good faith gestures are seen as weaknesses to exploit.

In the 24 hours available in which to review the Report, detailed technical and legal review is fraught. That is true for the Directors as well. While one can read the Report in one day, checking the references, verifying the arithmetic, and cross-referencing the HBA, SVWP Report, the Brown & Caldwell Study – to name only the most obvious references in the Report – is impossible.

While I or others may have specific comments on specific portions of the Report during the abbreviated time that the public is allowed to provide input, I suggest the Directors consider the below broad concerns and considerations ahead of any more granular observations:

- Almost all of the content of my letter of March 22, 2021 remains at issue. The only change is that this new Report purports to calculate General Benefits. Its approach remains inconsistent with logic and binding precedent.

- The Report implies that providing some amount of evidence is sufficient to meet the MCWRA's burdens. The law is strict: the MCWRA bears the burdens in any litigation and must meet the higher than typical "clear and convincing" standard of proof. In other words, "some" evidence is insufficient on which an engineer can exercise judgment.

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- General benefits include both benefits to members of the public (e.g., not killing people in a catastrophic breach) and to lands not within the assessment zone (e.g., lake interests). The Report appears to not understand the law to that effect.

- Health and safety (e.g., loss of life) are typical general benefits, rather than special benefits to parcels of land.

- Most assessments include some component of general benefit, yet the Report ignores the facial general benefit of avoiding catastrophic floods due to breaches.

- Courts do not defer to the sponsoring agencies or engineers – Courts are required to exercise independent judgment where logical inconsistency can prove fatal to an agency.

- In calculating benefits, burden must be considered (e.g., the risk of harm due to a breach).

- A lack of supporting material and precise phrasing will undoubtedly trigger a slew of justified Public Record Act requests for the underlying material or to demonstrate the lack thereof.

I respectfully suggest that the Directors and staff consider objective resources designed for a sponsoring agency to successfully navigate a Proposition 218 process, should they not feel comfortable listening to the public's advocates. A leading source designed by and for public entities which pursue Proposition 218 processes is the Propositions 26 and 218 Implementation Guide, May 2019, League of California Cities. https://www.cacities.org/Prop218andProp26

The best outcome remains the one my prior letter identified: the MCWRA consider the various comments carefully and then engage with the stakeholders in lieu of investing further resources into a Proposition 218 proceeding likely to fail and/or be readily and justifiably challenged in court.

Very truly yours,



Thomas S. Virsik

c. Kelly Donlon, MCWRA counsel, DonlonKL@co.monterey.ca.us
Clerk, MCWRA Board of Directors, HenaultAG@co.monterey.ca.us

Thomas S. Virsik
ATTORNEY AT LAW

Via email only bucheb@co.monterey.ca.us
20 December 2021

Brent Buche, General Manager
Monterey County Water Resources Agency
1441 Schilling Place
North Building
Salinas, CA 93901

Re: December 20, 2021 Board of Directors Meeting
Item 5
Engineer's Report for Zone 2D

Dear Mr. Buche:

On behalf of my clients in March of this year I submitted several detailed comment letters about the then-current draft Engineer's Report for Zone 2D, as did others including the Salians Valley Water Coalition and LandWatch. The public had nearly a month to digest a February draft of that Report before it was brought to the Board. This time the time-frame is less than a week. Accordingly, the comments herein are bullet points that may be embellished or explained further by oral comments. Should the present draft or a substantially similar one move forward, more detailed written comments may follow, including analyses from engineers and/or economists familiar with dam operations, the HBA, and economic benefits.

The below are areas of concern and, at times, puzzlement in the present draft Report. They are not in order of magnitude of priority:

- Certain entries in the tables are illegible.
- The Report claims the excerpt from the 2004 (i.e., after the SVWP Engineer's Report) CAMP report supports the view that a new zone and assessments methodology is justified, notwithstanding that the excerpt relied upon states:

> *After using long-term debt financing to reduce peaks in year-to-year outlays for Zone 2C candidate projects and additional annual recurring activities, annual cash deficits are projected for each alternative, which indicate the existing assessment must be increased to implement the recommended projects and additional recurring annual activities.*

Agenda packet, page 114 (emphasis supplied)

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- Recreational general benefits are limited to only three specific weeks of a calendar year.
- Flood control benefits are tied to "flood control release days" whereas the MCWRA reservoirs, as operated, (1) provide no benefits when their function is to pass the natural flows (i.e., honoring senior water rights) and (2) "flood control releases" contribute to recharge no matter their nomenclature.
- The Report purports to rely on the HBA but then skews those conclusions by imposing a zero to five scale, which justification is not addressed. This point was raised in prior comments.
- As raised in my own and the SVWC comment letters of March, many of the "subprojects" are on their face characterized as providing a public safety benefit but such benefits (large or small) are omitted. See my 22 March letter.

A narrow example that compares the HBA and the current Report may help reveal that despite its professed reliance on the HBA, the Report contradicts the HBA. The HBA characterized the flood benefits, stated in dollars, of FSU's 1 and 10 as approximately $4 M and $300 K, respectively. HBA at Table ES-3. Using the current Report's estimate of approximately 16 K and 5500 K of flood acres in those two FSU's, respectively, the HBA's benefit calculations for FSU's 1 and 10 translate to approximately $250 and $54 per acre, or a near five-fold difference. The Report, in ways not quite apparent, concludes the per acre flood benefit (for the A or highest benefit lands) of the proposed projects is $132 and $53, respectively, of those two FSU's. Table 18 (Agenda page 100). The proportional flood control benefit between FSU's 1 and 10 has shifted from around 5X from the HBA to around 2.5X in the current Report.

I respectfully suggest that the Directors and staff again review the Propositions 26 and 218 Implementation Guide, May 2019, League of California Cities. https://www.cacities.org/Prop218andProp26 with respect to Engineer's Reports and in general to the burdens of proof and persuasion involved in any Proposition 218 proceeding. As an aside, jurisprudence continues to strictly interpret Proposition 218, e.g., Lejins v. City of Long Beach, Dec.1, 2021 (2021 WL 5628744), wherein the courts struck down a successful (albeit different than the current) Proposition 218 process because the agency could not meet the substantive requirement of the Constitution.

Per the current draft Report the proposed projects are either (1) deferred maintenance that fails to cleave to the SVWP and CAMP era determinations of O&M proportionality or (2) the projects are "new" or being considered "anew" and fail for – among other flaws -- omitting (a) the general public safety and (b) recreational benefits during the other 49 weeks of a calendar year.

The best outcome remains the one my prior letters identified: the MCWRA consider the various prior and current comments carefully and then engage with

the stakeholders in lieu of investing further resources into a Proposition 218 proceeding likely to fail and/or be readily and justifiably challenged in court.

Very truly yours,

Thomas S. Virsik

Thomas S. Virsik

c. Kelly Donlon, MCWRA counsel, DonlonKL@co.monterey.ca.us
Clerk, MCWRA Board of Directors, HenaultAG@co.monterey.ca.us

From:	Christopher Bunn
To:	Azhderian, Ara
Cc:	Marieke Desmond
Subject:	Alliance comments related to the MCWRA July workshop on Dam Safety projects etc
Date:	Thursday, September 11, 2025 8:51:01 AM
Attachments:	2025.07.02 Alliance Letter to MCWRA re April 2025 HBA Update(34192149.pdf

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Ara,

We appreciate the opportunity to comment on how the Dam Safety projects might be funded, as well as related issues.

For the Alliance, there are three key issues at this point in the discussion: whether or not the methodology used to fund the Dam Safety projects should be the same methodology that will fund future operations and maintenance etc of the dams, whether or not the four main benefits of the dams are defensible and, consequently, how those benefits then instruct funding, and whether or not a sufficient array of financial structure options in terms of loans vs bonds vs other are being considered.

First, the Alliance thinks that the methodology used to fund the Dam Safety projects should be the same methodology used to fund future operations, maintenance and administration etc of the dams. There is no convincing argument and rationale to decouple the methodology of those two funding needs. We believe that the new draft HBA should inform the funding for the Dam Safety projects, even as it will inform the funding of the future operations etc of those same dams. Of course, the draft HBA needs some adjustment in terms of modeling and interpretation, but we expect that to be addressed over the near future.

That said, we expect that the draft HBA will instruct an assessment structure that will replace current Zone 2C assessments. The current Zone 2C assessments do not equitably and adequately represent where the dam water goes when released, as analyses clearly show that a majority of that water infiltrates in the southern half of the valley, providing sustainability to that portion of the valley, even though the northern half of the valley pays more.

Second, as far as the four main benefits of the dams—water supply, flood control, hydropower and recreation—while we expect a robust critique and discussion about those benefits in the near future (and would appreciate a more robust explanation of how the recreations values would be applied in terms of assessments), we believe that the water supply benefit should not be based on avoided costs; rather, it should be calculated based on where the water goes in terms of availability. In addition to that perspective, we firmly believe the models used in the draft HBA analyses have to be improved and rerun before we can more accurately identify where the water goes. As we all have realized, the model outputs appear erroneous for surface and groundwater budgets in various parts of the valley (good examples of that are the peculiar increases in outflow to drains, as well as plant uptake volumes from higher groundwater levels). Furthermore, as stated in the groundwater budge discussion of the draft HBA for simulated sweater intrusion, the SVIHM can only simulate seawater intrusion as a flux across the location of the coast and cannot predict the extent of onshore seawater intrusion. The calculated groundwater level response to CSIP operations appears to be exaggerated in ESU 3

(the model calculated as much as 67’ of additional groundwater level benefit, which does not seem reasonable).

Third, while it is sensible to examine various bond and loan scenarios to finance the Dam Safety projects, we would like to also examine a pay-as-you-go scenario, in which assessments would be paid on an acre/unit/etc basis in order to fund the immediate annual costs of the project, spread over the X number of years of the project and without incurring debt.

We look forward to discussing all of these concepts more with you. Our initial draft HBA critique letter from earlier in the year is also attached as a reiteration of those points.

Sincerely,
Christopher Bunn
President, Salinas Basin Water Alliance

Salinas Basin Water Alliance

"Preserve and Protect Salinas Valley Water"

SBWA
SALINAS BASIN WATER ALLIANCE

July XX, 2025

VIA ELECTRONIC MAIL — MCWATER@COUNTYOFMONTEREY.GOV

Monterey County Water Resources Agency
Board of Directors
c/o Clerk of the Board
1441 Schilling Pl., North Bldg.
Salinas, CA 93901

RE: Concerns Regarding Monterey County Water Resources Agency's April 2025 Update to Historic Benefits Assessment of Water Infrastructure Projects for Salinas Valley

Dear Mr. Azhderian and Honorable Directors:

The Salinas Basin Water Alliance ("Alliance") is a California nonprofit mutual benefit corporation formed to preserve the viability of agriculture and the agricultural community in the greater Salinas Valley. Alliance members include agricultural businesses and families that own and farm more than 80,000 acres within the Salinas Valley. To that end, the Alliance has a significant interest in the long-term sustainability of the water supplies in the Salinas Valley, supports the integrated and equitable management of both surface and groundwater resource to achieve sustainability, and has diligently worked with the Monterey County Water Resources Agency ("Agency") and other stakeholders to achieve these critical goals.

We submit these comments to express our concerns regarding the Agency's April 2025 Update to its Historic Benefits Assessment of Water Infrastructure Projects for Salinas Valley ("HBA Update"). Specifically, the HBA Update does not accurately reflect the proportional benefits/burdens of the operation of the Agency's water infrastructure projects across all users in the system and contains a variety of technical issues. Accordingly, the Alliance respectfully requests the Agency revise the HBA Update to address the Alliance's concerns as articulated in the questions and comments provided in this letter.

Members
Bengard Ranch
Boutonnet Farms
Louie Calcagno
Christensen & Giannini
Cooper Land Corp.
D'Arrigo Bros.
Dole Fresh Vegetables
Fontes Farms
General Farm Investment
Higashi Farms
Huntington Farms
Lanini Family
Merrill Farms
Norcal Harvesting
Nunes Vegetables
Ocean Mist Farms
Panziera Ranches
Pedrazzi Farms
Queen Victoria Farms
R.C. Farms
Secondo Farms
Scattini Family LP
Springfield Farms
Sunberry Growers
Sunset Farms
Tanimura & Antle
The Tottino Group

P.O. Box 247, Salinas, CA 93902-0247 831-424-6151

I. The HBA Update must reflect an accurate accounting of the proportional benefits and burdens of the Agency's Water Infrastructure Projects.

A. Issues regarding the Agency's approach to quantifying economic benefits

1. The analysis should consider the various components of the Salinas Valley Water Project—i.e., the reservoirs, CSIP, the rubber dam—separately.
    a) The HBA Update states: "ESUs in the northwest part of the Basin (ESUs 1 through 4) experienced little effect from the Projects until 1998 when CSIP started operating. For instance, in ESU-3, the Projects resulted in less than a foot of groundwater level increase by the end of WY 1997, with substantial impact starting in WY 1998 when CSIP came online." This begs the question—how much did ESUs 1 through 4 pay for operation of the reservoirs without experiencing any water supply benefits?
    b) This analysis is required as the Agency may consider projects in the future that only pertain to a component of the Project, which may only benefit certain portions of the Valley.
    c) Benefits pre-98 should be modeled and analyzed in comparison to benefits post-98. This would equitably identify which areas of the basin benefited during the respective time periods.
2. Alternatively, the HBA Update should compare costs paid by each of the ESUs since construction of the reservoirs in comparison to the benefits received.
3. The Well Replacement Benefit criteria skews the assessment of economic benefits associated with the dams. The criteria should be modified to account for the value of the added water supply from the dams—in other words, what benefit is derived from having dry season flows in each of the ESUs?
    a) The HBA Update fails to account for the FB / UV gwl level benefits of not having to drill deeper wells because of reservoir release recharge.
        1. In 2017, the Coalition filed a complaint against the Agency and alleged the following: "[T]he groundwater aquifer in the Upper Valley is shallow, narrow, and tight against the Salinas River and, according to the Agency, at most receives minor subsurface inflow contributions from the upper Salinas Basin in San Luis Obispo County. That means Upper Valley Subarea wells are more directly and immediately affected by the Agency's reservoir release operations than wells located farther downstream in the Valley, where the groundwater aquifer system is deeper, broader and holds far more groundwater in subterranean storage to buffer against cuts or delays in the historic pattern of reservoir recharge releases."

2. This value for the FB/UV needs to be accounted for in the HBA Update.

b) Additionally, the HBA Update fails to account for water quality benefits in the FB/UV due to high quality river recharge from reservoir releases.

B. Flood Protection Benefits are unequally distributed across economic sectors and demographics

1. In FSUs 2-7 (Pressure and East Side Areas):
    a) There are a total of 10,749 structures;.8,813 of these are considered residential (82%).
    b) Total structural, contents of buildings, and vehicle avoided flood damages of $202,216,000
    c) Avoided crop damage in 2017 of $2,173,000
    d) Land cleanup costs of $3,044 per acre
2. In FSUs 8-12 (Forebay and Upper Valley Areas):
    a) There are a total of 6,325 structures; 5,461 of these are residential (86%)
    b) Total structural, contents of buildings, and vehicle avoided flood damages of $8,302,000
    c) Avoided crop damage in 2017 of $1,942,000
    d) Land cleanup costs of $4,025 per acre
3. 74% of structural, contents of buildings, and vehicle avoided flood damages are residential.
4. Therefore, avoided agricultural losses are about the same in the north as in the south, but the north misleadingly appears to receive more flood protection benefits than the south, because most of the avoided damage is to structure, etc., and most of that is residential. There is far more agricultural acreage than residential acreage in Salinas Valley.
5. Thus, flood protection benefits should be assessed by economic sectors and demographics.
6. Given the precise geographic concentration of structures (ie., in the footprints of the valley cities), in addition to the fact that, outside the cities, there are hardly any structures at all, perhaps the FSU approach is not precise enough? Perhaps each valley city should each be given their own FSU?
7. In terms of Vehicle Damage, was the total of $9,563,000 over the 51 year period actually ground-truthed in any way? Vehicles tend to be portable, a quality that calls into question this level of loss. During the flood of 2023, the worst flood since 1995, the Alliance does not recall many vehicles lost.

8. Finally, the study does not analyze the benefit value of avoidance of environmental loss due to flood damage. This is a general public good that should be equally distributed over the general public.

C. Reduced seawater intrusion crop yield losses

The framework for the HBA double counts CSIP benefits without replacing the existing funding structure and fees that stakeholders already pay for those project benefits outside of the SVWP.

D. Environmental benefits

The HBA Update provides no assessment of value derived from environmental/biological flows—water infrastructure is being used to "ensure adequate instream flows in the Salinas River for wildlife migration and habitat." Wildlife migration and habitat are a public good, as evidenced by the number of agencies and sheer body of law and regulation the government devotes to their protection. As the water infrastructure is partially being operated on behalf of species and habitat, due to the general public good assigned to them, the general public needs to be assessed for this cost, as this benefit is not being carried out for the sole good of the landowners and homeowners of the valley.

E. Water reliability and crop improvement

1. The HBA Update fails to assess *economic benefit* of improved crop quality and crop yields in the FB/UV due to improved water quality from consistent river recharge from reservoir releases. Page 12 of the HBA Update admits that "the reservoirs could be expected to have positive effects on groundwater quality in the Basin because of increased recharge in the riparian area [but that impacts on groundwater quality] are not valued as part of the economic assessment."
2. Additionally, the HBA Update Fails to assess *economic benefit* of improved reliability in ground water supply in the FB/UV from river recharge from reservoir releases. This extends potential growing season of FB/UV, extends groundwater recharge into dry years due to reservoir storage, keeps shallow FB/UV aquifers topped up through the growing season due to consistent releases, allows that area to be farmed more intensively and with reliability, etc. The projects, in effect, eliminate the impact of dry years.
3. Conversely, the HBA Update fails to assess the overall impact of more intensive farming in UV/FB, which results in consistent pumping of that area, which, in turn, means heavy river losses are sustained between the reservoirs and Gonzales due to that pumping steadily draining the aquifers, equating to 70+% of river loss between Bradley gauge and Gonzales gauge, which therefore means north of Gonzales receives a minority of the river flow.

What, then, does this mean for groundwater recharge in the north and the need to drill deeper wells?

4. Avoided crop impacts due to less seawater intrusion is a range of $21.7M to $86.9M? This is a staggeringly wide range, so wide (and therefore demonstrating the opposite of precision) that it begs the question as to whether or not all the pertinent variables were properly determined. Analysis may be flawed in its assumption that growers wouldn't change crops or relocate to areas more suitable for production versus staying and incurring severe economic hardship due to impaired water quality? Private business is fluid and changes and does not stay until extinction.
5. In section 3.1.2 and the HBA Update's discussion of "Avoided well construction/ replacement costs," there is no distinction between well replacement and well deepening. The report asserts that "declines in groundwater head and storage have the potential to negatively affect the ability of groundwater wells to operate, particularly when head falls below the bottom of a well's intake screen or within the impact zone between the top and bottom of the screen." However, when this occurs, well deepening should have been included and analyzed as an option, as opposed to restricting options to well replacement only.
6. How much of the "avoided replacement" of wells benefit in ESU 3 is due to the 12,000 acres of CSIP not needing wells? The report says 26 wells did not need to replaced in ESU 3 but it does not specify where in ESU 3 they occurred. A large percentage of ESU 3 is CSIP. And CSIP is already paying high fees via Zone 2B. Is this valuation of benefit for ESU 3 double-dipping? This needs to be carefully explained.
7. At the same time, in context of the previous comment, the remainder of ESU 3 that is not CSIP has seen a large increase in new Deep Aquifer wells, which explicitly do not avoid "costs from reduced agricultural pumping and pumping lift." On the contrary, their pumping lift costs are higher than all other wells. However, ESU 3 has been assigned a high value for this supposed benefit.
8. Finally, on page 18 of the HBA Update discussing the impacts of reduced seawater intrusion on agricultural productivity, the report states that such "impacts could range from $21.7 to $86.9 M over the 51-year analysis period . . . . Most of this benefit largely accrued to growers beginning in 1998, coinciding with deliveries of recycled water from CSIP." The fact is that the benefit specifically and mostly accrued to the acreage within the CSIP delivery area itself, as opposed to a blanket benefit to ESU 3 in general. Acreage that was previously laboring along with salty wells and was unable to grow lettuces, suddenly could grow lettuces, etc., due to receiving the CSIP delivered water. This benefit was paid for and is being paid for via Zone 2B fees. If this water quality benefit is now also assigned via the new HBA, please explain how this is not a double-dip.

II. The HBA Update contains a variety of modeling issues that must be addressed.

A. The Salinas Valley Integrated Hydrologic Model ("SVIHM"), which was used to determine hydrologic benefits, is seriously flawed. Furthermore, a provisional version of this flawed model was used for the HBA Update, which is also seriously flawed.

1. Tile drains:
    a) Agricultural tile drains are known to exist only in the northern, coastal areas of Salinas Valley (i.e., they are not widespread across the entire valley).
    b) However, SVIHM contains drain boundary conditions in every cell of model layer 1.
    c) There are also drain boundary conditions in the south and valley margins in layers 7, 8, and 9, which are deep underground and below the aquifer(s).
    d) It appears that water removed from the subsurface by these drain boundary condition cells may become surface flow or used to meet water demand, but that is not certain.
    e) Therefore, although the model appears to be "calibrated," it is "right" for the wrong reasons and will need to be fixed and recalibrated (M&A).
    f) The HBA scenarios will need to be re-run with the revised, recalibrated model.
2. Stream channel geometry:
    a) Much if not most of the stream channel bottoms in SVIHM are at elevations far above the land surface.
    b) It is unknown what impact this error has on model results and calibration, which renders model results unreliable.
3. Finally, there are several additional flaws in SVIHM, which renter the results highly uncertain.

B. The HBA Update states that modeled groundwater levels are high enough in many places that crops are able to access groundwater directly via their roots, thereby reducing groundwater pumping. Table 3.2 illustrates the increase in drain discharge associated with projects. Overall net recharge appears very low due to the increase in drain discharge.

1. The high modeled groundwater elevations likely caused the USGS to improperly include the drain boundary condition cells.
2. The process of direct use of groundwater by crops (similar to phreatophytes/riparian vegetation) is not known to occur in Salinas Valley. Such high water levels would ruin most crops (which is the reason growers sometimes use real tile drains!).

Accordingly, the Alliance respectfully requests that the Agency revise the HBA Update to address these questions and concerns regarding the allocation of benefits and burdens of the Agency's Water Infrastructure Projects and address the modeling flaws in the SVIHM that render it unreliable in terms of an accurate calculation of hydrological and economic values.

Respectfully submitted,

Christopher Bunn

President, Salinas Basin Water Alliance

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STATE OF CALIFORNIA – CALIFORNIA NATURAL RESOURCES AGENCY

DEPARTMENT OF WATER RESOURCES
P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791

GAVIN NEWSOM, *Governor*

RECEIVED
AUG 28 2025
By

August 19, 2025

Mr. Ara Azhderian, General Manager
Monterey County Water Resources Agency
Post Office Box 930
Salinas, California 93902-0930

Nacimiento Dam, No.1008
San Luis Obispo County

Dear Mr. Azhderian:

This is in response to Monterey County Water Resources Agency's (MCWRA) letter dated June 17, 2025, to the Division of Safety of Dams (DSOD), providing MCWRA's plan and schedule to address the outstanding items associated with the comprehensive condition assessment of the spillway at Nacimiento Dam. The plan and schedule was developed in response to DSOD's letter of January 8, 2025, regarding the need to address a few outstanding comments to address seepage issues and inspect the half-round spillway drains.

DSOD has reviewed the plan and schedule. MCRWA's plan to repair the North and South high-level outlet gate seals by November 15, 2026, and its proposal to develop alternatives to access, inspect, and evaluate the functionality of the half-round drainpipes under the original spillway by April 15, 2026, is found acceptable. Submit MCRWA's preferred alternative for the inspection to DSOD for review by April 15, 2026.

MCWRA will investigate the seepage at transverse Joint 16R/17R by exposing the water stop at the joint to assess its condition and perform any necessary repairs. An application may be required depending on the extent and scope of the work. Since MCWRA plans to complete the work by September 2026, please email a work plan by July 1, 2026, to Area Engineer Jasper Mizani for review at Jasper.Mizani@water.ca.gov so DSOD can determine if an application will be required.

MCWRA must continue to perform regular maintenance of the spillway and inspect it before an impending activation, during discharges, and after cessation of discharges. DSOD needs to be informed immediately of any changes in the condition of the spillway.

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If you have any questions or need additional information, you may contact Mr. Mizani at (916) 565-7822 or Regional Engineer Timothy Jimenez at (916) 565-7820. If you want to discuss plans related to investigating the drainpipes under the original spillway, you may contact Division Technical Advisor Daniel Meyersohn at (916) 820-7818.

Sincerely,

Erik J. Malvick

Erik J. Malvick, Ph.D., P.E., G.E.
Division Manager
Division of Safety of Dams

cc Mr. Frank L. Blackett, P.E.
Regional Engineer
Federal Energy Regulatory Commission
Office of Energy Projects
Division of Dam Safety and Inspections – San Francisco Regional Office

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STATE OF CALIFORNIA – CALIFORNIA NATURAL RESOURCES AGENCY
GAVIN NEWSOM, Governor

DEPARTMENT OF WATER RESOURCES
P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791

RECEIVED
AUG 28 2025
By

August 21, 2025

Mr. Ara Azhderian, General Manager
Monterey County Water Resources Agency
Post Office Box 930
Salinas, California 93902-0930

San Antonio Dam, No. 1008-2
Monterey County

Dear Mr. Azhderian:

Monterey County Water Resources Agency's (MCWRA) application filed on February 6, 2018, for approval of plans and specifications for the alteration of San Antonio Dam was approved by the Division of Safety of Dams (DSOD) on March 29, 2018. The proposed work consisted of performing a geotechnical exploration and installation of instrumentation on the dam.

MCWRA Senior Engineer Elise Harden informed DSOD on November 1, 2024, via electronic mail that MCWRA no longer plans to perform this work. As construction did not commence within one year of the application's approval, the alteration application has been voided in accordance with California Water Code sections 6265 and 6266. If MCWRA plans to conduct this work in the future, a new alteration application, together with plans, specifications, and the appropriate filing fee will be required for DSOD's review and approval.

If you have any questions or need additional information, you may contact Design Engineer Stephen Neumayr at (916) 396-8414 or Project Engineer Zhuo "George" Hu at (916) 612-4380.

Sincerely,

Erik J. Malvick

Erik J. Malvick, Ph.D., P.E., G.E.
Division Manager
Division of Safety of Dams

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MONTEREY COUNTY WATER RESOURCES AGENCY
AND FIELDMAN, ROLAPP AND ASSOCIATES, INC.
AGREEMENT FOR SERVICES

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and Fieldman, Rolapp & Associates, Inc. , a California Corporation hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Employment of CONTRACTOR. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**:

   (a) The scope of work is briefly described and outlined as follows:

   Creating a 10-year financial forecasting model and financial plan.

   (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on August 3, 2023 by CONTRACTOR and Agency, and will terminate on August 3, 2028, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein,

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Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is ninety thousand dollars,

($ 90,000.00).

4. Monthly Invoices by CONTRACTOR; Payment.

   (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

   (b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@co.monterey.ca.us and to the Contract Administrator listed in Section 26.

   (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

   (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification. CONTRACTOR shall indemnify, defend, and hold harmless the Agency and the County of Monterey, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence, active negligence, or willful misconduct of the Agency. "CONTRACTOR's performance" includes CONTRACTOR's

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action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subCONTRACTORs.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section

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3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subCONTRACTOR, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subCONTRACTOR showing each subCONTRACTOR has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000)****. The required*

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endorsement form for Automobile Additional Insured endorsement is ***ISO Form CA 20 48 02 99.***

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subCONTRACTORs relating to this Agreement. Government Code Section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subCONTRACTORs shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

   CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the

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purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

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14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

17. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

18. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

19. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

20. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

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21. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

22. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

23. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

24. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

25. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

26. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be
Robert A. Porr, Executive Vice President

Agency's designated administrator of this Agreement shall be
Ara Azhedrian, General Manager

27. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY	**TO CONTRACTOR**
Name: Ara Azhedrian, GM	Name: Robert A. Porr, EVP
Address: 1441 Schilling Place - North	Address: 19900 MacArthur Irvine, CA 92612
Telephone: 831.755.4860	Telephone: 949.660.7323
Fax: 831.424.7935	Fax:
E-Mail: AzhedrianA@co.monterey.ca.us	E-Mail: rporr@fieldman.com

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28. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats in accordance with the specifications listed in Exhibit C.

29. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

30. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

31. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work/ Work Schedule
    Exhibit B - Payment Provisions
    Exhibit C - Deliverables

32. Entire Agreement --As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AND FIELDMAN, ROLAPP & ASSOCIATES, INC.
AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:

BY: DocuSigned by: Ara Azhderian 1F182FFB49A2435...

Ara Azhderian
General Manager

Date: 8/17/2023 | 8:34 AM PDT

CONTRACTOR:

BY:

Type Name: Robert A. Porr

Title: Executive Vice President

Date: August 2, 2023

BY:

Type Name: Lora A Nichols

Title: Vice President

Date: August 2, 2023

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* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

DocuSigned by:
Kelly L. Donlon
22D690CA05A940B...

Assistant County Counsel

Dated: 8/16/2023 | 8:19 AM PDT

Approved as to fiscal provisions:

DocuSigned by:
Juan Pablo Lopez
A59152F49ADC476...

Administrative Analyst

Dated: 8/16/2023 | 1:36 PM PDT

_____

County Counsel – Risk Manager:

Dated: _____

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...

Auditor-Controller [2]:

Dated: 8/16/2023 | 1:20 PM PDT

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

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EXHIBIT A - SCOPE OF WORK

Scope of Services

A. Phase I – Development of Financial Model and Funding Strategy. Completion within 6 months of contract execution.

Financial Review

a. Review and analysis of historical financial results;
b. Review of the current year adopted budget (capital and operations) and amendments, if any;
c. Review of the Agency's CIP;
d. Review of fund balances and investments along with expected expenses to determine liquidity levels and amounts available to meet capital expenditures, if any;
e. Review the Agency's reserve and debt management policies;
f. Developing a debt capacity analysis; and
g. Evaluating opportunities to refinance outstanding debt.
h. Other tasks as directed by the Agency.

Financial Model and Long-Range Financial Plan

(i) Create a financial model that will be an aggregation of the revenues, operational expenses, and capital expenditures of the Agency and its funds to produce a customary revenue-supported cash flow with key credit criteria, such as days cash and debt service coverage as outputs. The model permits us to advise the Agency in connection with (a) revenue requirements, (b) potential sources of capital funding, (c) possible credit rating outcomes, and (d) timing for the execution of debt. The financial model will meet the requirements of WIFIA and credit rating agencies.

(ii) Incorporate debt structures into the financial model, including but not limited to traditional municipal securities, loans through the California State Water Resources Control Board, loans through the Water Infrastructure and Finance Innovation Act ("WIFIA") program and cash from reserves or from future cash flow. Our analysis will examine the benefits and drawbacks of each of the municipal securities.

(iii) Develop an overview of a financial plan that will provide approximate timing and amounts to be borrowed and identify the securities to be used to generate proceeds for the CIP.

(iv) Create, or revise as necessary, debt management and reserve policies that provide a practical approach to supporting the implementation of the long-range financial plan.

(v) Working with the Agency's legal team to develop financial covenants which will be intended to optimize the Agency's credit rating, if possible.

(vi) If directed by the Agency, draft a long-range financial plan ("LRFP") document in addition to the financial model, that accurately reflects the LRFP.

(vii) Recommend a specific course of action to secure the funding of the CIP.

(viii) Other tasks as directed by the Agency.

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EXHIBIT B - FEE SCHEDULE

The table below shows our current hourly rates.

Personnel	Hourly Rate
Executive Officer	$395.00
Principal	$385.00
Executive / Senior Vice President	$375.00
Vice President	$320.00
Assistant Vice President	$295.00
Senior Associate	$265.00
Associate	$235.00
Analyst	$130.00
Administrative Assistant	$95.00

Expenses

Expenses will be billed separately and will cover, among other things, travel, lodging, subsistence, overnight courier, conference calls, and computer charges. Advances made on behalf of the District for costs of preparing, printing or distributing disclosure materials or related matter whether by postal services or electronic means, may also be billed through to the District upon prior authorization. For Robert and Lora to attend a meeting at the Agency's offices in Monterey we estimate the cost to the Agency would be approximately $6,500, which includes airfare, meals and travel time.

Costs Sheets and Rates

Please refer to the cost sheet below for our estimate of fees and expenses in connection with the creation of a financial model and plan. If directed by Staff, Consultant will incorporate the LRFP and financial model into a separate detailed document. Our fees and expenses will be invoiced monthly, but they are not contingent.

Our travel expenses are estimated at $6,420, based on Robert and Lora attending a single meeting in Monterey. Expenses include airfare (assuming ticket prices of $700 per passenger), transportation to and from airports, travel time for each passenger and meals. We will work with Agency Staff to do our best to minimize travel and travel-related expenses.

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Financial Model and Plan						
SERVICES	PORR	NICHOLS	REDMON	MARC	BENNETT	TOTAL
	EXECUTIVE VP	VICE PRESIDENT	ASSISTANT VP	INTERN/ANALYST	ADMIN. ASSISTANT	
Hourly Rate	$375	$320	$295	$130	$95	
Financial Review - Review overall financial status of the Agency; review budgets, audits and Strategic Plan and other relevant planning documents	10	10	0	12	1	**33**
Finance Plan - provide financing options by conducting studies and analyses determining the appropriate and cost-effective financing methods, terms, security, and repayment structures relative to the Agency's current finances	4	8	0	16	1	**29**
Finance Plan - provide debt affordability/capacity analysis in relation to existing debt. Evaluate the feasibility of utilizing existing revenue sources and the need for additional revenue sources	4	8	0	8	1	**21**
Finance Plan - develop a pro-forma financial model and prepare a capital financing plan for the Agency's 10-year Water System CIP	12	84	0	62	1	**159**
Quality control review	6	4	6	3	1	**20**
Recommendation - advice on the amount, type of financing vehicle, maturity structure and market timing of the transaction, as well as the credit structure, call provisions, and repayment terms to obtain the lowest practical interest cost	4	8	0	8	0	**20**
Recommendation - develop a funding strategy in the form of a memo and PowerPoint presentation	4	5	0	5	4	**18**
Prepare for and attendance at meetings as requested, including Finance and Board Agency meetings (will vary depending upon scope, nature of matter). Excludes travel time.	8	8	0	4	4	**24**
Memo Highlighting Funding Strategy	4	2		1	3	**10**
Total Hours	**56**	**137**	**6**	**119**	**16**	**324**
TOTAL ESTIMATED HOURLY COST	**$21,000**	**$43,840**	**$1,770**	**$15,470**	**$1,496**	**$83,576**
Travel, if required, estimated per trip						**$6,420**
TOTAL ESTIMATED COSTS INCLUDING 1 TRIP						**$89,996**

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EXHIBIT C

DELIVERABLES

Required Document Formats

When required by this agreement, the following documents shall be delivered to the Agency project or contract administrator:

Long-Range Financial Model in excel

Memorandum highlighting funding strategy

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GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT NUMBER 4600013799
PROPOSITION 1 ROUND 1 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM)
IMPLEMENTATION GRANT
AMENDMENT 4

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or “DWR,” and the Monterey County Water Resources Agency a public agency. in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1) PURPOSE. The State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) to the Grantee to assist in financing the projects, which are included in and implemented in an adopted Integrated Regional Water Management Plan (IRWM Plan), pursuant to Chapter 7. Regional Water Security, Climate, and Drought Preparedness (Wat. Code, § 79740 et seq.). The provision of State funds pursuant to this Agreement shall be construed or interpreted to mean that the IRWM Plan, or any components of the IRWM Plan, implemented in accordance with the Work Plan as set forth in Exhibit A, has been adopted through the IRWM Plan Review Process, and is/are consistent with Water Code section 10530 et seq.

2) TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on June 27, 2020 through final payment plus three (3) years unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed by June 30, 2027 in accordance with the Schedule as set forth in Exhibit C and no funds may be requested after September 30, 2027.

3) GRANT AMOUNT. The maximum amount payable by the State under this Grant Agreement shall not exceed $3,462,861.

4) GRANTEE COST SHARE. The Grantee is required to provide a Local Cost Share (non-state funds) as set forth in Exhibit B (Budget). Local Cost Share may include Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015.

5) BASIC CONDITIONS.

   A. Unless exempt as per the 2019 IRWM Implementation Grant Proposal Solicitation Package, project(s) that are subject to the California Environmental Quality Act (CEQA) including final land purchases, shall not be included in this Agreement until the CEQA process is completed and all permits necessary to begin construction are acquired. Projects providing at least 75% of benefits to a disadvantaged community (DAC), economically distressed area (EDA), and/or Tribe (based on population or geography), or projects implemented by Tribes will be exempt from this requirement.

      i. Such projects will be included in the Agreement as a placeholder. Placeholder projects are not eligible for grant reimbursement and may not submit invoices to DWR until such time as they are fully included in the Agreement.

      ii. Placeholder projects that complete CEQA and/or acquire permits (necessary to begin construction) within eighteen (18) months of the agreement execution date will be amended into the agreement. At the end of the eighteen (18)-month term, any placeholder projects that fail to complete CEQA and/or acquire permits will be deleted from the Agreement. The total grant award will be reduced by the amount of the deleted project(s). Replacement projects will not be allowed. Reduced amount will be made available to the respective Funding Area in future funding rounds on a competitive basis. Deleted placeholder projects will not be eligible to receive any grant reimbursement under this Agreement; however, such project could be eligible under the next round of grant solicitation.

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B. The State shall have no obligation to disburse money for the Project(s) under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):

i. The Grantee shall demonstrate compliance with all eligibility criteria as set forth on pages 9-11, inclusive, of the 2019 IRWM Implementation Grant Program Guidelines (2019 Guidelines).

ii. For the term of this Agreement, the Grantee shall submit Monthly Progress Reports which must accompany an invoice and all invoice backup documentation ($0 Invoices are acceptable). The Monthly Progress Report shall be submitted within 60 days following the end of the calendar quarter (i.e. reports due May 30, August 29, November 29, and March 1) and all other deliverables as required by Paragraph 14, "Submission of Reports" and Exhibit A, "Work Plan".

iii. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State.

1. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.

2. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:

a) The Grantee submits to the State all applicable environmental permits, as indicated on the Environmental Information Form to the State,

b) Documents that satisfy the CEQA process are received by the State,

c) The State has completed its CEQA process as a Responsible Agency, and

d) The Grantee receives written notification from the State of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The Grantee or Local Project Sponsor (LPS) shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/ implementation.

iv. A monitoring plan as required by Paragraph 16, "Monitoring Plan Requirements," if applicable.

6) DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.

7) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project

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construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after June 26, 2020 may be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to, the following items:

A. Costs, other than those noted above, incurred prior to the award date of this Grant.

B. Costs for preparing and filing a grant application.

C. Operation and maintenance costs, including post construction performance and monitoring costs.

D. Purchase of equipment that is not an integral part of a project.

E. Establishing a reserve fund.

F. Purchase of water supply.

G. Replacement of existing funding sources for ongoing programs.

H. Meals, food items, or refreshments.

I. Payment of any punitive regulatory agency requirement, federal or state taxes.

J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.

K. Overhead and Indirect Costs. “Indirect Costs” means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee or LPSs; non-project-specific accounting and personnel services performed within the Grantee’s or LPS’ organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee, LPSs, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.

8) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 5, “Basic Conditions” are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee of an electronic invoice certified and transmitted via electronic/digital signature system (e.g., DocuSign) or via US mail or Express mail delivery of a “wet signature” for costs incurred, including Local Cost Share, and timely Monthly Progress Reports as required by Paragraph 14, “Submission of Reports.” Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Monthly Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1). The State will notify the Grantee, in a timely manner, whenever, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

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Invoices submitted by the Grantee shall include the following information:

A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.

B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.

C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:

   i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.

   ii. Invoices shall be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).

   iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.

   iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount" and those costs that represent the Grantee's costs, as applicable, in Paragraph 4, "Grantee Cost Share."

   v. Original signature and date of the Grantee's Project Representative. Submit an electronic invoice, certified and transmitted via electronic/digital signature system (e.g., DocuSign), from authorized representative to the Project Manager or the original "wet signature" copy of the invoice form to the Project Manager at the following address: PO Box 942836, Sacramento, CA 94236-0001.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

9) ADVANCED PAYMENT. Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than $1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment. The Advanced Payment Request shall contain the following:

   A. Documentation demonstrating that each Local Project Sponsor (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not.

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B. If the Grantee is requesting the advanced payment, the request(s) shall include:

   i. Descriptive information of each project with an update on project status

   ii. The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC

   iii. A detailed Funding Plan which includes how the advanced payment will be expended (in terms of workplan, budget, and schedule) within the timeframe agreed upon by DWR and the Grantee. The Funding Plan must clearly identify the total budget (at Budget Category Level) for each project clearly showing the portion of advanced payment and reimbursement funds.

   iv. Any other information that DWR may deem necessary

C. Upon review and approval of the Advanced Payment Request, DWR will authorize payment of the fully requested amount for the qualified project(s). Based on the project's Funding Plan and other considerations, DWR may determine it is not prudent to advance the full request in a single disbursement. In such a case, DWR will develop a "Disbursement Schedule," to disburse funds in installments. This Disbursement Schedule may change based on the project's ongoing compliance with the Advanced Payment requirements and the project's cash flow needs.

D. Once DWR authorizes the Advanced Payment Request, the Grantee shall submit Advanced Payment Invoice(s) for the initial amount based on the "Disbursement Schedule" on behalf of the LPS(s), containing the request for each qualified project, to the State with signature and date of the Grantee's Project Representative, as indicated in Paragraph 21, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective LPS(s). The Advanced Payment Invoice(s) shall be submitted on forms provided by the State and shall meet the following format requirements:

   i. Invoice shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.

   ii. Invoice shall be itemized based on the budget categories specified in Exhibit B, "Budget."

   iii. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).

   iv. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:

      1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.

      2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by DWR and the Grantee when the advanced payment request was approved.

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3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.

4. Proof of distribution of advanced funds to LPS(s), if applicable.

v. The State's Project Manager will notify the Grantee, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A, the State will reject the claim and remove them from the Accountability Report.

E. Once the Grantee has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 8, "Method of Payment for Reimbursement."

10) REPAYMENT OF ADVANCES. The State may demand repayment from the Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

A. A project is not being implemented in accordance with the provisions of the Grant Agreement.

B. The Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction.

C. Failure by the Grantee to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by DWR.

D. Failure to deposit funds in a non-interest-bearing account.

E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.

F. Inappropriate use of funds, as deemed by DWR.

G. Repayment amounts may also include:

i. Actual costs incurred which are not consistent with the activities presented in Exhibit A, not supported, or are ineligible.

ii. Advanced funds which are not fully expended by project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to DWR within sixty (60) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The State may consider the Grantee's refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to demand repayment or withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Agreement.

11) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, "Default

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Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

12) DEFAULT PROVISIONS. The Grantee shall be in default under this Grant Agreement if any of the following occur:

A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations;

B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;

C. Failure to operate or maintain the Project in accordance with this Grant Agreement.

D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.

E. Failure to submit monthly progress reports pursuant to Paragraph 5.

F. Failure to routinely invoice the State pursuant to Paragraph 8.

G. Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

Should an event of default occur, the State shall provide a notice of default to the Grantee and shall give the Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, the State may do any of the following:

H. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.

I. Terminate any obligation to make future payments to the Grantee.

J. Terminate the Grant Agreement.

K. Take any other action that it deems necessary to protect its interests.

In the event the State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, the Grantee agrees to pay all costs incurred by the State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

13) CONTINUING ELIGIBILITY. The Grantee shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2019 Guidelines to remain eligible to receive State funds:

A. An urban water supplier that receives grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2019 Guidelines and as stated on page 22 of the Proposal Solicitation Package.

B. An agricultural water supplier receiving grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2019 Guidelines.

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C. A surface water diverter receiving grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.

D. If applicable, the Grantee shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2019 Guidelines.

E. If the Grantee has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Grantee shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.

F. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.

G. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive Order.pdf. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

14) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Project Manager and shall be submitted via the DWR "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any funds retained for such project.

A. Monthly Progress Reports: The Grantee shall submit monthly Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar month.

B. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an advanced payment, consistent with the provisions in Paragraph 9, "Advanced Payment."

C. Project Completion Report: The Grantee shall prepare and submit to the State a separate Project Completion Report for each project included in Exhibit A. The Grantee shall submit a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) within ninety (90) calendar days of Project/Component completion as outlined in Exhibit F.

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D. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A, and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State.

E. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports for the applicable project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.

15) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, “useful life” means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; “operation costs” include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and “maintenance costs” include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, “Default Provisions.”

16) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F, and follow the guidance provided in Exhibit L, “Project Monitoring Plan Guidance.”

17) STATEWIDE MONITORING REQUIREMENTS. The Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G for web links and information regarding other State monitoring and data reporting requirements.

18) NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:

A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.

B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State’s representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.

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C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.

D. The initiation of any litigation or the threat of litigation against the Grantee or an LPS regarding the Project or which may affect the Project in any way.

E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The Grantee shall notify the State's Project Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.

19) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

A. By delivery in person.

B. By certified U.S. mail, return receipt requested, postage prepaid.

C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.

D. By electronic means.

E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

20) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

21) PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources	Monterey County Water Resources Agency
Arthur Hinojosa Manager, Division of Regional Assistance P.O. Box 942836 Sacramento, CA 94236-0001 Phone: (916) 653-4736 Email: Arthur.Hinojosa@water.ca.gov	Ara Azhderian General Manager 1441 Schilling Place Salinas, CA 93901 (831) 755-4864 Email: AzhderianA@countyofmonterey.gov

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Direct all inquiries to the Project Manager:

Department of Water Resources	Monterey County Water Resources Agency
Angela Murvine Engineering Geologist P.O. Box 942836 Sacramento, CA 94236-0001 Phone: (916) 326-9996 Email: Angela.Murvine@water.ca.gov	Amy Woodrow Senior Water Resources Hydrologist 1441 Schilling Place Salinas, CA 93901 Phone: (831) 204-6218 Email: WoodrowA@countyofmonterey.gov

Either party may change its Project Representative or Project Manager upon written notice to the other party.

22) STANDARD PROVISIONS. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements for the Grantee

Exhibit I – Local Project Sponsors and Project Locations

Exhibit J – Appraisal Specifications

Exhibit K – Information Needed for Escrow Processing and Closure

Exhibit L – Project Monitoring Plan Guidance

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IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Arthur Hinojosa
Manager,
Division of Regional Assistance

Date 7/18/2025

MONTEREY COUNTY WATER
RESOURCES AGENCY

Ara Azhderian
General Manager

Date 7/18/2025

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EXHIBIT A

WORK PLAN

PROPOSITION 1 ROUND 1 GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

Grant Administration

IMPLEMENTING AGENCY: Monterey County Water Resources Agency

DESCRIPTION: The Grantee will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. The grantee will act in a coordination role: disseminating grant compliance information to the project managers responsible for implementing the projects contained in this Agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for progress reports from individual project managers, assembling and submitting progress reports to the State, and coordinating all invoicing and payment of invoices.

Budget Category (a): Project Administration

Task 1: Agreement Administration

The Grantee will respond to DWR's reporting and compliance requirements associated with the grant administration and will coordinate with the project managers responsible for implementing the projects contained in this Agreement.

Task 2: Invoicing

The Grantee will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the Local Project Sponsors and compiling the information into a DWR Invoice Packet.

Deliverables:

- Monthly or quarterly invoices, as needed, and associated backup documentation

Task 3: Reporting

The Grantee will be responsible for compiling progress reports for submittal to DWR. The Grantee will coordinate with Local Project Sponsor staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Reports will meet generally accepted professional standards for technical reporting and the requirements terms of the contract with DWR outlined in Exhibit F of this Agreement.

Deliverables:

- Progress Reports
- Grant Completion Report

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PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

IMPLEMENTING AGENCY: Castroville Community Services District (District)

PROJECT DESCRIPTION: The purpose of the Emergency Deep Aquifer Supply and Storage Tank Project is to provide a safe and reliable water supply for Castroville. The project includes the planning, design and construction of three components: Deep Aquifer Well (1,400 feet), Arsenic Treatment System, and a Storage Tank (640,000 gallons). The District will construct a potable water storage tank at the Well No. 4 site to provide approximately 640,000 gallons of additional storage and operational redundancy. The existing water supply is being degraded by saltwater intrusion and has exceeded safe drinking water standards for Chloride. In 2018, detection reached up to 733 milligrams per liter (mg/L), well above the recommended maximum contaminant limit of 250 mg/L. The project will provide approximately 300 acre-feet per year (AFY) of clean drinking water to the community of Castroville and increase water reliability.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – The District will fund land acquisition from existing reserves set aside for the implementation of this water supply project.

Deliverables:

- Documentation supporting property value (if purchased)
- All relevant documentation regarding property ownership transfer or acquisition of easement including final recorded deed, title report, etc.

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Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Project Feasibility Studies were completed as part of the project development process. The preliminary studies and work required to support project design and CEQA/permitting include a Hydrogeologic Evaluation, Topographic and Boundary Survey, and Geotechnical Investigation.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

An amendment to the State Water Resources Control Board Domestic Water Supply Permit is anticipated.

Deliverables:

- Permits as required

Task 7: Design

The Design Engineer will prepare contract documents for the 30% Design submittal. Plans will be sufficiently detailed to adequately describe the project scope and provide a basis for the District's review. The 30% Design documents will be used by the Design-Build Contractor identified in construction.

Deliverables:

- 30% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR’s review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed. The contract will be a design-build contract for this project. The Design-Build Contractor will utilize the 30% Design Documents identified in Design to prepare Design Development Documents.

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Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed
- 100% Design Plans and Specifications

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

11(a): Mobilization and Demobilization: This will include preparatory work that is performed prior to starting work on various bid items of the project (e.g., security fencing, mobilizing equipment to the site, staging construction equipment and supplies, etc.) and after completion of various bid items of the project (e.g., removing equipment and restoring the site to pre-construction conditions).

11(b): Site preparation: Site preparation will include removing existing materials and vegetation and establishing site security prior to the start of construction.

11(c): Construction: Includes site improvements, install an approximately 640,000-gallon storage tank, install a new groundwater well, arsenic treatment system, connection to the existing water system and associated civil, mechanical, and electrical items necessary to operate the new system.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

IMPLEMENTING AGENCY: Monterey County Water Resources Agency

PROJECT DESCRIPTION: The purpose of this project is to develop decision support tools that will enable the Grantee to improve reservoir operations and better plan for future conditions, particularly considering anticipated impacts of climate change. Through a qualitative, quantitative, and policy analysis of streamflow and reservoir operations, this project will identify how reservoir operations at Nacimiento and San Antonio reservoirs, river diversions along the Salinas River, and groundwater extractions in the Salinas Valley impact instream flows in the Salinas River. The analysis will then be used to develop a water management plan that considers all the necessary uses for this water. The intended outcome is the development of re-operation protocols.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

A Notice of Exemption was completed for this project in December of 2020. Prepare letter stating no legal challenges (or addressing legal challenges).

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Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting – Not applicable

Task 7: Project Monitoring Plan – Not applicable

Budget Category (d): Construction/Implementation

Task 8: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract.

Deliverables:

- Bid Documents, if necessary
- Proof of Advertisement, if necessary
- Award of Contract, if necessary

Task 9: Setting Description

This task will provide a description of the geologic setting of the Salinas Valley relevant to both geomorphic and hydrologic conditions impacting instream flows within the project area and will include a review of previous studies and relevant current projects and investigations. A qualitative analysis will be supplemented using a recently developed integrated hydrogeologic model (Salinas Valley Integrated Hydrologic Model, USGS 2018) to provide a detailed description of reach-by-reach water budgets of surface water flow regimes throughout historical hydrologic periods.

This task will re-evaluate steelhead passage flow criteria within the study area. Current river conditions will be assessed to identify areas of critical passage needs and evaluated to identify the flow necessary to provide for passage of adult and juvenile steelhead during the migration season(s). It is anticipated that drone technology using 3D mapping will be utilized to identity the critical passage areas with field verification as necessary. The final methodology will be determined with the consultant identified to assist with the project.

Both historical and current groundwater extractions within the study area will be evaluated utilizing the hydrogeologic model to quantify the impacts of these operations on instream flows. The hydrologic components of a flow management plan necessary to ensure the maintenance of surface water flows to support uses of the water (e.g., environmental, agricultural, groundwater, etc.) will be developed.

Deliverables:

- Technical Memorandum

Task 10: Public Outreach

The primary goal of this task is to have stakeholder engagement and participation that creates widespread support for the goals and content of the re-operation protocols. The program includes a series of conversations with different focal points and levels of information that culminate in a plan that is accepted and understood among a diverse range of Salinas River System stakeholders. A Stakeholder Planning Group will be organized and stakeholders representing all of the major interests in the Salinas River System will have the opportunity to be represented on this body. Meetings will be open to the public to promote transparency. The purpose of this group is to create a highly informed group of stakeholders who can engage in joint fact-finding processes (framing key questions and developing a high level of understanding of the planning

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process opportunities and technical approaches) and advance the planning process in the larger communities among stakeholders.

Deliverables:

- Meeting agendas and minutes

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PROJECT 3: Salinas River Flood and Habitat Improvement Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

PROJECT DESCRIPTION: The goal of the Salinas River Flood and Habitat Improvement Program (program) is to provide 5 to 7-year recurrence level flood risk reduction for the Salinas River and three tributaries and to control *Arundo donax* and tamarisk in the Salinas River. The Salinas River Flood and Habitat Improvement Program is comprised of two activities: vegetation and sediment management for flood risk improvement, and invasive species eradication for habitat improvement. The primary benefit for this project is flood protection for approximately 1,000 acres of farmland. The secondary benefit is the improvement of approximately 12,000 acres of riparian habitat.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

A Notice of Determination for an Environmental Impact Report was filed with the Office of Planning and Research in June of 2014. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

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Task 6: Permitting

All permits have been secured for the project.

Deliverables:

- Permits as required

Task 7: Design – Not applicable

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents, as applicable
- Proof of Advertisement, as applicable
- Award of Contract, as applicable
- Notice to Proceed, as applicable

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A construction observer will be on site each day of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/updating project schedule, reviewing contractor log submittals and pay requests, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion

Task 11: Construction

Construction activities are outlined below.

11 (a): Site preparation will include flagging, assessment of current conditions including vegetation type and location, biological resource assessment and best management practices.

11 (b): The flood management work is conducted in approximately 127 secondary channels located along 92 miles of the Salinas River. For habitat stewardship and additional flood risk reduction, the program also seeks to control *Arundo donax* and woody nonnatives such as tamarisk in the Salinas River system and allow native shrubs, forbs and grasses to return in the riparian corridor. Construction activities will include

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vegetation removal with rotary or flail mower, disking and grading, sediment removal and storage outside of the channel, herbicide spraying from a spray rig or backpack sprayers from licensed applicators. Applicators conduct all herbicide treatment according to California regulations and reporting including the filing of herbicide application reports with the Monterey County Agriculture Commissioner and documentation for reporting to the Regional Water Quality Control Board.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

PROJECT DESCRIPTION: This project will provide decision and implementation support to guide Monterey County farmers' management changes and conservation projects to better manage soil, water, and nutrients to improve local water quality and streamline production inputs. The project will expand the bilingual farm water quality support services to meet increasing demand associated with the Central Coast Regional Board's anticipated Agricultural Order renewal. The project will include regional grower education, 75 individual on-farm consultations, over 25 detailed irrigation and nutrient management assessments with recommendations, and corresponding implementation assistance and effectiveness tracking at a subset of approximately 12 farm sites.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare draft Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Paragraph D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

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Task 6: Permitting

Expected to acquire grading permit from the Monterey County Housing and Community Development within 6 months of grant execution.

Deliverables:

- Permits as required

Task 7: Design

Provide technical assistance and design for implementation of water, nutrient, and soil on-field conservation management practices and engineered water management projects as identified through farm resource/site assessment process.

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications with Personally Identifying Information redacted (to comply with USDA terms of match funding)
- Tracking sheet of on-farm implementation sites and management changes
- Tabulated list of engineered project designs with scale, project type, acreages impacted, farm type/size, and intended benefit

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 (guidance provided in Exhibit L) for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Paragraph D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents, as applicable
- Proof of Advertisement, as applicable
- Award of Contract, as applicable
- Notice to Proceed, as applicable

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. An engineering construction observer will conduct regular site visits for the duration of engineered projects. Construction observer duties include documenting of pre-construction conditions, addressing questions of contractors on site, reviewing/ updating project schedule, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

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Deliverables:

- DWR Certificate of Project Completion
- Record Drawings, as applicable

Task 11: Construction

Typical construction activities are described below.

Typical construction activities include the farmer clearing the project area of any equipment followed by the farmer or contractor clearing and grubbing vegetation if necessary. The contractor and/or farmer typically installs additional protections such as silt fences and straw wattles or hay bales to contain sediment within the farmer's property. The farmer or contractor may erect security fencing in or adjacent to the project area as a staging area to keep equipment and materials safe. The materials (pipes, catch basins, etc.) are typically ordered and delivered to the site while the workers layout the improvements. The engineer may be called to set control points, set elevations, or provide staking. The contractor installs the improvements per NRCS specifications, and the engineer will conduct regular site visits to answer questions and inspect trenching, excavation, fill compaction, dimensions and elevations. Once the installation is complete, the engineer will do a final inspection and will survey the installed components to measure lengths and elevations to create record drawings. The farmer typically completes the temporary erosion control such as seeding and/or mulching.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

IMPLEMENTING AGENCY: Central Coast Wetlands Group (CCWG), City of Salinas

PROJECT DESCRIPTION: This project is a series of improvements to the City of Salinas's Industrial Wastewater Treatment Facility (IWTF), with the goal of increasing the functionality of this facility for multiple water resource and environmental benefits. The project updates three components of the facility: 1) separating source water types entering the facility to enhance the efficiency of treatment; 2) removing nitrate and phosphates from water leaving the facility before it reaches the Monterey One Water (M1W) Regional Treatment Plant (RTP); and 3) improving flood protection for the power infrastructure to run the facility.

The project consists of:

1. Assess and Rehabilitate a 33-inch Pipeline: M1W will conduct a condition assessment and subsequent rehabilitation of an abandoned-in-place 33-inch pipeline. The 33-inch pipeline provides an opportunity to utilize existing infrastructure to achieve a reduction in energy consumption by an estimated 10% and the capture of up to 300 AFY more storm water during peak storm events.
2. Treatment Wetland Pilot Study: The Central Coast Wetlands Group (CCWG) will construct an initial water treatment system at the IWTF consisting of a treatment wetland chamber in series with several pilot phosphate removal chambers, and will assess its functionality to determine the most cost-effective phosphate removal process.
3. Electrical Components Flood Protection: City of Salinas will make improvements to select IWTF electrical components associated with the influent pump station, enhancing its flood and climate resilience by installing the components at the engineer recommended location above the 100-year floodplain.

These improvements will result in an additional 200-300 acre-feet per year (AFY) of storm water captured for groundwater recharge or reuse. The secondary benefit is the downstream flood reduction during storms, estimated to be approximately 2 MGD (millions of gallons per day) reduction for a 10-year storm event.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare draft Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports

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- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Paragraph D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Feasibility studies for the Electrical Components Flood Protection component of this project have been completed. Other feasibility studies will be conducted as follows:

(a) RTP Treatment Methods: A feasibility and cost-benefit study will be conducted to assess alternative treatment methods at the RTP, including incremental costs for recycling industrial wastewater. Budget Attachment 1 contains a scope of work and budget for consultant services for support of the feasibility study, including assessing alternative treatment methods at the RTP.

(b) Wetland Treatment System: CCWG will conduct a feasibility study to investigate the site-specific viability of phosphate reduction. This study will involve testing multiple media types using nutrient-rich source water run through several containers at the Moss Landing Marine Laboratories Aquaculture facility. Nutrient levels will be measured at the input and outlet of each container to test the efficacy of each media type. CCWG will then compare nutrient removal rates with media costs and disposal requirements to select the optimal nutrient removal media to deploy at the IWTF.

Deliverables:

- Feasibility Study Report

Task 5: CEQA Documentation

A Notice of Determination for the Environmental Impact Report was filed in April of 2021 with the State Clearing House for this project. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

Expected to acquire county encroachment and grading permits, in September 2021.

Deliverables:

- Permits as required

Task 7: Design

The project team will complete designs for each project component, as described below. The designs will describe the overall project concept for use in development of final design plans, and specifications including preliminary earthwork calculations, preliminary design details including piping, electrical, mechanical and/or housing design details and design-build performance criteria.

(a) Pipeline Assessment and Repair: Condition assessment of the pipeline will be done using MSI Inspections CCTV/3D Laser/Lidar inspection with defect coding and internal visual inspection with measurements (after appropriate excavations and shoring have been conducted). Utilize data from the

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assessment to create the scope of work, design and final plans for repair or replacement. M1W staff to manage a consultant to provide the engineering design services for the condition assessment and rehabilitation design (see Budget Attachment 3).

(b) Wetland Treatment System: CCWG will prepare 100% design for the wetland treatment system.

(c) Electrical Components Flood Protection: The electrical components flood protection component of the project will require additional design work in order to develop 100% construction bid and design documents. The City of Salinas will leverage as much as possible the most recent design efforts which were part of the Phase 1B Salinas Dry Weather Diversion Project (see Budget Attachment 2).

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 (guidance provided in Exhibit L) for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Paragraph D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

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Construction activities are outlined below.

11(a): Mobilization and Demobilization: This will include setting up construction equipment at the various locations and lay down of necessary materials.

11(b): Site preparation will include Site preparation will include excavation, grading, shoring, storm water and erosion best management measures, and traffic control, as applicable.

11(c): Install, construct, excavate: Construction activities will include installation of the treatment wetland improvements, pipeline assessment and repair, and constructing a new concrete pad and installing new electrical components for climate change. Construction and implementation activities specific to each project component will consist of the following:

(a) Pipeline Repair: The pipeline starts at the City's storm water diversion structure #2, cuts southwesterly across many acres of prime farmland, across Hitchcock and Davis Roads, and terminates (plugged with concrete) immediately north of the IWTF influent pump station. Task 7 would include repair of parts of the pipeline found to have significant defects that may prevent reliable use of the pipeline to convey storm water. Repair of the pipeline segments on agricultural land will occur in the winter to avoid any growing season activities. Repairing sections of the pipeline within City-owned land and at the IWTF can occur in any season. The work may include re-stabilizing and reinforcing joints, repairing any holes, cracks or other pipeline flaws. At the influent pump station, a pipeline may be installed to bypass the influent pump station and connect to existing ponds. The final scope of repairs will depend upon budget available.

(b) Wetland Treatment System (see Figure 3): Water from the IWTF will be directed into adjacent abandon infiltration basins for treatment. Piping modifications will be made to direct water from the source water through each of the treatment basins. Soil amendments, plants, and flow regulation infrastructure will be installed within the treatment wetland basin to achieve linear flow and extend residence time for initial nutrient removal. Piping will be installed to allow water to through selected media prior to exiting the treatment systems. Water will then return to an ITWF pond during the pilot study.

(c) Electrical Components Flood Protection: Construction activities to relocate the electrical components above the 100-year floodplain will include evaluation and locating all equipment and connections, stub in of all necessary conduit, construction of new concrete equipment pad, tie in of all electrical connections, demolition of existing components, start up and testing of new instrumentation, controllers and related equipment

Deliverables:

- Photographic Documentation of Progress

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BUDGET

PROPOSITION 1 ROUND GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

AGREEMENT BUDGET SUMMARY

		Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost	Percent Cost Share
	Grant Administration	$346,284	N/A	$0	**$346,284**	N/A
	PROJECTS					
1	Emergency Deep Aquifer Supply and Storage Tank Project	$395,000	$25,000	$7,712,000	**$8,132,000**	0.3%
2	Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley	$750,000	$910,000	$160,000	**$1,820,000**	56%
3	Salinas River Flood and Habitat Improvement Program	$526,525	$679,856	$0	**$1,206,381**	50%
4	Monterey County Farm Nutrient Management and Water Quality Assistance Program	$315,169	$0	$315,301	**$630,470**	0%
5	Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use	$1,129,883	$1,277,852	$0	**$2,407,735**	53%
	GRAND TOTAL	**$3,462,861**	**$2,892,708**	**$8,187,301**	**$14,542,870**	**-**

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Grant Administration

Implementing Agency: Monterey County Water Resources Agency

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost
a	Project Administration	$346,284	N/A	$0	**$346,284**
	TOTAL COSTS	**$346, 284**	**N/A**	**$0**	**$346,284**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

Implementing Agency: Castroville Community Services District

Project directly serves a need of a Disadvantaged Community: Yes

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
a	Project Administration	$0	$25,000	$0	**$25,000**
b	Land Purchase / Easement	$0	$0	$100,000	**$100,000**
c	Planning / Design / Engineering / Environmental Documentation	$270,000	$0	$125,000	**$395,000**
d	Construction / Implementation	$125,000	$0	$7,487,000	**$7,612,000**
	TOTAL COSTS	**$395,000**	**$25,000**	**$7,712,000**	**$8,132,000**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Grantee received a 100% cost share waiver. However, to meet the proposal cost share requirements, Castroville Community Services District (District) will fund 100% of project administration, the District will fund land acquisition from existing reserves set aside for the implementation of this water supply project.

**Other Cost Share: Fund for part of the design costs will be coming from State Water Resources Control Board's Small Community Funding grant or loan.

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PROJECT 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

Implementing Agency: Monterey County Water Resources Agency

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$60,000	$0	**$60,000**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$15,000	$0	$0	**$15,000**
d	Construction / Implementation	$735,000	$850,000	$160,000	**$1,745,000**
	TOTAL COSTS	**$750,000**	**$910,000**	**$160,000**	**$1,820,000**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Required Cost Share: In Kind services provided by United States Geological Service.

PROJECT 3: Salinas River Flood Protection and Habitat Improvement Program

Implementing Agency: Resource Conservation District of Monterey County

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$10,000	$0	**$10,000**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$77,648	$402,925	$0	**$559,324**
d	Construction / Implementation	$448,877	$266,931	$0	**$637,057**
	TOTAL COSTS	**$526,525**	**$679,856**	**$0**	**$1,206,381**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Required Cost Share: All cost share is from non-State sources and includes landowner payments from River Management Unit members and in-kind services from landowners.

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PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

Project directly serves a need of a Disadvantaged Community: Yes

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share*	Total Cost
a	Project Administration	$0	$0	$28,500	**$28,500**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$287,698	$0	$136,801	**$430,970**
d	Construction / Implementation	$27,471 $21,000	$0	$150,000	**$171,000**
	TOTAL COSTS	**$315,169**	**$0**	**$315,301**	**$630,470**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Cost Share: Grantee received a 100% cost share waiver. At least 50% other cost share will be provided through existing, long-term agreements with the Monterey County Agricultural Commissioner and USDA Natural Resources Conservation Service (NRCS) for bilingual farmer technical assistance, and through USDA NRCS Environmental Quality Incentives Program (EQIP) for project design and implementation.

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PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

IMPLEMENTING AGENCY: City of Salinas

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$7,300	$0	**$7,300**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$184,902	$150,544	$0	**$335,446**
d	Construction / Implementation	$944,981	$1,120,008	$0	**$2,064,989**
	TOTAL COSTS	**$1,129,883**	**$1,277,852**	**$0**	**$2,407,735**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Required Cost Share: City of Salinas is providing $955,552, Monterey One Water is providing $315,000 match via the SRF loan spent in 2017 - 2019 on the Advanced Water Purification Facility for the Pure Water Monterey Project for which this project is a component, and is providing $7,300 for project administration.

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EXHIBIT C

SCHEDULE

PROPOSITION 1 ROUND 1 GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

Grant Administration

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/07/2020	06/30/2027

PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	09/01/2020	6/30/2027
b	Land Purchase / Easement	06/01/2019	08/31/2022
c	Planning / Design / Engineering / Environmental Documentation	09/01/2020	12/31/2023
d	Construction / Implementation	08/31/2021*	03/31/2027

*Planning and Construction schedules overlap because acquisition of contractors through the bid process will be completed during the planning phase to ensure construction can begin directly behind finalizing planning efforts.

PROJECT 2: Re-Operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	09/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	12/31/2023
d	Construction / Implementation	01/01/2015*	06/30/2025

*The timeframe for this task allows the collection and processing of two additional years of groundwater extraction data to be included into the report.

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PROJECT 3: Salinas River Flood Protection and Habitat Stewardship Program

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	04/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	01/31/2025
d	Construction / Implementation	08/01/2021*	01/31/2025

*Treatment of *Arundo donax* and tamarisk will take place in June through October 2021 and will include documentation of work areas through GIS mapping, photo documentation, and herbicide spray records. Implementation from one year can overlap with Planning for subsequent years.

PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	9/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	01/31/2025
d	Construction / Implementation	10/01/2021*	07/31/2025

*This project includes many smaller projects and Planning phases can be ongoing while Construction phases for other projects are already underway.

PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	09/01/2021	06/30/2027
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	06/01/2017	01/31/2025
d	Construction / Implementation	07/01/2017*	03/31/2027

*Portions of the project are ongoing, and implementation overlaps with other planning phases.

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EXHIBIT D

STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

A. Separate Accounting of Funding Disbursements: Grantee shall account for the money disbursed pursuant to this Grant agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.

B. Disposition of Money Disbursed: All money disbursed pursuant to this Grant agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.

C. Remittance of Unexpended Funds: Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Grant agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Grant agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may elect to pursue any remedies provided in Paragraph 12 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

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Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant agreement with respect of all matters connected with this Grant agreement, including but not limited to, the cost of administering this Grant agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. (Water Code, § 79708, subd. (b).)

D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant agreement does not appropriate sufficient funds for this program, this Grant agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant agreement and Grantee shall not be obligated to perform any provisions of this Grant agreement. Nothing in this Grant agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant agreement with no liability occurring to State, or offer a Grant agreement amendment to Grantee to reflect the reduced amount.

D.7. CALIFORNIA CONSERVATION CORPS: Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.

D.8. CEQA: Activities funded under this Grant agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 12, "Default Provisions."

D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:

A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

D.10. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

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D.11. COMPETITIVE BIDDING AND PROCUREMENTS: Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting.

D.12. COMPUTER SOFTWARE: Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.

A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant agreement, such reports, data, information, and certifications as may be reasonably required by State.

D.15. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than thirty (30) calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than $5,000.00 per item. Within sixty (60) calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.

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D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
   i. The dangers of drug abuse in the workplace,
   ii. Grantee's policy of maintaining a drug-free workplace,
   iii. Any available counseling, rehabilitation, and employee assistance programs, and
   iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant agreement:
   i. Will receive a copy of Grantee's drug-free policy statement, and
   ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

D.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.
Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.
Failure to provide an easement acceptable to the State may result in termination of this Agreement.

D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant agreement.

D.19. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:

A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Exhibits B and C.
B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
C. Comply with all applicable California, federal, and local laws and regulations.
D. Implement the Project in accordance with applicable provisions of the law.
E. Fulfill its obligations under the Grant agreement and be responsible for the performance of the Project.

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F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.
G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.

D.20. GOVERNING LAW: This Grant agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

D.21. INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.22. INDEMNIFICATION: Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

D.23. INDEPENDENT CAPACITY: Grantee, and the agents and employees of Grantees, in the performance of the Grant agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

D.24. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.

D.25. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant agreement with State.

D.26. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/ lcp.asp.

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For more information, please refer to DIR's *Public Works Manual* at: https://www.dir.ca.gov/dlse/PWManualCombined.pdf. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

D.27. MODIFICATION OF OVERALL WORK PLAN: At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

D.28. NONDISCRIMINATION: During the performance of this Grant agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant agreement.

D.29. OPINIONS AND DETERMINATIONS: Where the terms of this Grant agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

D.30. PERFORMANCE BOND: Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)

D.31. PRIORITY HIRING CONSIDERATIONS: If this Grant agreement includes services in excess of $200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.

D.32. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State.

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Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this Grant agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.

D.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.

D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.

D.35. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

D.36. RETENTION: The State shall withhold ten percent (10%) of the funds, for each project, until the project is complete, and a Final Project Report is approved and accepted by DWR. If a project has multiple Components (within a project), at the State's discretion and upon a written request by the Grantee, any retained amount attributable to a single component may be released when that component is complete and the Final Component Completion Report is approved. Upon approval of the Final Project Report and/or Final Component Completion Report, any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest.

D.37. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

D.38. SEVERABILITY: Should any portion of this Grant agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant agreement shall continue as modified.

D.39. SUSPENSION OF PAYMENTS: This Grant agreement may be subject to suspension of payments or termination, or both if the State determines that:

A. Grantee, its contractors, or subcontractors have made a false certification, or
B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant agreement.

D.40. SUCCESSORS AND ASSIGNS: This Grant agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

D.41. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing

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accomplishments up until termination date.

D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 12, "Default Provisions," the State may terminate this Grant agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 12, "Default Provisions."

D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.

D.44. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

D.45. TIMELINESS: Time is of the essence in this Grant agreement.

D.46. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the IRWM region shall be reimbursed unless prior written authorization is obtained from the State.

D.47. UNION ORGANIZING: Grantee, by signing this Grant agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant agreement. Furthermore, Grantee, by signing this Grant agreement, hereby certifies that:

A. No State funds disbursed by this Grant agreement will be used to assist, promote, or deter union organizing.
B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant agreement to show those funds were allocated to that expenditure.
C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.

D.48. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.

D.49. WAIVER OF RIGHTS: None of the provisions of this Grant agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

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EXHIBIT E

AUTHORIZING RESOLUTION

RESOLUTION No. 19-002

Authorize and direct the General Manager to apply for grant funding from the California Department of Water Resources for a Round 1 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code § 79700 *et seq.*), and to enter into an agreement to receive a grant titled "Managing Water Resources for Multiple Benefits in the Greater Monterey County Region"

WHEREAS, the Monterey County Water Resources Agency proposes to submit an application to the Department of Water Resources on behalf of the Greater Monterey County Integrated Regional Management Region; and

WHEREAS, the Monterey County Water Resources Agency intends to apply for grant funding from the California Department of Water Resources for the project costs;

NOW THEREFORE, BE IT RESOLVED, that the Monterey County Water Resources Agency hereby

a. Directs this Agency, pursuant and subject to all of the terms and provisions of the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1), to apply to the California Department of Water Resources to obtain a grant titled "Managing Water Resources for Multiple Benefits in the Greater Monterey County Region"

b. Authorizes and directs the General Manager, or designee, to prepare the necessary data, make investigations, sign, and file such proposal, and subject to review and approval by County Counsel, execute a grant agreement with California Department of Water Resources

c. Authorizes the General Manager, or designee, subject to review and approval by County Counsel to execute up to three (3) amendments to the Grant Agreement that do not materially alter the terms of the Grant Agreement.

d. Authorizes the General Manager, or designee, subject to review and approval by County Counsel to enter into sub-grantee agreements with the other project proponents.

This Resolution shall take effect upon approval by the Monterey County Water Resources Agency Board of Directors.

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PASSED AND ADOPTED this 21th day of October 2019, at a regular meeting of the Monterey County Water Resources Agency Board of Directors by the following vote:

AYES: Directors Gonzalez, Baillie, Sullivan, Ekelund, Ortiz, Scattini, LeBarre, Smith and Simis

NOES: None

ABSENT: None

BY: Mark Gonzalez, Chair
Board of Directors

ATTEST: Brent Buche
General Manager

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MONTEREY COUNTY

WATER RESOURCES AGENCY

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BRENT BUCHE
GENERAL MANAGER

STREET ADDRESS
1441 SCHILLING PLACE, NORTH BUILDING
SALINAS, CA 93901

July 14, 2020

Monia Holleman
Environmental Scientist
California Department of Water Resources
Division of Regional Assistance
Financial Assistance Branch
901 P Street
Sacramento CA 95814

RE: Authorization of the DocuSign use for all official transactions related to Proposition 1 Round 1 Implementation Grant

To Whom It May Concern:

By signing this letter, Monterey County Water Resources Agency does hereby agree to the following option regarding the use of DocuSign for all official transactions related to the Proposition 1 Round 1 Implementation Grant award including Agreement execution, Amendments, Invoices and various other documents.

Please check one:

X We do consent to the use of DocuSign for all transactions by both us and DWR

We do not consent to the use of DocuSign by us. However, we do consent to the use of DocuSign by DWR

We do not consent to the use of DocuSign by either us or DWR

Regards,

Brent Buche
General Manager

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EXHIBIT F

REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.
- Budget projections for grant share for the next two quarters

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report (or a Component Completion Report, if a Project has multiple Components) shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted
- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

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Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

Additional Information

- Benefits derived from the Project, with quantification of such benefits provided.
- If applicable, Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.
- Submittal schedule for the Post-Performance Report.

GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects funded by this Grant Agreement, and includes the following:

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion of: each project completed and how they achieved IRWM Plan objectives and/or Regional goals and whether the level, type, or magnitude of benefits of the project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; the benefits to DAC and/or EDA as part of this Grant Agreement if a DAC or EDA Cost Share Waiver was approved for a project; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post-Performance Reports applicable for the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
  - Grantee Name
  - Implementing Agency (if different from Grantee)
  - Grant Agreement Number
  - Project Name
  - Funding grant source (i.e., 2019 Proposition 1 IRWM Implementation Grant)
  - Report number

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- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2018 through December 2018)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

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EXHIBIT G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: http://www.ceden.org.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: http://www.water.ca.gov/waterdatalibrary/.

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EXHIBIT H

STATE AUDIT DOCUMENT REQUIREMENTS FOR THE GRANTEE

The following provides a list of documents typically required by State Auditors and general guidelines for the Grantee. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. The Grantee should ensure that such records are maintained for each funded project.

State Audit Document Requirements

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
   a) Receipts and deposits
   b) Disbursements
   c) State reimbursement requests
   d) Expenditure tracking of State funds
   e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

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Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

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EXHIBIT I

LOCAL PROJECT SPONSORS AND PROJECT LOCATIONS

The Grantee has assigned, for each project, a Local Project Sponsor (LPS) according to the roles of the participating agencies identified in the IRWM Plan. LPSs may act on behalf of the Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below:

Local Project Sponsor Agency Designation

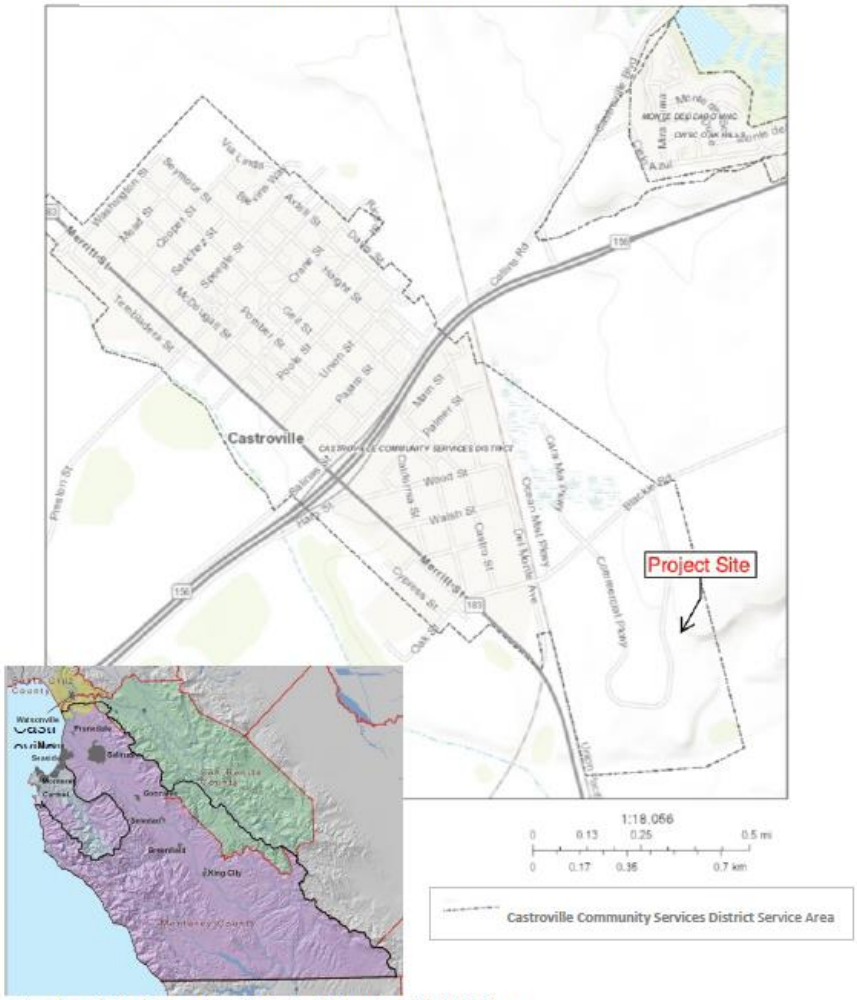
Sponsored Project: Project 1: Emergency Deep Aquifer Supply and Storage Tank Project

Sponsor Agency: Castroville Community Services District

Agency Address: 11497 Geil St, Castroville, CA 95012

Project Location: Monterey County, California (36.75612, -121.73768)

Castroville Community Services District:
Emergency Deep Aquifer Supply and Storage Tank Project



Location of Castroville in context with Greater Monterey County IRWM Region

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Sponsored Project: Project 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

Sponsor Agency: Monterey County Water Resources Agency

Agency Address: 1441 Schilling Pl, Salinas, CA 93901

Project Location: Salinas, CA (35.81861, -120.9303)



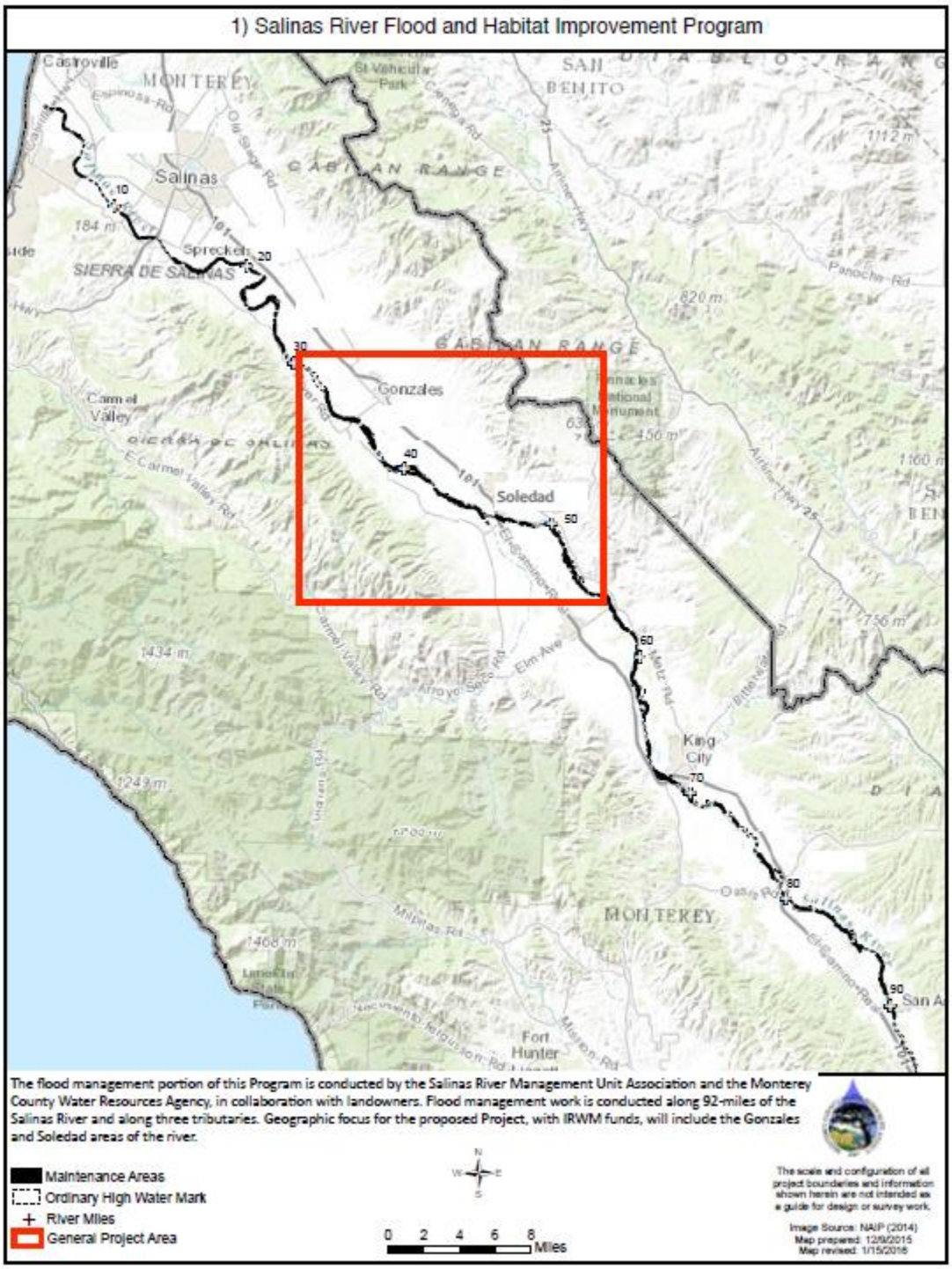
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Sponsored Project: Project 3: Salinas River Flood and Habitat Improvement Program

Sponsor Agency: Resource Conservation District of Monterey County

Agency Address: 744 La Guardia St a, Salinas, CA 93905

Project Location: Monterey County, California (36.33361, -121.2022)



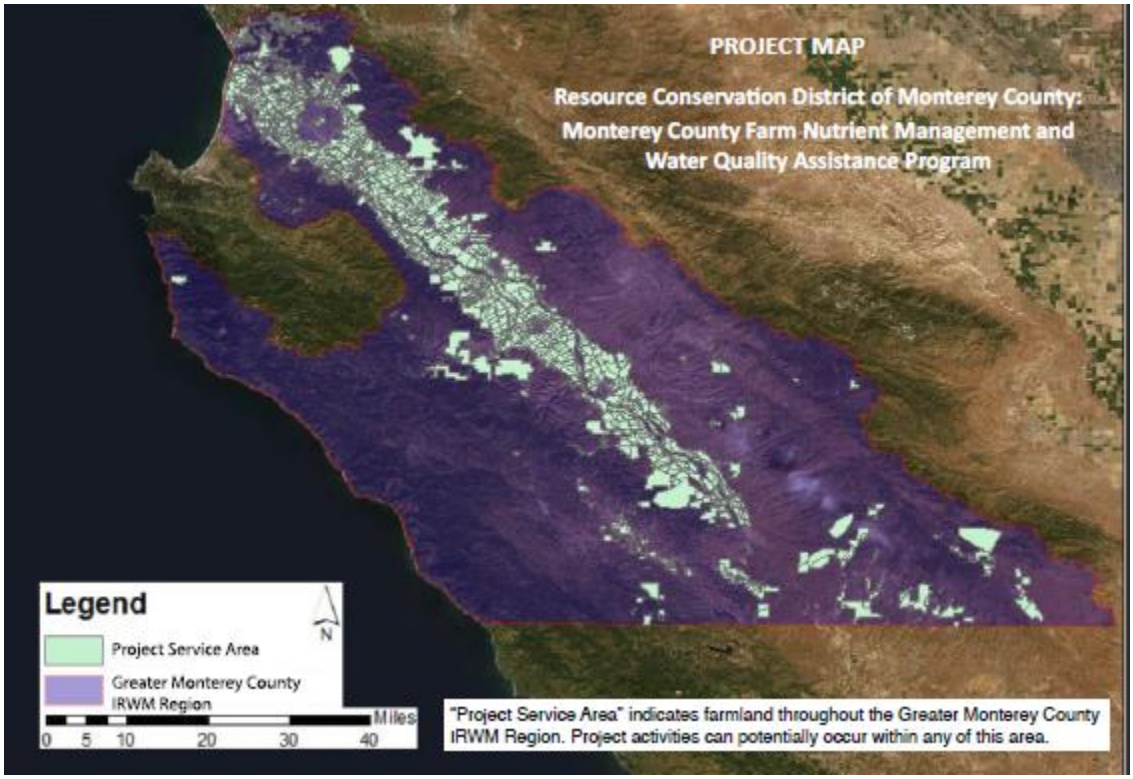
Docusign Envelope ID: 55AF0F08-57BA-45C4-98B4-B22962F3E1F9

Sponsored Project: Project 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

Sponsor Agency: Resource Conservation District of Monterey County

Agency Address: 744 La Guardia St a, Salinas, CA 93905

Project Location: Monterey County, California (36.42028, -121.4075)



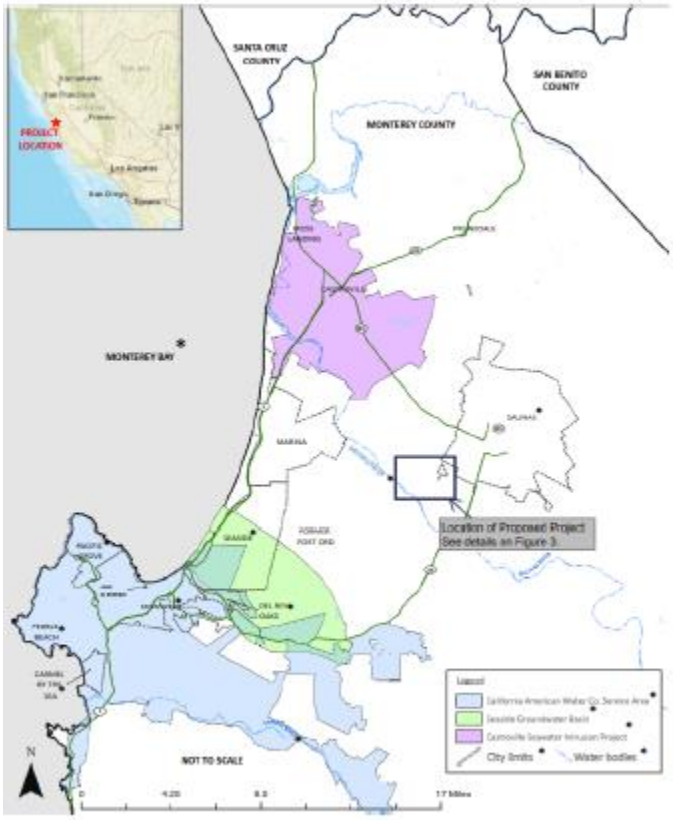
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Sponsored Project: Project 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

Sponsor Agency: Central Coast Wetlands Group, City of Salinas

Agency Address: 5 Harris Ct, Monterey, CA 93940, 8272 Moss Landing Rd Moss Landing, CA 95039, 200 Lincoln Ave. Salinas, CA 93901

Project Location: Monterey County, California (36.66333, -121.7222)



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EXHIBIT J

APPRAISAL SPECIFICATIONS

For property acquisitions funded by this Grant Agreement, the Grantee shall submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. All appraisal reports, regardless of report format, shall include all applicable Appraisal Specifications below. Appraisals for a total compensation of $150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than $150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be a narrative analysis regardless of the reporting format.

1. Title page with sufficient identification of appraisal assignment.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value and date of report.
3. Table of contents.
4. Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions as needed.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining relevant data.
6. Definition of Fair Market Value, as defined by California Code of Civil Procedure, § 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements, if applicable.
8. Copies of Tax Assessor's plat map with the subject marked along with all contiguous assessor's parcels that depict the ownership.
9. A legal description of the subject property, if available.
10. For large, remote or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three (3) year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue required increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the State. If the appraiser discovers evidence of an Option or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client.
13. Regional, area, and neighborhood analyses. This information may be presented in a summary format.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area, and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area. This information may be presented in a summary format.
15. Discussion of subject land/site characteristics (size, topography, current use, elevations, zoning and land use issues, development entitlements, General Plan designation, utilities, offsite improvements, access, land features such as levees and creeks, offsite improvements, easements and

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encumbrances, covenants, conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).

16. Description of subject improvements including all structures, square footage, physical age, type of construction, quality of construction, condition of improvements and/or identification of any permanent plantings. Discussion of construction cost methodology, costs included and excluded, accrued depreciation from all causes, remaining economic life, items of deferred maintenance and cost to cure, and incurable items. Construction cost data shall include cost data source, date of estimate or date of publication of cost manual, section and page reference of cost manual, copies of cost estimate if provided from another source, replacement or reproduction cost method used, and supporting calculations including worksheets or spreadsheets.
17. Subject property leasing and operating cost history, including all items of income and expense.
18. Analysis and conclusion of the larger parcel for partial taking appraisals. For partial taking appraisals, Appraisal Specifications generally apply to the larger parcel rather than an ownership where the larger parcel is not the entire ownership.
19. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit. Discuss the title exceptions and analyze the effect of title exceptions on fair market value.
20. For appraisals of partial takings or easements, a detailed description of the taking or easement area including surface features and topography, easements, encumbrances or improvements including levees within the subject partial take or easement, and whether the take area is characteristic of the larger parcel. Any characteristics of the taking area, including existing pre-project levees that render the take area different from the larger parcel shall be addressed in the valuation.
21. Opinion of highest and best use for the subject property, based on an in-depth analysis supporting the concluded use which includes the detail required by the complexity of the analysis. Such support typically requires a discussion of the four criteria of tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.
22. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
23. Map(s) showing all comparable properties in relation to the subject property.
24. Photographs and plat maps of comparable properties.
25. In-depth discussion of comparable properties, similarities and differences compared to the subject property, adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value. Improved comparable sales which are used to compare to vacant land subject properties shall include an allocation between land and improvements, using methodology similar to methodology used in item 16 above to estimate improvement value when possible, with an explanation of the methodology used.
26. Comparable data sheets.

    a. For sales, include information on grantor/Grantee, sale/recordation dates, listed or asking price as of the date of sale, highest and best use, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvements, and confirming source.

    b. For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available.

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c. For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source. When comparing improved sales to a vacant land subject, the contributory value of the improvements shall be segregated from the land value.

27. For appraisals of easements, a before and after analysis of the burden of the easement on the fee, with attention to how the easement affects highest and best use in the after condition. An Easement Valuation Matrix or generalized easement valuation references may be used ONLY as a reference for a secondary basis of value.

28. For partial taking and easement appraisals, valuation of the remainder in the after condition and analysis and identification of any change in highest and best use or other characteristics in the after condition, to establish severance damages to the remainder in the after condition, and a discussion of special and general benefits, and cost to cure damages or construction contract work.

29. There are occasions where properties involve water rights, minerals, or salable timber that require separate valuations. If an appraisal assignment includes water rights, minerals, or merchantable timber that requires separate valuation, the valuation of the water rights, minerals, or merchantable timber shall be completed by a credentialed subject matter specialist.

30. For partial taking and easement appraisals, presentation of the valuation in California partial taking acquisition required format.

31. Implied dedication statement.

32. Reconciliation and final value estimate. Include analysis and comparison of the comparable sales to the subject, and explain and support conclusions reached.

33. Discussion of any departures taken in the development of the appraisal.

34. Signed Certification consistent with the language found in Uniform Standards of Professional Appraisal Practice.

35. If applicable, in addition to the above, appraisals of telecommunication sites shall also provide:

    a. A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.

    b. An analysis of other leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.

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EXHIBIT K

INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE

The Grantee shall provide the following documents to the State Project Representative during the escrow process. Property acquisition escrow documents shall be submitted within the term of this Grant Agreement and after a qualified appraisal has been approved.

- Name and Address of Title Company Handling the Escrow
- Escrow Number
- Name of Escrow Officer
- Escrow Officer's Phone Number
- Dollar Amount Needed to Close Escrow
- Legal Description of Property Being Acquired
- Assessor's Parcel Number(s) of Property Being Acquired
- Copy of Title Insurance Report
- Entity Taking Title as Named Insured on Title Insurance Policy
- Copy of Escrow Instructions in Draft Form Prior to Recording for Review Purposes
- Copy of Final Escrow Instructions
- Verification that all Encumbrances (i.e., Liens, Back Taxes, and Similar Obligations) have been Cleared Prior to Recording the Deed to Transfer Title
- Copy of Deed for Review Purposes Prior to Recording
- Copy of Deed as Recorded in County Recorder's Office
- Copy of Escrow Closure Notice

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EXHIBIT L

Project Monitoring Plan Guidance

Introduction

For each project contained in Exhibit A, please include a brief description of the project (maximum ~150 words) including project location, implementation elements, need for the project (what problem will the project address) and responds to the requirements listed below.

Project Monitoring Plan Requirements

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at…, at stream mile…)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

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GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT NUMBER 4600013799
PROPOSITION 1 ROUND 1 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM)
IMPLEMENTATION GRANT
AMENDMENT 4

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or “DWR,” and the Monterey County Water Resources Agency a public agency. in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1) PURPOSE. The State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) to the Grantee to assist in financing the projects, which are included in and implemented in an adopted Integrated Regional Water Management Plan (IRWM Plan), pursuant to Chapter 7. Regional Water Security, Climate, and Drought Preparedness (Wat. Code, § 79740 et seq.). The provision of State funds pursuant to this Agreement shall be construed or interpreted to mean that the IRWM Plan, or any components of the IRWM Plan, implemented in accordance with the Work Plan as set forth in Exhibit A, has been adopted through the IRWM Plan Review Process, and is/are consistent with Water Code section 10530 et seq.

2) TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on June 27, 2020 through final payment plus three (3) years unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed by June 30, 2027 in accordance with the Schedule as set forth in Exhibit C and no funds may be requested after September 30, 2027.

3) GRANT AMOUNT. The maximum amount payable by the State under this Grant Agreement shall not exceed $3,462,861.

4) GRANTEE COST SHARE. The Grantee is required to provide a Local Cost Share (non-state funds) as set forth in Exhibit B (Budget). Local Cost Share may include Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015.

5) BASIC CONDITIONS.

   A. Unless exempt as per the 2019 IRWM Implementation Grant Proposal Solicitation Package, project(s) that are subject to the California Environmental Quality Act (CEQA) including final land purchases, shall not be included in this Agreement until the CEQA process is completed and all permits necessary to begin construction are acquired. Projects providing at least 75% of benefits to a disadvantaged community (DAC), economically distressed area (EDA), and/or Tribe (based on population or geography), or projects implemented by Tribes will be exempt from this requirement.

      i. Such projects will be included in the Agreement as a placeholder. Placeholder projects are not eligible for grant reimbursement and may not submit invoices to DWR until such time as they are fully included in the Agreement.

      ii. Placeholder projects that complete CEQA and/or acquire permits (necessary to begin construction) within eighteen (18) months of the agreement execution date will be amended into the agreement. At the end of the eighteen (18)-month term, any placeholder projects that fail to complete CEQA and/or acquire permits will be deleted from the Agreement. The total grant award will be reduced by the amount of the deleted project(s). Replacement projects will not be allowed. Reduced amount will be made available to the respective Funding Area in future funding rounds on a competitive basis. Deleted placeholder projects will not be eligible to receive any grant reimbursement under this Agreement; however, such project could be eligible under the next round of grant solicitation.

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B. The State shall have no obligation to disburse money for the Project(s) under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):

i. The Grantee shall demonstrate compliance with all eligibility criteria as set forth on pages 9-11, inclusive, of the 2019 IRWM Implementation Grant Program Guidelines (2019 Guidelines).

ii. For the term of this Agreement, the Grantee shall submit Monthly Progress Reports which must accompany an invoice and all invoice backup documentation ($0 Invoices are acceptable). The Monthly Progress Report shall be submitted within 60 days following the end of the calendar quarter (i.e. reports due May 30, August 29, November 29, and March 1) and all other deliverables as required by Paragraph 14, "Submission of Reports" and Exhibit A, "Work Plan".

iii. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State.

1. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.

2. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:

a) The Grantee submits to the State all applicable environmental permits, as indicated on the Environmental Information Form to the State,

b) Documents that satisfy the CEQA process are received by the State,

c) The State has completed its CEQA process as a Responsible Agency, and

d) The Grantee receives written notification from the State of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The Grantee or Local Project Sponsor (LPS) shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/ implementation.

iv. A monitoring plan as required by Paragraph 16, "Monitoring Plan Requirements," if applicable.

6) DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.

7) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project

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construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after June 26, 2020 may be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to, the following items:

A. Costs, other than those noted above, incurred prior to the award date of this Grant.

B. Costs for preparing and filing a grant application.

C. Operation and maintenance costs, including post construction performance and monitoring costs.

D. Purchase of equipment that is not an integral part of a project.

E. Establishing a reserve fund.

F. Purchase of water supply.

G. Replacement of existing funding sources for ongoing programs.

H. Meals, food items, or refreshments.

I. Payment of any punitive regulatory agency requirement, federal or state taxes.

J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.

K. Overhead and Indirect Costs. “Indirect Costs” means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee or LPSs; non-project-specific accounting and personnel services performed within the Grantee’s or LPS’ organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee, LPSs, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.

8) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 5, “Basic Conditions” are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee of an electronic invoice certified and transmitted via electronic/digital signature system (e.g., DocuSign) or via US mail or Express mail delivery of a “wet signature” for costs incurred, including Local Cost Share, and timely Monthly Progress Reports as required by Paragraph 14, “Submission of Reports.” Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Monthly Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1). The State will notify the Grantee, in a timely manner, whenever, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

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Invoices submitted by the Grantee shall include the following information:

A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.

B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.

C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:

   i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.

   ii. Invoices shall be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).

   iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.

   iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount" and those costs that represent the Grantee's costs, as applicable, in Paragraph 4, "Grantee Cost Share."

   v. Original signature and date of the Grantee's Project Representative. Submit an electronic invoice, certified and transmitted via electronic/digital signature system (e.g., DocuSign), from authorized representative to the Project Manager or the original "wet signature" copy of the invoice form to the Project Manager at the following address: PO Box 942836, Sacramento, CA 94236-0001.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

9) ADVANCED PAYMENT. Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than $1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment. The Advanced Payment Request shall contain the following:

   A. Documentation demonstrating that each Local Project Sponsor (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not.

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B. If the Grantee is requesting the advanced payment, the request(s) shall include:

   i. Descriptive information of each project with an update on project status

   ii. The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC

   iii. A detailed Funding Plan which includes how the advanced payment will be expended (in terms of workplan, budget, and schedule) within the timeframe agreed upon by DWR and the Grantee. The Funding Plan must clearly identify the total budget (at Budget Category Level) for each project clearly showing the portion of advanced payment and reimbursement funds.

   iv. Any other information that DWR may deem necessary

C. Upon review and approval of the Advanced Payment Request, DWR will authorize payment of the fully requested amount for the qualified project(s). Based on the project's Funding Plan and other considerations, DWR may determine it is not prudent to advance the full request in a single disbursement. In such a case, DWR will develop a "Disbursement Schedule," to disburse funds in installments. This Disbursement Schedule may change based on the project's ongoing compliance with the Advanced Payment requirements and the project's cash flow needs.

D. Once DWR authorizes the Advanced Payment Request, the Grantee shall submit Advanced Payment Invoice(s) for the initial amount based on the "Disbursement Schedule" on behalf of the LPS(s), containing the request for each qualified project, to the State with signature and date of the Grantee's Project Representative, as indicated in Paragraph 21, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective LPS(s). The Advanced Payment Invoice(s) shall be submitted on forms provided by the State and shall meet the following format requirements:

   i. Invoice shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.

   ii. Invoice shall be itemized based on the budget categories specified in Exhibit B, "Budget."

   iii. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).

   iv. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:

      1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.

      2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by DWR and the Grantee when the advanced payment request was approved.

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3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.

4. Proof of distribution of advanced funds to LPS(s), if applicable.

v. The State's Project Manager will notify the Grantee, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A, the State will reject the claim and remove them from the Accountability Report.

E. Once the Grantee has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 8, "Method of Payment for Reimbursement."

10) REPAYMENT OF ADVANCES. The State may demand repayment from the Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

A. A project is not being implemented in accordance with the provisions of the Grant Agreement.

B. The Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction.

C. Failure by the Grantee to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by DWR.

D. Failure to deposit funds in a non-interest-bearing account.

E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.

F. Inappropriate use of funds, as deemed by DWR.

G. Repayment amounts may also include:

i. Actual costs incurred which are not consistent with the activities presented in Exhibit A, not supported, or are ineligible.

ii. Advanced funds which are not fully expended by project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to DWR within sixty (60) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The State may consider the Grantee's refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to demand repayment or withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Agreement.

11) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, "Default

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Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

12) DEFAULT PROVISIONS. The Grantee shall be in default under this Grant Agreement if any of the following occur:

A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations;

B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;

C. Failure to operate or maintain the Project in accordance with this Grant Agreement.

D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.

E. Failure to submit monthly progress reports pursuant to Paragraph 5.

F. Failure to routinely invoice the State pursuant to Paragraph 8.

G. Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

Should an event of default occur, the State shall provide a notice of default to the Grantee and shall give the Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, the State may do any of the following:

H. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.

I. Terminate any obligation to make future payments to the Grantee.

J. Terminate the Grant Agreement.

K. Take any other action that it deems necessary to protect its interests.

In the event the State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, the Grantee agrees to pay all costs incurred by the State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

13) CONTINUING ELIGIBILITY. The Grantee shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2019 Guidelines to remain eligible to receive State funds:

A. An urban water supplier that receives grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2019 Guidelines and as stated on page 22 of the Proposal Solicitation Package.

B. An agricultural water supplier receiving grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2019 Guidelines.

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C. A surface water diverter receiving grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.

D. If applicable, the Grantee shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2019 Guidelines.

E. If the Grantee has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Grantee shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.

F. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.

G. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive Order.pdf. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

14) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Project Manager and shall be submitted via the DWR "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any funds retained for such project.

A. Monthly Progress Reports: The Grantee shall submit monthly Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar month.

B. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an advanced payment, consistent with the provisions in Paragraph 9, "Advanced Payment."

C. Project Completion Report: The Grantee shall prepare and submit to the State a separate Project Completion Report for each project included in Exhibit A. The Grantee shall submit a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) within ninety (90) calendar days of Project/Component completion as outlined in Exhibit F.

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D. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A, and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State.

E. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports for the applicable project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.

15) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, “useful life” means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; “operation costs” include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and “maintenance costs” include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, “Default Provisions.”

16) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F, and follow the guidance provided in Exhibit L, “Project Monitoring Plan Guidance.”

17) STATEWIDE MONITORING REQUIREMENTS. The Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G for web links and information regarding other State monitoring and data reporting requirements.

18) NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:

A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.

B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State’s representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.

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C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.

D. The initiation of any litigation or the threat of litigation against the Grantee or an LPS regarding the Project or which may affect the Project in any way.

E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The Grantee shall notify the State's Project Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.

19) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

A. By delivery in person.

B. By certified U.S. mail, return receipt requested, postage prepaid.

C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.

D. By electronic means.

E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

20) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

21) PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources	Monterey County Water Resources Agency
Arthur Hinojosa	Ara Azhderian
Manager, Division of Regional Assistance	General Manager
P.O. Box 942836	1441 Schilling Place
Sacramento, CA 94236-0001	Salinas, CA 93901
Phone: (916) 653-4736	(831) 755-4864
Email: Arthur.Hinojosa@water.ca.gov	Email: AzhderianA@countyofmonterey.gov

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Direct all inquiries to the Project Manager:

Department of Water Resources	Monterey County Water Resources Agency
Angela Murvine Engineering Geologist P.O. Box 942836 Sacramento, CA 94236-0001 Phone: (916) 326-9996 Email: Angela.Murvine@water.ca.gov	Amy Woodrow Senior Water Resources Hydrologist 1441 Schilling Place Salinas, CA 93901 Phone: (831) 204-6218 Email: WoodrowA@countyofmonterey.gov

Either party may change its Project Representative or Project Manager upon written notice to the other party.

22) STANDARD PROVISIONS. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements for the Grantee

Exhibit I – Local Project Sponsors and Project Locations

Exhibit J – Appraisal Specifications

Exhibit K – Information Needed for Escrow Processing and Closure

Exhibit L – Project Monitoring Plan Guidance

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IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Arthur Hinojosa
Manager,
Division of Regional Assistance

Date 7/18/2025

MONTEREY COUNTY WATER
RESOURCES AGENCY

Ara Azhderian
General Manager

Date 7/18/2025

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EXHIBIT A

WORK PLAN

PROPOSITION 1 ROUND 1 GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

Grant Administration

IMPLEMENTING AGENCY: Monterey County Water Resources Agency

DESCRIPTION: The Grantee will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. The grantee will act in a coordination role: disseminating grant compliance information to the project managers responsible for implementing the projects contained in this Agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for progress reports from individual project managers, assembling and submitting progress reports to the State, and coordinating all invoicing and payment of invoices.

Budget Category (a): Project Administration

Task 1: Agreement Administration

The Grantee will respond to DWR's reporting and compliance requirements associated with the grant administration and will coordinate with the project managers responsible for implementing the projects contained in this Agreement.

Task 2: Invoicing

The Grantee will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the Local Project Sponsors and compiling the information into a DWR Invoice Packet.

Deliverables:

- Monthly or quarterly invoices, as needed, and associated backup documentation

Task 3: Reporting

The Grantee will be responsible for compiling progress reports for submittal to DWR. The Grantee will coordinate with Local Project Sponsor staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Reports will meet generally accepted professional standards for technical reporting and the requirements terms of the contract with DWR outlined in Exhibit F of this Agreement.

Deliverables:

- Progress Reports
- Grant Completion Report

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PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

IMPLEMENTING AGENCY: Castroville Community Services District (District)

PROJECT DESCRIPTION: The purpose of the Emergency Deep Aquifer Supply and Storage Tank Project is to provide a safe and reliable water supply for Castroville. The project includes the planning, design and construction of three components: Deep Aquifer Well (1,400 feet), Arsenic Treatment System, and a Storage Tank (640,000 gallons). The District will construct a potable water storage tank at the Well No. 4 site to provide approximately 640,000 gallons of additional storage and operational redundancy. The existing water supply is being degraded by saltwater intrusion and has exceeded safe drinking water standards for Chloride. In 2018, detection reached up to 733 milligrams per liter (mg/L), well above the recommended maximum contaminant limit of 250 mg/L. The project will provide approximately 300 acre-feet per year (AFY) of clean drinking water to the community of Castroville and increase water reliability.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – The District will fund land acquisition from existing reserves set aside for the implementation of this water supply project.

Deliverables:

- Documentation supporting property value (if purchased)
- All relevant documentation regarding property ownership transfer or acquisition of easement including final recorded deed, title report, etc.

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Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Project Feasibility Studies were completed as part of the project development process. The preliminary studies and work required to support project design and CEQA/permitting include a Hydrogeologic Evaluation, Topographic and Boundary Survey, and Geotechnical Investigation.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

An amendment to the State Water Resources Control Board Domestic Water Supply Permit is anticipated.

Deliverables:

- Permits as required

Task 7: Design

The Design Engineer will prepare contract documents for the 30% Design submittal. Plans will be sufficiently detailed to adequately describe the project scope and provide a basis for the District's review. The 30% Design documents will be used by the Design-Build Contractor identified in construction.

Deliverables:

- 30% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR’s review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed. The contract will be a design-build contract for this project. The Design-Build Contractor will utilize the 30% Design Documents identified in Design to prepare Design Development Documents.

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Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed
- 100% Design Plans and Specifications

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

11(a): Mobilization and Demobilization: This will include preparatory work that is performed prior to starting work on various bid items of the project (e.g., security fencing, mobilizing equipment to the site, staging construction equipment and supplies, etc.) and after completion of various bid items of the project (e.g., removing equipment and restoring the site to pre-construction conditions).

11(b): Site preparation: Site preparation will include removing existing materials and vegetation and establishing site security prior to the start of construction.

11(c): Construction: Includes site improvements, install an approximately 640,000-gallon storage tank, install a new groundwater well, arsenic treatment system, connection to the existing water system and associated civil, mechanical, and electrical items necessary to operate the new system.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

IMPLEMENTING AGENCY: Monterey County Water Resources Agency

PROJECT DESCRIPTION: The purpose of this project is to develop decision support tools that will enable the Grantee to improve reservoir operations and better plan for future conditions, particularly considering anticipated impacts of climate change. Through a qualitative, quantitative, and policy analysis of streamflow and reservoir operations, this project will identify how reservoir operations at Nacimiento and San Antonio reservoirs, river diversions along the Salinas River, and groundwater extractions in the Salinas Valley impact instream flows in the Salinas River. The analysis will then be used to develop a water management plan that considers all the necessary uses for this water. The intended outcome is the development of re-operation protocols.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

A Notice of Exemption was completed for this project in December of 2020. Prepare letter stating no legal challenges (or addressing legal challenges).

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Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting – Not applicable

Task 7: Project Monitoring Plan – Not applicable

Budget Category (d): Construction/Implementation

Task 8: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract.

Deliverables:

- Bid Documents, if necessary
- Proof of Advertisement, if necessary
- Award of Contract, if necessary

Task 9: Setting Description

This task will provide a description of the geologic setting of the Salinas Valley relevant to both geomorphic and hydrologic conditions impacting instream flows within the project area and will include a review of previous studies and relevant current projects and investigations. A qualitative analysis will be supplemented using a recently developed integrated hydrogeologic model (Salinas Valley Integrated Hydrologic Model, USGS 2018) to provide a detailed description of reach-by-reach water budgets of surface water flow regimes throughout historical hydrologic periods.

This task will re-evaluate steelhead passage flow criteria within the study area. Current river conditions will be assessed to identify areas of critical passage needs and evaluated to identify the flow necessary to provide for passage of adult and juvenile steelhead during the migration season(s). It is anticipated that drone technology using 3D mapping will be utilized to identity the critical passage areas with field verification as necessary. The final methodology will be determined with the consultant identified to assist with the project.

Both historical and current groundwater extractions within the study area will be evaluated utilizing the hydrogeologic model to quantify the impacts of these operations on instream flows. The hydrologic components of a flow management plan necessary to ensure the maintenance of surface water flows to support uses of the water (e.g., environmental, agricultural, groundwater, etc.) will be developed.

Deliverables:

- Technical Memorandum

Task 10: Public Outreach

The primary goal of this task is to have stakeholder engagement and participation that creates widespread support for the goals and content of the re-operation protocols. The program includes a series of conversations with different focal points and levels of information that culminate in a plan that is accepted and understood among a diverse range of Salinas River System stakeholders. A Stakeholder Planning Group will be organized and stakeholders representing all of the major interests in the Salinas River System will have the opportunity to be represented on this body. Meetings will be open to the public to promote transparency. The purpose of this group is to create a highly informed group of stakeholders who can engage in joint fact-finding processes (framing key questions and developing a high level of understanding of the planning

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process opportunities and technical approaches) and advance the planning process in the larger communities among stakeholders.

Deliverables:

- Meeting agendas and minutes

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PROJECT 3: Salinas River Flood and Habitat Improvement Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

PROJECT DESCRIPTION: The goal of the Salinas River Flood and Habitat Improvement Program (program) is to provide 5 to 7-year recurrence level flood risk reduction for the Salinas River and three tributaries and to control *Arundo donax* and tamarisk in the Salinas River. The Salinas River Flood and Habitat Improvement Program is comprised of two activities: vegetation and sediment management for flood risk improvement, and invasive species eradication for habitat improvement. The primary benefit for this project is flood protection for approximately 1,000 acres of farmland. The secondary benefit is the improvement of approximately 12,000 acres of riparian habitat.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

A Notice of Determination for an Environmental Impact Report was filed with the Office of Planning and Research in June of 2014. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

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Task 6: Permitting

All permits have been secured for the project.

Deliverables:

- Permits as required

Task 7: Design – Not applicable

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents, as applicable
- Proof of Advertisement, as applicable
- Award of Contract, as applicable
- Notice to Proceed, as applicable

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A construction observer will be on site each day of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/updating project schedule, reviewing contractor log submittals and pay requests, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion

Task 11: Construction

Construction activities are outlined below.

11 (a): Site preparation will include flagging, assessment of current conditions including vegetation type and location, biological resource assessment and best management practices.

11 (b): The flood management work is conducted in approximately 127 secondary channels located along 92 miles of the Salinas River. For habitat stewardship and additional flood risk reduction, the program also seeks to control *Arundo donax* and woody nonnatives such as tamarisk in the Salinas River system and allow native shrubs, forbs and grasses to return in the riparian corridor. Construction activities will include

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vegetation removal with rotary or flail mower, disking and grading, sediment removal and storage outside of the channel, herbicide spraying from a spray rig or backpack sprayers from licensed applicators. Applicators conduct all herbicide treatment according to California regulations and reporting including the filing of herbicide application reports with the Monterey County Agriculture Commissioner and documentation for reporting to the Regional Water Quality Control Board.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

PROJECT DESCRIPTION: This project will provide decision and implementation support to guide Monterey County farmers' management changes and conservation projects to better manage soil, water, and nutrients to improve local water quality and streamline production inputs. The project will expand the bilingual farm water quality support services to meet increasing demand associated with the Central Coast Regional Board's anticipated Agricultural Order renewal. The project will include regional grower education, 75 individual on-farm consultations, over 25 detailed irrigation and nutrient management assessments with recommendations, and corresponding implementation assistance and effectiveness tracking at a subset of approximately 12 farm sites.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare draft Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Paragraph D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies – Not applicable

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

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Task 6: Permitting

Expected to acquire grading permit from the Monterey County Housing and Community Development within 6 months of grant execution.

Deliverables:

- Permits as required

Task 7: Design

Provide technical assistance and design for implementation of water, nutrient, and soil on-field conservation management practices and engineered water management projects as identified through farm resource/site assessment process.

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications with Personally Identifying Information redacted (to comply with USDA terms of match funding)
- Tracking sheet of on-farm implementation sites and management changes
- Tabulated list of engineered project designs with scale, project type, acreages impacted, farm type/size, and intended benefit

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 (guidance provided in Exhibit L) for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Paragraph D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents, as applicable
- Proof of Advertisement, as applicable
- Award of Contract, as applicable
- Notice to Proceed, as applicable

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. An engineering construction observer will conduct regular site visits for the duration of engineered projects. Construction observer duties include documenting of pre-construction conditions, addressing questions of contractors on site, reviewing/ updating project schedule, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

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Deliverables:

- DWR Certificate of Project Completion
- Record Drawings, as applicable

Task 11: Construction

Typical construction activities are described below.

Typical construction activities include the farmer clearing the project area of any equipment followed by the farmer or contractor clearing and grubbing vegetation if necessary. The contractor and/or farmer typically installs additional protections such as silt fences and straw wattles or hay bales to contain sediment within the farmer's property. The farmer or contractor may erect security fencing in or adjacent to the project area as a staging area to keep equipment and materials safe. The materials (pipes, catch basins, etc.) are typically ordered and delivered to the site while the workers layout the improvements. The engineer may be called to set control points, set elevations, or provide staking. The contractor installs the improvements per NRCS specifications, and the engineer will conduct regular site visits to answer questions and inspect trenching, excavation, fill compaction, dimensions and elevations. Once the installation is complete, the engineer will do a final inspection and will survey the installed components to measure lengths and elevations to create record drawings. The farmer typically completes the temporary erosion control such as seeding and/or mulching.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

IMPLEMENTING AGENCY: Central Coast Wetlands Group (CCWG), City of Salinas

PROJECT DESCRIPTION: This project is a series of improvements to the City of Salinas's Industrial Wastewater Treatment Facility (IWTF), with the goal of increasing the functionality of this facility for multiple water resource and environmental benefits. The project updates three components of the facility: 1) separating source water types entering the facility to enhance the efficiency of treatment; 2) removing nitrate and phosphates from water leaving the facility before it reaches the Monterey One Water (M1W) Regional Treatment Plant (RTP); and 3) improving flood protection for the power infrastructure to run the facility.

The project consists of:

1. Assess and Rehabilitate a 33-inch Pipeline: M1W will conduct a condition assessment and subsequent rehabilitation of an abandoned-in-place 33-inch pipeline. The 33-inch pipeline provides an opportunity to utilize existing infrastructure to achieve a reduction in energy consumption by an estimated 10% and the capture of up to 300 AFY more storm water during peak storm events.
2. Treatment Wetland Pilot Study: The Central Coast Wetlands Group (CCWG) will construct an initial water treatment system at the IWTF consisting of a treatment wetland chamber in series with several pilot phosphate removal chambers, and will assess its functionality to determine the most cost-effective phosphate removal process.
3. Electrical Components Flood Protection: City of Salinas will make improvements to select IWTF electrical components associated with the influent pump station, enhancing its flood and climate resilience by installing the components at the engineer recommended location above the 100-year floodplain.

These improvements will result in an additional 200-300 acre-feet per year (AFY) of storm water captured for groundwater recharge or reuse. The secondary benefit is the downstream flood reduction during storms, estimated to be approximately 2 MGD (millions of gallons per day) reduction for a 10-year storm event.

Budget Category (a): Project Administration

Task 1: Project Management

Prepare and submit supporting grant documents and coordinate with the grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare draft Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Project Progress Reports

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- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Paragraph D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Feasibility studies for the Electrical Components Flood Protection component of this project have been completed. Other feasibility studies will be conducted as follows:

(a) RTP Treatment Methods: A feasibility and cost-benefit study will be conducted to assess alternative treatment methods at the RTP, including incremental costs for recycling industrial wastewater. Budget Attachment 1 contains a scope of work and budget for consultant services for support of the feasibility study, including assessing alternative treatment methods at the RTP.

(b) Wetland Treatment System: CCWG will conduct a feasibility study to investigate the site-specific viability of phosphate reduction. This study will involve testing multiple media types using nutrient-rich source water run through several containers at the Moss Landing Marine Laboratories Aquaculture facility. Nutrient levels will be measured at the input and outlet of each container to test the efficacy of each media type. CCWG will then compare nutrient removal rates with media costs and disposal requirements to select the optimal nutrient removal media to deploy at the IWTF.

Deliverables:

- Feasibility Study Report

Task 5: CEQA Documentation

A Notice of Determination for the Environmental Impact Report was filed in April of 2021 with the State Clearing House for this project. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

Expected to acquire county encroachment and grading permits, in September 2021.

Deliverables:

- Permits as required

Task 7: Design

The project team will complete designs for each project component, as described below. The designs will describe the overall project concept for use in development of final design plans, and specifications including preliminary earthwork calculations, preliminary design details including piping, electrical, mechanical and/or housing design details and design-build performance criteria.

(a) Pipeline Assessment and Repair: Condition assessment of the pipeline will be done using MSI Inspections CCTV/3D Laser/Lidar inspection with defect coding and internal visual inspection with measurements (after appropriate excavations and shoring have been conducted). Utilize data from the

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assessment to create the scope of work, design and final plans for repair or replacement. M1W staff to manage a consultant to provide the engineering design services for the condition assessment and rehabilitation design (see Budget Attachment 3).

(b) Wetland Treatment System: CCWG will prepare 100% design for the wetland treatment system.

(c) Electrical Components Flood Protection: The electrical components flood protection component of the project will require additional design work in order to develop 100% construction bid and design documents. The City of Salinas will leverage as much as possible the most recent design efforts which were part of the Phase 1B Salinas Dry Weather Diversion Project (see Budget Attachment 2).

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 (guidance provided in Exhibit L) for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Paragraph D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

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Construction activities are outlined below.

11(a): Mobilization and Demobilization: This will include setting up construction equipment at the various locations and lay down of necessary materials.

11(b): Site preparation will include Site preparation will include excavation, grading, shoring, storm water and erosion best management measures, and traffic control, as applicable.

11(c): Install, construct, excavate: Construction activities will include installation of the treatment wetland improvements, pipeline assessment and repair, and constructing a new concrete pad and installing new electrical components for climate change. Construction and implementation activities specific to each project component will consist of the following:

(a) Pipeline Repair: The pipeline starts at the City's storm water diversion structure #2, cuts southwesterly across many acres of prime farmland, across Hitchcock and Davis Roads, and terminates (plugged with concrete) immediately north of the IWTF influent pump station. Task 7 would include repair of parts of the pipeline found to have significant defects that may prevent reliable use of the pipeline to convey storm water. Repair of the pipeline segments on agricultural land will occur in the winter to avoid any growing season activities. Repairing sections of the pipeline within City-owned land and at the IWTF can occur in any season. The work may include re-stabilizing and reinforcing joints, repairing any holes, cracks or other pipeline flaws. At the influent pump station, a pipeline may be installed to bypass the influent pump station and connect to existing ponds. The final scope of repairs will depend upon budget available.

(b) Wetland Treatment System (see Figure 3): Water from the IWTF will be directed into adjacent abandon infiltration basins for treatment. Piping modifications will be made to direct water from the source water through each of the treatment basins. Soil amendments, plants, and flow regulation infrastructure will be installed within the treatment wetland basin to achieve linear flow and extend residence time for initial nutrient removal. Piping will be installed to allow water to through selected media prior to exiting the treatment systems. Water will then return to an ITWF pond during the pilot study.

(c) Electrical Components Flood Protection: Construction activities to relocate the electrical components above the 100-year floodplain will include evaluation and locating all equipment and connections, stub in of all necessary conduit, construction of new concrete equipment pad, tie in of all electrical connections, demolition of existing components, start up and testing of new instrumentation, controllers and related equipment

Deliverables:

- Photographic Documentation of Progress

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BUDGET

PROPOSITION 1 ROUND GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

AGREEMENT BUDGET SUMMARY

		Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost	Percent Cost Share
	Grant Administration	$346,284	N/A	$0	**$346,284**	N/A
	PROJECTS					
1	Emergency Deep Aquifer Supply and Storage Tank Project	$395,000	$25,000	$7,712,000	**$8,132,000**	0.3%
2	Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley	$750,000	$910,000	$160,000	**$1,820,000**	56%
3	Salinas River Flood and Habitat Improvement Program	$526,525	$679,856	$0	**$1,206,381**	50%
4	Monterey County Farm Nutrient Management and Water Quality Assistance Program	$315,169	$0	$315,301	**$630,470**	0%
5	Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use	$1,129,883	$1,277,852	$0	**$2,407,735**	53%
	GRAND TOTAL	**$3,462,861**	**$2,892,708**	**$8,187,301**	**$14,542,870**	**-**

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Grant Administration

Implementing Agency: Monterey County Water Resources Agency

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost
a	Project Administration	$346,284	N/A	$0	**$346,284**
	TOTAL COSTS	**$346, 284**	**N/A**	**$0**	**$346,284**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

Implementing Agency: Castroville Community Services District

Project directly serves a need of a Disadvantaged Community: Yes

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
a	Project Administration	$0	$25,000	$0	**$25,000**
b	Land Purchase / Easement	$0	$0	$100,000	**$100,000**
c	Planning / Design / Engineering / Environmental Documentation	$270,000	$0	$125,000	**$395,000**
d	Construction / Implementation	$125,000	$0	$7,487,000	**$7,612,000**
	TOTAL COSTS	**$395,000**	**$25,000**	**$7,712,000**	**$8,132,000**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Grantee received a 100% cost share waiver. However, to meet the proposal cost share requirements, Castroville Community Services District (District) will fund 100% of project administration, the District will fund land acquisition from existing reserves set aside for the implementation of this water supply project.

**Other Cost Share: Fund for part of the design costs will be coming from State Water Resources Control Board's Small Community Funding grant or loan.

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PROJECT 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

Implementing Agency: Monterey County Water Resources Agency

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$60,000	$0	**$60,000**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$15,000	$0	$0	**$15,000**
d	Construction / Implementation	$735,000	$850,000	$160,000	**$1,745,000**
	TOTAL COSTS	**$750,000**	**$910,000**	**$160,000**	**$1,820,000**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Required Cost Share: In Kind services provided by United States Geological Service.

PROJECT 3: Salinas River Flood Protection and Habitat Improvement Program

Implementing Agency: Resource Conservation District of Monterey County

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$10,000	$0	**$10,000**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$77,648	$402,925	$0	**$559,324**
d	Construction / Implementation	$448,877	$266,931	$0	**$637,057**
	TOTAL COSTS	**$526,525**	**$679,856**	**$0**	**$1,206,381**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Required Cost Share: All cost share is from non-State sources and includes landowner payments from River Management Unit members and in-kind services from landowners.

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PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

IMPLEMENTING AGENCY: Resource Conservation District of Monterey County

Project directly serves a need of a Disadvantaged Community: Yes

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share*	Total Cost
a	Project Administration	$0	$0	$28,500	**$28,500**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$287,698	$0	$136,801	**$430,970**
d	Construction / Implementation	$27,471 $21,000	$0	$150,000	**$171,000**
	TOTAL COSTS	**$315,169**	**$0**	**$315,301**	**$630,470**

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Cost Share: Grantee received a 100% cost share waiver. At least 50% other cost share will be provided through existing, long-term agreements with the Monterey County Agricultural Commissioner and USDA Natural Resources Conservation Service (NRCS) for bilingual farmer technical assistance, and through USDA NRCS Environmental Quality Incentives Program (EQIP) for project design and implementation.

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PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

IMPLEMENTING AGENCY: City of Salinas

Project directly serves a need of a Disadvantaged Community: No

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
a	Project Administration	$0	$7,300	$0	**$7,300**
b	Land Purchase / Easement	$0	$0	$0	**$0**
c	Planning / Design / Engineering / Environmental Documentation	$184,902	$150,544	$0	**$335,446**
d	Construction / Implementation	$944,981	$1,120,008	$0	**$2,064,989**
	TOTAL COSTS	**$1,129,883**	**$1,277,852**	**$0**	**$2,407,735**

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*****Required Cost Share: City of Salinas is providing $955,552, Monterey One Water is providing $315,000 match via the SRF loan spent in 2017 - 2019 on the Advanced Water Purification Facility for the Pure Water Monterey Project for which this project is a component, and is providing $7,300 for project administration.

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EXHIBIT C

SCHEDULE

PROPOSITION 1 ROUND 1 GREATER MONTEREY COUNTY IRWM IMPLEMENTATION GRANT

Grant Administration

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/07/2020	06/30/2027

PROJECT 1: Emergency Deep Aquifer Supply and Storage Tank Project

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	09/01/2020	6/30/2027
b	Land Purchase / Easement	06/01/2019	08/31/2022
c	Planning / Design / Engineering / Environmental Documentation	09/01/2020	12/31/2023
d	Construction / Implementation	08/31/2021*	03/31/2027

*Planning and Construction schedules overlap because acquisition of contractors through the bid process will be completed during the planning phase to ensure construction can begin directly behind finalizing planning efforts.

PROJECT 2: Re-Operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	09/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	12/31/2023
d	Construction / Implementation	01/01/2015*	06/30/2025

*The timeframe for this task allows the collection and processing of two additional years of groundwater extraction data to be included into the report.

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PROJECT 3: Salinas River Flood Protection and Habitat Stewardship Program

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	04/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	01/31/2025
d	Construction / Implementation	08/01/2021*	01/31/2025

*Treatment of *Arundo donax* and tamarisk will take place in June through October 2021 and will include documentation of work areas through GIS mapping, photo documentation, and herbicide spray records. Implementation from one year can overlap with Planning for subsequent years.

PROJECT 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	07/01/2021	9/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	07/01/2021	01/31/2025
d	Construction / Implementation	10/01/2021*	07/31/2025

*This project includes many smaller projects and Planning phases can be ongoing while Construction phases for other projects are already underway.

PROJECT 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	09/01/2021	06/30/2027
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	06/01/2017	01/31/2025
d	Construction / Implementation	07/01/2017*	03/31/2027

*Portions of the project are ongoing, and implementation overlaps with other planning phases.

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EXHIBIT D

STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

A. Separate Accounting of Funding Disbursements: Grantee shall account for the money disbursed pursuant to this Grant agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.

B. Disposition of Money Disbursed: All money disbursed pursuant to this Grant agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.

C. Remittance of Unexpended Funds: Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Grant agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Grant agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may elect to pursue any remedies provided in Paragraph 12 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

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Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant agreement with respect of all matters connected with this Grant agreement, including but not limited to, the cost of administering this Grant agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. (Water Code, § 79708, subd. (b).)

D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant agreement does not appropriate sufficient funds for this program, this Grant agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant agreement and Grantee shall not be obligated to perform any provisions of this Grant agreement. Nothing in this Grant agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant agreement with no liability occurring to State, or offer a Grant agreement amendment to Grantee to reflect the reduced amount.

D.7. CALIFORNIA CONSERVATION CORPS: Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.

D.8. CEQA: Activities funded under this Grant agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 12, "Default Provisions."

D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:

A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

D.10. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

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D.11. COMPETITIVE BIDDING AND PROCUREMENTS: Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting.

D.12. COMPUTER SOFTWARE: Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.

A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant agreement, such reports, data, information, and certifications as may be reasonably required by State.

D.15. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than thirty (30) calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than $5,000.00 per item. Within sixty (60) calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.

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D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
   i. The dangers of drug abuse in the workplace,
   ii. Grantee's policy of maintaining a drug-free workplace,
   iii. Any available counseling, rehabilitation, and employee assistance programs, and
   iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant agreement:
   i. Will receive a copy of Grantee's drug-free policy statement, and
   ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

D.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.
Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.
Failure to provide an easement acceptable to the State may result in termination of this Agreement.

D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant agreement.

D.19. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:

A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Exhibits B and C.
B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
C. Comply with all applicable California, federal, and local laws and regulations.
D. Implement the Project in accordance with applicable provisions of the law.
E. Fulfill its obligations under the Grant agreement and be responsible for the performance of the Project.

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F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.
G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.

D.20. GOVERNING LAW: This Grant agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

D.21. INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.22. INDEMNIFICATION: Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

D.23. INDEPENDENT CAPACITY: Grantee, and the agents and employees of Grantees, in the performance of the Grant agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

D.24. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.

D.25. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant agreement with State.

D.26. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/ lcp.asp.

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For more information, please refer to DIR's *Public Works Manual* at: https://www.dir.ca.gov/dlse/PWManualCombined.pdf. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

D.27. MODIFICATION OF OVERALL WORK PLAN: At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

D.28. NONDISCRIMINATION: During the performance of this Grant agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant agreement.

D.29. OPINIONS AND DETERMINATIONS: Where the terms of this Grant agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

D.30. PERFORMANCE BOND: Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)

D.31. PRIORITY HIRING CONSIDERATIONS: If this Grant agreement includes services in excess of $200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.

D.32. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State.

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Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this Grant agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.

D.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.

D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.

D.35. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

D.36. RETENTION: The State shall withhold ten percent (10%) of the funds, for each project, until the project is complete, and a Final Project Report is approved and accepted by DWR. If a project has multiple Components (within a project), at the State's discretion and upon a written request by the Grantee, any retained amount attributable to a single component may be released when that component is complete and the Final Component Completion Report is approved. Upon approval of the Final Project Report and/or Final Component Completion Report, any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest.

D.37. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

D.38. SEVERABILITY: Should any portion of this Grant agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant agreement shall continue as modified.

D.39. SUSPENSION OF PAYMENTS: This Grant agreement may be subject to suspension of payments or termination, or both if the State determines that:

A. Grantee, its contractors, or subcontractors have made a false certification, or
B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant agreement.

D.40. SUCCESSORS AND ASSIGNS: This Grant agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

D.41. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing

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accomplishments up until termination date.

D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 12, "Default Provisions," the State may terminate this Grant agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 12, "Default Provisions."

D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.

D.44. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

D.45. TIMELINESS: Time is of the essence in this Grant agreement.

D.46. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the IRWM region shall be reimbursed unless prior written authorization is obtained from the State.

D.47. UNION ORGANIZING: Grantee, by signing this Grant agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant agreement. Furthermore, Grantee, by signing this Grant agreement, hereby certifies that:

A. No State funds disbursed by this Grant agreement will be used to assist, promote, or deter union organizing.
B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant agreement to show those funds were allocated to that expenditure.
C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.

D.48. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.

D.49. WAIVER OF RIGHTS: None of the provisions of this Grant agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

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EXHIBIT E

AUTHORIZING RESOLUTION

RESOLUTION No. 19-002

Authorize and direct the General Manager to apply for grant funding from the California Department of Water Resources for a Round 1 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code § 79700 *et seq.*), and to enter into an agreement to receive a grant titled "Managing Water Resources for Multiple Benefits in the Greater Monterey County Region"

WHEREAS, the Monterey County Water Resources Agency proposes to submit an application to the Department of Water Resources on behalf of the Greater Monterey County Integrated Regional Management Region; and

WHEREAS, the Monterey County Water Resources Agency intends to apply for grant funding from the California Department of Water Resources for the project costs;

NOW THEREFORE, BE IT RESOLVED, that the Monterey County Water Resources Agency hereby

a. Directs this Agency, pursuant and subject to all of the terms and provisions of the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1), to apply to the California Department of Water Resources to obtain a grant titled "Managing Water Resources for Multiple Benefits in the Greater Monterey County Region"

b. Authorizes and directs the General Manager, or designee, to prepare the necessary data, make investigations, sign, and file such proposal, and subject to review and approval by County Counsel, execute a grant agreement with California Department of Water Resources

c. Authorizes the General Manager, or designee, subject to review and approval by County Counsel to execute up to three (3) amendments to the Grant Agreement that do not materially alter the terms of the Grant Agreement.

d. Authorizes the General Manager, or designee, subject to review and approval by County Counsel to enter into sub-grantee agreements with the other project proponents.

This Resolution shall take effect upon approval by the Monterey County Water Resources Agency Board of Directors.

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PASSED AND ADOPTED this 21th day of October 2019, at a regular meeting of the Monterey County Water Resources Agency Board of Directors by the following vote:

AYES: Directors Gonzalez, Baillie, Sullivan, Ekelund, Ortiz, Scattini, LeBarre, Smith and Simis

NOES: None

ABSENT: None

BY: Mark Gonzalez, Chair
Board of Directors

ATTEST: Brent Buche
General Manager

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MONTEREY COUNTY

WATER RESOURCES AGENCY

PO BOX 930
SALINAS, CA 93902
P: (831) 755-4860
F: (831) 424-7935

BRENT BUCHE
GENERAL MANAGER

STREET ADDRESS
1441 SCHILLING PLACE, NORTH BUILDING
SALINAS, CA 93901

July 14, 2020

Monia Holleman
Environmental Scientist
California Department of Water Resources
Division of Regional Assistance
Financial Assistance Branch
901 P Street
Sacramento CA 95814

RE: Authorization of the DocuSign use for all official transactions related to Proposition 1 Round 1 Implementation Grant

To Whom It May Concern:

By signing this letter, Monterey County Water Resources Agency does hereby agree to the following option regarding the use of DocuSign for all official transactions related to the Proposition 1 Round 1 Implementation Grant award including Agreement execution, Amendments, Invoices and various other documents.

Please check one:

X We do consent to the use of DocuSign for all transactions by both us and DWR

We do not consent to the use of DocuSign by us. However, we do consent to the use of DocuSign by DWR

We do not consent to the use of DocuSign by either us or DWR

Regards,

Brent Buche
General Manager

The Water Resources Agency manages, protects, stores and conserves water resources in Monterey County for beneficial and environmental use, while minimizing damage from flooding to create a safe and sustainable water supply for present and future generations

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EXHIBIT F

REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.
- Budget projections for grant share for the next two quarters

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report (or a Component Completion Report, if a Project has multiple Components) shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted
- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

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Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

Additional Information

- Benefits derived from the Project, with quantification of such benefits provided.
- If applicable, Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.
- Submittal schedule for the Post-Performance Report.

GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects funded by this Grant Agreement, and includes the following:

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion of: each project completed and how they achieved IRWM Plan objectives and/or Regional goals and whether the level, type, or magnitude of benefits of the project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; the benefits to DAC and/or EDA as part of this Grant Agreement if a DAC or EDA Cost Share Waiver was approved for a project; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post-Performance Reports applicable for the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
  - Grantee Name
  - Implementing Agency (if different from Grantee)
  - Grant Agreement Number
  - Project Name
  - Funding grant source (i.e., 2019 Proposition 1 IRWM Implementation Grant)
  - Report number

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- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2018 through December 2018)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

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EXHIBIT G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: http://www.ceden.org.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: http://www.water.ca.gov/waterdatalibrary/.

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EXHIBIT H

STATE AUDIT DOCUMENT REQUIREMENTS FOR THE GRANTEE

The following provides a list of documents typically required by State Auditors and general guidelines for the Grantee. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. The Grantee should ensure that such records are maintained for each funded project.

State Audit Document Requirements

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
   a) Receipts and deposits
   b) Disbursements
   c) State reimbursement requests
   d) Expenditure tracking of State funds
   e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

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Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

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EXHIBIT I

LOCAL PROJECT SPONSORS AND PROJECT LOCATIONS

The Grantee has assigned, for each project, a Local Project Sponsor (LPS) according to the roles of the participating agencies identified in the IRWM Plan. LPSs may act on behalf of the Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below:

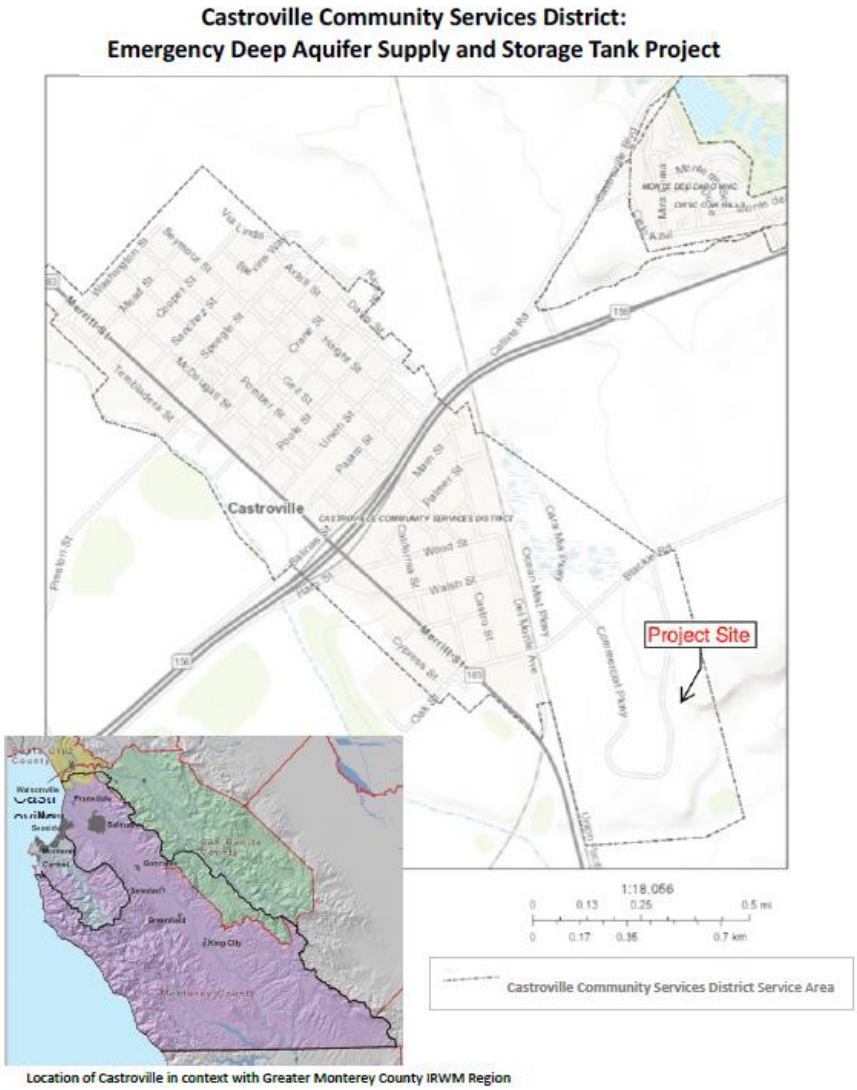
Local Project Sponsor Agency Designation

Sponsored Project: Project 1: Emergency Deep Aquifer Supply and Storage Tank Project

Sponsor Agency: Castroville Community Services District

Agency Address: 11497 Geil St, Castroville, CA 95012

Project Location: Monterey County, California (36.75612, -121.73768)



Location of Castroville in context with Greater Monterey County IRWM Region

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Sponsored Project: Project 2: Re-operation of Reservoirs: Decision Support Tool to Increase Water Supply Reliability in Salinas Valley

Sponsor Agency: Monterey County Water Resources Agency

Agency Address: 1441 Schilling Pl, Salinas, CA 93901

Project Location: Salinas, CA (35.81861, -120.9303)



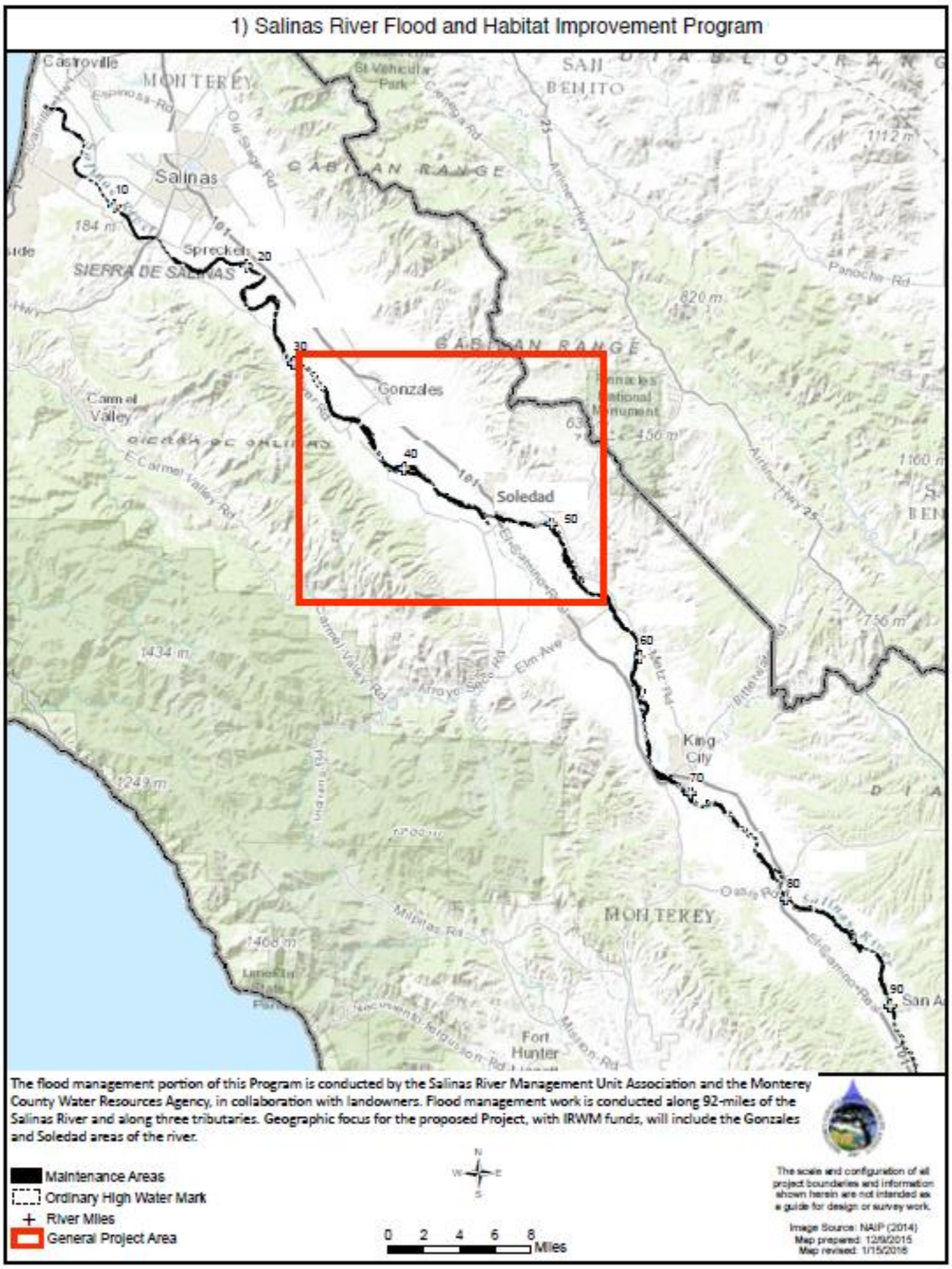
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Sponsored Project: Project 3: Salinas River Flood and Habitat Improvement Program

Sponsor Agency: Resource Conservation District of Monterey County

Agency Address: 744 La Guardia St a, Salinas, CA 93905

Project Location: Monterey County, California (36.33361, -121.2022)



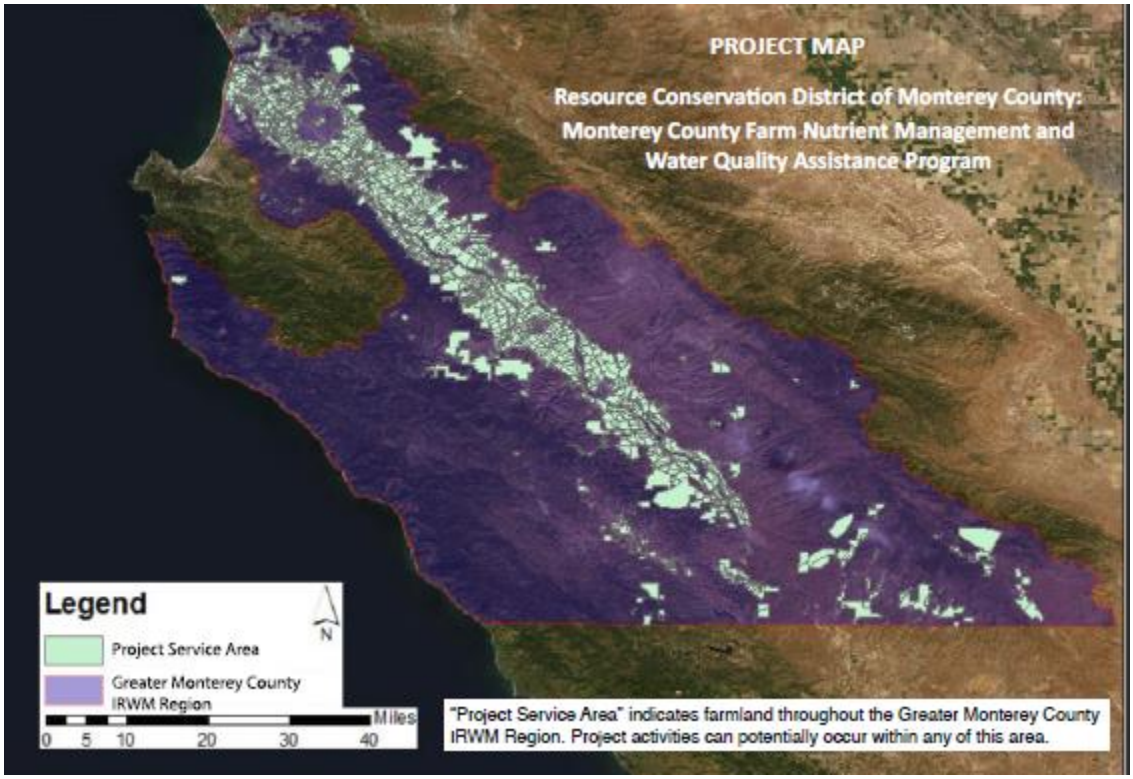
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Sponsored Project: Project 4: Monterey County Farm Nutrient Management and Water Quality Assistance Program

Sponsor Agency: Resource Conservation District of Monterey County

Agency Address: 744 La Guardia St a, Salinas, CA 93905

Project Location: Monterey County, California (36.42028, -121.4075)



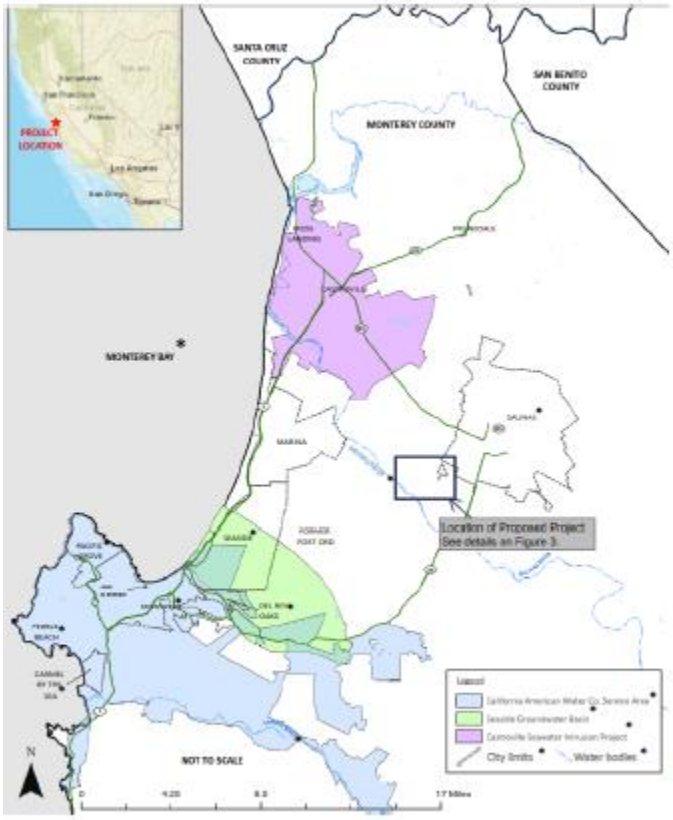
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Sponsored Project: Project 5: Salinas Storm Water Management: Increasing Capture, Improving Treatment, Reducing Energy Use

Sponsor Agency: Central Coast Wetlands Group, City of Salinas

Agency Address: 5 Harris Ct, Monterey, CA 93940, 8272 Moss Landing Rd Moss Landing, CA 95039, 200 Lincoln Ave. Salinas, CA 93901

Project Location: Monterey County, California (36.66333, -121.7222)



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EXHIBIT J

APPRAISAL SPECIFICATIONS

For property acquisitions funded by this Grant Agreement, the Grantee shall submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. All appraisal reports, regardless of report format, shall include all applicable Appraisal Specifications below. Appraisals for a total compensation of $150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than $150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be a narrative analysis regardless of the reporting format.

1. Title page with sufficient identification of appraisal assignment.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value and date of report.
3. Table of contents.
4. Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions as needed.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining relevant data.
6. Definition of Fair Market Value, as defined by California Code of Civil Procedure, § 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements, if applicable.
8. Copies of Tax Assessor's plat map with the subject marked along with all contiguous assessor's parcels that depict the ownership.
9. A legal description of the subject property, if available.
10. For large, remote or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three (3) year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue required increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the State. If the appraiser discovers evidence of an Option or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client.
13. Regional, area, and neighborhood analyses. This information may be presented in a summary format.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area, and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area. This information may be presented in a summary format.
15. Discussion of subject land/site characteristics (size, topography, current use, elevations, zoning and land use issues, development entitlements, General Plan designation, utilities, offsite improvements, access, land features such as levees and creeks, offsite improvements, easements and

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encumbrances, covenants, conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).

16. Description of subject improvements including all structures, square footage, physical age, type of construction, quality of construction, condition of improvements and/or identification of any permanent plantings. Discussion of construction cost methodology, costs included and excluded, accrued depreciation from all causes, remaining economic life, items of deferred maintenance and cost to cure, and incurable items. Construction cost data shall include cost data source, date of estimate or date of publication of cost manual, section and page reference of cost manual, copies of cost estimate if provided from another source, replacement or reproduction cost method used, and supporting calculations including worksheets or spreadsheets.
17. Subject property leasing and operating cost history, including all items of income and expense.
18. Analysis and conclusion of the larger parcel for partial taking appraisals. For partial taking appraisals, Appraisal Specifications generally apply to the larger parcel rather than an ownership where the larger parcel is not the entire ownership.
19. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit. Discuss the title exceptions and analyze the effect of title exceptions on fair market value.
20. For appraisals of partial takings or easements, a detailed description of the taking or easement area including surface features and topography, easements, encumbrances or improvements including levees within the subject partial take or easement, and whether the take area is characteristic of the larger parcel. Any characteristics of the taking area, including existing pre-project levees that render the take area different from the larger parcel shall be addressed in the valuation.
21. Opinion of highest and best use for the subject property, based on an in-depth analysis supporting the concluded use which includes the detail required by the complexity of the analysis. Such support typically requires a discussion of the four criteria of tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.
22. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
23. Map(s) showing all comparable properties in relation to the subject property.
24. Photographs and plat maps of comparable properties.
25. In-depth discussion of comparable properties, similarities and differences compared to the subject property, adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value. Improved comparable sales which are used to compare to vacant land subject properties shall include an allocation between land and improvements, using methodology similar to methodology used in item 16 above to estimate improvement value when possible, with an explanation of the methodology used.
26. Comparable data sheets.

    a. For sales, include information on grantor/Grantee, sale/recordation dates, listed or asking price as of the date of sale, highest and best use, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvements, and confirming source.

    b. For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available.

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c. For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source. When comparing improved sales to a vacant land subject, the contributory value of the improvements shall be segregated from the land value.

27. For appraisals of easements, a before and after analysis of the burden of the easement on the fee, with attention to how the easement affects highest and best use in the after condition. An Easement Valuation Matrix or generalized easement valuation references may be used ONLY as a reference for a secondary basis of value.

28. For partial taking and easement appraisals, valuation of the remainder in the after condition and analysis and identification of any change in highest and best use or other characteristics in the after condition, to establish severance damages to the remainder in the after condition, and a discussion of special and general benefits, and cost to cure damages or construction contract work.

29. There are occasions where properties involve water rights, minerals, or salable timber that require separate valuations. If an appraisal assignment includes water rights, minerals, or merchantable timber that requires separate valuation, the valuation of the water rights, minerals, or merchantable timber shall be completed by a credentialed subject matter specialist.

30. For partial taking and easement appraisals, presentation of the valuation in California partial taking acquisition required format.

31. Implied dedication statement.

32. Reconciliation and final value estimate. Include analysis and comparison of the comparable sales to the subject, and explain and support conclusions reached.

33. Discussion of any departures taken in the development of the appraisal.

34. Signed Certification consistent with the language found in Uniform Standards of Professional Appraisal Practice.

35. If applicable, in addition to the above, appraisals of telecommunication sites shall also provide:

    a. A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.

    b. An analysis of other leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.

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EXHIBIT K

INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE

The Grantee shall provide the following documents to the State Project Representative during the escrow process. Property acquisition escrow documents shall be submitted within the term of this Grant Agreement and after a qualified appraisal has been approved.

- Name and Address of Title Company Handling the Escrow
- Escrow Number
- Name of Escrow Officer
- Escrow Officer's Phone Number
- Dollar Amount Needed to Close Escrow
- Legal Description of Property Being Acquired
- Assessor's Parcel Number(s) of Property Being Acquired
- Copy of Title Insurance Report
- Entity Taking Title as Named Insured on Title Insurance Policy
- Copy of Escrow Instructions in Draft Form Prior to Recording for Review Purposes
- Copy of Final Escrow Instructions
- Verification that all Encumbrances (i.e., Liens, Back Taxes, and Similar Obligations) have been Cleared Prior to Recording the Deed to Transfer Title
- Copy of Deed for Review Purposes Prior to Recording
- Copy of Deed as Recorded in County Recorder's Office
- Copy of Escrow Closure Notice

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EXHIBIT L

Project Monitoring Plan Guidance

Introduction

For each project contained in Exhibit A, please include a brief description of the project (maximum ~150 words) including project location, implementation elements, need for the project (what problem will the project address) and responds to the requirements listed below.

Project Monitoring Plan Requirements

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at…, at stream mile…)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and Errol L. Montgomery & Associates, Inc., a Arizona corporation hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Scope of Work. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**

   (a) The scope of work is briefly described and outlined as follows:

   Provide professional hydrogeologic and technical support for Agency Groundwater Well Projects in the Castroville Seawater Intrusion/ Recycled Water Program and other Agency Programs, as needed.

   (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on 11/1/2024, by CONTRACTOR and Agency, and will terminate on 7/1/2027, unless earlier terminated as provided herein.

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3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is One Hundred thousand Dollars ($100,000).

4. Monthly Invoices by CONTRACTOR; Payment.

   (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

   (b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@countyofmonterey.gov and to the Contract Administrator listed in Section 27.

   (c) CONTRACTOR agrees that Agency may withhold five percent (5%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.

   (d) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

   (e) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification. CONTRACTOR shall indemnify, defend, and hold harmless the Agency and the County of Monterey, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's

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performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence, active negligence, or willful misconduct of the Agency. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

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Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10***

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10 01 in tandem with CG 20 37 10 01 (2000). *The required endorsement form for Automobile Additional Insured endorsement is* ***ISO Form CA 20 48 02 99.***

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subcontractors relating to this Agreement. Government Code section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

   CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the

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purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic

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duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Independent Contractor Compliance with Government Code Section 1097.6(c). This section applies to those situations when a contractor/consultant is awarded a Contract for a preliminary phase of a project, with future phases to be bid separately. This section does not apply to those situations when a Contract is awarded for multiple phases of a project under a single contract/proposal. When applicable, and as described below, CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the Agency with any portion of the Agency's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Agency. The Agency shall at all times retain responsibility for public contracting, including with respect to any subsequent phase stemming from this Agreement. CONTRACTOR's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. CONTRACTOR shall cooperate with the Agency to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if applicable, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.

17. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

18. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

19. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

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20. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

21. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

22. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

23. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

24. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

25. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

26. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

27. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be:

Cameron Tana

Agency's designated administrator of this Agreement shall be:

Pete Vannerus

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28. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY	TO CONTRACTOR
Name: Pete Vannerus	Name: Bill DeBoer
Address: 1441 Schilling Place, North Bld, Salinas, CA 93901	Address: 1970 Broadway, Suite 225, Oakland, CA 94612
Telephone: 831-788-3436	Telephone: 925-212-1630
Fax:	Fax:
E-Mail: VannerusP@countyofmonterey.gov	E-Mail: bdeboer@elmontgomery.com

29. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats.

30. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

31. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

32. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work
    Exhibit B - Fee Schedule/ Rate Sheet

33. Entire Agreement. As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:

BY: DocuSigned by: Ara Azhderian 1F182FFB49A2435...
Ara Azhderian
General Manager

Date: 11/21/2024 | 10:56 AM PST

CONTRACTOR:

BY: Hale W. Barter

Type Name: Hale W. Barter

Title: President

Date: 11/13/24

BY:

Type Name: Antonio H Verdin

Title: Chief Financial Officer

Date: 11/13/24

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* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

Signed by:
Kelly L. Donlon
22D690CA05A940B...

Chief Assistant County Counsel

Dated: 11/20/2024 | 11:42 AM PST

Approved as to fiscal provisions:

Signed by:
Trent Hill
30922505678A4ED...

Administrative Analyst

Dated: 11/21/2024 | 8:32 AM PST

_____

County Counsel – Risk Manager:

Dated: _____

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Auditor-Controller [2]:

Dated: 11/20/2024 | 1:58 PM PST

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

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EXHIBIT A
Scope of Work

Consultant shall provide as-needed professional hydrogeologic and technical services to support Agency Projects, with focus on the Castroville Seawater Intrusion Program. Other Agency tasks outside the Recycle Water Program may be included.

Services shall include but are not limited to:

- Groundwater well survey review and consultation
- Project and repair recommendations
- On-site technical support
- Well replacement project support
- Contractor advising and supervision
- Groundwater/ Aquifer investigations
- Any other supporting tasks necessary for project completion

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EXHIBIT B
Fee Schedule/Rate sheet

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MONTGOMERY & ASSOCIATES

2025 CALIFORNIA SCHEDULE OF FEES AND EXPENSES

PROFESSIONAL FEES*	Hourly Rate ($)
Scientist 9	345
Scientist 8	320
Scientist 7	290
Scientist 6	265
Scientist 5	240
Scientist 4	215
Scientist 3	195
Scientist 2	165
Scientist 1	140
Health & Safety Director	245
Senior Programmer	270
Computer Programmer 2	233
Computer Programmer 1	195
Senior Water Policy Consultant	305
Water Policy Consultant 2	262
Water Policy Consultant 1	235
Drilling Specialist 2	185
Drilling Specialist 1	155
Hydrologic Technician 2	145
Hydrologic Technician 1	125
Hydrologic Assistant	100
GIS & Data Coordinator	210
GIS & Data Specialist 2	175
GIS & Data Specialist 1	145
Scientific Illustrator 2	125
Scientific Illustrator 1	110
Project Assistant	110
Contract Administrator	98
Technical Editor	95
Clerical	80
EXPENSES	
Airline travel, ZipCar, and auto rental	Cost, plus 10%
Lodging and subsistence	Cost, plus 10%
Copying, printing, long distance calls, shipping, field supplies	Cost, plus 10%
Subcontractor/subconsultant services	Cost, plus 10%
Laboratory services	Cost, plus 10%
Mobile field office	$150/week
Use of private vehicles	Standard IRS Rate

Notes:

- Expert testimony charged at 1.5 times hourly rate. Includes testimony in a trial, hearing, or deposition, and time spent in testimony rehearsal sessions with counsel.
- *Scientist includes hydrogeologist, hydrologist, geologist, engineer, soil scientist, and chemist.

Invoices are issued on a monthly basis and are due upon receipt for payment within 30 days. If payment has not been received within 30 days, interest will accrue at 1% per month for unpaid balance.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and Kennedy/Jenks Consultants, Inc. a Professional Corporation, hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Scope of Work. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**:

   a) The scope of work is briefly described and outlined as follows:

      Conduct Phase 1 of the proposed plan to execute a condition assessment of the CSIP Distribution System with emphasis on optimization, improvements and thorough preventative maintenance planning.

   b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on 11/1/2024 by CONTRACTOR and Agency, and will terminate on 7/1/2026, unless earlier terminated as provided herein.

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3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is Ninety-Nine Thousand Seven Hundred Dollars ($ 99,700.00).

4. Monthly Invoices by CONTRACTOR; Payment.

   a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

   b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@countyofmonterey.gov and to the Contract Administrator listed in Section 27.

   c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

   d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification.

   5.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any

extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code sections 2782 or 2782.8, the broadest indemnity protection for the COUNTY under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

5.2 Indemnification for Design Professional Services Claims: CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of COUNTY, or defect in a design furnished by COUNTY, but in no event shall the amount of such CONTRACTOR's liability exceed such CONTRACTOR's proportionate percentage of fault as determined by a court, arbitrator or mediator, or as set out in a settlement agreement. In the event one or more defendants to any action involving such claim or claims against COUNTY is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, such CONTRACTOR shall meet and confer with the other parties to such action regarding unpaid defense costs.

5.3 Indemnification for All Other Claims or Loss:
For any claim, loss, injury, damage, expense or liability other than claims arising out of the CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, to the extent arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of the COUNTY, or defect in a design furnished by the COUNTY.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the

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work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination

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of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractors, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractors showing each subcontractors has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000)****. The required endorsement form for Automobile Additional Insured endorsement is* ***ISO Form CA 20 48 02 99****.*

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If

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the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subcontractors relating to this Agreement. Government Code section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of

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the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic

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negatives -- shall be the property of Agency and shall be, upon request, delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Independent Contractor Compliance with Government Code Section 1097.6(c). This section applies to those situations when a contractor/consultant is awarded a contract for a preliminary phase of a project, with future phases to bid separately. This section does not apply to those situations when a contract is awarded for multiple phases of a project under a single contract/proposal. When applicable, and as described below, CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the Agency with any portion of the Agency's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Agency. The Agency shall at all times retain responsibility for public contracting, including with respect to any subsequent phase stemming from this Agreement. CONTRACTOR's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. CONTRACTOR shall cooperate with the Agency to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if applicable, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.

17. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

18. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

19. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

20. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

21. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

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22. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

23. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

24. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

25. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

26. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

27. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be:

_____

Agency's designated administrator of this Agreement shall be:
Pete Vannerus

28. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

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TO AGENCY	TO CONTRACTOR
Name: Pete Vannerus	Name: Gerald Fejarang, PE
Address: 1441 Schilling Pl., Salinas, CA 93901	Address: 2882 Prospect Park Drive, Suite 240 Rancho Cordova, CA 95670
Telephone: 831.755.4860	Telephone: 916-858-2713
Fax:	Fax:
E-Mail: VannerusP@countyofmonterey.gov	E-Mail: GeraldFejarang@KennedyJenks.com

29. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats.

30. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

31. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

32. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work/ Work Schedule
    Exhibit B - Fee Schedule

33. Entire Agreement. As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:

BY: DocuSigned by: Ara Azhderian 1F182FFB49A2435...

Ara Azhderian
General Manager

Date: 11/14/2024 | 9:40 AM PST

CONTRACTOR:

BY:

Type Name: Gerald Fejarang, PE

Title: Vice President

Date: 10/29/2024

BY: Brandon Hale

Type Name: Brandon Hale, PE

Title: Vice President

Date: 10/29/2024

* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

Signed by:
Kelly L. Donlon
5DA7ECB51BF8438...

Chief Assistant County Counsel

Dated: 11/13/2024 | 11:51 AM PST

Approved as to fiscal provisions:

Signed by:
Trent Hill
30922505678A4ED...

Administrative Analyst

Dated: 11/14/2024 | 8:16 AM PST

_____

County Counsel – Risk Manager:

Dated: _____

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...

Auditor-Controller [2]:

Dated: 11/13/2024 | 2:48 PM PST

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

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EXHIBIT A

SCOPE OF WORK/WORK SCHEDULE

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Kennedy Jenks

11 October 2024

Pete Vannerus
Associate Water Resources Engineer
Monterey County Water Resources Agency
1441 Schilling Place – North Building
Salinas, CA 93901

Subject: Castroville Seawater Intrusion Project Condition Assessment Planning
KJ B033870*34002

Dear Pete Vannerus:

Kennedy/Jenks Consultants, Inc. (KJ) is pleased to submit our proposed scope of work, schedule, and budget for Castroville Seawater Intrusion Project (CSIP) Condition Assessment Planning based on our recent discussions.

This letter summarizes our proposed scope of work, schedule, and level of effort for the CSIP Condition Assessment Plan. If you have any questions regarding our proposal, please contact Rachelle Thompson at (650) 852-2808 or Gerald Fejarang at (916) 858-2713. Thank you for considering us for this important project.

Very sincerely yours,

Kennedy Jenks Consultants

Gerald Fejarang

Vice President

2350 Mission College Blvd., Suite 700| Santa Clara, CA 95054
GeraldFejarang@kennedyjenks.com

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Project Overview

Monterey County Water Resources Agency (MCWRA) owns and operates the Castroville Seawater Intrusion Project (CSIP) recycled water distribution facilities. The CSIP water distribution system supplies tertiary treated recycled water to approximately 12,000 acres of farmland for irrigation purposes. The water distribution system shown on Figure 1 is comprised of approximately 46 miles of pipelines and 113 metered turnouts. The CSIP system relies on three sources of water: tertiary treated recycled water from the Salinas Valley Reclamation Project (SVRP), supplemental groundwater wells, and treated Salinas River water from the Salinas River Diversion Facility (SRDF).

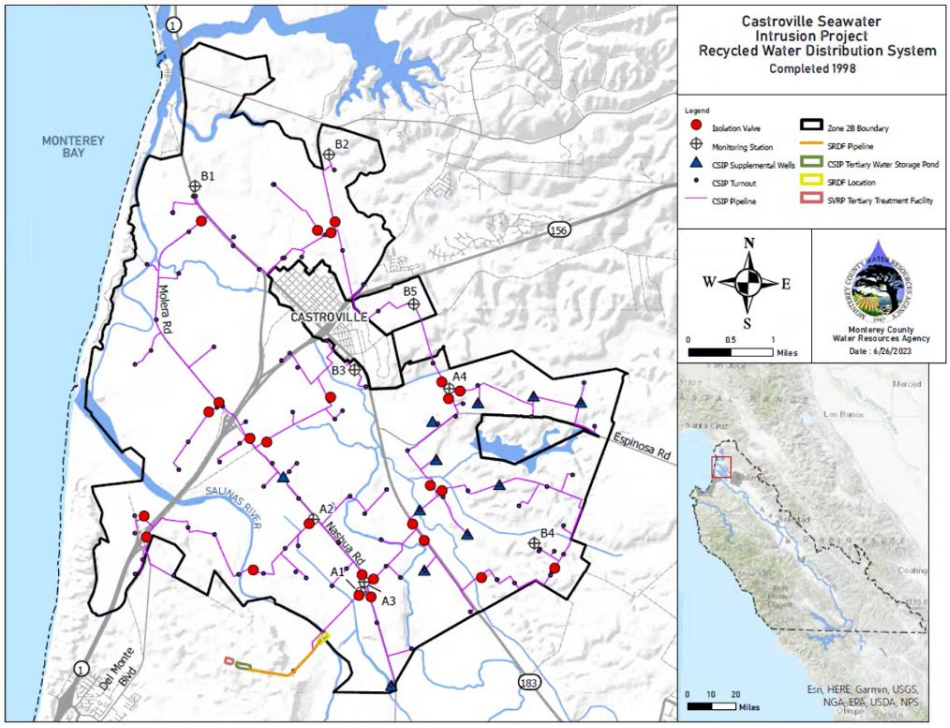


Figure 1. Castroville Seawater Intrusion Project Recycled Water Distribution System

The CSIP was completed in 1998, and the system infrastructure is aging, so MCWRA seeks to develop a strategy to optimize and renew the system. Conducting a comprehensive condition assessment of the entire system is currently cost-prohibitive, and so MCWRA seeks to conduct an initial vulnerability assessment to effectively plan future inspections and detailed risk analysis of critical infrastructure. Optimizing the operation of the CSIP and developing a renewal strategy to mitigate risk will enable MCWRA to reduce groundwater pumping from the local aquifer while still meeting customer demands. This proposal presents a scope of work for Phase 1 of the CSIP assessment, which includes data mining efforts, a business risk, and vulnerabilities assessment (BRVA), GIS integration, and development of an inspection plan. Phase 2 (not included in the presented scope of work) would include the condition assessments, remaining useful life and risk analyses, and development of mitigation plans. The flow of work from Phase 1 to Phase 2 is illustrated in Figure 2.

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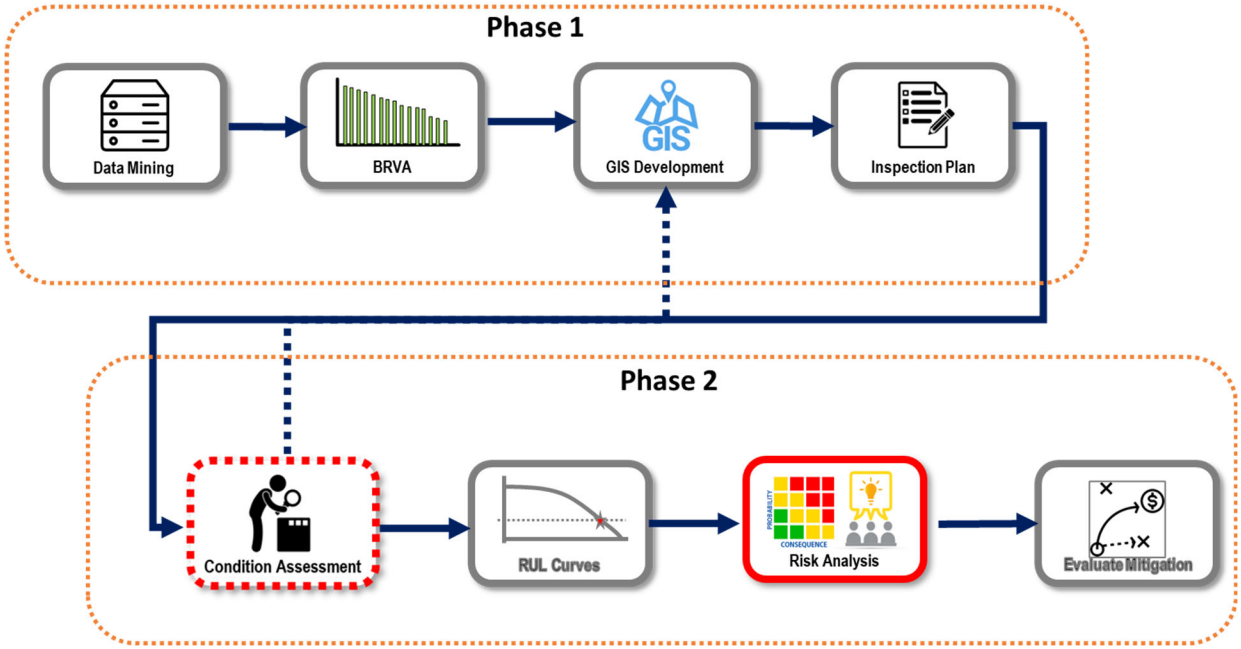


Figure 2. Phase 1 of Risk-Based Condition Assessment and Asset Management Process for CSIP

Scope of Work

Task 1 – Project Management, Meetings and QA/QC

1.1 Project Management

KJ's project manager will use KJ's internal tracking system to manage project files, track project budget, and prepare monthly invoices and status reports. This task includes project setup and closeout activities.

Deliverables:

- Monthly invoices and status reports (electronic format – PDF)

1.2 Meetings

KJ will attend 10 progress and coordination meetings with MCWRA staff to discuss any issues related to the project and update staff with project progress. KJ will also attend one kickoff meeting with MCWRA at the start of the project to review project schedule and objectives. KJ will prepare meeting notes and distribute them to MCWRA.

Assumptions:

- Project schedule is five (5) months long

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- 10 progress meetings will be hosted via Microsoft Teams, will be 30 minutes in duration, and attended by up to two (2) KJ staff.
- Kickoff meeting will be hosted via Microsoft Teams, will be 1 hour in duration, and attended by up to two (2) KJ staff.

Deliverables:

- Meeting agendas and notes (electronic format – PDF)

1.3 Health and Safety Plan

KJ will prepare a Health and Safety Plan for work at MCWRA facilities as described in subsequent tasks.

1.4 Quality Assurance and Quality Control

This task includes implementation of quality assurance/quality control (QA/QC) procedures necessary to complete the tasks defined in this scope of work. KJ will also conduct an internal Concept and Criteria Review (C&CR) meeting toward the beginning of the project that involves a discussion of the project concepts by the project team members and senior members of our QA/QC staff.

Task 2 – Baseline Inventory and Data Collection

2.1 Data Collection and Review

KJ will collect information to understand the CSIP recycled water distribution facilities. This will include developing a data request list, prioritizing data needs, and tracking receipt of information. Data required includes, but is not limited to, as-built drawings (P&IDs, PFDs, civil layouts, mechanical layouts, and electrical one-line diagrams), CMMS exports (existing asset registry and maintenance history), system hydraulic profile, GIS files (geodatabase, shapefiles, or similar) of the recycled water distribution system, and other facility reports. KJ will develop a database repository as a method to collect, manage, and configure data so that we can migrate the information into MCWRA's existing GIS.

Assumptions:

- Data will be provided by MCWRA within two weeks of request.
- MCWRA will coordinate with Monterey One Water (M1W) if necessary to provide the requested data.
- KJ will be granted the appropriate access to GIS and other related business systems. This access is beneficial to prevent duplication of effort and manage data integrity and security.

Deliverables:

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- Request for Information (RFI) and reference information tracking table, electronic format

2.2 Asset Identification, Asset Registry, and ESRI GIS Integration

The objective for this subtask is to identify assets that make up the water reuse system that include, but are not limited to, linear, fixed, rotating, electrical, instrumentation, and structural classes. All identified assets will be listed in a master asset registry. The asset registry will comprise of base asset attribute data associated with the asset type. This information is typically included on equipment nameplates attached to the equipment, equipment cutsheets, equipment specifications, and/or vendor installation operations and maintenance manuals. KJ will migrate the built-out asset registry into MCWRA's GIS database, for eventual migration into their CMMS (Lucity/CentralSquare)

KJ will prepare a technical memorandum (TM) that summarizes MCWRA's available data, major data gaps, status of the existing GIS data, and recommendations for database improvement. The TM will include an asset registry that will be used as the basis for the vulnerability assessment (Task 3).

Assumptions:

- MCWRA will provide one set of consolidated comments on the draft TM and asset registry within two weeks of submittal.
- KJ will not be responsible for the migration of data from GIS to CMMS, nor the long-term management of the GIS database.

Deliverables:

- Draft and Final Asset Identification TM

Task 3 – System Criticality and Vulnerability Assessment

3.1 Business Risk and Vulnerabilities Assessment (BRVA)

A Business Risk and Vulnerabilities Assessment (BRVA) will be conducted to quantify risk for each asset to prioritize future condition assessments. KJ will use the consequence of failure analysis methodology to conduct the BRVA. This will include two (2) 4-hour workshops with MCWRA's engineering, operations, and maintenance staff. Goals of the workshops include:

- Develop a risk matrix that aligns with MCWRA's mission statement and business goals and defines consequence of failure scoring criteria.
- Engage and interview the team by asking focused questions related to the consequence of failure and O&M business elements that support the function of each asset. Questions will address reasonable failure modes, failure effects, dominant failure mechanisms, system criticality, operational targets, operator response corrective actions, asset history, and ideas for improvements.

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The BRVA workshops will produce risk scores that represent the consequence of failure of each asset. The risk scores from the BRVA will be used to guide prioritization of assets for condition assessments.

Assumptions:

- Workshops will be conducted via Microsoft Teams over a total of eight (8) hours (two 4-hour sessions)
- Workshops will be attended by up to three (3) KJ staff.

3.2 BRVA Technical Memorandum

Findings from the workshop will be documented in a Microsoft Excel spreadsheet and summarized in a BRVA TM. The TM will describe the consequence of failure scoring criteria, summarize the high consequence of failure assets, and make recommendations for decreasing risk on an asset-by-asset basis, including a list of assets to be prioritized for inspection.

Assumptions:

- MCWRA will review the Draft BRVA TM and provide one consolidated set of comments within two weeks of submittal.

Deliverables:

- Draft and Final BRVA TM (electronic format – Word document or PDF).

Task 4 – Access Assessment and Inspection Planning

KJ will use the results of the BRVA to develop an inspection plan for assets, prioritized by risk criticlity.

4.1 Field/Access Investigation

For high and moderately high critical assets (assets with high-risk scores), KJ will conduct an analysis to determine the inspection method and technology needed to determine the current condition of the asset. KJ will then conduct a field investigation to find and geolocate the assets included in the latest asset registry using the ESRI Survey123 application. While conducting field verification, KJ will also identify any access and maintainability constraints associated with the asset and determine available access points for the use of invasive or non-invasive inspection technologies. Findings from the field investigation will be exported from Survey123 and migrated into MCWRA's GIS database.

Assumptions:

- MCWRA will coordinate site access for up to three (3) KJ staff and accompany KJ staff during the field investigation.
- Field inspections will not require any entry into confined spaces or other hazardous areas.

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- Field activities will take place up to two (2) days to field verify the location of high and moderately critical assets.

- Field investigations conducted during Phase 1 are for access planning purposes, not inspections to evaluate the condition of assets

4.2 Inspection Plan

KJ will use the asset registry, field inspection findings, and the updated GIS database to confirm the inspection method and technology that will be most effective to determining the condition rating of the asset. For linear assets, KJ will research and contact potential inspection contractors to determine availability, technology constraints, and budgetary costs to inspect assets. For fixed assets, structural, and vertical assets, KJ will use our expertise to determine the resources and efforts needed to conduct a field inspection. We will use this information to determine ways to safely isolate and shutdown the system to conduct a field inspection and develop an Inspection Plan for the CSIP facilities. The inspection plan will include:

- Recommended modifications to improve access for vehicles, technicians, and inspection technology, and associated American Association of Cost Engineers Class 5 Opinion of Probable Costs estimates.

- Recommended squencing and scheduling of field inspections.

- Tactical level isolation and shutdown procedures with the level of detail to develop more detailed shutdown, lockout tagout (LOTO) and lock tag verify (LTV) procedures by the selected contractor.

- High-level, risk-based preventative maintennece strategies based on asset class and asset types. KJ will not develop PM job plans, LOTOs, LTVs, recommended spare parts analysis, operator routine douties, standard operating procedures, operator response corrective actions, layer of protection analysis, job hazard analysis, nor emergency response plans.

Assumptions:

- MCWRA will review the draft CSIP Inspection Plan and provide one set of consolidated comments within two weeks of submittal.

- Technical information will be stored in ESRI GIS database tables.

- All asset and inspection related information will be managed through ESRI GIS

Deliverables:

- Draft and Final CSIP Inspection Plan (electronic format – Word document or PDF)

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Phase 2 (Future)

Phase 2 will include field inspections for condition assessment of high-priority assets, remaining useful life analysis for all assets, development of a detailed preventative maintenance plan, and development of a long-term renewal strategy for MCWRA facilities and assets (including strategic replacement, rehabilitation, and monitoring). Phase 2 activities are not included in the current scope of work.

Proposed Project Team

The following table shows the key KJ personnel that will execute the scope of work.

Name	Role
Gerald Fejarang, PE	Principal-in-Charge
Rachelle Thompson, PE	Project Manger
Karina Yap	Project Engineer
Josh Sales, RG	Data Management/GIS Advisor
Eric Synsteby, CRL	Technical Advisor
Matthew Mahoney, CRL	Lead Inspector

Estimated Schedule

A proposed schedule is provided below, to be updated at project kickoff:

Task	Approximate Duration	Estimated Completion Date
Task 1 – Project Management	5 months	March 30, 2025
Task 2 – Baseline Inventory and Data Collection	1 month	November 30, 2024
Task 3 – System Criticality and Vulnerability Assessment	2 months	January 31, 2025
Task 4 – Access Assessment and Inspection Plan	2 months	March 30, 2025

Compensation for Consulting Services

In accordance with the attached Schedule of Charges dated January 1, 2024, we propose a budget of $99,916. A breakdown of our proposed project budget and line-item descriptions of the project deliverables is provided in Attachment A. KJ will manage work hours between tasks and employee classifications, and/or utilize other employee classifications listed in the attached rate sheet, provided that the project total fee is not exceeded without prior approval. A summary of the budgets by task is provided below:

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Task	Description	Budget
Task 1	Project Management	$12,272
Task 2	Baseline Inventory and Data Collection	$20,818
Task 3	System Criticality and Vulnerability Assessment	$27,591
Task 4	Access Assessment and Inspection Plan	$39,019
Total		**$99,700**

Standard Conditions

To assure a clear understanding of all matters related to our mutual responsibilities, the attached Standard Conditions dated 3 January 2024 are made part of this agreement. We have found these terms to be appropriate for use in agreements for provision of consultant services. Accordingly, if any conflicts exist between the attached terms and the form of any purchase order or confirmation issued, the terms of this proposal and the attached Standard Conditions will prevail in the absence of our express written agreement. This proposal is based on current projections of staff availability and costs and, therefore, is valid for 90 days following the date of this letter.

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EXHIBIT B

FEE SCHEDULE

Project ID:

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Kennedy Jenks

Attachment A: Proposal Fee Estimate

CLIENT Name: Monterey County Water Resources Agency

PROJECT Description: Castroville SIP Condition Assessment Planning

Proposal/Job Number: B0033870*34002 **Date:** 10/3/2024

January 1, 2024 Rates Classification:	Eng-Sci-9 Gerald Fejarang	Eng-Sci-7 JoshSales	Eng-Sci-6 Eric Synsteby	Eng-Sci-6 Matthew Mahoney	Eng-Sci-6 Rachelle Thompson	Eng-Sci-5 Jemifer Joern	Eng-Sci-4 Karina Yap	Health and Safety John Jindra	Eng-Sci-2	Eng-Sci-1	Sr. CAD-Design	CAD-Design	Sr. CAD-Tech	CAD-Tech	Project Assistant	Admin. Assist.	Aide	Total	KJ Labor	KJ Escalation	KJ Assoc. Proj. Costs	Sub Contr. #1	Sub Contr. #2	KJ Sub-Markup	KJ ODCs	KJ ODCs Markup	Total Labor	Total Subs	Total Expenses	Total Labor + Subs + Expenses
Hourly Rate:	$335	$300	$275	$275	$275	$250	$230	$230	$190	$155	$195	$180	$165	$145	$145	$130	$105	Hours	Fees	0%	$9.74	Fees	Fees	10%	Fees	10%				Fees
Task 1 - Project Management, Meetings, and QA/QC																														
1.1 Project Management					8										8			16	$3,360	$0	$156			$0		$0	$3,516	$0	$0	$3,516
1.2 Meetings and Presentations					9		1								8			18	$3,865	$0	$175			$0		$0	$4,040	$0	$0	$4,040
1.3 Health and Safety Plan								3										3	$690	$0	$29			$0		$0	$719	$0	$0	$719
1.4 Quality Assurance and Quality Control	8	4																12	$3,880	$0	$117			$0		$0	$3,997	$0	$0	$3,997
Task 1 - Subtotal	8	4	0	0	17	0	1	3	0	0	0	0	0	0	16	0	0	49	$11,795	$0	$477	$0	$0	$0	$0	$0	$12,272	$0	$0	$12,272
Task 2 - Baseline Inventory and Data Collection																														
2.1 Data Collection and Review			4			24	4		8									40	$9,540	$0	$390			$0		$0	$9,930	$0	$0	$9,930
2.2 Asset Identification, Asset Registry, and ESRI GIS Integration			4			24	8		8									44	$10,460	$0	$429			$0		$0	$10,889	$0	$0	$10,889
Task 2 - Subtotal	0	0	8	0	0	48	12	0	16	0	0	0	0	0	0	0	0	84	$20,000	$0	$818	$0	$0	$0	$0	$0	$20,818	$0	$0	$20,818
Task 3 - System Criticality and Vulnerability Assessment																														
3.1 BRVA Workshop			8		8		16								4			36	$8,660	$0	$351			$0		$0	$9,011	$0	$0	$9,011
3.2 BRVA Technical Memorandum	8		8		8	4	16		32									76	$17,840	$0	$740			$0		$0	$18,580	$0	$0	$18,580
Task 3 - Subtotal	8	0	16	0	16	4	32	0	32	0	0	0	0	0	4	0	0	112	$26,500	$0	$1,091	$0	$0	$0	$0	$0	$27,591	$0	$0	$27,591
Task 4 - Access Assessment and Inspection Planning																														
4.1 Field/Access Investigation			4	24		16	16		24									84	$19,940	$0	$818			$0	$1,000	$100	$20,758	$0	$1,100	$21,858
4.2 Inspection Plan			8	8	4	8	14		24						8			74	$16,440	$0	$721			$0		$0	$17,161	$0	$0	$17,161
Task 4 - Subtotal	0	0	12	32	4	24	30	0	48	0	0	0	0	0	8	0	0	158	$36,380	$0	$1,539	$0	$0	$0	$1,000	$100	$37,919	$0	$1,100	$39,019
All Tasks Total	**16**	**4**	**36**	**32**	**37**	**76**	**75**	**3**	**96**	**0**	**0**	**0**	**0**	**0**	**28**	**0**	**0**	**403**	**$94,675**	**$0**	**$3,925**	**$0**	**$0**	**$0**	**$1,000**	**$100**	**$98,600**	**$0**	**$1,100**	**$99,700**

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Kennedy Jenks

Client/Address: Monterey County Water Resources Agency
1441 Schilling Place – North Building
Salinas, CA 93901

Contract/Proposal Date: ContractProposalDate

Schedule of Charges

January 1, 2024

PERSONNEL COMPENSATION

Classification	Hourly Rate
Engineer-Scientist-Specialist 1	$155
Engineer-Scientist-Specialist 2	$190
Engineer-Scientist-Specialist 3	$210
Engineer-Scientist-Specialist 4	$230
Engineer-Scientist-Specialist 5	$250
Engineer-Scientist-Specialist 6	$275
Engineer-Scientist-Specialist 7	$300
Engineer-Scientist-Specialist 8	$320
Engineer-Scientist-Specialist 9	$335
Senior CAD-Designer	$195
CAD-Designer	$180
Senior CAD-Technician	$165
CAD-Technician	$145
Project Assistant	$145
Administrative Assistant	$130
Aide	$105

In addition to the above Hourly Rates, an Associated Project Cost charge of $9.74 per hour will be added to Personnel Compensation for costs supporting projects including telecommunications, software, information technology, internal photocopying, shipping, and other support activity costs related to the support of projects.

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus ten percent for items such as:

a. Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
b. Consultants, soils engineers, surveyors, contractors, and other outside services.
c. Rented vehicles, local public transportation and taxis, travel and subsistence.
d. Project specific telecommunications and delivery charges.
e. Special fees, insurance, permits, and licenses applicable to the work.
f. Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

If prevailing wage rates apply, the above billing rates will be adjusted as appropriate.

Overtime for non-exempt employees will be billed at one and a half times the Hourly Rates specified above.

Rates for professional staff for legal proceedings or as expert witnesses will be at rates one and one-half times the Hourly Rates specified above.

Excise and gross receipts taxes, if any, will be added as a direct expense.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 1, 2024 through December 31, 2024. After December 31, 2024, invoices will reflect the Schedule of Charges currently in effect.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and TCB Industrial, Inc., a Corporation hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Scope of Work. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A**

   (a) The scope of work is briefly described and outlined as follows:

   Perform refurbishment of the Unit 2 generator and turbine for the Nacimiento Dam Hydroelectric power plant, provide as needed hydroelectric power plant repair services

   (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

   (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

   (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on April 8, 2024, by CONTRACTOR and Agency, and will terminate on December 31, 2027, unless earlier terminated as provided herein.

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3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is One Hundred Thousand Dollars, ($100,000.00).

4. Monthly Invoices by CONTRACTOR; Payment.

   (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.

   (b) CONTRACTOR shall submit to Agency an invoice via email to WRAAccountsPayable@co.monterey.ca.us and to the Contract Administrator Section 26.

   (c) CONTRACTOR agrees that Agency may withhold five percent (5%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.

   (d) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.

   (e) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification. CONTRACTOR shall indemnify, defend, and hold harmless the Agency and the County of Monterey, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's

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performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence, active negligence, or willful misconduct of the Agency. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

6. Insurance.

6.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:
All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:
Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORs, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

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Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured ***is ISO Form CG 20 10 11-85 or CG 20 10***

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10 01 in tandem with CG 20 37 10 01 (2000). *The required endorsement form for Automobile Additional Insured endorsement is* ***ISO Form CA 20 48 02 99.***

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subcontractors relating to this Agreement. Government Code section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of $10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the

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purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic

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duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency 's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Independent Contractor Compliance with Government Code Section 1097.6(c). CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the Agency with any portion of the Agency's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Agency. The Agency shall at all times retain responsibility for public contracting, including with respect to any subsequent phase stemming from this Agreement. CONTRACTOR's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. CONTRACTOR shall cooperate with the Agency to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if applicable, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.

17. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

18. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

19. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

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20. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

21. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

22. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

23. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

24. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contactor's behalf in the performance of this Agreement.

25. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

26. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

27. Contract Administrators.

CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be:

Scott Gomez

Agency's designated administrator of this Agreement shall be:

Manuel Saavedra

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28. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY	TO CONTRACTOR
Name: Manuel Saavedra	Name: Scott Gomez
Address: 1441 Schilling Pl., Salinas, CA 93901	Address: 2955 Farrar Ave., Modesto, CA 95354
Telephone: 831.755.4860	Telephone: 209.571.0569
Fax:	Fax:
E-Mail: saavedram@co.monterey.ca.us	E-Mail: sgomez@tcbindustrial.net

29. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats.

30. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

31. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

32. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

    Exhibit A - Scope of Work/ Work Schedule
    Exhibit B - Fee Schedule

33. Entire Agreement. As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

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MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER RESOURCES AGENCY:

BY: DocuSigned by: Ara Azhderian 1F182FFB49A2435...

Ara Azhderian
General Manager

Date: 4/25/2024 | 8:47 AM PDT

CONTRACTOR:

BY: Beyan Martin

Type Name: Beyan Martin

Title: Vice President

Date: 4-10-24

BY:

Type Name:

Title:

Date:

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* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)

Agreement/Amendment No # (_____)

* *

Approved as to form [1]:

DocuSigned by:
Kelly L. Doulon
22D690CA05A940B...
Assistant County Counsel

Dated: 4/19/2024 | 10:36 AM PDT

Approved as to fiscal provisions:

DocuSigned by:
Trent Hill
30922505678A4ED...
Administrative Analyst

Dated: 4/24/2024 | 3:56 PM PDT

_____
County Counsel – Risk Manager:

Dated: _____

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Auditor-Controller [2]:

Dated: 4/19/2024 | 3:21 PM PDT

[1] Approval by County Counsel is required, and/or when legal services are rendered

[2] Approval by Auditor-Controller is required

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EXHIBIT A

SCOPE OF WORK/WORK SCHEDULE

SCOPE OF WORK:
CONTRACTOR will provide the following description of work related to the refurbishment of the Unit 2 generator and turbine for the Nacimiento Dam Hydroelectric Power Plant, and as-needed hydroelectric power plant repair services in accordance with the Payment Provisions listed in Exhibit B:

PHASE 1: Removal and Disassembly of Generator and Turbine.

1. Mobilization.
2. Conduct site specific safety training and stage tooling in designated areas.
3. Sign onto applicable LOTO clearances.
4. Record as-found dimensions and provide data sheets for Agency for documentation and review.
5. Match mark components in preparation of disassembly.
6. Uncouple the generator from the turbine shaft and remove.
7. Load generator on truck and ship to Ideal Electric (subCONTRACTOR) for refurbishment.
8. Refurbishment of generator (by subCONTRACTOR): Complete dismantle, chemically clean stator and rotor, inspect, and repair electrical and mechanical components, including all shaft journals. Check rotor, windings, stabilization components to include wedges, field pole assemblies, perform Total Indicated Run Out. Install new bearings, secondary VPI treatment and baking. Provide final inspection report (will include as-found and repaired conditions), and test run prior to shipping to facility.
9. Rewind of Generator (OPTIONAL - Only if required).
10. Unbolt turbine assembly from the upstream intake pipe flange and base plate.
11. Pull turbine unit and trip to top deck.
12. Supply and install cover for exposed chase to tail race.
13. Rig turbine unit out of powerhouse and stage.
14. Load turbine and transport to Refurbishment Shop.

PHASE 2: Refurbishment and Installation of Generator and Turbine (To be completed after July 1, 2024).

15. Complete disassembly of turbine unit and assessment of internal components.
16. Record all found dimensions and clearances on turbine components.
17. Create data sheets for turbine components and provide to Agency for review.
18. Develop detailed refurbishment plans based off the as found conditions of the components.
19. Machine new turbine components and install.
20. Provide data sheets to Agency of as machined dimensions and As-Built drawings.
21. Blast and paint coat the exterior and accessible interior components of the turbine prior to returning to site.
22. Transport turbine back to site for reassembly.
23. Off load truck and rig into top deck of powerhouse.
24. Trip to the vertical position and install.
25. Connect upstream flange with new gaskets and hardware.
26. Deliver newly refurbished generator.
27. Offload generator and rig to top deck of powerhouse.
28. Rig generator and install on top of turbine.
29. Roto-Line will be performed prior to coupling and data will be submitted to Agency for review.
30. If generator needs to be shimmed or shifted, CONTRACTOR to re-dowel generator to turbine mounting flange.
31. Provide start-up support.
32. Site clean-up and demobilization.

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EXHIBIT A

SCOPE OF WORK/WORK SCHEDULE

SCOPE OF WORK:

Project Clarifications:

- Hydroelectric power plant consultant time is included for two shifts: One shift for disassembly and one shift for reassembly.
- CONTRACTOR will provide a 2-person crew for three (3) days to support the start-up activities on site.
- subCONTRACTOR (Ideal Electric) will provide three (3) days of on site installation assistance and oversight for commissioning of the unit after installation by CONTRACTOR, and will provide connections to the connection box.
- Machine shop work to repair all bushings/linkage/hardware is included in the price total for the scope of work, except materials for bushings or component purchasing.

WORK SCHEDULE:

- CONTRACTOR will begin and complete performance of services within the timeline provided by the Agency. In setting the timeline for performance, the Agency will first consult with and consider CONTRACTOR's feedback.

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EXHIBIT B

PAYMENT PROVISIONS

CONTRACTOR shall be compensated for the work as set forth in the Scope of Work as follows:

PHASE 1: Removal and Disassembly of Generator and Turbine.

CONTRACTOR will complete Phase 1 scope of work for a Fixed Price of Forty-Eight Thousand Three Hundred Twenty-Five Dollars ($48,325.00). The proposed price includes all applicable state and federal taxes.

PHASE 2: Refurbishment and Installation of Generator and Turbine.

CONTRACTOR will complete the Phase 2 scope of work for a Fixed Price of Two Hundred Eighty-Two Thousand Nine Hundred Ninety-Seven Dollars ($282,997.00). The proposed price includes all applicable state and federal taxes.

NOTE:
Work performed by CONTRACTOR outside the scope of work for Phase 1 and 2 shall be billed in accordance with the Time and Materials rates shown in Exhibit B.

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EXHIBIT B

PAYMENT PROVISIONS

CONTRACTOR shall be compensated for as-needed hydroelectric power plant repair services on a Time and Materials basis in accordance with the Fee Schedule shown below:

TCB Industrial, Inc. - Billing Rates

T&M Rates effective: 7/1/23 to 6/30/24

Classification	ST	OT	DT
Shop Support	$158	$208	$259
Draftsman / Detailer	$115	$173	$230
Project Manager	$207	$282	$357
Millwrights: Journeyman	$163	$216	$269
Millwrights: Foreman	$173	$231	$289
Millwrights: Gen. Foreman	$179	$241	$302
Millwrights: Superintendent	$186	$251	$315
Carpenters: Journeyman	$156	$208	$259
Carpenters: Foreman	$167	$223	$279
Carpenters: General Foreman	$189	$257	$324
Carpenters: Superintendent	$216	$297	$378

Classification	ST	OT	DT
**Pipefitters: Journeyman	$146	$197	$248
**Pipefitters: Foreman	$168	$231	$294
**Pipefitters: General Foreman	$178	$246	$314
Confined Space Rescue	$132	$176	$220
Project Administrator	$106	$158	$211

If job requires a 2nd shift each rate will increase by $3 an hour.
If job requires a 3rd shift each rate will increase by $3.25 an hour.
Truck $130 per day. Fuel will be charged at a rate of .70 cents per mile. Due to fuel fluctuation surcharge may apply. Confined Space Rescue Equipment Trailer $500 per day

PLEASE NOTE:

*All labor and equipment are subject to availability at time required.

*Quoted labor rates include hourly pay and fringe benefits as dictated by current union agreements.

*Most rates are subject to re-negotiation and revision on or about 6/30.

**Pipefitters are subject to renegotiation and revision on or about 6/30 and 12/31.

*Sub-contractors, materials, and third party rentals shall be billed at cost plus 15%.

***Rate Conditions**

Normal workday and normal workweek are defined as eight (8) consecutive hours and five (5) consecutive normal workdays.

UA Pipe Fitters: Straight time rates apply for the first eight hours worked Monday through Friday. Overtime premiums (1.5T) apply between hours eight and ten Monday through Friday and between hours one and ten Saturday. Double time premiums (2T) apply after hour Ten Monday through Friday, after hour Ten on Saturday and all day on Sunday and Holidays.
Other Crafts: Straight time rates apply for the first eight hours worked Monday through Friday. Overtime premiums (1.5T) apply between hours eight and Twelve Monday through Friday and between hours one and Twelve Saturday. Double time premiums (2T) apply after hour Twelve Monday through Friday, after hour Twelve on Saturday and all day on Sunday and Holidays.

Demand rates apply to emergency services that require a response within 24 hours and are billed at 1.5 x Applicable Rate.

***Travel Time / Room and Board Living Expenses** - These charges may apply if the worksite is over 150 miles round trip at straight time each way from TCB Industrial's corporate office in Modesto, CA. Travel time shall be billed hourly at established labor rates. Room and board expenses shall be calculated by location.

***Minimum Charges** - Minimum show up time is 8 hours plus travel time depending on location.