

Funding Agreement

Rincon Consultants, Inc.
PD060202

Board of Supervisors
June 28, 2011

**FUNDING AGREEMENT
FOR THE
SAN ARDO PRODUCED WATER MANAGEMENT PROJECT**

THIS FUNDING AGREEMENT, hereinafter, "AGREEMENT", is made and entered by and between the County of Monterey, a political subdivision of the State of California, hereinafter, "County", and Aera Energy LLC, hereinafter, "PROJECT APPLICANT", with reference to the following facts and circumstances:

RECITALS

A. PROJECT APPLICANT has applied to County for approval of discretionary entitlements to allow the development of a water reclamation facility to process reclaimed water used in the extraction of oil within the San Ardo oil field, known as the San Ardo Produced Water Management Project, referred to herein as THE PROJECT. This project is currently under review by the County.

B. Due to the magnitude and complexity of THE PROJECT, the Director of the Monterey County Planning Department, hereinafter, "DIRECTOR", and PROJECT APPLICANT have agreed that it is necessary and desirable that COUNTY engage Rincon Consultants, Inc., hereinafter, "CONTRACTOR", to prepare an Initial Study (IS), staff reports, notices and other related and/or required documents for THE PROJECT, and perform related work. CONTRACTOR shall perform the Scope of Work specified in the Professional Services Agreement, hereinafter, "PSA", between County and CONTRACTOR, attached to this AGREEMENT as Exhibit "1", and incorporated herein by reference. County shall manage THE PROJECT work performed by CONTRACTOR.

C. This AGREEMENT is based on County engaging CONTRACTOR to provide the services set forth in Exhibit "1" of this AGREEMENT. The Scope of Work and related budget of the PSA will be amended if it is determined that an Environmental Impact Report (EIR) is necessary.

D. A fundamental premise of this AGREEMENT is that nothing herein is to be construed as a representation, promise, or commitment on the part of County to give special treatment to, or exercise its discretion favorably for THE PROJECT, in exchange for PROJECT APPLICANT's obligation to cover County's cost of retaining CONTRACTOR and providing County staff to work on THE PROJECT.

E. The subject matter of this AGREEMENT is the PROJECT APPLICANT's funding of the CONTRACTOR's services on THE PROJECT. This AGREEMENT also covers the County fee for contract administration as designated in the Monterey County Land Use Fee Schedule, Resolution #08-132, passed and adopted by the County of Monterey Board of Supervisors on April 22, 2008, attached to this AGREEMENT as Exhibit "2", and incorporated herein by reference.

F. The County department costs associated with processing the project application and preparing THE PROJECT, other than contract administration, will be funded through separate land use application fees to be paid by the PROJECT APPLICANT pursuant to the Monterey County Land Use Fee Schedule, Resolution #08-132, passed and adopted by the County of Monterey Board of Supervisors on April 22, 2008. These land use application fees are separate from and in addition to the funding provided by the PROJECT APPLICANT pursuant to this AGREEMENT.

G. County and PROJECT APPLICANT make this AGREEMENT with full knowledge of the requirements of state and local law, including, but not limited to the California Environmental Quality Act (Public Resources Code Section 21000 et seq., hereinafter, "CEQA") and the State CEQA Guidelines (California Code of Regulations Title 14, Section 15000 et seq., hereinafter, "Guidelines") and the Monterey County Code.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED IN THIS AGREEMENT, PROJECT APPLICANT AND COUNTY AGREE AS FOLLOWS:

1. Deposits to Fund PSA and County Fee for Contract Administration. PROJECT APPLICANT shall deposit an amount equal to the CONTRACTOR's Base Budget and the County's contract administration fee. This amount totals \$75,494.00 and includes:

CONTRACTOR'S Base Budget:	\$72,324.00
County Contract Administration Fee (non-refundable):	\$ 3,170.00

PROJECT APPLICANT shall deposit a total amount of \$75,494.00 with County Planning Department upon approval of this AGREEMENT by the County of Monterey Board of Supervisors acting on behalf of the County, currently scheduled for June 28, 2011.

PROJECT APPLICANT's deposit of \$75,494.00 with County shall be a condition precedent to County's obligation under this AGREEMENT.

2. Fifteen Percent (15%) Project Contingency. An additional fifteen percent to CONTRACTOR's Base Budget shall be included in the PSA between County and CONTRACTOR to cover contingencies. This 15% Project Contingency totals \$10,849.00, and is subject to the procedures in *Section 3, Transfer from Project Contingency Account*, specified in "Exhibit A", *Scope of Services/Payment Provisions, for the San Ardo Produced Water Management Project*, of the PSA.

3. Maximum Budget Under AGREEMENT. The maximum amount which may be charged to PROJECT APPLICANT under this AGREEMENT is \$86,343.00

CONTRACTOR'S Base Budget:	\$ 72,324.00
County contract administration fee:	\$ 3,170.00
Project Contingency:	\$ 10,849.00

Maximum Charge Under AGREEMENT: \$ 86,343.00

4. Within thirty (30) days after the end of each month, County shall provide monthly progress reports to the PROJECT APPLICANT showing CONTRACTOR's charges from the prior month associated with completion of task(s) as specified in "Exhibit A" of the PSA (Scope of Services/Payment Provisions for THE PROJECT). Any funds remaining at completion of CONTRACTOR's services shall be returned to the PROJECT APPLICANT.

5. Engagement of CONTRACTOR. This AGREEMENT is based on County engaging CONTRACTOR in accordance with the PSA between County and CONTRACTOR, attached hereto and incorporated by this reference as Exhibit "1". CONTRACTOR shall be responsible only to County, and nothing in this AGREEMENT imposes any obligation on County or CONTRACTOR to PROJECT APPLICANT other than to devote the time and attention to preparing an Initial Study, staff reports, notices and other related and/or required documents for THE PROJECT. County shall provide direction and guidance to the CONTRACTOR. CONTRACTOR's contact(s) with PROJECT APPLICANT shall only be through County. PROJECT APPLICANT, its agents, employees, consultants, representatives or partners shall not contact CONTRACTOR directly in any manner unless at a public hearing, meeting, or workshop for THE PROJECT.

6. Payments to CONTRACTOR and County.

a. CONTRACTOR

CONTRACTOR's invoices shall be paid from funds deposited by PROJECT APPLICANT. Should this AGREEMENT be terminated prior to February 29, 2012, any unearned balance of the \$72,324.00 deposited by PROJECT APPLICANT to fund the PSA's Base Budget amount shall be returned to PROJECT APPLICANT within sixty (60) days of receipt of notice of termination by County.

b. County Contract Administration Fee

The County Contract Administration Fee shall be paid by PROJECT APPLICANT in accordance with the County of Monterey Land Use Fee Schedule, Resolution #08-132, passed and adopted by the County of Monterey Board of Supervisors on April 22, 2008. County Contract Administration Fee shall be non-refundable.

c. Project Contingency

An additional fifteen percent (15%) of CONTRACTOR's Base Budget, in an amount not to exceed \$10,849.00, covers potential contingencies, and transfer of any Project Contingency funds into the Base Budget shall require the approval of both County and PROJECT APPLICANT, pursuant to Section 3, Transfer from Project Contingency Account, of Exhibit "A" of the PSA. Within five (5) working days of receipt of a request from County, PROJECT APPLICANT shall approve or disapprove the Request for Transfer from Project Contingency and, if approved, at the same time submit a check to the County for the amount requested.

If PROJECT APPLICANT takes more than five (5) working days to respond to a Request for Transfer from Project Contingency, additional costs may accrue to CONTRACTOR, which may result in another Request for Transfer from Project Contingency.

d. Land Use Application Fees

The PROJECT APPLICANT agrees that PROJECT APPLICANT will separately pay land use application fees to cover County staff costs associated with processing of the project application and preparing THE PROJECT documents in accordance with the County of Monterey Land Use Fee Schedule, Resolution #08-132, passed and adopted by the County of Monterey Board of Supervisors on April 22, 2008. The fee schedule applicable to THE PROJECT is dated July 1, 2010, attached to this AGREEMENT as Exhibit "3", and incorporated herein by reference. PROJECT APPLICANT agrees to pay any remaining amounts due and owing for the required deposit upon approval of this AGREEMENT by the County of Monterey Board of Supervisors acting on behalf of the County, currently scheduled for June 28, 2011.

7. No Promise or Representation. PROJECT APPLICANT and County agree that nothing in AGREEMENT is to be construed as a representation, promise, or commitment on the part of County to give special treatment to, or exercise its discretion favorably for THE PROJECT, it being understood that PROJECT APPLICANT's funding obligation under AGREEMENT is undertaken without regard to County's actions regarding THE PROJECT.

8. Term. AGREEMENT shall become effective June 28, 2011 and continue through February 29, 2012, unless terminated pursuant to Paragraph 9 or amended pursuant to Paragraph 13 of AGREEMENT.

9. Termination. AGREEMENT shall terminate on February 29, 2012, but may be terminated earlier by PROJECT APPLICANT or County, by giving thirty (30) days' written notice to the other. Upon such termination, PROJECT APPLICANT shall immediately pay any outstanding invoices, as well as pay for any work performed by CONTRACTOR through effective date of termination

10. Entire Agreement. AGREEMENT and its attachments constitute the entire agreement between the PROJECT APPLICANT and County respecting the matters set forth herein. County and PROJECT APPLICANT each represent that neither has relied on any promise, inducement, representation, or other statement made in connection with AGREEMENT that is not expressly contained herein.

11. Negotiated Agreement. It is agreed and understood by PROJECT APPLICANT and County that AGREEMENT has been arrived at through negotiations and that neither is deemed the party which prepared AGREEMENT within the meaning of Civil Code Section 1654.

12. Assignment. Neither County nor PROJECT APPLICANT shall have the right to assign its respective rights and obligations hereunder without the written consent of the other party. This AGREEMENT shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

13. Amendment. This AGREEMENT may be amended, modified or supplemented only in writing by both County and PROJECT APPLICANT.

14. Contracting Officer. The contracting officer of County, and the only entity authorized by law to make or amend AGREEMENT on behalf of County, is the County of Monterey Board of Supervisors or a County employee whom they have specifically authorized.

15. Waiver. The failure of a party hereto at any time or times to require performance of any provision hereof shall in no manner affect its right at a later time to enforce the same. No waiver by a party of any condition or of any breach of any term contained in this AGREEMENT shall be effective unless in writing, and no waiver in any one or more instances shall be deemed to be a further or continuing waiver of any such condition or breach in any other instance or a waiver of any other condition or breach of any other term.

16. Governing Law. AGREEMENT shall be construed, interpreted and applied in accordance with the laws of the State of California applicable to commercial contracts entered into and to be performed wholly in California.

17. Construction. The language in all parts of AGREEMENT shall be construed, in all cases, according to its fair meaning. The parties acknowledge that each party has reviewed AGREEMENT and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of AGREEMENT.

18. Conflict with Professional Services Agreement between CONTRACTOR and County. In the event of a conflict between the provisions of AGREEMENT and the Professional Services Agreement between County and CONTRACTOR, the provisions of AGREEMENT shall govern.

19. Relationship of Parties. The parties agree that this AGREEMENT establishes only a funding arrangement between the parties, and that the parties are not joint venturers or partners.

20. Indemnification. PROJECT APPLICANT agrees to defend, indemnify and hold County harmless in any action brought by any third party in which the authority of the County to enter into AGREEMENT or the validity of AGREEMENT is challenged.

21. Counterparts. 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.

22. Notices. Notice to the parties in connection with AGREEMENT shall be given personally or by regular mail addressed as follows:

TO COUNTY: Mike Novo, AICP
Director of Planning
County of Monterey Resource Management Agency
Planning Department
168 W. Alisal Street, 2nd Floor
Salinas, CA 93901

TO PROJECT
APPLICANT: Darryl Gunderson
Regulatory Process Advisor
Aera Energy LLC
P. O. Box 11164
Bakersfield, CA 93389-1164

TO PROJECT
APPLICANT'S
REPRESENTATIVE: Maureen Wruck
Maureen Wruck Planning Consultants, LLC
21 West Alisal Street, Suite 111
Salinas, CA 93901

Notice shall be deemed effective at the time of personal delivery or seventy-two (72) hours after mailing.

IN WITNESS WHEREOF, PROJECT APPLICANT and County have executed AGREEMENT as of the day and year written below.

THE COUNTY OF MONTEREY

By: _____
Director of Planning

Date: _____

PROJECT APPLICANT*

Aera Energy LLC

By: Chris Jeans
(Signature of Chair, President or Vice President)

Its: Chris Jeans, Senior VP + CFO
(Print Name and Title)

Date: 6/16/2011

By: Harold A. Crundorff
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Assistant Treasurer)
Engineering Technology Manager

Its: Harold A. Crundorff, Engineering Technology Manager
(Print Name and Title)

Date: 6/16/2011

Approved as to Form and Legality
Office of the County Counsel

By: Cynthia A. Olson
Deputy County Counsel

Date: 6-17-11

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

EXHIBIT 1

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RINCON CONSULTANTS, INC.
AND THE COUNTY OF MONTEREY
FOR
THE SAN ARDO PRODUCED WATER
MANAGEMENT PROJECT**

Funding Agreement
Aera Energy LLC
San Ardo Produced Water Management
RMA – Planning Department
Term: June 28, 2011 – February 29, 2012
Not to Exceed: \$86,343.00

COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(NOT TO EXCEED \$100,000)

This Professional Services Agreement ("Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
Rincon Consultants, Inc.
(hereinafter "CONTRACTOR").

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

1. **SERVICES TO BE PROVIDED.** The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A in conformity with the terms of this Agreement. The services are generally described as follows:
Provide an Initial Study (IS), staff reports, notices and other related and/or required documents for the San Ardo Produced Water Management Project. The Scope of Work and related budget will be amended if it is determined that an Environmental Impact Report (EIR) is needed.
2. **PAYMENTS BY COUNTY.** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$ 83,173.00.
3. **TERM OF AGREEMENT.** The term of this Agreement is from June 28, 2011 to February 29, 2012, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.
4. **ADDITIONAL PROMISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:
Exhibit A Scope of Services/Payment Provisions
Exhibit B Incorporation of Request for Qualifications (RFQ)/Request for Proposals (RFP) Documents
5. **PERFORMANCE STANDARDS.**

5.01. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02. CONTRACTOR, its agents, employees, and subcontractors 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.

5.03. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR

shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. The Contract Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.02. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

7. TERMINATION.

7.01. During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02. The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. **INDEMNIFICATION.** Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The Contractor shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless the County under this Agreement.

9. INSURANCE.

9.01. 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 County's Contracts/Purchasing Department, 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 the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 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.

9.03 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 \$500,000 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).

9.04. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County 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 County 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 County of Monterey, its 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 County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, 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 County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County 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 County, at its sole discretion, to terminate this Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.01. Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02. County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03. Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04. Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05. Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, 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 and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including 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 County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Dalia Mariscal-Martinez, Management Analyst II	Rob Mullane, Planning Manager
Name and Title	Name and Title
County of Monterey, Resource Management Agency 168 West Alisal Street, 2nd Floor Salinas, CA 93901	Rincon Consultants, Inc. 1530 Monterey Street, Suite D San Luis Obispo, CA 93401
Address	Address
(831) 755-8966	(805) 547-0900
Phone	Phone

15. **MISCELLANEOUS PROVISIONS.**

15.01 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

15.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

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

15.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.06 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, 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.

- 15.08 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 15.13 Construction of Agreement. The County and CONTRACTOR 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 amendment to this Agreement.
- 15.14 Counterparts. 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.
- 15.15 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 15.17 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.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form¹

By: Cynthia L. Jasso
County Counsel

Date: 6-17-11

Approved as to Fiscal Provisions²

By: _____
Auditor/Controller

Date: _____

Approved as to Liability Provisions³

By: _____
Risk Management

Date: _____

Rincon Consultants, Inc.

Contractor's Business Name*

By: [Signature]
(Signature of Chair, President, or Vice-President)*

STEPHAN SVETE, Vice-President
Name and Title

Date: 6-16-11

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

Jo D. VanderPluy, CFO
Name and Title

Date: 6/16/2011

*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.

¹Approval by County Counsel is required only if changes are made to the standard provisions of the PSA

²Approval by Auditor/Controller is required

³Approval by Risk Management is required only if changes are made in paragraph 8 or 9

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

1.0 SCOPE OF WORK

1.1 OVERALL WORK PROGRAM AND APPROACH

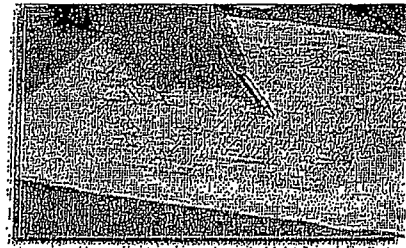
The consultant team will be responsible for preparation of an Initial Study-Mitigated Negative Declaration (IS-MND), Staff Reports for decision-maker hearings, notices and other related and/or required documents. The project manager will serve as an extension of County RMA staff, and will work independently on the assignment to a large extent, and will rely upon County staff for limited coordination, review of draft deliverables, and assisting with distribution of noticing for the CEQA document and for public hearings. The project manager will also provide regular updates to County staff regarding progress of the project.

The following scope of work presents a detailed description of the work tasks and approach to the assignment.

Task 1. Application Review/Project Scoping/Kick-off Meeting

Subtask 1.1 Initial Review of Application Materials.

Under the direction of the County, the consultant team will review and become familiar with planning and environmental documentation, maps and other aspects of the Project, including, but not limited to, application materials submitted by the Project Applicant; previously approved environmental documents for related or similar projects in the area, and the County's policies, procedures, and ordinances.



Subtask 1.2 Project Kick-off Meeting. As part of this task, Rincon's Project Manager will organize and attend a Project Kick-off Meeting. This meeting will serve as a forum to review and confirm study objectives, establish operational and communication protocol, collect any relevant studies, and confirm the project schedule. Rincon's Project Manager will prepare and circulate an agenda for the Kick-off meeting, and will also prepare and circulate the meeting notes following the meeting with any action items clearly identified as well as the responsible party for each action item.

If during the preparation of the IS, a determination is made that an Environmental Impact Report (EIR) is required, Rincon will immediately stop work and convene a meeting with County Staff. At that time, after conferring with the Project Applicant, the County may amend the contract to prepare an EIR.

Task 2. Field Visit to Project Site

Subtask 2.1 Initial Field Visit. Rincon's Project Manager shall schedule and attend, along with any other necessary staff, an initial field visit to the project site. The scheduling and attendees for this field visit will be developed in consultation with County staff and the project applicant. It is assumed that this field visit will be scheduled the same day as the Kick-off Meeting and will require between 2 to 5 hours for each staff person at the project site.

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

Subsequent field visits during the preparation of the environmental document and staff reports will be scheduled as needed, with Rincon's Project Manager coordinating with the project applicant representatives and in consultation with County staff.

Task 3. Preparation of the Initial Study/Mitigated Negative Declaration

Subtask 3.1 Administrative Draft IS-MND. Rincon will prepare an IS as required by State law, Monterey County Codes, and any other governing law. If it is determined, in consultation with County Staff, is that a Mitigated Negative Declaration is the appropriate environmental document, Rincon will prepare the IS-MND for public circulation as well as the required notices. Upon completion of the Administrative Draft Initial Study, Rincon will meet with County staff to go over recommendations for the appropriate level of CEQA documentation.

Rincon will use the County's IS checklist to focus the environmental document. The checklist's completion will be based on the information provided by the Project Applicant, Rincon's knowledge of potential effects relating to projects similar to the proposed Project, Rincon's knowledge of regulatory requirements from local, state and federal agencies, and requirements of County policies and regulations. Rincon staff will consult with appropriate responsible trustee, and other agencies that will review the IS during the preparation of the Administrative Draft IS-MND and continue this consultation throughout the Public Review period. Rincon will confer with the Project Planner regarding the completed IS checklist prior to commencing substantial work on the IS analysis.

The Initial Study for the project will contain an introduction, the project description, and an analysis of each environmental issue area on the current *CEQA Guidelines Appendix G Environmental Checklist*. The discussion of impacts in the Initial Study will provide the detail necessary to prepare findings of no significance for those issues where impacts are not anticipated, and will sufficiently analyze the impacts of more substantive issue areas. The key issues for this project's environmental review and the methodology for analysis of these issue areas are set forth below in *Technical Approach to Key Environmental Issue Areas*.

All drafts of the IS-MND, Notice of Completion, and Notice of Intent to Circulate a Negative Declaration will be provided to the County in Microsoft Word for Windows format and Adobe (.pdf) format.

Subtask 3.2 Notice of Completion and Notice of Intent (NOI) to Circulate a Negative Declaration. Rincon will prepare the Notice of Completion for distribution to the State Clearinghouse. Per the County's RFP, County Staff will deliver the Notice of Completion to the State Clearinghouse by mail along with required documents. Rincon will also prepare the NOI, using a Monterey County NOI template provided by the Project Planner and will prepare the document for distribution to the public and for publication in a newspaper of general circulation. County Staff will make all copies and distribute notices as required by law.

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

Subtask 3.3 Public Review Draft IS-MND. Rincon will prepare a Public Review Draft IS-MND in accordance with County procedures and State CEQA Guidelines. This task involves the incorporation of input from City staff after review of the Administrative Draft product, as well as the editorial work, communication processes, and production needed to publish the Draft IS-MND for public review and comment. County Staff will make copies, deliver the IS to the appropriate agencies and public, and provide required copies to the State Clearinghouse by mail along with required notices.

Subtask 3.4 Final IS-MND. Upon County collection and transmittal of all comments on the Draft IS-MND, Rincon will review these and prepare any appropriate revisions to the environmental document. Changes to the MND in response to comments received will be indicated as strike-through (for deletions) and underline (for insertions) text in the Final MND. Comment letters received on the Draft MND will be included as an appendix to the Final MND. Rincon will prepare an Administrative Final MND as part of the Administrative Final Staff report for County staff review and comment, and then will incorporate County comments in the Final MND that will be included with the staff report for the public hearings on the project.

Rincon has budgeted up to 22 hours of staff time for Preparation of the Final IS-MND.

Task 4. Preparation of the Staff Report and Related Exhibits

Subtask 4.1 Project Permit Processing. (This subtask has been deleted as a separate line item, and incorporated into Subtask 5.1, Project Coordination – see below.)

Subtask 4.2 Administrative Draft Staff Report. Rincon will prepare the Administrative Draft Staff Reports for the Planning Commission hearings (2 hearings are assumed), including all necessary resolutions, under the direction of County staff. This will include:

- Preparation of findings for the Project, which relate to the Project's consistency with various applicable County ordinances. Documents include, but are not limited to, the Monterey County General Plan, the South County Area Plan, and Title 21 (Zoning Ordinance) for the Inland Zone.
- Preparation of findings for CEQA compliance and the MND adoption. This task includes preparing findings and related conditions for all impact sections contained in the MND and related mitigation measures, and providing general findings related to MND adequacy, completeness, and statutory compliance.
- Preparation of the Mitigation Monitoring and Reporting Program (MMRP) and condition compliance program, according to the policies, procedures and format established by County. The MMRP will compile all of the mitigation measures developed within the body of the MND, as well as information necessary to monitor compliance with each measure.
- Development of conditions of approval for the Project. This task involves reviewing and

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

editing conditions provided by County Departments and other agencies. The task also includes the development of conditions of Project approval required by the County and conversion of applicable mitigation measures into conditions of Project approval.

Two Planning Commission hearings and therefore two separate staff reports are assumed for this assignment; however, staff report preparation and hearing staffing for any appeal to the Board of Supervisors may be required and is identified as an optional task in the proposal's Cost Estimate, below.

Subtask 4.3 Final Staff Report. Rincon will incorporate County review comments on the Administrative Draft Staff Reports into Final staff reports for each hearing (two Planning Commission hearings are assumed). Final staff reports will include all necessary resolutions and exhibits, as identified above in Subtask 4.2. In accordance with the RFP, Rincon assumes that County staff will take the lead on preparation of required public notices, and will assist with the compilation of mailing lists and the circulation of public notices associated with each hearing.

Task 5. Coordination, Meetings, Hearings, and Project Management

Subtask 5.1 Project Coordination. This subtask includes coordination with County staff and the applicant team, as well as interested agencies and parties throughout the processing of this project. The application has been determined "Complete" pursuant to the California Permit Streamlining Act. Rincon's Project Manager shall coordinate with the Project Applicant and assume a staff role for processing the development application through the remaining entitlement process. Rincon will be serving as an extension of County Planning staff in this role.

Rincon's project management team will provide project management support in this capacity in consultation with County staff. Rincon will also provide coordination with state, regional, and local agencies as it pertains to their review and comments on the environmental document. State and regional agencies with likely interest in the process include: California Department of Fish and Game, California Division of Gas and Geothermal Resources, California Department of Forestry, and the Regional Water Quality Control Board. Local agencies and organizations would likely include, but may not be limited to, the Monterey Bay Unified Air Pollution Control District, the South County Land Use Advisory Committee, the Center for Biological Diversity, the Ventana Conservation and Land Trust, and Halt Oil Drilling Now (HOLD) of Southern Monterey County.

Subtask 5.2 Meetings & Public Hearings. Rincon staff will attend and present at up to three (3) meetings with County staff and at two public hearings during this project. Meeting facilitation and presentation at hearings and meetings of County decision-makers are assumed in Rincon's scope of services. Rincon will also assist with preparation of materials and handouts for any site visits, public workshops, and hearings. Attendance at and preparation for two Planning Commission hearings are anticipated and included in the Cost Estimate below.

Meetings with County staff are assumed at key stages of the environmental review and during

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

the preparation of staff report materials. In addition to the kick-off meeting, a meeting with County staff is assumed to receive comments that County staff have on the Administrative Draft IS-MND, and a second meeting on the Administrative Draft IS-MND will be required to discuss the changes that the consultant team proposes in response to these comments. Other meetings will be scheduled if needed for resolution of other key County or consultant team concerns. It is assumed that consultant team staffing of these other meetings will be via conference call; however, should in-person attendance be required, optional meeting attendance at a cost of \$520 per-meeting, per-staff member is identified in the below Cost Estimate Table.

The RFP notes that any action by the Planning Commission may be appealed to the County Board of Supervisors. Any such appeal(s) would require a substantial level of effort for the preparation of the appeal staff report. Appeal Staff Reports require detailed, point-by-point rebuttals to appellant's contentions and are de novo hearings. A full Staff Report and new resolutions will need to be prepared. The resolutions will include the response to the appeal as part of the Project findings. Rincon has identified as an optional task a per-hearing cost for preparation of staff reports and attendance at any appeal hearings in the below Cost Estimate.

The RFP also notes the potential for an additional Planning Commission meeting/field trip to the project site. A separate optional task cost has been included in the Cost Estimate should a site visit by the Planning Commission be desired.

Subtask 5.3. Project Management. As part of this task, Rincon will prepare an internal project management plan and a quality control plan for the CEQA document and staff report deliverables. Rincon staff will manage the scope, cost, and schedule of the project to ensure that the review process is completed in accordance with the scope of services. Rincon's Project Manager will also provide the County Project Planner regular project status updates by phone and/or email, at the preference of the Project Planner. Such updates will be provided every two weeks.

1.2 TECHNICAL APPROACH TO KEY ENVIRONMENTAL ISSUE AREAS

Rincon will make maximum use of existing data, whether in certified EIRs, or existing agency, engineering, or scientific studies, including the following:

- Previously certified EIR for Monterey County General Plan.
- Previously adopted Mitigated Negative Declaration for PLN030660.
- Technical Reports submitted by the Project Applicant
- Monterey Bay Unified Air Pollution Control District (MBUAPCD) CEQA Guidelines
- MBUAPCD 2008 Air Quality Management Plan
- Monterey County General Plan, Monterey County Zoning Ordinance, and the South County Area Plan.

Aesthetics. This aesthetics section will include a discussion of the change in appearance of the site as a result of the installation of the water treatment plant and related equipment, including the detention basin, the stockpile area, the electrical substation, electrical metering station, and new power lines. Particular attention will be paid to potential changes in views and

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
 AERA Energy Project IS and Staff Support

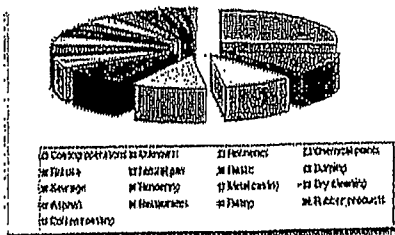
visual resources from public viewpoints, including from U. S. Highway 101 and Sargents Canyon Road. Construction-phase impacts, including site disturbance and use of construction equipment for construction of the water pipeline and work associated with the water infiltration galleries will also be analyzed. It is assumed that applicant team-prepared photo-simulations have been prepared and are adequate to depict potential visual impacts.

While most equipment would be located within an active oil production and processing field, such that the site is not visually pristine, certain components of the project would be visible from public viewpoints. The visual impact analysis will include an evaluation of the impacts resulting from the four proposed 100-foot tall evaporation towers, which will silhouette against ridgelines and be visible from U.S. Highway 101 and other public viewpoints.

Air Quality and Greenhouse Gas Emissions. The IS-MND will include separate evaluations of Air Quality issues and Greenhouse Gas Emissions, in keeping with the County's Initial Study checklist. As these issue areas are related, the approach to both is included here.

An Air Quality Impact Analysis was prepared by Insight Environmental Consultants (April 2010) for the project applicant, with a supplemental letter report prepared by Insight (October 2010) with respect to Greenhouse Gas emissions. A preliminary review of these reports indicates that while the supplemental report considered possible long-term operational GHG emissions associated with increased production, criteria pollutant emissions associated with possible increased oil production was not considered in the April 2010 report. Rincon proposes to peer review both reports and where applicable, to incorporate the emissions estimates and environmental setting information.

The resulting air quality discussion for the Initial Study will describe the meteorological conditions and discuss ambient air monitoring data collected for the region. A description of the regulatory framework relating to air quality (e.g., California Clean Air Act, Air Quality Management Plan, etc.) will also be provided. Construction-related emissions, including equipment exhaust and fugitive dust emissions as quantified by the Insight report (April 2010) will be peer reviewed for accuracy. Possible operational emissions associated with increased oil production will be quantified using either the URBEMIS air quality model (for consistency with the Insight report) or the newly released CalBEMod™ model. The latter model (developed by the South Coast Air Quality Management District for statewide use) uses current emission estimating methodology that also includes greenhouse gas emissions, including indirect emissions associated with electrical energy use.



Rincon will coordinate with the Monterey Bay Unified Air Pollution Control District (MBUAPCD) to determine which model may be most appropriate for their review purposes. In addition to the fugitive dust controls proposed by the Insight report, Rincon will determine if additional mitigation measures are necessary and will incorporate those into the environmental document.

Rincon will also coordinate with the MBUAPCD with respect to the applicant's current Permit to Operate (PTO) for the oil field facilities. The Insight report indicated that the evaporator

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

units proposed were specifically exempted under Rule 201 (presumably Part 4.12.4), and it is presumed that increased production is already within the limits of the PTO. Rincon will review the PTO with respect to the total operations and discuss with the MBUAPCD any anticipated need to amend the PTO as a result of other rules that may apply to the project, such as Rule 400 (Visible Emissions) or Rule 218 (Title V: Federal Operating Permits), the latter of which recently (November 17, 2010) set a GHG limit of 100,000 tons per year of carbon dioxide equivalent (CO_{2e}) greenhouse gas emissions.

In the event that MBUAPCD determines that revisions to the PTO are required, Rincon will prepare the analyses such that the Initial Study may be used by the MBUAPCD as a responsible agency in such permit action. Please note that at this time, our cost estimate does not presume the need for a PTO modification; therefore at such time that a PTO modification is determined to be required, we will prepare a supplemental cost estimate if necessary to perform any additional required analyses.

Biological Resources. The biological resources analysis will include a review of existing reports (Padre Associates, Inc. 2010, etc.), plans, databases, and literature as well as reconnaissance-level field surveys to ground-truth existing information and document incidental observations of special status plant and animal taxa (species, subspecies, varieties) and terrestrial natural communities known or with potential to occur on the proposed project site. Upon preliminary review of the proposed project activities and previously documented biological resources on-site, expected impacts to such resources may result from direct disturbance through construction of the proposed facilities, operational disturbance through routine operation and maintenance activities, and effects to water supply and/or quality through hydrological modifications.

The proposed project site is located in Monterey County's Salinas Valley, an area known for the presence of special status plant and animal taxa and terrestrial natural communities. Accordingly, a Biological Resources Survey Report (Padre Associates, Inc. 2010) was prepared by the applicant team for the proposed project. California annual grassland and ruderal/developed were the dominant on-site vegetation communities/ habitat types identified in this report. Other vegetation communities documented as occurring within the project site include oak woodland, mixed riparian, alluvial scrub, and coyote bush scrub. Potential waters of the U.S., waters of the State of California, and other jurisdictional areas were noted to occur as inclusions within these vegetation communities/habitat types in the form of ephemeral streams, riparian vegetation, and seasonal swales. Nine special status animal taxa (San Joaquin coachwhip [*Masticophis flagellum ruddocki*], southwestern pond turtle [*Actinemys marmorata pallida*], burrowing owl [*Athene curricularia*], northern harrier [*Circus cyaneus*], loggerhead shrike [*Lanius ludovicianus*], tri-colored blackbird [*Agelaius tricolor*], American badger [*Taxidea taxus*], Monterey dusky-footed woodrat [*Neotoma macrotis luciana*], and San Joaquin kit fox [*Vulpes macrotis mutica*]), and bats and other raptors and migratory birds in general were reported to occur or suggested to have a moderate to high potential of occurring on-site. No special status plant taxa or terrestrial natural communities were identified in this report as occurring on-site.

Rincon biologists will conduct the aforementioned biological resources analysis with the express purpose of: 1) confirming the accuracy of existing data on biological resources; and 2)

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

supplementing the existing data with independent and original biological field observations and impacts analyses. Based on our preliminary review of the Biological Resources Survey Report (Padre Associates, Inc. 2010), Rincon assumes that additional field studies to determine the extent of waters of the U.S., waters of the State of California, and other jurisdictional areas and the presence/absence of special status plant and animal taxa on the proposed project site are likely to be required (these studies are presented as optional tasks and outlined in detail following our Initial Study scope of work for biological resources). Our scope of work will consist of the following tasks:

- Identification of the biological resources environmental baseline for the project to determine if the site contains any special status plants or animals, peer review of the submitted Biological Resources Survey Report prepared by Padre Associates, Inc. (2010), and review of the goals and policies set forth in the County's 2010 General Plan.
- Review of the U.S. Fish and Wildlife Service (USFWS) Ventura Office website for federally listed species occurring in Monterey County, review the USFWS Critical Habitat Portal to evaluate the extent of designated critical habitat occurring in the vicinity of the proposed project, query and review the California Natural Diversity Database (CNDDDB) for special status plant and animal taxa occurrence records within the U.S. Geological Survey (USGS) quadrangles including and surrounding the proposed project, and query and review the California Native Plant Society (CNPS) online Inventory of Rare and Endangered Plants of California for special status plant taxa occurrence records within the USGS quadrangles including and surrounding the proposed project.
- Coordination with state and federal agencies, including the USACE, USFWS, RWQCB, and CDFG, as well as conservation organizations such as CNPS and Audubon Society as needed.
- Conducting reconnaissance-level biological field surveys to confirm accuracy of previous studies. It is anticipated that the County will provide the biological resources spatial data in a digital, reproducible format to be used in the impact assessment; however, we have developed a budget such that the field and graphics time will be adequate to prepare maps depicting the previously documented and Rincon-verified biological resources occurring on the proposed project site. Rincon will initially focus field efforts on ground-truthing existing data and assessing the suitability of habitat on-site to support special status taxa that were identified in the Biological Resources Survey Report (Padre Associates, Inc. 2010).
- Analyses of potential direct and indirect impacts to common and special status biological resources, including terrestrial natural communities, wetlands, and wildlife corridors identified on-site and immediately off-site resulting from the proposed project (impacts may include changes in hydrological and water quality conditions, vegetation clearance and management including fire safety, increased use of water resources, and

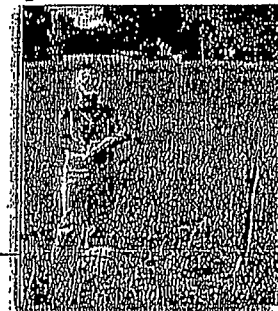


EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

erosion and sedimentation within the drainages on and in the vicinity of the site including impacts to the Salinas River). This section will be closely coordinated with the water resources and drainage evaluation components of the Initial Study that will review the effects of the proposed onsite subsurface detention facilities.

- Analyses of cumulative impacts to biological resources resulting from the proposed project that takes other existing and proposed projects in the vicinity into consideration to describe the subject project's cumulative contribution to biological impacts.
- Identification of feasible avoidance, minimization, and mitigation measures with the intent of reducing impacts to biological resources on- and off-site resulting from project development to less than significant levels.

Optional Biological Resources Task

Rincon is available to assist the County beyond the scope of work presented above for the proposed project, if needed. We have a wealth of experience with other biological resources of concern to the agencies, as well as with the preparation, processing and approval of regulatory permits that accompany simple to complex projects. At this time, we have assumed that potentially suitable habitat for several listed species may exist on- or immediately off-site and that permitting requirements may involve the USFWS (Incidental Take Permit to comply with Section 7 or Section 10 of the federal Endangered Species Act), CDFG (Incidental Take Permit to comply with Section 2081 of Fish and Game Code), USACE (Department of the Army Permit to comply with Section 404 of the Clean Water Act [CWA]), RWQCB (Water Quality Certification to comply with Section 401 of the CWA), and/or CDFG (Streambed Alteration Agreement to comply with Fish and Game Code 1600 *et seq.*). Rincon will determine the potential need for wetland waters permitting requirements upon completion of the reconnaissance-level biological field surveys. Accordingly, Rincon would be available to complete the following optional task, if needed as determined by the outcome of the initial site investigation:

- *Optional Task 1 - Delineation of Waters of the U.S. and State of California*

A description of this optional task is included the appendix to the scope of work, and the cost estimate is included in the project's cost estimate in Section 2.0 below.

Cultural Resources. Three Archaeological Survey Reports were recently completed for the proposed project by Thor Conway of Heritage Discoveries, Inc. between November 2008 and March 2010. These reports were prepared on behalf of the applicant and cover different portions or components of the proposed project: the produced water treatment plant and treated water pipeline, the infiltration basins, and the proposed electrical transmission line corridor.

Peer review of the Heritage Discovery cultural resource surveys will be conducted by Rincon's cultural resources subconsultant, Far Western Anthropological Research Group (Far Western). This peer review will include an evaluation of document contents, including background research, field methods employed, merit of findings, and recommendations in regard to current

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

professional standards. A letter report detailing the review results will be prepared, and it is assumed that the peer review will determine that the previous studies are adequate to reach CEQA significance threshold conclusions. Rincon staff will incorporate the conclusions of the peer review and Heritage Discovery survey reports into the Cultural Resources section of the IS-MND.

Geology and Soils. The proposed project would locate additional industrial development and infrastructure in areas that may be subject to various geological hazards. The Geology and Soils section will describe the geologic setting of the site and will include a discussion of potential soil and geological hazards that could affect proposed project components. The analysis will include review of information available from the County's Safety Element, information sources from the California Division of Mines and Geology, the USDA Soil Conservation Service Soil Surveys for Monterey County, and the following applicant team-prepared reports: Geotechnical Engineering Investigation (Krazan and Associates, March 2009) and Geologic Hazards Investigation (Krazan and Associates, December 2010).

Rincon's Certified Engineering Geologist will peer review these reports, including the reports' conclusions and recommendations, and incorporate peer-reviewed information on potential geologic hazards. The analysis will evaluate hazards related to seismicity, slope stability, and soils, and identify any geologic constraints as well as appropriate mitigation measures using the applicant-prepared reports on geotechnical conditions and geologic hazards, as refined by Rincon's peer review and independent analysis.

Hazards and Hazardous Materials. The assessment of impacts in this section will focus on the new equipment and operational changes that would pose new potentially significant impacts. In particular, potential impacts from the produced water treatment plant's operations and storage and use of chemicals for the water treatment process will be analyzed, including operational interruptions during rainy periods and in response to upset conditions. Also evaluated will be potential risks from increased sales oil throughput in the operational phase as reservoir pressures are reduced and water cut diminishes. The potential for oil, fuel, or drilling lubricant spills resulting from construction activities and changes in oil production as a result of the project will be evaluated and mitigation measures identified as appropriate. Other non-geologic hazards such as risk of wildfires and interference with emergency response will also be addressed in this section.

Revisions to the facility's Spill Control and Countermeasures Plan (SCCP) will likely be needed to mitigate the potential for future spills. The IS-MND will review this plan and identify the significance of new potential hazards issues. The IS-MND will summarize standard mitigation measures and identify additional measures needed to mitigate potential environmental effects.

An important aspect of the hazards and hazardous materials section will be the potential for encountering soil or groundwater contamination during project construction activities, and in relation to the proposed infiltration galleries in particular. Additional assessment and potential soil or groundwater remediation requirements may be needed for one or both infiltration areas, although it is reported that the southern area has not been used historically for oil production. This additional assessment could be performed as part of the environmental review, or as

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

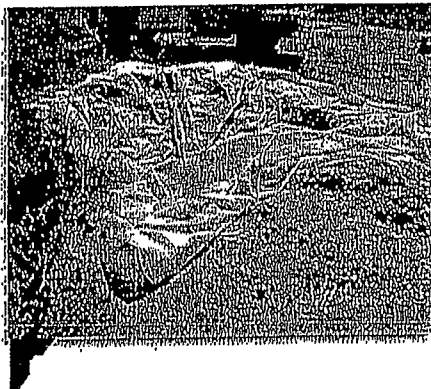
needed prior to project construction. The scope of work for the IS-MND assumes that additional assessment may be required prior to gallery installation, and will identify mitigation requirements if feasible performance-based measures can be developed. Additional assessment requirements may be quite extensive in the northern infiltration gallery areas, as these are the site of current and historical oil field production.

In the event that additional assessment of these areas is desired to be conducted concurrently or as part of the environment review, Rincon has identified a work program for a Phase 2 environmental site assessment as an optional task. Should further assessment not be completed as part of the environmental review, Rincon will rely upon our extensive experience with remediation to make assumptions regarding the level of contamination likely to be present in the infiltration areas and construction areas, develop performance-based mitigation measures to address potential contamination issues, and identify potential secondary impacts related to grading, contaminated soil transport to appropriate disposal sites, and other foreseeable environmental impacts from remediation activities.

Optional Task 1 – Phase 2 Environmental Site Assessment

A summary of the Phase 2 Environmental Site Assessment optional task is provided here, and a more detailed work program is provided as an appendix to this proposal. This assessment would provide important information regarding the area where the water discharge is to occur, as these areas may contain contaminated soil as a result of the oil extraction, storage, or other activities. If there are contaminated soils in these areas, then the discharge of groundwater through these soils could cause the discharged water to carry contaminants to the groundwater and spread contaminants through the aquifer system. To determine if this would be likely to occur, we propose to conduct an environmental assessment of current soil and groundwater conditions in the area where water discharge is proposed. The scope of work of the Phase 2 Site Assessment would involve the collection and analysis of soil matrix and groundwater samples from the subject site.

Hydrology and Water Quality. This section of the IS-MND will include an evaluation of the potential for water quality impacts and impacts on water resources, such as the Salinas River and the Salinas River Valley Aquifer. The potential for turbidity, contaminant entrainment, and other water quality impacts to result from the proposed project during both construction and operational phases will be evaluated and discussed. The effect of the project's proposed groundwater recharge on the Salinas River Valley Aquifer will be described, as well as any growth-inducing effects of potential ground-water recharge.



The applicant retained the services of Geomega to prepare an April 22, 2010 Hydrogeologic Modeling and Engineering Design Report. This report provides information and conclusions on potential hydrogeological impacts resulting from the produced water treatment component of the proposed project. Rincon's Certified Hydrogeologist will peer review this report, including its conclusions and recommendations,

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

and incorporate peer-reviewed information on potential hydrogeological impacts into this section of the IS-MND. Rincon's level of effort for this task assumes that the peer review will determine that the applicant team-prepared report adequate to reach CEQA significance threshold conclusions.

In particular, the water quality of both produced (pre-treated) and treated water will be described, as well as the potential for water quality impacts resulting from produced water spills and/or failure of chemical storage tanks associated with the treatment plant. Similarly, the potential for contaminant entrainment from contact with contaminated soil or groundwater at the infiltration galleries will be assessed, as the infiltration galleries include areas that are currently—or have been historically—in active oil field operation. For this portion of the analysis, results of site assessment testing and sampling, if conducted for the Hazards and Hazardous Materials evaluation, will be incorporated. Potential downstream impacts of water quality impacts will be evaluated, and mitigation measures identified.

Transportation/Traffic. A traffic analysis for the proposed project was prepared as part of the application by Hatch Mott MacDonald (HMM) in November 2010. Rincon's traffic subconsultant, OMNI-MEANS, Inc., will peer review the HMM traffic analysis and provide additional assistance for the Transportation/Traffic section. It is assumed that the peer review will determine that the applicant team-prepared study is adequate to reach CEQA significance threshold conclusions. Rincon staff will incorporate the conclusions of the HMM traffic study, as amended by the consultant team's peer review, into the Transportation/Traffic section of the IS-MND. OMNI-MEANS will prepare for and attend meetings as needed for the project. OMNI-MEANS has budgeted for attendance at one (1) such project meeting, but is available to attend additional meetings or hearings on a Time and Materials basis.

OMNI-MEANS assistance with the traffic analysis for this project will include the following components.

Subtask 1. Management and Meetings. This includes review of all project-related material, including: site maps, land use quantities, site access locations, project descriptions, project applications, past transportation studies, recent transportation studies within the study area, agency transportation planning documents (including general plan circulation elements, and/or specific plan circulation elements).

The OMNI-MEANS Project Manager will conduct an initial field review, and review and will also obtain any additional information which the County may have pertinent to this project. Project management work items, along with ongoing communication, correspondence and coordination with the involved agencies and environmental consultant team will be conducted as part of this task.

Subtask 2. Conduct Peer Review of Traffic Study. OMNI-MEANS will conduct a technical peer review of the traffic study submitted as part of the AERA Energy project development application. The review will cover all technical engineering analysis contained in the traffic study along with a determination of whether the methodology of technical analysis is appropriate for determination of potential impacts. In addition, the

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

scope of traffic study regarding areas of potential impact included in the study will be reviewed, and a determination made concerning if additional locations should be included in the traffic study.

Subtask 3. Prepare Technical Memorandum. OMNI-MEANS will prepare a detailed technical memorandum summarizing the finding of our peer review. The report will include all necessary tables, graphics and text to adequately document this review. The memorandum will include a final recommendation regarding the adequacy of the traffic study reviewed in regards to the determination of impacts associated with the proposed project.

Subtask 4. Agency Review and Response to Comments. The draft technical memorandum will be submitted to the client and County for review and comment. Following review of the draft memorandum by the client and local agencies OMNI-MEANS will prepare a final memorandum for use in completing the project's environmental review. Comments received on the draft and final environmental documents will be responded to by revisions to the technical memorandum (or in a standard Response to Comments format), and submitted to the client for use in the project's final CEQA document. OMNI-MEAN's budget includes labor required for assisting in response to comments on the Transportation/Traffic section. Budget is provided to respond to approximately 12 comments that require a detailed response, and 25 comments that require less involved responses.

Other Environmental Issues. The review and analysis for the IS will include the following other issue areas, using the format and organization of the County's Initial Study template.

- Agricultural and Forest Resources
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Cumulative Impacts

Rincon staff will conduct the analysis of these issues, identify any potentially significant impacts, and include any appropriate mitigation measures. The level of effort for analysis of these issue areas is anticipated to less than the issue areas discussed above, and the estimated budget for analysis of these sections of the IS-MND is provided as a single line item in the cost estimate table in Section 2.0.

2.0 INITIAL BUDGET

The services outlined above will be provided in accordance with our proposed scope of services for a cost not to exceed \$72,324. If an EIR is determined necessary during the preparation of the Initial Study, Rincon will halt work and confer with the County on the preparation of a new

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

scope of services and cost estimate, as requested in the County's RFP. The proposed scope of services and associated costs are fully negotiable to meet the needs of the County of Monterey. Optional tasks identified in the County's RFP or developed by the consultant team in the course of preparing this scope of work have costs assigned and are reflected in the Cost Estimate table. Additional work not included within our proposed work program will be completed only upon written authorization in accordance with our standard fee schedule. ~~This offer for professional services will remain in effect for a period of 90 days from the date of this proposal. During this period,~~ questions regarding our proposed scope of services may be directed to Rob Mullane, Planning Manager with Rincon Consultants, or Steve Svete, AICP LEED AP ND, Principal.

(Date)

Dus

The attached table provides a breakdown of the proposed budget by major work item. The not-to-exceed cost includes preparation and production of the Administrative Draft Initial Study, the Notice of Completion, the Notice of Intent to Circulate a Negative Declaration, the Public Review Draft Initial Study/MND, the Administrative IS-MND, the Final MND, and administrative draft and final staff reports. The staff report cost estimate also includes all services and deliverables related to staff report preparation: Resolutions, Findings, Policy Consistency Analysis, the Mitigation Monitoring and Reporting Program, and Conditions of Approval.

(Contractor's Initials)

Overall, we have budgeted 42 hours of Principal- and Senior-level professional time for project management, including oversight of staff and subconsultants and coordination with County staff. We have budgeted 22 hours of professional time to address to comments on the Draft IS-MND, and an additional 76 hours for preparation of staff reports and related staff report exhibits.

Attendance by one or more of the management team at a project kickoff meeting, field site meeting, three additional staff meetings, and two public hearings before the Planning Commission is included in the estimated budget. As specified in the RFP, an optional site meeting with the Planning Commission is identified as a separate task, as well as optional additional in-person meetings if needed. Also as specified in the RFP, we have identified, as an optional cost, the budget required for preparation of staff reports and attendance at up to two Board of Supervisors meetings in the event of an appeal of the Planning Commission decision.

Other field work meetings for specific issue areas (biology, visual resources, site assessment, etc.) are assumed, and are included in the budget for the pertinent issue area task. Additional working meetings or teleconferences with County staff, representatives of the applicant team, staff from responsible and trustee agencies, and interested parties is assumed and included in the project management line item within the budget. Teleconferences with County staff during preparation of the Initial Study/MND and staff reports are assumed to be part of the process and are not called out as separate costs in the proposal. These would be scheduled as needed, and it is assumed that conference calls will suffice for most if not all of these meetings.

Supplies and Miscellaneous Expenses. This category includes charges such as travel/vehicle expenses, postage or overnight delivery, meals for staff doing field work or attending meetings, equipment, phone calls, and similar direct expenditures.

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

General and Administrative Costs. General and Administrative charges include office overhead expenses and sub-consultant management fees.

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

3.0 SCHEDULE AND MAJOR DELIVERABLES

Based on the project schedule identified herein, which assumes two- or three-week County review turnaround times on all major deliverables and a 30-day public review period, the Final IS-MND will be completed within approximately four months of project kickoff. If a longer public review period is granted, time between hearings adjusted, or if staff review times need to be augmented, the schedule will be adjusted accordingly. The Final Staff Report for the first public hearing will be complete within five months from project kick-off, with the public hearings commencing approximately three weeks later (end of Month #5).

As noted in the RFP, all deliverables will consist of one hard-copy and one digital copy (via email attachment, FTP site, or CD-ROM) in both Microsoft Word and Adobe Acrobat formats. County staff will be responsible for printing and distribution of the Draft and Final IS-MND, Staff Report materials, and required notices.

- *Administrative Draft IS-MND.* One copy (in both hard-copy and digital formats) of the Administrative Draft IS and an accompanying recommendation for the appropriate level of subsequent CEQA review will be provided within one month of award of contract. A three-week County review turnaround is assumed.
- *Public Review Draft IS-MND, Notice of Completion, and Notice of Intent.* Within one week of the receipt of consolidated comments generated by County review of the Administrative Draft IS-MND, Rincon will deliver one copy of the Draft IS-MND, NOC, and NOI for distribution.
- *Administrative Draft Staff Report.* Approximately two weeks into the public review period for the Draft IS-MND, Rincon will commence work on the Administrative Draft Staff Report. This will be complete within one week of receipt of all comments on the Draft IS-MND, and Rincon will submit one copy of the Administrative Draft Staff Report, which will include the Administrative Final IS-MND, to the County for review. The staff report will include all required exhibits: Resolution, Findings, MMRP, correspondence, etc. Two weeks are assumed for County review.
- *Final Staff Report.* Within two weeks of the receipt of County comments, Rincon will provide one copy of the Final Staff Report. The first public hearing is assumed to be approximately 3 weeks from submittal of the final staff report.
- *Subsequent Staff Reports* (for the second Planning Commission public hearing, and for any appeal to the Board of Supervisors) are assumed to require less time by Rincon staff to prepare and less time by County staff to review. However, with noticing and review by department head(s) and County Counsel, a total of 2 to 4 weeks between hearings is assumed.

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
AERA Energy Project IS and Staff Support

County of Monterey
AERA Energy Environmental Document and Staff Support
Revised Cost Estimate

13-May-11

Tasks	Cost	Hours	Rincon Consultants					
			Sr. Principal \$176/hour	Project Mgr \$130/hour	Asst. PM or Sr. Biol. \$115/hour	Analyst \$85/hour	Graphics/GIS \$75/hour	Clerical \$55/hour
1. Application Review/Project Scoping/Kick-off								
1.1 Initial Review of Application Materials	\$1,355	11		10				1
1.2 Project Kick-off Meeting	\$1,010	8		6	2			
2. Field Visit to Project Site								
2.1 Initial Site Visit	\$1,780	16		4	8	6		
3. Preparation of IS-MND								
3.1 Admin Draft IS-MND								
Intro, Project Description, Setting	\$2,010	20	1	2	4	8	4	1
IS Checklist	\$720	6		2	4			
Aesthetics	\$2,365	23	1	4	8	6	4	2
Air Quality	\$3,145	27	8	4		16		1
Biological Resources	\$4,370	42	4	4	8	20	6	2
Cultural Resources	\$795	8		1	2	4		1
Geology and Soils	\$3,265	28	8	1	2	12	4	1
Greenhouse Gas Emissions/Climate Change	\$2,445	22	4	1	2	14		1
Hazards and Hazardous Materials	\$2,745	21	6	8	8	8		1
Hydrology and Water Quality	\$8,920	46	32	2	2	5	4	1
Transportation/Traffic	\$1,475	16	1	1	2	4	6	2
Other Issue Areas	\$1,480	14	1	2	2	8		1
3.2 Notices: NOC and NOI	\$495	4		1	1	2		
3.3 Public Review Draft IS-MND	\$1,665	16	1	3	3	6	1	2
3.4 Responses to Comments/ Final IS-MND	\$2,520	22	3	6	3	8		2
4. Staff Report and Related Exhibits								
4.2 Admin Draft Staff Reports (2 hearings)								
Staff Report and Resolutions	\$3,135	29	1	12	8		2	6
Findings and Policy Consistency	\$2,505	23	1	8	2	10		2
MMRP and Conditions	\$1,275	14	1	3		4		6
4.3 Final Staff Report (2 hearings)	\$1,360	10	2	6	2			
5. Coordination, Hearings, and Project Management								
5.1 Project Coordination	\$2,545	19	3	12	4			
5.2 Meetings (3) and Public Hearings (2)	\$4,110	30	6	20	4			
5.3 Project Management	\$5,810	42	10	28				4
Subtotal Rincon Labor:	\$61,000	517	92	161	67	139	31	37
Additional Costs								
Subconsultants: Far Western - peer review cultural	\$1,700							
Omni-Means - peer review traffic	\$5,929							
Printing: 2 hard copies, 2 CDs (or pdf) of IS/MND	\$160							
2 hard copies, 2 CDs (or pdf) of Staff Report	\$240							
Supplies and Miscellaneous Expenses	\$1,818							
General and Administrative	\$1,477							
Subtotal Additional Costs:	\$11,324							
TOTAL: Labor + Additional Costs	\$72,324							
Optional Tasks								
Biol. Resources: 1. Jurisdictional Delineation	\$4,860							
Hazards/Haz Mat: Phase 2 Env. Site Assessment	\$63,085							
Meetings/Hearings: Planning Commission Site Meeting	\$980							
Each Addl. Meeting (cost per staff memb)	\$520							
Each Addl. Public Hearing/Staff Rpt.	\$2,600							

Usage of funds for services designated as optional tasks requires pre-authorization by the Resource Management Agency, Planning Department, Planning Director and Project Applicant. These optional tasks may be funded through the Contingency Budget and/or additional funding may be amended into the Base Budget of the Professional Services Agreement (PSA) for these tasks. Work cannot commence on any services amended into the PSA until the amendment has been executed.

CMS
(Contractor's Initials)

6-16-11
(Date)

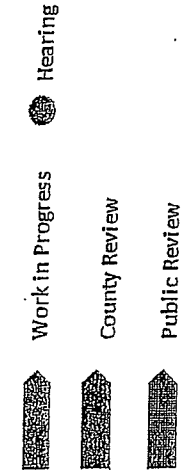
EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Scope of Work
 AERA Energy Project IS and Staff Support

County of Monterey
 AERA Energy Project IS-MND

Proposed Schedule

Task	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Administrative Draft IS/MND	Work in Progress	Work in Progress				
Public Review IS/MND, NOC, & NOI		County Review	County Review	County Review		
Administrative Draft Staff Report			Public Review	Public Review		
Final Staff Report						
Public Hearings					Hearing	Hearing



County of Monterey

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS



APPENDIX

Optional Task for Biological Resources Section

Optional Task 1 – Delineation of Waters of the U.S. and State of California

Streams, wetlands, and riparian habitats potentially qualifying as waters of the U.S. and/or state of California were observed on-site, and thus, these features may fall under the jurisdiction of the U.S. Army Corps of Engineers (USACE), Regional Water Quality Control Board (RWQCB), and/or California Department of Fish and Game (CDFG). Rincon recommends further study of the potential jurisdictional features on-site in the form of a delineation of waters of the U.S. and state of California. The delineation methods and results, including associated spatial data pertaining to jurisdictional waters of the U.S. and state of California, will be presented in a stand-alone report sufficient for submittal to the agencies for verification and incorporated into the Biological Resources section of the Initial Study. Rincon's wetland specialists will ensure that the waters data is accurate and reflects the extent, types, and jurisdictional status of waters on the proposed project site. Correspondence with the appropriate agencies will also occur to assess their review of the submitted report, and determine if they concur with the findings presented therein or require additional information to evaluate the extent and characterization of the wetland and non-wetland waters on-site. We assume that no impacts to waters of the U.S. or state of California would result from the proposed project; however, agency permits and/or authorizations may be necessary if avoidance is not feasible.



APPENDIX

**Optional Task for Hazards and Hazardous Materials Section
Phase 2 Site Assessment**

We have developed the following scope of work to collect and analyze soil matrix and groundwater samples from the subject site. This scope of work should be considered tentative and subject to revisions based on a detailed evaluation of the historical oil field operations that occurred in the area to be assessed. The scope and cost is provided here for budgetary purposes.

Project Strategy

The Aera Energy project involves discharging produced water into a groundwater infiltration gallery. The discharged water will percolate through the unsaturated sediments and reach groundwater. The groundwater flows northward towards Salinas. There are two proposed sites where water discharge is to occur. The northern discharge site is within an area where recent active oil extraction is occurring or has occurred. When looked at now, the southern discharge area seems less affected by oil extraction. However, what is visible now might not reflect historic oil extraction, pipelines, or tank farm locations.

The concern is that the area where the water discharge is to occur may contain contaminated soil as a result of the oil extraction, storage, or other activities. If there are contaminated soils in these areas, then the discharge of groundwater through these soils could cause the discharged water to carry contaminants to the groundwater and spread contaminants through the aquifer system. To determine if this can occur, we propose to conduct an environmental assessment of current soil and groundwater conditions in the area where water discharge is proposed. Prior to development of this strategy, we reviewed the Geomega hydrogeological report. Geomega identified groundwater at a depth of between 15 and 20 feet in many areas of the proposed discharge area. They did not sample the soil matrix samples for oil field contaminants. They did collect three groundwater samples out of nine groundwater monitoring wells that they installed and had those samples analyzed for certain chemicals, such as volatile organic compounds (VOCs) and semi-volatile organic compounds (SVOCs). The three groundwater samples did not have detectable concentrations of VOCs or SVOCs.

For this assessment, we will drill up to 30 soil borings to about 20 feet below grade, groundwater, or equipment refusal. A Geoprobe direct push rig will be used to drill these borings. Soil matrix samples will be obtained at 5 foot vertical intervals. We estimate that up to four soil matrix samples will be collected from each boring. If groundwater is encountered, we will collect a groundwater sample from the boring. The samples will be analyzed for contaminants, including VOCs, total extractable petroleum hydrocarbons (TEPH), and total metals. Groundwater samples will be analyzed for VOCs and TEPH. Prior to determining the locations of these 30 proposed locations, we will review current and historic oil field maps provided by Aera Energy. The boring locations will target areas where oil field contaminants are likely to occur, such as near oil wells, drilling mud pits, tank farms, known oil spills, or along pipelines.

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

APPENDIX

Site Assessment Scope of Work

Review Oil Field Maps

Prior to determining the location of the borings, we will review oil field maps provided to us by the County of Monterey or Aera Energy. The purpose of the review is to determine likely places where oil spills may have occurred.

Health and Safety Plan

Prior to the commencement of any field sampling, we will prepare a health and safety plan. This plan describes the steps necessary to minimize exposure of the field crew to contaminants. The preparation of such a plan is required by Federal guidelines for site assessment work.

Utility Notification

Prior to the commencement of any subsurface sampling, we will pre-mark the site and proposed boring locations and notify Underground Service Alert utility marking service. California law requires this notification. The utility marking service identifies known utility locations in the public right of way. However, it should be noted that USA often does not mark the location of subsurface utilities located on private property. We will show the proposed sampling locations to Aera personnel for their approval of the sampling areas prior to drilling the borings.

Soil Sampling and Analysis

We will use a Geoprobe sampling rig to collect soil samples from this site. Up to 30 soil borings will be drilled to a total depth of 20 feet below surface grade, to groundwater, or to equipment refusal, whichever is encountered first. Soil matrix samples are to be obtained at five foot intervals starting from 5 feet below grade and extending to total depth drilled. If groundwater is encountered, then a groundwater sample is to be obtained.

In an effort to provide a reasonable scope of work upon which we can prepare a cost bid, we have assumed and based our cost proposal on the following parameters:

- 30 borings will be drilled with the Geoprobe rig.
- Each boring will be drilled to 20 feet below grade.
- Soil samples will be collected at 5, 10, 15, and 20 feet below grade at each location.

We anticipate that the drilling and soil sampling can be conducted in five days. We will use a Geoprobe direct-push drill rig to obtain soil samples. The Geoprobe hydraulically drives a rod into the ground. When the target soil sampling depth is reached, a soil sampler is

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

APPENDIX

attached to the end of the rod. The soil sampler consists of a one inch diameter tube containing four 6-inch long brass sample liners or an acetate sampling tube. By advancing this sampler into the soil, soil is forced into the opening of the sampling tube and a sample is obtained. Once the sampler is filled, it is retrieved and the sample liners are removed. Soil samples are obtained from this material for logging.

Photoionization detector (PID) analysis of soil samples is performed in the field to screen the samples for volatile organic compounds. A brass liner or acetate sampling tube containing soil is capped and allowed to volatilize. After a period of time, the cap is removed and the PID probe tip is placed within one-eighth inch of the soil. Prior to testing, the PID is calibrated to an isobutylene standard. PID data are recorded on the soil boring logs.

If groundwater is encountered in the boreholes, groundwater samples will be obtained from the borings. To collect groundwater, a Geoprobe groundwater sampling probe is lowered into the saturated zone and groundwater is allowed to enter the tool. A one-quarter inch diameter plastic tube is lowered to the bottom of the pipe. Prior to putting the tubing into the pipe, a bailing check ball is placed into the tubing. Groundwater is bailed from the screened section by raising and lowering the tubing. Water is poured into sample containment bottles and vials, capped, labeled, and transferred to the laboratory for analysis. The laboratory will be instructed to analyze the samples for the constituents described below.

The soil samples will be analyzed for total extractable petroleum hydrocarbons (TEPH) by EPA Method 8015 or EPA 8260B, volatile organic compounds and fuel oxygenates by EPA Method 8260B, and total 17 CCR metals. For budgetary purposes, we have assumed that two samples will be analyzed for these constituents from each of the 30 borings. Thus, the total number of soil analyses included in this cost proposal is 60. The other samples that are collected but not analyzed will be put on hold. If contaminants are found in the samples analyzed, we will have the option to analyze additional samples to better define the concentrations or vertical extent of contaminants at that location. Thirty groundwater samples will be analyzed for VOCs and TEPH.

Following collection of soil and groundwater samples, all sampling equipment is washed in a soap solution and triple rinsed. New groundwater sample tubing is used for each sample. Following its use, the tubing is washed and cut to prevent subsequent use. Upon completion of sampling, the boreholes are backfilled with bentonite chips. The ground surface will be replaced to match the surrounding ground surface.

Report Preparation

Following completion of the fieldwork and receipt of the analytical data, a Phase II ESA report will be prepared. This report, signed and stamped by a California Professional Geologist, will present the findings of the assessment and describe field procedures and the conditions encountered. Analytical results, soil boring logs, and figures depicting the

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

APPENDIX

sampling locations and contaminant isoconcentration maps, if applicable, will be included in the report. A draft copy of the report will be prepared and submitted to the County for review. Following our receipt of the County's comments, we will prepare a final report.

Phase 2 Project Assumptions

We are prepared to proceed with this project upon receipt of authorization. We anticipate that the onsite field work can be completed in five days. The samples are to be analyzed by a California certified laboratory on a standard turnaround time.

Our scope of work and cost for this project has incorporated the following assumptions:

- Rincon is not responsible for any damages to underground improvements not clearly or accurately marked by the client. We will contact Underground Services Alert, however, it should be noted that USA often does not mark the location of subsurface utilities located on private property. If Rincon damages a subsurface utility or structure that is not identified to us by Client, then Client will assume the cost and all liability related to repair and injury that may occur as a result of such an occurrence.
- The subsurface is amenable to sampling using the method described in this proposal and the sampling can be completed in the specified time frame. We will advise you of any such necessary revisions to the work scope (as well as additional costs) if necessary.
- All areas of the site are accessible and access will be secured by Client.
- Sample locations will be on asphalt or dirt. No concrete coring is required for this assessment.
- Our labor rates assume up to a 10-hour workday for Rincon personnel and 8 hours a day for Geoprobe rig operation.
- No disposal of wastes is part of this proposal.
- The depth to be drilled and the number of samples to be collected and analyzed are as described in the scope of work of this proposal.
- The Phase 2 assessment is not being performed for a regulatory agency and will not be submitted to a regulatory agency unless Rincon is directed to do so by the County of Monterey.

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS



APPENDIX

Table 1- Phase 2 Assessment Cost

Task	Unit	Unit Rate	Number of Units	Subtotal
Review Oil Field Maps	Hour	\$125	8	\$1,000
Boring Permits	Site	\$500	1	\$500
Health and Safety Plan	Lump sum	\$350	1	\$350
Utility Notification	Hour	\$105	8	\$840
Vehicle and Supplies	Day	\$150	1	\$150
Geoprobe Sampling Rig	Day	\$2,785	5	\$13,925
Field Scientist	Day	\$950	5	\$4,750
Vehicle and Supplies, PID	Day	\$350	5	\$1,750
Laboratory Analysis- soil				
TEPH	Sample	\$65	60	\$3,900
VOCs, EPA 8260B	Sample	\$125	60	\$7,500
17 CCR metals	Sample	\$125	60	\$7,500
Laboratory Analysis- groundwater				
TEPH	Sample	\$65	30	\$1,950
VOCs, EPA 8260B	Sample	\$125	30	\$3,750
Phase 2 Report	Lump Sum	\$3,900	1	\$3,900
Project Management, Miscellaneous	Hour	\$165	8	\$1,320
Project Total				\$53,085

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

PAYMENT PROVISIONS

Invoices for work products / deliverables under the AGREEMENT shall be submitted when the work product is complete, shall identify the document or work product being delivered and shall include the following:

1. Invoice Coversheet

Rincon Consultants, Inc.
San Ardo Produced Water Management Project

Date: _____

Invoice No. _____

Agreement Term: June 28, 2011 to February 29, 2012

Agreement Amount: \$ 83,173.00 (\$72,324.00 base budget plus \$10,849.00 project contingency)

Invoice Billing: All Invoices Are To Be Sent To:

Jaime Martinez, Accounting Technician
County of Monterey
Resource Management Agency
Finance Division
168 W. Alisal Street, 2nd Floor, Salinas, CA 93901
Telephone: (831) 755-4829

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Invoice

This Invoice: **Task 1: Application Review/Project Scoping/Kick-Off**

\$ 1,355.00 1.1 Initial Review of Application Materials
\$ 1,010.00 1.2 Project Kick-Off Meeting
\$ 2,365.00 Subtotal Task 1

Task 2: Field Visit to Project Site

\$ 1,780.00 2.1 Initial Site Visit
\$ 1,780.00 Subtotal Task 2

Task 3: Preparation of IS-MND

3.1 Admin Draft IS-MND
\$ 2,010.00 Intro, Project Description, Setting
\$ 720.00 IS Checklist
\$ 2,365.00 Aesthetics
\$ 3,145.00 Air Quality
\$ 4,370.00 Biological Resources
\$ 795.00 Cultural Resources
\$ 3,255.00 Geology and Soils
\$ 2,445.00 Greenhouse Gas Emissions/Climate Change
\$ 2,715.00 Hazards and Hazardous Materials
\$ 6,920.00 Hydrology and Water Quality
\$ 1,475.00 Transportation/Traffic
\$ 1,480.00 Other Issue Areas
\$ 435.00 3.2 Notices: NOC and NOI
\$ 1,665.00 3.3 Public Review Draft IS-MND
\$ 2,520.00 3.4 Responses to comments/Final IS-MND
\$ 36,315.00 Subtotal Task 3

Task 4: Staff Report and Related Exhibits

4.2 Admin Draft Staff Reports (2 hearings)
\$ 3,135.00 Staff Report and Resolutions
\$ 2,505.00 Findings and Policy Consistency
\$ 1,275.00 MMRP and Conditions
\$ 1,360.00 4.3 Final Staff Report (2 hearings)
\$ 8,275.00 Subtotal Task 4

Task 5: Energy Efficiency Incentive Program

\$ 2,545.00 5.1 Project Coordination
\$ 4,110.00 5.2 Meetings (3) and Public Hearings (2)
\$ 5,610.00 5.3 Project Management
\$ 12,265.00 Subtotal Task 5

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Additional Costs

\$ 1,700.00	<i>SubConsultant – Far Western – peer review cultural</i>	_____
\$ 5,929.00	<i>SubConsultant – Omni-Means – peer review traffic</i>	_____
\$ 160.00	<i>Printing – 2 hard copies, 2 CDs (or .pdf) of IS/MND</i>	_____
\$ 240.00	<i>Printing – 2 hard copies, 2 CDs (or .pdf) of Staff Report</i>	_____
\$ 1,818.00	<i>Supplies and Miscellaneous Expenses</i>	_____
\$ 1,477.00	<i>General and Administrative</i>	_____
\$ 11,324.00	<i>Subtotal of Additional Costs</i>	_____
\$ <u>72,324.00</u>	<u>TOTAL</u>	_____

Remaining Balance \$ _____

Approved as to Work/Payment: _____ _____
Delinda Robinson, Senior Planner *Date*

2. Invoice Detail

Each invoice shall indicate the hours worked by task and by staff member, with the corresponding billing rates.

3. Transfer from Project Contingency Account

Transfer of funding from the Project Contingency Account (total contingency of \$10,849.00) requires the prior written approval of the Director of Planning and the Project Applicant.

A recommendation for such a transfer shall be presented in writing by CONTRACTOR to the Project Planner, with a duplicate original delivered to the Contract Administrator, at the earliest possible date. The recommendation shall include:

- The dollar amount;
- The anticipated date the funded work would begin;
- The duration of the work;
- The entity (CONTRACTOR or subconsultant) to whom the funds would be transferred/allocated; and
- The justification for the expenditure.

EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

Within five working days of receipt of the recommendation, the Project Planner and Contract Administrator will have contacted CONTRACTOR to discuss its recommendation and will have made a recommendation to the Director of Planning, or in his absence, the Assistant Director. Within ten working days thereafter, the Director of Planning or the Assistant Director will approve, deny, or approve a revised version of the recommendation received from CONTRACTOR, and will send his decision in writing to the Project Applicant, and CONTRACTOR.

Unless he denies the recommended transfer, the Director or Assistant Director of Planning will ask the Project Applicant to make a decision within five working days regarding the recommended transfer from the Project Contingency Account. If necessary, reasonable efforts will be made to reach a compromise.

Upon receipt of the Project Applicant's written approval by the Director of Planning or the Assistant Director, the funding transfer will be made. At the same time, a letter authorizing the work funded by the approved transfer will be sent to CONTRACTOR.

EXHIBIT B – INCORPORATION OF RFQ/RFP DOCUMENTS

The County invited submittals to Request for Qualifications (RFQ) through RFQ #10210, Establishing a List of Consultants to Prepare Environmental Impact Reports for Projects Submitted to the County of Monterey Resource Management Agency – Planning Department, and Request for Proposals (RFP) through RFP for an Environmental Document and Staff Support for the Aera Energy Project for the County of Monterey Resource Management Agency – Planning Department. Rincon Consultants, Inc. submitted responsive and responsible proposals to both the RFQ and RFP to perform the requested services.

RFQ #10210 and RFP for an Environmental Document and Staff Support for the Aera Energy Project, and the proposals submitted by Rincon Consultants, Inc., are hereby incorporated into the Professional Services Agreement by this reference.

EXHIBIT 2

**MONTEREY COUNTY LAND USE FEE SCHEDULE,
DATED AUGUST 26, 2007 AND
PASSED AND ADOPTED BY THE
COUNTY OF MONTEREY
BOARD OF SUPERVISORS
ON APRIL 22, 2008**

Funding Agreement
Aera Energy LLC
San Ardo Produced Water Management
RMA – Planning Department
Term: June 28, 2011 – February 29, 2012
Not to Exceed: \$86,343.00

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No 08-132

Adopt Resolution No: 08-132 to amend the Articles of the County Master Fee Resolution to:

- a. Adjust fees for land use permitting activities for the following Articles of the County Master Fee Resolution
1. Article I.E (Environmental Health);
2. Article IX (Planning Department);
3. Article X (Public Works Department);
4. Article XI (Water Resources Agency)
5. Article XVII (County Counsel).
b. Approve an automatic annual adjustment every July 1 for a five year period (through June 30, 2013) with adjustment based on the Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose area. (Adjust Fees - PD/080324, County Master Fee Resolution, Countywide)

Upon motion of Supervisor Potter, seconded by Supervisor Salinas, and carried by those members present, the Board of Supervisors hereby:

Adopted Resolution to amend the Articles of the County Master Fee Resolution to:

- a. Adjust fees for land use permitting activities for the following Articles of the County Master Fee Resolution
1. Article I.E (Environmental Health);
2. Article IX (Planning Department);
3. Article X (Public Works Department);
4. Article XI (Water Resources Agency)
6. Article XVII (County Counsel).
b. Approved an automatic annual adjustment every July 1 for a five year period (through June 30, 2013) with adjustment based on the Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose area. (Adjust Fees - PD/080324, County Master Fee Resolution, Countywide)

PASSED AND ADOPTED this 22nd day of April, 2008, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Mettee-McCutchon, Potter
NOES: None
ABSENT: None

I, Denise Pennell, Interim Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 74 for the meeting on April 22, 2008.

Dated: April 22, 2008

Denise Pennell, Interim Clerk of the Board of Supervisors County of Monterey, State of California.

By [Signature] Deputy

MONTEREY COUNTY LAND USE FEES
(effective 8/26/07)

Permit Type	P&B	Doc. Mgt (3)	Technology Fee (6)	PWB	WIRA	EH	CC	GPU (6)	Total FY08	Notes / Overall Increase
Administrative Permit - General	2,884.00	28.84	180.00	384.00	307.00	175.00	157.00	143.28	4,948.12	8%
Administrative Permit - Senior Citizen Unit	1,050.00	10.50	63.00	104.00	80.00	100.00	157.00	84.75	3,149.83	7%
Administrative Permit - Signs	1,050.00	10.50	63.00	104.00	80.00	100.00	157.00	84.75	3,149.83	7%
Airport Land Use Commission Application Review	5,774.00	5.77	36.00	202.00	1,711.00	175.00	170.00	42.66	1,538.16	NEW FEE
Appeals	600.00	6.00	36.00	300.00	240.00	210.00	136.00	18.00	660.00	10%
Appeals of Administrative Determinations	3,248.00	22.48	-	404.00	310.00	224.00	136.00	-	4,586.00	4%
Appeal of Fee Determination	330.00	23.30	-	-	-	-	136.00	-	2,388.40	4%
Application Request/Appointment	600.00	6.00	-	-	-	224.00	136.00	-	927.76	4%
Big Sur Viewshed Acquisition	442.00	4.42	27.00	47.00	213.00	-	136.00	13.90	450.82	10%
BP for Additions to existing commercial/industrial	750.00	7.50	45.00	181.00	132.00	118.00	74.49	77.94	2,558.52	9%
BP for Additions to existing residential structures	750.00	7.50	45.00	181.00	132.00	118.00	74.49	77.94	2,558.52	9%
BP for New commercial & industrial development	600.00	6.00	36.00	202.00	153.00	137.00	136.00	57.54	2,028.04	7%
BP for New SFD	1,984.00	19.84	54.00	194.00	143.00	125.00	136.00	43.35	4,494.42	7%
Certificate of Compliance a) 1-2 Lots	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Certificate of Compliance b) each additional lot above two (2)	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Coastal Administrative Permit	1,984.00	19.84	54.00	194.00	143.00	125.00	136.00	43.35	4,494.42	7%
Coastal Administrative Permit - Senior Unit	1,984.00	19.84	54.00	194.00	143.00	125.00	136.00	43.35	4,494.42	7%
Coastal Development Permit - General	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Coastal Development Permit - Signs	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Coastal Development Permit - Tree Removal	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Coastal Implementation Plan Amend (7)	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Extraordinary Project	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Conditional Certificate of Compliance	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Conformance Determination (Specific Plan) - Director	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%
Conformance Determination (Specific Plan) - Hearing	1,500.00	15.00	90.00	181.00	132.00	118.00	74.49	77.94	2,780.94	8%

MONTEREY COUNTY LAND USE FEES
(effective 8/26/07)

Permit Type	E&BI	Doc. Mgt (\$)	Technology Fee (\$)	RWD	WRA	EH	CG	GPU (\$)	Total FY08	Notes / Overall Increase
Design Approval Requiring Public Hearing	721.00	7.21	45.00				457.00	26.34	1,000.10	10%
Design Approval, Reroof	1,410.00	1.41	9.00				170.00	4.32	1,497.6	10%
Design Approval, Director's Approval	150.00	1.50	4.33				4.50	4.50	165.00	10%
Development Agreement (7)	450.00	4.50	27.00				1,570.00	244.38	495.00	10%
Extraordinary Project	150.00						170.00	667.00	667.00	Hourly Rate
Environmental Impact Report (1) (7)	50,000.00	500.00					3,440.00	1,504.20	55,234.20	DEPOSIT
Extraordinary Project	150.00						170.00	667.00	667.00	Hourly Rate
Environmental Impact Report - Contract Administration										
Emergency Permits	2,163.00	21.63	135.00				370.00	67.33	3,170.00	NEW FEE
Extraordinary Development Applications (7)	2,250.00	22.50	135.00				85.00	70.05	2,502.55	10%
Field Review Before an Application	15,000.00	150.00	900.00				1,570.00	1,055.94	37,303.94	DEPOSIT
General Development Plan	500.00	5.00						9.52	292.52	
General / Area / Specific Plan Amendment	3,000.00	30.00	180.00				157.00	162.78	5,617.62	6%
Extraordinary Project	150.00						170.00	170.37	6,059.37	8%
Grading Permits (not in conjunction with BP)	3,000.00	30.00	180.00				942.00	276.85	9,699.74	
Initial Study CEQA - Single Family Dwelling (SFD)	1,500.00	15.00	63.00				170.00	45.99	1,574.26	Hourly Rate
Initial Study CEQA - SFD, tiered from earlier EIR	3,950.00	39.50	237.00				314.00	47.40	1,690.40	7%
Initial Study CEQA - Minor Subdivision / Commercial / Industrial	3,950.00	39.50	237.00				340.00	162.12	5,842.62	9%
Initial Study CEQA - Standard Subdivision	1,500.00	15.00	63.00				680.00	78.69	2,775.19	8%
Initial Study CEQA - Other	3,565.00	35.65	333.90				942.00	250.62	7,626.42	9%
Landscaping Review, Commercial	150.00	1.50	9.00				1,020.00	230.97	8,319.52	DEPOSIT
Landscaping Review, Residential	150.00	1.50	9.00				1,260.00	542.37	19,671.37	6%
Letters of Public Convenience and Necessity	150.00	1.50	9.00				680.00	172.32	5,192.82	9%
Lot Line Adjustment - General	750.00	7.50	45.00					21.60	748.90	10%
Lot Line Adjustment - Williamson Act	2,700.00	27.00	162.00				510.00	167.95	5,611.95	8%
LLA Amendment, Revision or Extension	2,400.00	24.00	144.00				1,700.00	184.85	6,507.65	25%
Mitigation Monitoring - 1 to 10 measures	1,500.00	15.00	90.00				170.00	81.66	2,908.66	8%

MONTEREY COUNTY LAND USE FEES
(effective 8/26/07)

Permit Type	B & B	Doc. Mgt (3)	Technology Fee (\$)	PWID	WRA	EH	CC	GPU (\$)	Total FY08	Notes / Overall Increase
Mitigation Monitoring -11 to 30 measures	3,000.00	30.00		503.00	600.00	60.00	340.00		5,224.00	5%
Mitigation Monitoring -31 to 100 measures	5,768.00	57.68		974.00	300.00	30.00	628.00		6,974.68	2%
Mitigation Monitoring - over 100 measures	6,000.00	60.00		1,009.00	1,330.00	133.00	380.00		10,148.00	5%
Minor and Trivial Amendment (no public hearing)	1,740.00	17.40	108.00	2,000.00	2,721.00	272.10	1,360.00		17,849.00	4%
Minor Subdivision Tentative Map (exist. sewers)	5,768.00	57.68	360.00	2,341.00	2,721.00	272.10	85.00		2,067.55	10%
Minor Subdivision Tentative Map (new septic or system)	5,768.00	57.68	360.00	2,341.00	2,721.00	272.10	1,530.00		15,246.85	8%
MS Amend, Revisions (exist sewers)	3,000.00	30.00	180.00	80.00	2,721.00	272.10	628.00		15,906.05	8%
MS Ext (exist sewers)	3,000.00	30.00	180.00	388.00	2,721.00	272.10	680.00		6,416.78	8%
MS Amend, Revisions (new septic or systems)	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		5,396.05	8%
MS Ext (new septic or system)	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		6,485.45	8%
MS Vesting Tentative Map (exist sewers)	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		4,973.87	8%
MS Vesting Tentative Map Ext (exist sewers)	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		17,184.48	8%
MS Vesting Tentative Map (new septic or system)	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		18,546.85	8%
MS Vesting Tentative Map Ext (new septic or system)	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		4,973.87	8%
MS Amended Parcel Map (NEW SEPTIC OR SYSTEM)	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		5,396.05	8%
MS Amended Parcel Map (EXIST SEWER)	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		6,485.45	8%
Parcel Legality Determination	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		5,944.04	8%
Parcel Legality Determination - each additional lot	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		17,206.40	9%
Permit Amendment, Renewals, Revisions or Extensions	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		1,109.50	-26%
Pre/Post Application Conference	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		4,733.76	9%
Surface Mine Reclamation Plan	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		497.00	PER HOUR
Surface Mine Annual Inspection	3,000.00	30.00	180.00	404.00	2,721.00	272.10	680.00		13,900.40	10%

MONTEREY COUNTY LAND USE FEES
(effective 8/26/07)

Permit Type	P&BI	Doc. Mgt (3)	Technology Fee (\$)	PWD	WIRA	EH	CC	GPU (\$)	Total FY08	Notes / Overall Increase
Research	284.00	2.84		67.00				11.43	395.27	
Rezoning or Code Text Amendments	3,000.00	3.00	16.00	107.00				12.03	434.03	10%
Extraordinary Project	3,265.00	43.26		385.00	335.00	75.00	629.00	187.59	6,483.95	Hourly Rate
Scenic Easement Amendment	150.00	14.42		181.00	133.00	133.00	344.00	54.68	667.00	Hourly Rate
Specific Plan (2) (7)	3,500.00	15.00	90.00	309.00	1,995.00	1,995.00	340.00	55.20	2,000.20	10%
Extraordinary Project	150.00			10.00	13.00	133.00	170.00		667.00	Hourly Rate
Specific Plan Amendment (2) (7)	150.00			10.00	13.00	133.00	170.00		667.00	Hourly Rate
Extraordinary Project	5,761.00	57.61		679.00	1,415.00	33.00	170.00	38.26	970.26	Hourly Rate
Standard Sub Preliminary Map (exist sewers)(4)(9)	5,990.00	59.90	359.40	1,009.00	2,724.00	2,595.00	3,400.00	361.56	42,184.27	Hourly Rate
Standard Sub Preliminary Map (new septic or system)(9)	5,761.00	57.61		979.00	2,669.00	2,669.00	3,400.00	368.55	13,072.85	8%
Standard Sub Project Review Map (CVMP)(9)	2,000.00	20.00		203.00	2,724.00	2,595.00	3,400.00	367.81	13,734.11	8%
Standard Sub Tentative Map (exist sewers)(9)	2,000.00	20.00	124.80	203.00	2,724.00	2,595.00	3,400.00	406.68	6,772.68	6%
Standard Sub Tentative Map (new septic or system)(9)	1,536.00	15.36		199.00	2,724.00	2,595.00	3,400.00	699.63	24,436.99	PW: +\$300/lot
Standard Sub Tentative Map (new septic or system)(9)	1,536.00	15.36		199.00	2,724.00	2,595.00	3,400.00	734.58	26,060.58	8%
Standard Sub Vesting Tentative Map (exist sewers)(9)	2,000.00	20.00	720.00	3,120.00	3,120.00	3,207.00	3,400.00	747.45	24,742.84	PW: +\$300/lot
Standard Sub Vesting Tentative Map (new septic or system)(9)	1,536.00	15.36		199.00	2,724.00	2,595.00	3,400.00	753.84	26,721.84	8%
Standard Sub Amendment or Revision (exist sewers)	3,000.00	30.00	720.00	3,000.00	3,120.00	3,120.00	3,400.00	762.33	25,256.89	PW: +\$300/lot
Standard Sub Amendment or Revision (new septic or system)	3,000.00	30.00		3,120.00	3,120.00	3,120.00	3,400.00	768.57	27,227.57	8%
Standard Sub Amendment or Revision (exist sewers)	3,000.00	30.00	216.00	3,120.00	3,120.00	3,120.00	3,400.00	796.45	25,970.64	PW: +\$300/lot
Standard Sub Amendment or Revision (new septic or system)	3,000.00	30.00		3,120.00	3,120.00	3,120.00	3,400.00	787.83	27,888.83	8%
Standard Sub Extension (exist sewers)	3,600.00	34.64	216.00	3,600.00	3,600.00	3,600.00	3,400.00	224.85	7,754.46	
Standard Sub Extension (new septic or system)	3,600.00	34.64		3,600.00	3,600.00	3,600.00	3,400.00	234.96	7,998.57	8%
Standard Sub Extension (exist sewers)	3,600.00	34.64	216.00	3,600.00	3,600.00	3,600.00	3,400.00	244.44	8,644.44	8%
Standard Sub Extension (new septic or system)	3,600.00	34.64		3,600.00	3,600.00	3,600.00	3,400.00	177.69	6,195.90	8%
Standard Sub Final Map Processing (4)	3,600.00	36.00	216.00	3,600.00	3,600.00	3,600.00	3,400.00	186.24	6,646.24	8%
Standard Sub, Amended Final Map (ON SEPTIC)	3,600.00	36.00		3,600.00	3,600.00	3,600.00	3,400.00	177.69	6,195.90	8%
Standard Sub, Amended Final Map (ON SEWER OR EXIS SYSTEM)	3,600.00	36.00	216.00	3,600.00	3,600.00	3,600.00	3,400.00	186.24	6,646.24	8%
Trees Removal, Director's Approval (Inland)	577.00	5.77		1,940.00	1,940.00	1,940.00	1,700.00	195.28	3,634.78	PW: +\$150/lot
Trees Waiver, Coastal	240.00	2.40	14.40	201.00	1,940.00	1,940.00	1,700.00	112.66	3,894.56	6%
Use Permit - General	240.00	2.40	14.40	201.00	1,940.00	1,940.00	1,700.00	112.66	3,894.56	6%
Use Permit - General	3,605.00	36.05		3,605.00	3,605.00	3,605.00	3,400.00	256.24	8,797.85	8%
Use Permit - General	3,750.00	37.50	225.00	3,750.00	3,750.00	3,750.00	3,400.00	268.65	9,475.65	8%
Use Permit - General	3,750.00	37.50		3,750.00	3,750.00	3,750.00	3,400.00	248.49	8,553.74	
Use Permit - General	3,750.00	37.50		3,750.00	3,750.00	3,750.00	3,400.00	261.00	9,213.00	8%
Use Permit - General	3,750.00	37.50		3,750.00	3,750.00	3,750.00	3,400.00	17.64	699.98	8%
Use Permit - General	3,750.00	37.50		3,750.00	3,750.00	3,750.00	3,400.00	7.20	264.00	-56%
Use Permit - General	3,750.00	37.50		3,750.00	3,750.00	3,750.00	3,400.00	7.20	264.00	NEW FEE
Use Permit - General	3,750.00	37.50		3,750.00	3,750.00	3,750.00	3,400.00	494.49	6,740.45	8%
Use Permit - General	3,750.00	37.50		3,750.00	3,750.00	3,750.00	3,400.00	203.94	7,264.44	8%

MONTEREY COUNTY LAND USE FEES
(effective 8/26/07)

Permit Type	P&B	Doc. Mgt (3)	Technology Fee (\$)	RWID	WIRA	EH	CC	GPU (\$)	Total FY08	Notes / Overall Increase
Use Permit - Signs	21.00	20.16	126.00	102.00			157.00	74.04	2,458.47	
Use Permit - Tree Removal	21.00	36.05	126.00	202.00			170.00	74.16	2,693.16	10%
Use Permit Amendment / Revision / Extension	21.00	21.00	126.00	562.00			474.00	494.49	6,740.45	NEW FEE
Variance	28.84			344.00			344.00	9.42	323.42	8%
Vested Rights Determination	30.00	30.00	180.00	308.00			340.00	10.20	350.20	8%
Williamson Act or Farmland Security Zone Contract	57.88	60.00	360.00	1,700.00			1,700.00	231.00	8,351.00	10%
Williamson Act Amendments	12.96	13.50	81.00	1,286.00			1,286.00	75.56	2,641.52	9%
30% slope exception	12.98	13.50	81.00	1,360.00			1,360.00	81.30	2,885.80	9%
Record of Survey	13.50	13.50	81.00	785.00			785.00	62.43	2,156.39	9%
Certificate of Correction	5.77	6.00	36.00	850.00			850.00	66.00	2,360.50	8%
Comer Record	11.33			1,425			1,425	15.39	528.39	4%
Parcel Map Processing	39.33			474.00			474.00	14.64	398.64	4%
Improvement Plan Processing	41.62			1,570.00			1,570.00	220.14	7,615.82	4%
Improvement Plans (per Square foot of Pavement)	21.66			1,700.00			1,700.00	21.66	750.46	9%
Road Name	816.56			11.00			11.00	22.56	816.56	0%
House Number	11.33			1,209.83			1,209.83	0.93	44.33	0%
Road Abandonment	1,350.33			37.83			37.83	30.33	1,350.33	4%
Public Service Easement Abandonment	399.94			14.64			14.64	12.12	416.12	4%
License to Cross Non-Access Slip	416.12			0.00			0.00	0.00	0.00	0%
Franchise Agreement	0.05			0.05			0.05	0.00	4.05	4%
Franchise Agreement Extension / Amendment	988.40			29.49			29.49	30.27	1,038.27	4%
Code Enforcement activities (per hour)	50.47			1.47			1.47	1.47	50.47	4%
Monterey Peninsula Water Mgmt Dist. Allocation Tracking	52.53			1.53			1.53	1.53	52.53	4%
Well Construction-over 5 acre ft production in zone 2A	3,772.86			103.77			103.77	108.36	3,772.86	6%
Well Reconstruction/Deconstruction for zone 2A	1,998.29			59.29			59.29	60.54	2,078.54	4%
	2,078.54			29.49			29.49	30.27	1,038.27	4%
	1,998.29			58.29			58.29	60.54	2,078.54	4%
	990.40			39.40			39.40	30.27	1,038.27	4%
	1,038.27			118.00			118.00	118.00	118.00	0%
	168.92			1.92			1.92	1.92	168.92	4%
	175.10			5.10			5.10	5.10	175.10	4%
	564.35			16.35			16.35	16.35	564.35	4%
	584.01			17.01			17.01	17.01	584.01	4%
	336.84			9.84			9.84	9.84	336.84	4%
	350.20			10.20			10.20	10.20	350.20	4%

MONTEREY COUNTY LAND USE FEES
(effective 8/26/07)

Permit Type	P&BI	Doc. Mgt (3)	Technology Fee (8)	PWD	WRA	EH	CC	GPU (6)	Total FY08	Notes / Overall Increase
Well Construction/Desaturation Database Maintenance					327,000			9.84	336.84	
					340,000			10.20	350.20	4%
Hydrogeologic Report Review					854,000			40.62	873.62	
					860,000			20.40	700.40	4%
Hydrogeologic Report Review w/Diminimus Funding					224,000			6.54	230.54	
					227,000			6.81	233.81	4%
Plan check fee for building permit					330,000			10.20	350.20	4%
Soils Testing (per hour)					124,000			9.72	127.72	
					133,000			3.99	136.99	7%
Sewage Treatment & reclamation facility -Application					450,000			28.59	478.59	
					450,000			30.78	1,056.78	8%
Sewage treatment & reclamation facility -Permit fee fyr.					24,000			24.99	734.99	
					24,000			23.10	793.10	8%

NOTE: THE FEES THAT ARE SHOWN IN BOLD ARE A DEPOSIT AND MAY BE BILLED FOR ADDITIONAL HOURS

- (1) EIR'S ARE PROCESSED AS PART OF AN EXTRAORDINARY PROJECT WITH HOURLY RATES APPLIED FOR ACTUAL TIME
- (2) SPECIFIC PLAN IARE PROCESSED AS PART OF AN EXTRAORDINARY PROJECT WITH HOURLY RATES APPLIED FOR ACTUAL TIME
- (3) STORAGE AND ELECTRONIC CONVERSION OF FILES (Doc Mgt): 1% OF THE PLANNING PERMIT FEE
- (4) STANDARD SUBDIVISIONS ADD \$312.00/LOT AND \$156.00/LOT FOR FINAL MAP PROCESSING FOR PWD
- (5) CREDIT CARD CONVENIENCE FEE: 1.7% OF PERMIT FEES
- (6) GENERAL PLAN IMPLEMENTATION (GPU) FEE: 3% OF TOTAL PERMIT FEES
- (7) DEPARTMENTS WILL CHARGE AN HOURLY RATE WITH A DEPOSIT PROVIDED IN ACCORDANCE WITH AN EXTRAORDINARY PROJECT
- (8) TECHNOLOGY FEE: 6% OF PLANNING PERMIT FEE (7/1/2008 -6/30/2013)
- (9) WATER RESOURCES FEE IS A DEPOSIT

EXHIBIT 3

APPLICABLE FEE SCHEDULE,
DATED JULY 1, 2010

Funding Agreement
Aera Energy LLC
San Ardo Produced Water Management
RMA — Planning Department
Term: June 28, 2011 – February 29, 2012
Not to Exceed: \$86,343.00

MONTEREY COUNTY LAND USE FEES
(effective 07/01/2010)

Permit Type	PLAN	Doc. Mgt (3)	Technology Fee (\$)	RWD	TWRA	EH	CC	GPU (\$)	Total FY10	Notes
Administrative Permit - General	2,050.27	20.50	123.02	414.16	2020.80	625.89	174.27	122.83	4,360.73	
Administrative Permit - Senior Citizen Unit	1,076.39	10.76	64.68	414.16	2020.80	442.88	174.27	91.12	3,203.93	
Administrative Permit - Signs	1,076.39	10.76	64.68	207.08			174.27	43.79	1,576.81	
Airport Land Use Commission Application Review	1615.08	0.15	39.90					18.45	676.58	
Appeal of Fee Determination	1,015.08	6.16	0.00				139.42	0.00	769.65	
Appeals	3,731.50	37.32	0.00	414.16	348.56	232.74	139.42	0.00	4,603.65	
Appeals of Administrative Determinations	2,388.67	23.89	0.00				139.42	0.00	2,651.88	
Application Request/Appointment	461.31							481.31		
Application Request/Appointment	1,537.70	15.38	62.28	103.54	232.74	780.35		76.80	2,850.84	
Big Sur Viewshed Acquisition	768.85		46.13	207.08	464.39	525.89		68.89	2,071.33	
BP for Additions to existing commercial/industrial	1,615.08		39.90	207.08	464.39	328346		46.50	1,833.41	
BP for Additions to existing residential structures	1,615.08		39.90	207.08	464.39	328346		4.81	167.81	
BP for Ground Mounted Solar and Significant Demolition	1,615.08		39.90	207.08	464.39	328346		4.81	167.81	
BP for Minor Review (Dwelling Addition under 500 sf.)	1,615.08		39.90	207.08	464.39	328346		63.80	2,238.94	
BP for New commercial & Industrial development	1,615.08		39.90	207.08	464.39	328346		58.09	2,040.70	
BP for New SFD	1,537.70	15.38	62.28	103.54	232.74	780.35	1,045.64	88.63	3,682.08	
Certificate of Compliance a) 1-2 Lots	461.31	4.61	27.68			10.71	348.55	27.62	680.48	
Certificate of Compliance b) each additional lot above two (2)	161.51	1.62	9.90					23.19	837.08	
Certificate of Correction	2,050.27	20.50	123.02	414.16	2020.80	1,051.79	174.27	138.81	4,602.41	
Coastal Administrative Permit	1,076.39	10.76	64.68	414.16	2028.80	1,105.179	174.27	109.39	3,831.13	
Coastal Administrative Permit - Senior Unit	1,076.39	10.76	64.68	103.54	2020.80	1,105.179	174.27	40.83	1,470.17	
Coastal Administrative Permit - Signs	1,076.39	10.76	64.68	207.08	2020.80	1,105.179	174.27	242.59	3,651.79	
Coastal Development Permit - General	4,613.11	46.13	276.79	202.21	2020.80	1,105.179	174.27	76.02	2,780.96	
Coastal Development Permit - Signs	2,152.79	21.53	129.17	207.08	232.74		174.27	76.79	2,787.26	
Coastal Development Permit - Tree Removal	2,152.79	21.53	129.17	207.08	232.74		174.27	76.79	2,787.26	
Coastal Implementation Plan Amend - Extraordinary Project	1,537.70	15.37	62.28	103.54	232.74	780.35	1,742.73	1,082.48	36,241.61	Extraordinary Proj/ Hourly Rate
Code Enforcement activities(per hour)	120.97	0.00	0.00					0.00	120.97	
Conditional Certificate of Compliance	1,076.39	10.76	64.68	202.21	2020.80	525.89	522.82	142.33	5,101.93	P&B & CC: fee per lot
Conformance Determination (Specific Plan) - Director	1,076.39	10.76	64.68	202.21	2020.80	525.89	522.82	47.98	1,722.53	
Conformance Determination (Specific Plan) - Hearing	3,070.28	30.70	184.22	202.21	2020.80	525.89	522.82	107.70	3,916.51	
Corner Record	0.00	0.00	0.00	128				0.34	11.82	
Design Approval Requiring Public Hearing	768.85	7.69	46.13				174.27	28.29	1,025.23	
Design Approval, Director's Approval	461.31	4.61	27.68					13.84	607.44	

MONTEREY COUNTY LAND USE FEES
(effective 07/01/2010)

Permit Type	PLAN	Doc. Mgt (3)	Technology Fee (6)	PWD	WRA	NEH	CC	GPU (6)	Total FY10	Notes
Design Approval, Reroof	163.77	1.64	0.23					4.01	169.15	
Development Agreement (7) Hourly Rate - Extraordinary Project	163,377.04	163.77	922.62	16,125.88	16,072.98	16,884.31	1,742.73	1,082.48	38,241.81	Extraordinary Proj/ Hourly Rate
EIR Review/Contract Admin (1) (7) Hourly Rate - Extraordinary Project	163,377.04	163.77	922.62	16,125.88	16,072.98	16,884.31	1,742.73	1,082.48	38,241.81	Extraordinary Proj/ Hourly Rate
Emergency Permits	230.66	23.07	138.36				87.14	71.81	2,628.97	
Extraordinary Development Applications (7)	163,377.04	163.77	922.62	16,125.88	16,072.98	16,884.31	1,742.73	1,082.48	38,241.81	DEPOSIT
Field Review Before an Application	307.54	3.08	18.45					8.23	338.30	
Franchise Agreement	0.00	0.00	0.00	2,086.72				62.06	2,130.78	
Franchise Agreement Extension / Amendment	0.00	0.00	0.00	1,034.36				31.03	1,065.39	
General / Area / Specific Plan Amendment - Extraordinary Project	163,377.04	163.77	922.62	16,125.88	16,072.98	16,884.31	1,742.73	1,082.48	38,241.81	Extraordinary Proj/ Hourly Rate
General Development Plan	3,075.41	30.75	184.62	620.21	613.62	626.35	174.27	174.65	6,211.66	
Grading Permits (not in conjunction with BP)	922.62	0.00	65.36		697.09				48.59	1,723.66
House Number	0.00	0.00	0.00	52.28				1.67	53.85	
Hydrogeologic Report Review	0.00	0.00	0.00	697.09				20.01	718.00	
Hydrogeologic Report Review w/Diminutive Finding	0.00	0.00	0.00	232.71				5.68	239.69	
Improvement Plan Processing	0.00	0.00	0.00	414.15				12.42	426.57	
Improvement Plans (per Square foot of Pavement)	0.00	0.00	0.00	0.05				0.00	0.05	
Initial Study CEQA - Minor Subdivision / Commercial / Industrial	4,049.29	40.49	342.29	414.15	484.38	283.46	1,045.64	236.79	8,628.84	
Initial Study CEQA - Other	4,049.29	40.49	242.06	414.15	484.38	283.46	687.09	176.85	6,346.48	
Initial Study CEQA - SFD, itered from earlier EIR	4,049.29	40.49	242.06	414.15	484.38	283.46	348.55	168.20	5,989.49	
Initial Study CEQA - Single Family Dwelling (SFD)	4,049.29	40.49	242.06	414.15	484.38	283.46	394.18	569.00	20,165.82	DEPOSIT
Initial Study CEQA - Standard Subdivision	163,377.04	163.77	922.62	1,034.36	1,034.36	2,034.46	1,394.18		0.00	155.31
Landscape/Fuel Mgt. re-inspection (per hour)	163.77	1.64						0.00	405.92	
Landscape/Fuel Mgt. Review, Commercial	481.31	4.81						0.00	232.97	
Landscape/Fuel Mgt. Review, Residential	230.66	2.31						23.07	845.74	
Letters of Public Convenience and Necessity	788.85	7.89	46.19					31.03	1,065.39	
License to Cross Non-Access Strip	0.00	0.00	0.00	1,034.36						
LLA Amendment, Revision or Extension	1,537.70	15.38	92.26	1,034.36	691.26	393.65	174.27	83.71	2,981.75	
Lot Line Adjustment - General	2,787.87	27.88	183.07	620.21	607.09	789.35	522.82	181.92	5,763.01	
Lot Line Adjustment - Williamson Act	2,460.33	24.60	147.62	620.21	607.09	789.35	174.27	189.29	6,871.22	
Mills Act Application	1,230.18	12.30	73.81				174.27	42.13	1,674.38	Total includes fee of \$341.71 for Parks Dept
Mills Act Selected Contract Processing Fee	615.09	6.15						39.37	1,357.59	
Minor and Trivial Amendment (no public hearing)	1,845.24	18.45	110.71				87.14	67.87	2,118.51	

MONTEREY COUNTY LAND USE FEES
(effective 07/01/2010)

Permit Type	PLAN	Doc. Mgt (\$)	Technology Fee (\$)	RPWD	AWRA	FEH	CC	GPU (\$)	Total FY10	Notes
Minor Subdivision Tentative Map (exist. sewers)	6,150.82	61.51	389.05	2,274.78	2,789.40	1,973.39	1,588.46	442.71	15,830.12	
Minor Subdivision Tentative Map (new septic or system)	6,160.82	61.51	389.05	2,274.78	2,789.40	2,626.47	1,588.46	462.39	16,305.88	
Mitigation Monitoring -1 to 10 measures	3,075.41	30.75	0.00	616.67	697.09	885.84	348.55	0.00	5,365.31	
Mitigation Monitoring -11 to 30 measures	6,160.82	61.51	0.00	1,034.36	1,304.18	1,372.66	897.09	0.00	10,710.02	
Mitigation Monitoring -31 to 100 measures	6,226.22	62.26	0.00	2,088.72	2,091.28	2,059.60	1,394.18	0.00	18,032.18	
Mitigation Monitoring -over 100 measures	9,226.22	92.28	0.00	2,088.72	2,789.40	2,745.34	1,394.18	0.00	18,318.00	DEPOSITAWRA: after 24 hrs, \$115.84/hr
Monterey Peninsula Water Mgmt Dist. Allocation Tracking	0.00	0.00	0.00	174.27				5.23	179.50	
MS Ext (exist sewers)	3,075.41	30.75	184.52	414.16	568.125	393.65	697.09	154.85	5,531.67	
MS Amend, Revisions (exist sewers)	3,075.41	30.75	184.52	1,034.36	568.125	1,789.35	697.09	185.32	8,578.05	
MS Amend, Revisions (new septic or systems)	3,075.41	30.75	184.52	1,034.36	568.125	1,051.78	697.09	193.20	8,849.37	
MS Amended Parcel Map (EXIST SEWER)	3,075.41	30.75	184.52	1,034.36	568.125	1,051.78	697.09	193.20	8,849.37	
MS Amended Parcel Map (NEW SEPTIC OR SYSTEM)	3,075.41	30.75	184.52	414.16	568.125	393.65	697.09	154.85	5,531.67	
MS Ext (new septic or system)	3,075.41	30.75	184.52	2,274.78	2,789.40	1,973.39	1,588.46	534.97	19,018.05	
MS Vesting Tentative Map (exist sewers)	6,226.22	62.26	553.67	2,274.78	2,789.40	2,626.47	1,588.46	564.86	19,888.81	
MS Vesting Tentative Map (new septic or system)	3,075.41	30.75	184.52	414.16	568.125	393.65	697.09	154.85	5,531.67	
MS Vesting Tentative Map Ext (exist sewers)	3,075.41	30.75	184.52	414.16	568.125	393.65	697.09	154.85	5,531.67	
MS Vesting Tentative Map Ext (new septic or system)	3,075.41	30.75	184.52	414.16	568.125	393.65	697.09	174.27	503.34	
Oak Woodland Guidelines Consistency Certification	307.64	3.08	18.46				348.55	24.30	866.45	CC: per each add'l lot
Parcel Legality Determination - each additional lot > 2	411.31	4.61	27.68				1,045.84	54.43	1,922.74	CC: 1-2 lots
Parcel Legality Determination 1-2 Lots	788.85	7.88	48.13					40.32	1,384.27	
Parcel Map Processing	0.00	0.00	0.00	1,343.95				0.00	-	
Parcel Map Processing (per Lot)	0.00	0.00	0.00	1,034.36	568.125	393.65	348.55	135.07	4,852.74	
Permit Amendment, Renewals, Revisions or Extensions	3,075.41	30.75	184.52	1,034.36	568.125	393.65	348.55	10.46	359.01	
Plan check fee for building permit	0.00	0.00	0.00	103.64	116.88	136.34		0.00	609.49	PER HOUR
Pre/Post Application Conference - change to (per hour)	163.77	0.00	0.00	1,034.36				31.03	1,065.39	
Preliminary Map	0.00	0.00	0.00	2,088.72				62.06	2,190.78	
Public Service Easement Abandonment	0.00	0.00	0.00	141.15				12.42	426.57	
Record of Survey	0.00	0.00	0.00	103.64				12.33	444.94	
Research	307.64	3.08	18.46	103.64	116.88	136.34				
Rezoning or Code Text Amendments - Extraordinary Project	16,377.04	0.00	922.82	5,126.68	6,972.00	6,884.31	1,742.73	1,082.48	38,087.84	Extraordinary Proj/ Hourly Rate
Road Abandonment	788.85	7.88	48.13	2,585.39			348.55		111.06	3,667.69
Road Name	0.00	0.00	0.00	1,034.36				31.03	1,065.39	

MONTEREY COUNTY LAND USE FEES
(effective 07/01/2010)

Permit Type	PLAN	Doc. Mgt (3)	Technology Fee (6)	PWD	WRA	SEW	CC	GPU (8)	Total FY10	Notes
Scenic Easement Amendment	1,637.70	16.38	02.28				348.65	66.59	2,050.48	
Sewage treatment & reclamation facility -Application	0.00	0.00	0.00			1,051.79		31.55	1,083.34	
Sewage treatment & reclamation facility -Permit fee /yr.	0.00	0.00	0.00			178.35		23.68	813.03	
Soils Testing (per hour)	0.00	0.00	0.00			188.34		4.09	140.43	
Specific Plan (2) (7) Hourly Rate - Extraordinary Project	16,377.04	163.77	922.82	15,125.88	16,972.98	16,884.31	1,742.73	1,082.48	38,241.81	Extraordinary Proj/ Hourly Rate
Specific Plan Amendment (2) (7) Hourly Rate - Extraordinary Project	16,377.04	163.77	922.82	15,125.88	16,972.98	16,884.31	1,742.73	1,082.48	38,241.81	Extraordinary Proj/ Hourly Rate
Specific Plan Conformance Determination	0.00	0.00	0.00					522.82	15.69	638.60
Standard Sub Preliminary Map (exist sewers)(4)	6,140.66	61.41	368.43	11,034.26	12,769.40	12,829.47		377.81	13,401.44	WRA: After 24 hrs, \$115.84/hr
Standard Sub Preliminary Map (new septic or system)	6,140.66	61.41	368.43	11,034.26	12,769.40	12,829.47		397.56	14,079.33	WRA: After 24 hrs, \$115.84/hr
Standard Sub Project Review Map (CVMP)	2,132.28	21.32	127.84	12,098.72	13,488.46	12,829.47	3,485.48		129.03	4,476.28
Standard Sub Tentative Map (exist sewers)	12,301.63	123.02	738.10	13,198.42	14,488.46	12,829.47	3,485.48	753.04	26,715.63	PW: +\$314.50/ho/ WRA: After 30 hrs, \$115.84/hr
Standard Sub Tentative Map (new septic or system)	12,301.63	123.02	738.10	13,198.42	14,488.46	12,829.47	3,485.48	772.79	27,393.62	PW: +\$314.50/ho/ WRA: After 30 hrs, \$115.84/hr
Standard Sub Vesting Tentative Map (exist sewers)	12,301.63	123.02	738.10	13,198.42	14,488.46	12,829.47	3,485.48	787.89	27,911.96	PW: +\$314.50/ho/ WRA: After 40 hrs, \$115.84/hr
Standard Sub, Amended Final Map (ON SEPTIC)	3,690.49	36.90	221.43	12,088.72	13,681.25	13,445.44	1,394.18	275.40	9,713.81	
Standard Sub, Amended Final Map (ON SEWER OR EXIST SYSTEM)	3,690.49	36.90	221.43	12,088.72	13,681.25	13,445.44	1,394.18	267.56	9,444.66	
Std Sub Amendment or Revision (exist sewers)	3,690.49	36.90	221.43	11,241.44	12,681.25	13,184.03	1,394.18	242.74	8,502.46	WRA: After 5 hrs, \$115.84/hr
Std Sub Amendment or Revision (new septic or system)	3,690.49	36.90	221.43	11,241.44	12,681.25	13,184.03	1,394.18	260.58	8,861.71	WRA: After 5 hrs, \$115.84/hr
Std Sub Extension (exist sewers)	3,690.49	36.90	221.43	11,827.28	13,681.25	13,393.65	871.37	190.92	6,813.29	WRA: After 5 hrs, \$115.84/hr
Std Sub Extension (new septic or system)	3,690.49	36.90	221.43	11,827.28	13,681.25	13,393.65	871.37	190.92	6,813.29	WRA: After 5 hrs, \$115.84/hr
Std Sub Final Map Processing (4)	0.00	0.00	0.00	11,699.21	13,681.25	13,504.37	1,742.73	115.39	3,981.70	PW: +\$150.92/ho
Std Sub Vesting Tentative Map (new septic or system)	12,301.63	123.02	738.10	13,198.42	14,488.46	13,287.01	3,485.48	807.83	28,689.84	PW: +\$314.50/ho/ WRA: After 40 hrs, \$115.84/hr
Surface Mine Annual Inspection	3,075.41	30.75	184.62					997.09	386.95	14,249.80
Surface Mine Reclamation Plan	12,301.63	123.02	738.10						7.38	270.63
Tree Removal, Director's Approval (Inland)	246.03	2.46	14.76						7.38	270.63
Tree Walver, Coastal	246.03	2.46	14.76						7.38	270.63
Use Permit - General	3,844.28	38.44	230.86	620.21	6,029.60	1,051.79	522.82	208.07	7,447.05	
Use Permit - Signs	2,152.79	21.53	129.17	207.08			174.27	76.02	2,760.88	
Use Permit - Tree Removal	2,152.79	21.53	129.17				174.27	68.81	2,647.57	
Variance	3,075.41	30.75	184.62	414.15	813.06	625.89	174.27	150.11	5,309.08	
Waived Rights Determination	1,150.82	11.51	89.05				1,742.73	236.81	8,660.92	
Wall Construction/Destruction Database Maintenance	0.00	0.00	0.00		348.65			10.48	359.01	
Wall Construction-over 5 acre ft production in zone 2A	0.00	0.00	0.00		681.25			17.44	698.69	

MONTEREY COUNTY LAND USE FEES
(effective 07/01/2010)

Permit Type	PLANNING Fee (\$)	Doc. Mgt (\$)	Technology Fee (\$)	IPWD Fee (\$)	AWRA Fee (\$)	REH Fee (\$)	CC	GPU (\$)	Total FY10	Notes
Well Reconstruction/Destroy for zone 2A	0.00	0.00	0.00		348.65			10.46	359.01	
Williamson Act or Farmland Security Zone Contract	1383.93	13.84	83.04				1,304.18	83.34	2,668.33	
Williamson Act Amendments	1383.93	13.84	83.04				871.37	67.86	2,419.04	

NOTE: THE FEES THAT ARE SHOWN IN BOLD ARE A DEPOSIT AND MAY BE BILLED FOR ADDITIONAL HOURS

- (1) EIRs ARE PROCESSED AS PART OF AN EXTRAORDINARY PROJECT WITH HOURLY RATES APPLIED FOR ACTUAL TIME
- (2) SPECIFIC PLAN IARE PROCESSED AS PART OF AN EXTRAORDINARY PROJECT WITH HOURLY RATES APPLIED FOR ACTUAL TIME
- (3) STORAGE AND ELECTRONIC CONVERSION OF FILES (Doc Mgt): 1% OF THE PLANNING PERMIT FEE
- (4) STANDARD SUBDIVISIONS ADD \$310.80/LOT AND \$159.80/LOT FOR FINAL MAP PROCESSING FOR PWD
- (5) CREDIT CARD CONVENIENCE FEE: 1.7% OF PERMIT FEES
- (6) GENERAL PLAN IMPLEMENTATION (GPU) FEE: 6% OF TOTAL PERMIT FEES
- (7) EH WILL CHARGE THE HOURLY RATE OF \$138.34/HR ONCE THE STANDARD PERMIT FEE FOR EXTRAORDINARY PERMITS HAVE BEEN EXHAUSTED
- (8) TECHNOLOGY FEE: 8% OF PLANNING PERMIT FEE (7/1/2009 - 6/30/2013)

NOTE: Pursuant to Board of Supervisors Resolution No. 09-132, fees are adjusted annually to reflect changes in San Francisco-Oakland-San Jose Area Consumer Price Index (CPI). The fees shown on this document include the following adjustments:

- Effective 7/1/2009: .8% Increase
- Effective 7/1/2010: 1.7% Increase
- Effective 7/26/2010: BOS Resolution No. 10-130 (New fees for Mills Act, Oak Woodland Certification, and Ground Mounted Solar review)