

## **Funding Agreement**

### **GSA Facilitation Contract**

#### **Among the City of Salinas, County of Monterey, Monterey County Water Resources Agency, and Growers-Shippers Association**

This Funding Agreement is entered into by and between the City of Salinas, the County of Monterey, the Monterey County Water Resources Agency and the Agricultural Industry as represented by the Growers Shippers Association each of which may be individually referred to herein as a “party” and which may collectively be referred to herein as “the parties.”

### **RECITALS**

A. In January of 2015 Governor Brown signed the Sustainable Groundwater Management Act (SGMA) putting in motion the need to designate (or form) a Groundwater Sustainability Agency (GSA) by 2017 and to develop a groundwater basin-wide Groundwater Sustainability Plan (GSP) by 2020; and

B. A consortium of the parties recognized the need for a multi-stakeholder process to develop a new agency (or agencies) to address the State groundwater sustainability mandates and have formed a working group to select a facilitator capable of managing the stakeholder process; and

C. The parties solicited a Request for Qualifications to select a consultant capable of leading such a process and unanimously selected the Consensus Building Institute (CBI) as that consultant; and

D. The City of Salinas has agreed to manage the business aspects of this selection process and has negotiated an agreement acceptable to the parties and the Consensus Building Institute in an amount not to exceed \$175,000 that will allow the GSA formation process to proceed in a timely manner.

E. The parties have agreed to share the costs of the contract between the City, the County, the Water Resources Agency and agricultural interests, with each paying 25% of the total costs.

NOW, THEREFORE, in mutual consideration of the covenants, terms, and conditions contained herein, the parties agree as follows:

### **TERMS**

1. **Purpose.** The purpose of this Agreement is to define the obligations between the parties regarding payment to CBI for facilitation services associated with the development of a GSA in Monterey County.

2. **Funding Obligations.** The parties shall be equally responsible for all costs and expenses incurred by the Consultants, and their subconsultants, if any. The City of Salinas has agreed to

manage the business aspects of this Facilitation Services Agreement and shall be responsible for the payment of invoices and retention of all records associated with this agreement. A copy of the Facilitation Services Agreement is an attachment to this Funding Agreement.

All parties understand and acknowledge that staff time of City employees or employees of other parties shall not be reimbursable under the provisions of this Funding Agreement.

3. Deposit. Within fifteen days from the date this Funding Agreement is signed by an authorized representative of the parties, each one of the parties will deposit with the City the sum of twenty-five thousand dollars (\$25,000) to be held and applied by the City toward payment of services rendered by the Consultants.

4. Balance of Account. When, at any time, the balance of deposited funds held by the City is less than ten thousand dollars (\$10,000), the parties shall, within seven (15) days after receipt of written notice from the City, make an additional deposit of an amount determined by the City to be sufficient to cover additional anticipated costs and expenses. The City shall keep a full and detailed accounting of all disbursements from the funds so deposited, which accounting shall be made available to the parties upon request. The parties understand and agree that the City will not authorize the CBI to perform additional services or to continue work on the Project until the parties have deposited with the City sums sufficient to cover all additional estimated costs and expenses determined by the parties to be necessary to fund CBI's continued work. Upon completion of the CBI's work on the Project, the City will return to parties all deposited sums remaining after payment of all costs and expenses.

5. Notices. Written notices shall be sent by first class mail, postage prepaid, to the parties as follows:

If to City:

Director of Public Works  
City of Salinas  
200 Lincoln Avenue  
Salinas, California 93901

With a Copy to:

City Attorney  
City of Salinas  
200 Lincoln Avenue  
Salinas, California 93901

If to Agency:

General Manager  
Monterey County Water Resources Agency  
P.O. Box 930

If to County:

Lew Bauman  
County of Monterey  
168 W. Alisal, Third Floor  
Salinas, California 93901

With a Copy to:

Leslie J. Girard, Chief Assistant  
Monterey County Counsel  
168 W. Alisal, Third Floor  
Salinas, California 93901

If to Growers-Shippers:

Salinas, CA 93902-0930

With a Copy to:

With a Copy to:

Jesse J. Avila, Deputy  
Monterey County Counsel  
168 W. Alisal, Third Floor  
Salinas, California 93901

6. Exhibits Incorporated. All exhibits referred to in this Funding Agreement and attached to it, whether at the time of execution or later, are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of this Funding Agreement and any of the terms of any exhibit to this Funding Agreement, the terms of the Funding Agreement shall control the respective duties and liabilities of the parties hereto.

7. Integration and Agreement. This Funding Agreement represents the entire understanding of parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters contained herein. This Funding Agreement may not be modified or altered except by amendment in writing signed by both parties.

8. Jurisdiction. This Funding Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of any disputes arising from or under this Funding Agreement shall be in the State of California, in the County of Monterey or in the appropriate federal court with jurisdiction over the matter.

9. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Funding Agreement shall continue to be in full force and effect.

10. ADR/ Attorney Fees. In case suit shall be brought to interpret or to enforce this Funding Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing party in such action shall be entitled to recover their reasonable attorney fees in addition to such costs as may be allowed by the Court. If attorney fees are awarded to any party, they shall be calculated at the market rate. Prior to bringing suit, a party shall give written notice to the party against whom it considers itself aggrieved. Those parties shall engage in informal, good faith mediation for a period of not less than 30 days. If the matter is not resolved within 30 days of delivery of the written notice of grievance, the grieving party may seek any legal or equitable redress available to it by law.

11. Successors and Assigns. This Funding Agreement and all of the provisions herein shall be binding upon and shall inure to the benefit of the heirs, legal representatives, successors, and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the undersigned, as authorized representatives of the parties. have executed this Funding Agreement.

**CITY OF SALINAS**

\_\_\_\_\_  
Ray E. Corpuz, Jr., City Manager

\_\_\_\_\_  
Date

Approved as to legal form and content:  
Chris Callihan, City Attorney

\_\_\_\_\_  
By:  
Its:

\_\_\_\_\_  
Date

**COUNTY OF MONTEREY**

\_\_\_\_\_  
Lew Bauman  
County Administrative Officer

\_\_\_\_\_  
Date

Approved as to legal form and content:  
Charles J. McKee, County Counsel

\_\_\_\_\_  
Leslie J Girard  
Chief Assistant

\_\_\_\_\_  
Date

**MONTEREY COUNTY WATER RESOURCES AGENCY**  
David E. Chardavoyne

\_\_\_\_\_  
General Manager

\_\_\_\_\_  
Date

Approved as to legal form and content:  
Charles J. McKee, County Counsel

\_\_\_\_\_  
Jesse J. Avila, Deputy

\_\_\_\_\_  
Date

**GROWERS-SHIPPERS ASSOCIATION**

\_\_\_\_\_  
By:

\_\_\_\_\_  
Date

Its:

Approved as to legal form and content:

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By:  
Its:

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Date