

**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, 2<sup>nd</sup> 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: [Signature]

Director of Planning  
Contracts/Permitting Office

Date: 7-5-11

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. Orndorff  
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Assistant Treasurer) *Engineering Technology Manager*

Its: Harold A. Orndorff, 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 PROVISIONS/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

Rincon Consultants, Inc.  
Contractor's Business Name\*

Date: 7-5-11

By: Department Head (if applicable)

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

Date: \_\_\_\_\_

Approved as to Form<sup>1</sup>

STEPHAN SVETE, Vice-President  
Name and Title

By: [Signature]  
County Counsel

Date: 6-16-11

Date: 6-17-11

Approved as to Fiscal Provisions<sup>2</sup>  
By: [Signature]  
Auditor/Controller

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

Date: 6-20-11

Joe VanderPlig, CFO  
Name and Title

Approved as to Liability Provisions<sup>3</sup>

Date: 6/16/2011

By: Risk Management

Date: \_\_\_\_\_

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

<sup>1</sup>Approval by County Counsel is required only if changes are made to the standard provisions of the PSA.

<sup>2</sup>Approval by Auditor/Controller is required.

<sup>3</sup>Approval by Risk Management is required only if changes are made in paragraph 8 or 9.

ENTERED



## 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

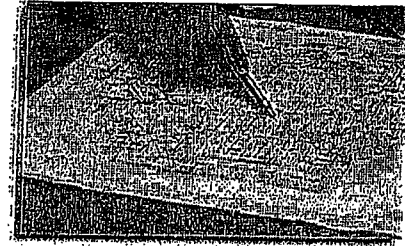
The consultant team will be responsible for preparation of an Initial Study-Mitigated Negative Declaration (IS-MND), Staff Reports for decision-maker hearings, notices and other related and/or required documents. The project manager will serve as an extension of County RMA staff, and will work independently 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

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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

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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.



<input type="checkbox"/> County operations in Ojai	<input type="checkbox"/> Restaurants	<input type="checkbox"/> Greenhouse gases
<input type="checkbox"/> Fertilizer	<input type="checkbox"/> Airports	<input type="checkbox"/> Building
<input type="checkbox"/> Sewage	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Dry cleaning
<input type="checkbox"/> Asphalt	<input type="checkbox"/> Restaurants	<input type="checkbox"/> Printing
<input type="checkbox"/> Cellulose	<input type="checkbox"/> Printing	<input type="checkbox"/> Rubber products

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

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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<sub>2</sub>e) 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 cunicularia*], 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 in 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

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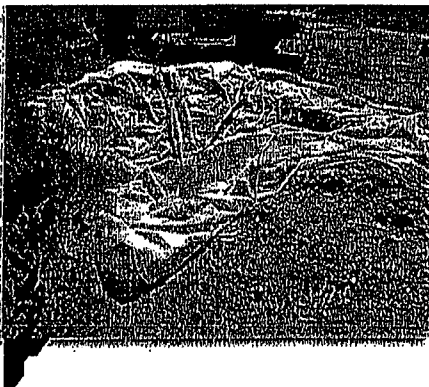
needed prior to project construction. The scope of work for the IS-MND assumes that additional assessment may be required prior to gallery installation, and will identify mitigation requirements if feasible performance-based measures can be developed. Additional assessment requirements may be quite extensive 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

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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

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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 be 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

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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.

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.

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.

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**EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS**

Scope of Work  
AERA Energy Project IS and Staff Support

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**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

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### 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					
			Gr. Principal \$178/hour	Project Mgr \$130/hour	Asst. PM or Sr. Biol. \$118/hour	Analyst \$96/hour	Graphics/GIS \$76/hour	Clerical \$55/hour
<b>1. Application Review/Project Scoping/Kick-off</b>								
1.1 Initial Review of Application Materials	\$1,355	11		10				1
1.2 Project Kick-off Meeting	\$1,010	8		6	2			
<b>2. Field Visit to Project Site</b>								
2.1 Initial Site Visit	\$1,780	16		4	6	6		
<b>3. Preparation of IS-MND</b>								
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	\$2,366	23	1	4	6	6	4	2
Air Quality	\$3,145	27	6	4		16		1
Biological Resources	\$4,370	42	4	4	6	20	6	2
Cultural Resources	\$795	8		1	2	4		1
Geology and Soils	\$3,255	28	8	1	2	12	4	1
Greenhouse Gas Emissions/Climate Change	\$2,445	22	4	1	2	14		1
Hazards and Hazardous Materials	\$2,715	21	8	8		8		1
Hydrology and Water Quality	\$8,820	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	\$435	4		1	1	2		
3.3 Public Review Draft IS-MND	\$1,685	16	1	3	3	8	1	2
3.4 Responses to Comments/ Final IS-MND	\$2,520	22	3	6	3	8		2
<b>4. Staff Report and Related Exhibits</b>								
4.2 Admin Draft Staff Reports (2 hearings)								
Staff Report and Resolutions	\$3,185	28	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)	\$1,380	10	2	6	2			
<b>5. Coordination, Hearings, and Project Management</b>								
5.1 Project Coordination	\$2,545	18	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
<b>Subtotal Rincon Labor:</b>	<b>\$81,000</b>	<b>517</b>	<b>92</b>	<b>181</b>	<b>67</b>	<b>139</b>	<b>31</b>	<b>37</b>
<b>Additional Costs</b>								
Subconsultants: Far Western - peer review cultural	\$1,700							
Omni-Means - peer review traffic	\$5,928							
Printing: 2 hard copies, 2 CDs (or pdf) of ISMND	\$160							
2 hard copies, 2 CDs (or pdf) of Staff Report	\$240							
Supplies and Miscellaneous Expenses	\$1,818							
General and Administrative	\$1,477							
<b>Subtotal Additional Costs:</b>	<b>\$11,324</b>							
<b>TOTAL: Labor + Additional Costs</b>	<b>\$72,324</b>							
<b>Optional Tasks</b>								
Biol. Resources: 1. Jurisdictional Delimitation	\$4,860							
Hazards/Haz Mat: Phase 2 Envl. Site Assessment	\$53,085							
Meetings/Hearings: Planning Commission Site Meeting	\$930							
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.

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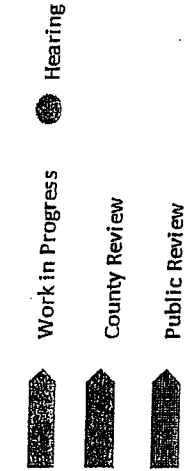
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**EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS**

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					
Public Review IS/MND, NOC, & NOI		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**



**RINCON CONSULTANTS, INC.**

**Standard Fee Schedule for Environmental, Geoenvironmental, and Planning Services**

Rincon Consultants' fee schedule is based on the time that is charged to projects by our professionals and support staff. Direct costs associated with completing a project are also billed to the project as outlined under Reimbursable Expenses below. The following sets forth the billing rates for our personnel.

<u>Professional and Technical Personnel</u>	<u>Hourly Rate</u>
Senior Principal.....	\$ 155-190/hour
Principal.....	\$ 125-150/hour
Supervising Environmental Scientist/Planner/Biologist.....	\$ 120-140/hour
Senior Environmental Scientist/Planner/Biologist.....	\$ 110-130/hour
Environmental Scientist/Planner/Biologist.....	\$ 85-105/hour
Environmental Technician.....	\$ 75-85/hour
Environmental Field Aide.....	\$ 55-65/hour
AutoCAD, GIS Technician.....	\$ 85-95/hour
Graphic Designer.....	\$ 75/hour
Clerical/Administrative Assistant/Production Tech.....	\$ 55/hour

Expert witness services consisting of depositions and in-court testimony are charged at a rate of \$295/hour.

<u>Equipment</u>	<u>Rate</u>	<u>Equipment</u>	<u>Rate</u>
Photo-Ionization Detector	\$ 120/day	Submersible Pump	\$ 160/day
Flame Ionization Detector	\$ 200/day	Vacuum Gas Chamber Sampler	\$ 25/day
Four Gas Monitor	\$ 120/day	Decontamination Equipment	\$ 25/day
Soil Vapor Extraction	\$ 140/day	Sound Level Meter	\$ 125/day
Oil-Water Interface Probe	\$ 85/day	Field GPS	\$ 25/job
Water Level Indicator	\$ 35/day	Laser Rangefinder/Altitude	\$ 40/day
DC Purge Pump	\$ 35/day	Field Computer Equipment	\$ 45/day
Temp-pH- Conductivity	\$ 50/day	Digital Projector/Computer	\$ 60/day
Bailer	\$ 25/day	Infrared Sensor Digital Camera	\$ 75/day
Disposable Bailer	\$ 20/each	Anemometer	\$ 30/day
Hand Auger Sampler	\$ 55/day	General Bio. Field Equipment	\$ 45-\$90/day
Brass Sample Sleeves	\$ 10/each	Advanced Bio. Equipment (Trimble GPS)	\$ 295/day
Dissolved Oxygen Meter	\$ 45/day	Specialized Bio. Field Eqmnt. (Anabat,	\$ 400-
Level C Health and Safety	\$ 60/person/day	fiber optic scopes, spot lights, etc.)	\$600/day

Photocopying and Printing

Photocopies will be charged at a rate of \$0.08/copy for single-sided copies and \$0.16 for double-sided copies. Colored copies will be charged at a rate of \$1.00/copy for single-sided and \$2.00/copy for double-sided or 11"x17" copies. Oversized maps or display graphics will be charged at a rate of \$8.00/square foot.

Reimbursable Expenses

Expenses associated with completing a project are termed Reimbursable Expenses. These expenses do not include the hourly billing rates described above. Reimbursable expenses include, but are not limited to, the following:

1. Direct costs associated with the execution of a project are billed at cost plus 15% to cover General and Administrative services. Direct costs include, but are not limited to, laboratory and drilling services charges, subcontractor services, authorized travel expenses, permit charges and filing fees, printing and graphic charges, mailings and postage, performance bonds, sample handling and shipment, equipment rental other than covered by the above charges, etc. Communications charges and miscellaneous office expenses (including PDAs, cell phones, phone, fax, and electronic data transmittals, digital cameras, photo processing, etc.) are billed at 2% of total labor.  
standard IRS rate
2. Vehicle use in company-owned vehicles will be billed at a day rate of \$85/day for regular terrain vehicle use and \$135 per day for 4-WD off-road vehicle use, plus \$0.85/mile for mileage over 50 miles per day. For transportation in employee-owned automobiles, a rate of \$0.85/mile will be charged. Rental vehicles will be billed at cost plus 15%.  
standard IRS rate

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(Contractor's Initials)

May 2010

## **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.

## EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS

### 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**

<b>Task</b>	<b>Unit</b>	<b>Unit Rate</b>	<b>Number of Units</b>	<b>Subtotal</b>
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
			<b>Project Total</b>	<b>\$53,085</b>

**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, 2<sup>nd</sup> Floor, Salinas, CA 93901  
Telephone: (831) 755-4829

**EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS**

*Invoice*

<i>This Invoice:</i>	<b><u>Task 1: Application Review/Project Scoping/Kick-Off</u></b>	
	\$ 1,355.00	1.1 Initial Review of Application Materials
	\$ 1,010.00	1.2 Project Kick-Off Meeting
	\$ 2,365.00	<b>Subtotal Task 1</b>
	<b><u>Task 2: Field Visit to Project Site</u></b>	
	\$ 1,780.00	2.1 Initial Site Visit
	\$ 1,780.00	<b>Subtotal Task 2</b>
	<b><u>Task 3: Preparation of IS-MND</u></b>	
		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	<b>Subtotal Task 3</b>
	<b><u>Task 4: Staff Report and Related Exhibits</u></b>	
		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	<b>Subtotal Task 4</b>
	<b><u>Task 5: Energy Efficiency Incentive Program</u></b>	
	\$ 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	<b>Subtotal Task 5</b>

**EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS**

**Additional Costs**

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

Remaining Balance \$ \_\_\_\_\_

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

**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.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)  
06/14/2011

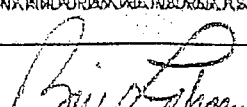
PRODUCER <b>LEGENDS ENVIRONMENTAL INS.SVCS,LLC</b> 2165 N GLASSELL STREET ORANGE, CA 92865 LICENSE #0C79875	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	INSURERS AFFORDING COVERAGE	NAIC#
INSURED <b>RINCON CONSULTANTS, INC.</b> 180 NORTH ASHWOOD AVENUE VENTURA, CA 93003	INSURER A:	AMERICAN SAFETY RISK RETENTION GRP A IX
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

### COVERAGES Serial #

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES, AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADDL	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTORS POLL  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJ-JECT <input type="checkbox"/> LOC	ENV007375-08-03	12/17/2008	12/17/2011	EACH OCCURRENCE \$ 3,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 3,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
		<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		<b>EXCESS / UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
		<b>WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below <span style="float: right;">Y/N <input type="checkbox"/></span>				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A		OTHER PROF LIABILITY/ CLMS MDE TRANSPORTATION COV. /CLMS MDE	ENV007375-08-03	12/17/2008	12/17/2011	RETRO DATES: 12/9/94 (PL) 12/17/08 TRANS. COV. 3,000,000 / 3,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS  
 THE COUNTY OF MONTEREY, ITS OFFICERS, AGENTS, AND EMPLOYEES ARE NAMED AS ADDITIONAL INSURED WITH RESPECTS TO WORK PERFORMED FOR THEM BY THE NAMED INSURED.  
 INSURANCE IS PRIMARY  
 \*EXCEPT 10 DAYS NOTICE FOR NONPAY OF PREMIUM

<b>CERTIFICATE HOLDER</b>  COUNTY OF MONTEREY CONTRACTS PURCHASING DEPT. 168 WEST ALISAL STREET, THIRD FLOOR SALINAS, CA 93901	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL <del>SEND BY MAIL</del> <input checked="" type="checkbox"/> MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT <del>BY MAIL</del> <input checked="" type="checkbox"/> BY MAIL <input checked="" type="checkbox"/> BY FAX <input checked="" type="checkbox"/> BY TELEPHONE <input checked="" type="checkbox"/> BY PERSONAL DELIVERY <input checked="" type="checkbox"/> BY OTHER MEANS <input type="checkbox"/> AUTHORIZED REPRESENTATIVE 
---	--

PRODUCER 949.348.7400 Insurance Solutions License #0746539 26522 La Alameda, Suite 190 Mission Viejo, CA 92691	FAX 949.348.2373		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	INSURERS AFFORDING COVERAGE		NAIC #	
INSURED RINCON CONSULTANTS INC 180 N Ashwood VENTURA, CA 93003	INSURER A: Travelers Indemnity Company		25658	
	INSURER B: Hartford Fire Ins Co		19682	
	INSURER C:		_____	
	INSURER D:		_____	
	INSURER E:		_____	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$	
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	BA590M5588	12/17/2010	12/17/2011	COMBINED SINGLE LIMIT (Ea accident) \$ <b>1,000,000</b> BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$	
		EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$	
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below	72WECFZ9243	02/01/2011	02/01/2012	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	E.L. EACH ACCIDENT \$ <b>1,000,000</b> E.L. DISEASE - EA EMPLOYEE \$ <b>1,000,000</b> E.L. DISEASE - POLICY LIMIT \$ <b>1,000,000</b>
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 The County of Monterey, its officers, agents, and employees are named as additional insured per the Business Auto Coverage From CAT420(07-06) attached to the policy. Coverage is Primary when required by written contract per pg 10 of the Business Auto Coverage Form.  
 Waiver of Subrogation applies to workers compensation per the attached endorsement.  
 \*10 Days written notice for non-payment of premium

CERTIFICATE HOLDER  County of Monterey Contracts/Purchasing Department 168 West Alisal Street Third Floor Salinas, CA 93901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30*</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
	AUTHORIZED REPRESENTATIVE Tony Alessandra/BRYANK <i>Tony Alessandra</i>



## **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

ASRRG - ENV 01 009 06 07

**ADDITIONAL INSURED COVERAGE ENDORSEMENT**

This Endorsement shall not serve to increase our limits of insurance, as described in the LIMITS OF INSURANCE section of this policy.

It is agreed the following changes are incorporated into the policy.

The following shall be added to SECTION I, COVERAGE A., Par. 1.:

Any person shown as an Additional Insured on a certificate of insurance issued by our authorized representative provided such person is required to be named as an Additional Insured in a written contract with you, shall be entitled to coverage hereunder solely for "claims" or "suits" for "bodily injury" or "property damage" arising solely out of your negligence and not out of the negligence of any other person or entity. The limits of insurance provided to such Additional Insured shall be limited to the lesser of the limits of insurance required in a written contract with you, or the limits of insurance as described in the LIMITS OF INSURANCE section(s) under the policy. No obligation for defense or indemnity under the policy is provided to any Additional Insured for "claims" or "suits" directly or indirectly "arising from" the status, actions or inaction, including (without limitation) for vicarious, derivative or strict liability of said Additional Insured, its agents, consultants, servants, contractors or subcontractors (other than the Named Insured), except for the actions or inactions of the Named Insured.

We will have no duty to defend any insured, other than the Named Insured, except when the sole allegation against that insured is vicarious liability for the sole negligence of the Named Insured and not the negligence of any other person or entity.

All terms, conditions and exclusions of the policy, including, but not limited to, any deductible or self-insured retention, shall apply to such Additional Insured.

All other terms, conditions and exclusions under the policy are applicable to this Endorsement and remain unchanged.

**COUNTY OF MONTEREY, ITS OFFICERS, AGENTS, AND EMPLOYEES**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ASIC - ENV 98 036 11 04**

**PRIMARY NON CONTRIBUTORY INSURANCE ENDORSEMENT FOR SPECIFIED PROJECT**

This Endorsement shall not serve to increase our limits of insurance, as described in SECTION III - LIMITS OF INSURANCE.

In consideration of the payment of premiums, it is hereby agreed as follows.

Solely with respect to the specified project listed below and subject to all terms, conditions and exclusions of the policy, this insurance shall be considered primary to the Additional Insured listed below if other valid and collectible insurance is available to the Additional Insured for a loss we cover for the Additional Insured under COVERAGE A. It is also agreed that any other insurance maintained by the additional insured shall be non-contributory.

Additional Insured(s)	Specified Project
<p>Any person, organization or project with whom the named insured executes a written contract prior to the start of a project and which is shown on a certificate of insurance issued by our authorized representative</p> <p>COUNTY OF MONTEREY, ITS OFFICERS, AGENTS, AND EMPLOYEES.</p>	<p>Where required by written contract</p>

All other terms, conditions and exclusions under the policy are applicable to this Endorsement and remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

### SECTION I - COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols
1	Any "Auto"
2	Owned "Autos" Only Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos" Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

## COMMERCIAL AUTO

- |    |   |   |
|----|---|---|
| 19 | Mobile<br>Equipment<br>Subject To<br>Compulsory<br>Or Financial<br>Responsibility<br>Or Other Motor<br>Vehicle<br>Insurance Law<br>Only | Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged. |
|----|---|---|

### B. Owned Autos You Acquire After The Policy Begins

1. If Symbols 1, 2, 3, 4, 5, 6 or 19 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

### C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Liability Coverage is provided by this coverage form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

## SECTION II – LIABILITY COVERAGE

### A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

#### 1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:

(1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
  - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
  - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
  - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

**2. Coverage Extensions**

**a. Supplementary Payments**

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

**b. Out-of-state Coverage Extensions**

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

**B. Exclusions**

This insurance does not apply to any of the following:

**1. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

**2. Contractual**

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

## COMMERCIAL AUTO

### 3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

### 4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
  - (1) Employment by the "insured"; or
  - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the coverage form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

### 5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph a. above.

### 6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this ex-

clusion does not apply to liability assumed under a sidetrack agreement.

### 7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

### 8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

### 9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

### 10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.

- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

**11. Pollution**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

**12. War**

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

**13. Racing**

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

**C. Limit Of Insurance**

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from



## COMMERCIAL AUTO

continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

### SECTION III – PHYSICAL DAMAGE COVERAGE

#### A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

- b. **Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. **Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. **Coverage Extensions**

- a. **Transportation Expenses**

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

- b. **Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

#### B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or

event that contributes concurrently or in any sequence to the "loss".

**a. Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

**b. War Or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:
- a. Wear and tear, freezing, mechanical or electrical breakdown.
  - b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed-measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed-measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently

installed, that reproduces, receives or transmits audio, visual or data signals.

d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";
- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or
- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

**C. Limit Of Insurance**

1. The most we will pay for "loss" in any one "accident" is the lesser of:

- a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. \$1,000 is the most we will pay for "loss" in any one "accident" to all electronic equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- b. Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
- c. An integral part of such equipment.

3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

## COMMERCIAL AUTO

4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

### D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

## SECTION IV – BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

### A. Loss Conditions

#### 1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

#### 2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
  - (1) How, when and where the "accident" or "loss" occurred;
  - (2) The "insured's" name and address; and
  - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".

- (4) Authorize us to obtain medical records or other pertinent information.

- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.

- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.

- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.

- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

#### 3. Legal Action Against Us

No one may bring a legal action against us under this coverage form until:

- a. There has been full compliance with all the terms of this coverage form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

#### 4. Loss Payment – Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;

- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

**5. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this coverage form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

**B. General Conditions**

**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this coverage form.

**2. Concealment, Misrepresentation Or Fraud**

This coverage form is void in any case of fraud by you at any time as it relates to this coverage form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This coverage form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this coverage form.

**3. Liberalization**

If we revise this coverage form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

**4. No Benefit To Bailee – Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this coverage form.

**5. Other Insurance**

a. For any covered "auto" you own, this coverage form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this coverage form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this coverage form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this coverage form's Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this coverage form and any other coverage form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage form bears to the total of the limits of all the coverage forms and policies covering on the same basis.

**6. Premium Audit**

a. The estimated premium for this coverage form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this coverage form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.



## COMMERCIAL AUTO

### 7. Policy Period, Coverage Territory

Under this coverage form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if:
  - (a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
  - (b) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

### 8. Two Or More Coverage Forms Or Policies Issued By Us

If this coverage form and any other coverage form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the coverage forms or policies shall not exceed the highest applicable Limit of Insurance under any one coverage form or policy. This condition does not apply to any coverage form or policy issued by us or an affiliated company specifically to apply as excess insurance over this coverage form.

## SECTION V – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
  1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or

2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other simi-

lar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
  - (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H. "Insured contract" means:
1. A lease of premises;
  2. A sidetrack agreement;
  3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- An "insured contract" does not include that part of any contract or agreement:
- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
  - b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J. "Loss" means direct and accidental loss or damage.
- K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

COMMERCIAL AUTO

- 2. Vehicles maintained for use solely on or next to premises you own or rent;
- 3. Vehicles that travel on crawler treads;
- 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. Power cranes, shovels, loaders, diggers or drills; or
  - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
- 5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - b. Cherry pickers and similar devices used to raise or lower workers; or
- 6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a. Equipment designed primarily for:
    - (1) Snow removal;
    - (2) Road maintenance, but not construction or resurfacing; or
    - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - c. Air compressors, pumps and generators, including spraying, welding, building

cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
  - 1. Damages because of "bodily injury" or "property damage"; or
  - 2. A "covered pollution cost or expense";to which this insurance applies, are alleged.  
"Suit" includes:
  - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AUTO COVERAGE PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

### BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

#### A. PERSONAL EFFECTS COVERAGE

**SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions** is amended by adding the following:

##### Personal Effects Coverage

We will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

- (1) owned by an "insured"; and
- (2) in or on your covered "auto";

in the event of a total theft "loss" of your covered "auto".

No deductibles apply to Personal Effects Coverage.

#### B. AUTO LOAN LEASE GAP COVERAGE

**SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions** is amended by adding the following:

##### Auto Loan Lease Gap Coverage for Private Passenger Type Vehicles

In the event of a total "loss" to a covered "auto" of the private passenger type shown in the Schedule or Declarations for which Physical Damage Coverage is provided, we will pay any unpaid amount due on the lease or loan for such covered "auto" less the following:

- (1) The amount paid under the Physical Damage Coverage Section of the policy for that "auto"; and
- (2) Any:
  - (a) Overdue lease/loan payments at the time of the "loss";
  - (b) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
  - (c) Security deposits not returned by the lessor;

- (d) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and

- (e) Carry-over balances from previous loans or leases.

#### C. COVERAGE EXTENSION – AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT NOT DESIGNED SOLELY FOR THE PRODUCTION OF SOUND

**SECTION III – PHYSICAL DAMAGE COVERAGE, B. Exclusions**, exception paragraph a. to exclusions 4.c & 4.d is deleted and replaced with the following:

- a. Equipment and accessories used with such equipment, except tapes, records or discs, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or

#### D. WAIVER OF DEDUCTIBLE – GLASS

**SECTION III – PHYSICAL DAMAGE COVERAGE, D. Deductible** is amended by adding the following:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

#### E. HIRED AUTO PHYSICAL DAMAGE COVERAGE

**SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions** is amended by adding the following:

##### Hired Auto Physical Damage Coverage Extension

If hired "autos" are covered "autos" for Liability Coverage and this policy also provides Physical Damage Coverage for an owned "auto", then the



## COMMERCIAL AUTO

Physical Damage Coverage is extended to "autos" that you hire, rent or borrow subject to the following:

- (1) The most we will pay for "loss" in any one "accident" to a hired, rented or borrowed "auto" is the lesser of:
  - (a) \$50,000;
  - (b) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - (c) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
- (2) An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
- (3) If a repair or replacement results in better than like kind or quality, we will not pay for the amount of betterment.
- (4) A deductible equal to the highest Physical Damage deductible applicable to any owned covered "auto".
- (5) This Coverage Extension does not apply to:
  - (a) Any "auto" that is hired, rented or borrowed with a driver; or
  - (b) Any "auto" that is hired, rented or borrowed from your "employee".

### F. BLANKET WAIVER OF SUBROGATION

**SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer Of Rights Of Recovery Against Others To Us** is deleted and replaced by the following:

#### 5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the ex-

tent required of you by a written contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

### G. BLANKET ADDITIONAL INSURED

**SECTION II – LIABILITY COVERAGE, part A. 1. Who Is An Insured**, paragraph c. is amended by adding the following:

Any person or organization that you are required to include as an additional insured on this Coverage Form in a written contract or agreement that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

### H. EMPLOYEE HIRED AUTOS

**SECTION II – LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured** is amended by adding the following:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

### I. COVERAGE EXTENSION – TRAILERS

**SECTION I – COVERED AUTOS, C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos**, paragraph 1. is deleted and replaced by the following:

1. "Trailers" with a load capacity of 3,000 pounds or less designed primarily for travel on public roads.

# **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&BI	Doc. Mgt (3)	Technology Fee (6)	PWD	WRA	EH	CC	GPU (6)	Total FY08	Notes / Overall Increase
Administrative Permit - General	2,884.00	28.84		388.00	525.00	475.00	157.00	149.28	4,948.12	
Administrative Permit - Senior Citizen Unit	1,006.00	10.08	180.00	104.00	907.00	513.00	170.00	149.82	5,353.82	8%
Administrative Permit - Signs	1,050.00	10.50	63.00	404.00	375.00	432.00	170.00	88.89	3,125.39	7%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	148.28	4,948.12	
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	42.66	1,538.16	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	17.34	600.08	
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	18.00	660.00	10%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.60	4,506.00	
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.00	4,763.40	4%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.60	2,398.40	
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.00	2,489.30	4%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.00	627.76	4%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.00	969.00	4%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.00	450.32	4%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.00	485.00	10%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	136.00	2,568.52	10%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	77.94	2,780.94	9%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	57.54	1,887.99	9%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	49.36	2,028.04	7%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	45.36	1,494.42	7%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	59.43	1,589.35	7%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	62.04	2,193.04	8%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	54.21	2,036.79	8%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	56.67	1,998.17	7%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	79.77	2,753.49	7%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	84.51	3,006.51	9%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	26.38	875.70	9%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	26.94	956.44	9%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	167.69	5,437.37	9%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	165.21	5,882.21	8%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	106.71	3,737.21	7%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	167.69	5,437.37	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	42.66	1,538.16	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	265.45	7,789.74	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	235.64	8,433.64	8%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	225.45	7,789.74	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	74.16	2,693.16	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	225.45	7,789.74	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	74.91	2,718.91	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	337.29	44,664.72	NEW FEE
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	170.00	667.00	Hourly Rate
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	146.49	5,066.33	P&BI & CC: fee per lot
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	138.84	4,976.84	-2%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	44.48	1,638.54	
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	46.80	1,680.30	9%
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	160.62	3,489.42	
Administrative Permit - Signs	1,050.00	10.50	63.00	202.00	375.00	432.00	170.00	510.00	3,819.83	10%

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

Permit Type	P&E	Doc. Mgt (3)	Technology Fee (8)	PWD	WRA	EH	CC	GPU (6)	Total FY08	Notes / Overall Increase
Design Approval Requiring Public Hearing	221.00	7.21					157.00	26.94	844.55	
	150.00	7.50	45.00				170.00	27.80	1,000.10	10%
Design Approval, Reroof	144.00	1.44						4.32	148.76	
	150.00	1.50	9.00					4.50	165.00	10%
Design Approval, Director's Approval	136.00	4.33						12.99	450.32	
	150.00	4.50	27.00				1,570.00	13.50	495.00	10%
Development Agreement (7)	150.00			5,000.00				244.38	7,257.38	
Extraordinary Project	50,000.00	500.00		101.00			170.00		667.00	Hourly Rate
Environmental Impact Report (1) (7)	50.00			101.00			9,440.00	1,604.20	55,204.20	DEPOSIT
Extraordinary Project	50.00			101.00			170.00		667.00	Hourly Rate
Environmental Impact Report - Contract Administration										
Emergency Permits	2,163.00	21.63		3,000.00			370.00		3,170.00	NEW FEE
	2,150.00	21.50	135.00				78.00	67.23	2,329.66	
Extraordinary Development Applications (7)	4,420.00	144.20		5,000.00			85.00	70.05	2,582.55	10%
	15,000.00	150.00	800.00	5,000.00			1,700.00	1,065.94	37,303.94	DEPOSIT
Field Review Before an Application	284.00							8.52	292.52	
	300.00							9.00	309.00	6%
General Development Plan	2,884.00	28.84		592.00			157.00	162.78	5,647.62	
	3,000.00	30.00	180.00	505.00			170.00	170.37	6,058.37	8%
General / Area / Specific Plan Amendment	6,460.00	64.68		3,882.00			942.00	378.85	9,638.74	
Extraordinary Project	150.00			101.00			170.00		667.00	Hourly Rate
	668.00	6.68								
Grading Permits (not in conjunction with BP)	900.00	9.00	54.00					46.60	1,574.26	
	3,800.00	38.00		388.00			344.00	452.28	5,366.28	7%
Initial Study CEQA - Single Family Dwelling (SFD)	3,850.00	38.50	237.00	404.00			340.00	162.12	5,842.62	9%
	3,008.00	30.08		388.00			638.00	74.25	3,556.33	
Initial Study CEQA - SFD, tiered from earlier EIR	1,050.00	10.50	63.00	404.00			680.00	78.69	2,775.19	8%
	5,565.00	55.65	333.90	404.00			1,020.00	230.97	8,319.52	9%
Initial Study CEQA - Minor Subdivision / Commercial / Industrial	15,000.00	150.00	900.00	1,005.00			1,256.00	597.00	19,587.00	DEPOSIT
	3,800.00	38.00		388.00			1,360.00	542.37	19,671.37	
Initial Study CEQA - Other	3,550.00	35.50	237.00	404.00			680.00	172.32	6,192.82	9%
	450.00	4.50							481.50	10%
	246.00	2.46							248.46	
Landscape Review, Residential	225.00	2.25	13.50						240.75	10%
	150.00	1.50	9.00						145.44	
Landscape Review, Commercial	220.00	2.20	7.20						160.50	10%
	7,500.00	75.00	45.00					22.50	825.00	10%
Lot Line Adjustment - General	2,506.00	25.06	162.00	582.00			471.00	150.48	5,192.44	
	2,700.00	27.00		600.00			510.00	157.95	5,611.95	8%
Lot Line Adjustment - Williamson Act	2,506.00	25.06	144.00	605.00			1,700.00	184.65	6,507.65	25%
	2,400.00	24.00	14.42	97.00			157.00	77.84	2,689.33	
LLA Amendment, Revision or Extension	1,500.00	15.00	90.00	101.00			314.00	81.66	2,998.66	8%
	668.00	6.68		185.00					4,985.94	

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

Permit Type	P & B	Doc. Mgt (3)	Technology Fee (\$)	PWD	WRA	EH	CC	GPU (\$)	Total FY08	Notes / Overall Increase
Mitigation Monitoring -11 to 30 measures	3,000.00	30.00	-	504.00	980.00	1,670.00	340.00	-	5,224.00	5%
Mitigation Monitoring -31 to 100 measures	5,768.00	57.68	-	974.00	309.00	2,493.00	629.00	-	6,971.68	2%
Mitigation Monitoring -over 100 measures	9,000.00	90.00	-	1,008.00	1,800.00	3,330.00	300.00	-	10,148.00	5%
Minor and Trivial Amendment (no public hearing)	8,652.00	86.52	-	1,948.00	1,982.00	5,680.00	1,266.00	-	16,517.00	DEPOSIT
Minor Subdivision Tentative Map (exist. sewers)	3,000.00	30.00	108.00	2,000.00	2,172.100	2,678.00	1,360.00	-	17,949.00	4%
Minor Subdivision Tentative Map (new septic or system)	5,768.00	57.68	360.00	2,219.00	2,721.00	1,782.00	1,443.00	56.55	2,067.55	10%
MS Amend, Revisions (exist sewers)	3,000.00	30.00	180.00	1,008.00	1,567.00	1,330.00	628.00	172.89	5,944.04	8%
MS Amend, Revisions (new septic or systems)	2,884.00	28.84	180.00	386.00	545.00	356.00	628.00	144.03	4,973.87	8%
MS Ext (new septic or system)	3,000.00	30.00	180.00	404.00	567.00	384.00	680.00	151.05	5,396.05	8%
MS Vesting Tentative Map (exist sewers)	8,652.00	86.52	540.00	2,219.00	2,721.00	1,782.00	1,443.00	497.94	17,181.43	8%
MS Vesting Tentative Map Ext (exist sewers)	2,884.00	28.84	180.00	386.00	545.00	356.00	628.00	144.03	4,973.87	8%
MS Vesting Tentative Map (new septic or system)	3,000.00	30.00	180.00	404.00	567.00	384.00	680.00	151.05	5,396.05	8%
MS Amended Parcel Map (NEW SEPTIC OR SYSTEM)	2,884.00	28.84	180.00	386.00	545.00	356.00	628.00	144.03	4,973.87	8%
MS Amended Parcel Map (EXIST SEWER)	3,000.00	30.00	180.00	404.00	567.00	384.00	680.00	151.05	5,396.05	8%
Parcel Legality Determination	721.00	7.21	45.00	970.00	545.00	560.00	628.00	170.94	6,185.45	9%
Parcel Legality Determination - each additional lot	150.00	1.50	0.08	100.00	101.00	101.00	34.00	34.00	1,163.50	-26%
Permit Amendment, Renewals, Revisions or Extensions	450.00	4.50	0.05	97.00	101.00	101.00	34.00	125.68	4,360.72	9%
Pre/Post Application Conference	500.00	5.00	180.00	101.00	101.00	101.00	34.00	131.76	4,733.76	PER HOUR
Change to (per hour)	572.00	-	-	388.00	322.00	322.00	34.00	497.00	467.00	12,644.28
Surface Mine/Reclamation Plan	11,636.00	115.36	720.00	1,011.00	1,330.00	1,330.00	628.00	364.92	13,900.40	10%
Surface Mine/Annual Inspection	2,884.00	28.84	180.00	386.00	545.00	356.00	628.00	86.52	2,999.36	10%
Surface Mine/Annual Inspection	3,000.00	30.00	180.00	404.00	567.00	384.00	680.00	90.00	3,300.00	10%

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

Permit Type	P&E	Doc. Mgt (3)	Technology Fee (8)	PWD	WRA	EH	CC	GPU (\$)	Total FY08	Notes / Overall Increase
Research	384.00	3.84		87.00				11.43	385.27	
Rezoning or Code Text Amendments	300.00	3.00	18.00	100.00				12.03	434.03	10%
Extraordinary Project	150.00			388.00	135.00	175.00	628.00	187.50	6,483.85	
Scenic Easement Amendment	1,412.00	14.12		101.00	119.00	193.00	170.00	52.68	1,823.10	Hourly Rate
Specific Plan (2) (7)	1,500.00	15.00	90.00	5,000.00	Marital Goals	1,188.00	340.00	55.20	2,000.20	10%
Extraordinary Project	150.00			101.00	118.00	133.00	170.00		667.00	Hourly Rate
Specific Plan Amendment (2) (7)	150.00			101.00	118.00	133.00	170.00	38.26	870.26	
Extraordinary Project	150.00			101.00	118.00	133.00	170.00		667.00	Hourly Rate
Standard Sub Preliminary Map (exist sewers)(4)(9)	5,761.00	57.61		920.00	2,816.00	2,375.00		354.66	12,431.27	
Standard Sub Preliminary Map (new septic or system)(9)	5,900.00	59.00	359.40	1,009.00	2,721.00	2,595.00		368.55	13,072.85	8%
Standard Sub Preliminary Map (new septic or system)(9)	5,761.00	57.61		920.00	2,816.00	2,595.00		369.48	12,743.09	
Standard Sub Project Review Map (CVMP)(9)	5,900.00	59.00	359.40	1,009.00	2,721.00	2,595.00		387.81	13,734.11	8%
Standard Sub Tentative Map (exist sewers)(9)	2,080.00	20.80	124.80	2,018.00	2,721.00	2,595.00		196.88	6,772.68	
Standard Sub Tentative Map (exist sewers)(9)	11,536.00	115.36		4,066.00	3,401.00	2,595.00		204.57	7,188.17	6%
Standard Sub Tentative Map (new septic or system)(9)	12,000.00	120.00	720.00	3,120.00	3,401.00	2,595.00		699.63	24,136.00	PW: +\$300/lot
Standard Sub Tentative Map (new septic or system)(9)	11,536.00	115.36		3,066.00	3,401.00	2,595.00		734.58	26,060.58	
Standard Sub Vesting Tentative Map (exist sewers)(9)	12,000.00	120.00	720.00	3,120.00	3,401.00	2,595.00		717.83	27,227.57	PW: +\$300/lot
Std Sub Vesting Tentative Map (new septic or system)(9)	11,536.00	115.36		3,066.00	3,401.00	2,595.00		759.15	25,870.54	
Std Sub Amendment or Revision (exist sewers)	3,600.00	36.00	216.00	1,211.00	1,534.00	1,155.00		224.85	7,754.46	8%
Std Sub Amendment or Revision (new septic or system)	3,461.00	34.61		1,164.00	1,534.00	1,155.00		231.98	7,998.57	
Std Sub Extension (exist sewers)	3,600.00	36.00	216.00	1,211.00	1,534.00	1,155.00		244.44	8,644.44	8%
Std Sub Extension (new septic or system)	3,600.00	36.00	216.00	1,211.00	1,534.00	1,155.00		177.89	6,135.30	8%
Std Sub Final Map Processing (4)	3,461.00	34.61		1,164.00	1,534.00	1,155.00		188.24	6,646.24	
Standard Sub, Amended Final Map (ON SEPTIC)	3,600.00	36.00	216.00	1,211.00	1,534.00	1,155.00		188.24	6,646.24	8%
Standard Sub, Amended Final Map (ON SEWER OR EXIS SYSTEM)	3,600.00	36.00	216.00	1,211.00	1,534.00	1,155.00		112.55	3,964.56	6% \$156/lot
Standard Sub, Amended Final Map (ON SEWER OR EXIS SYSTEM)	3,600.00	36.00	216.00	1,211.00	1,534.00	1,155.00		256.24	8,782.85	
Tree Removal, Director's Approval (Inland)	57,700	5.77		1,040.00	64,500	1,069.00		268.65	9,475.65	8%
Tree Waiver, Coastal	240.00	2.40						248.49	8,553.74	
Use Permit - General	3,605.00	36.05		992.00	872.00	898.00		261.00	9,213.00	8%
	3,750.00	37.50	225.00	605.00	907.00	1,026.00		17.34	606.08	-56%
								7.20	264.00	NEW FEE
								7.20	264.00	
								203.94	7,264.44	8%

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

Permit Type	P&BI	Doc. Mgt (3)	Technology Fee (8)	PWD	WRA	EH	OC	GPU (6)	Total FY08	Notes / Overall Increase
Use Permit - Signs	2,046.00	20.16	-	494.00	-	-	157.00	74.04	2,468.17	
	2,100.00	21.00	126.00	202.00	-	-	170.00	74.16	2,693.16	10%
Use Permit - Tree Removal	3,805.00	38.05	-	582.00	674.00	950.00	474.89	194.40	6,740.45	
	2,100.00	21.00	126.00	-	-	-	170.00	68.10	2,485.10	NEW FEE
Use Permit Amendment / Revision / Extension	-	-	-	-	-	-	344.89	8.42	333.42	
	3,805.00	38.05	-	582.00	-	-	340.00	10.20	350.20	8%
Variance	3,805.00	38.84	-	388.00	63.00	475.00	157.89	149.04	4,885.85	
	3,000.00	30.00	180.00	404.00	784.00	513.00	170.00	146.43	5,237.43	8%
Vested Rights Determination	5,768.00	57.68	360.00	-	-	-	457.00	220.14	7,615.82	
	6,000.00	60.00	360.00	-	-	-	1,700.00	231.00	8,351.00	10%
Williamson Act. or Farmland Security Zone Contract	1,306.00	12.86	81.00	-	-	-	1,256.00	76.56	2,641.52	
	1,350.00	13.50	81.00	-	-	-	1,360.00	81.30	2,889.80	9%
Williamson Act Amendments	1,286.00	12.86	81.00	-	-	-	785.00	62.43	2,156.29	
	1,350.00	13.50	81.00	-	-	-	850.00	66.00	2,360.50	9%
30% slope exception	-	-	-	-	-	-	-	14.25	486.25	
	677.00	6.77	36.00	404.00	-	175.00	21.69	15.39	528.39	8%
Record of Survey	800.00	8.00	-	388.00	-	513.00	11.64	11.64	399.64	
	-	-	-	404.00	-	-	12.12	12.12	416.12	4%
Certificate of Correction	-	-	-	152.00	-	-	-	22.56	816.56	
	677.00	6.77	36.00	11.00	-	-	0.93	0.93	44.33	9%
Corner Record	-	-	-	11.00	-	-	-	0.33	11.33	
	-	-	-	1,261.00	-	-	97.83	97.83	1,399.83	0%
Parcel Map Processing	1,311.00	-	-	1,311.00	-	-	39.33	39.33	1,350.33	4%
	-	-	-	386.00	-	-	-	14.64	389.64	
Improvement Plan Processing	404.00	-	-	404.00	-	-	12.12	12.12	416.12	4%
	-	-	-	5.00	-	-	0.00	0.00	0.00	0%
Improvement Plans(per Square foot of Pavement)	-	-	-	0.15	-	-	0.00	0.00	0.05	
	978.00	9.78	-	978.00	-	-	29.40	29.40	999.40	4%
Road Name	1,008.00	-	-	1,008.00	-	-	30.27	30.27	1,039.27	4%
	-	-	-	49.00	-	-	1.47	1.47	50.47	
House Number	-	-	-	51.00	-	-	1.53	1.53	52.53	4%
	720.00	7.20	45.00	2,225.00	-	-	344.00	103.77	3,569.97	
Road Abandonment	750.00	7.50	45.00	750.00	-	-	340.00	108.36	3,772.86	6%
	-	-	-	1,040.00	-	-	56.20	56.20	1,099.20	4%
Public Service Easement Abandonment	-	-	-	2,038.00	-	-	60.54	60.54	2,078.54	4%
License to Cross Non-Access Slip	-	-	-	970.00	-	-	30.27	30.27	1,039.27	4%
	-	-	-	1,008.00	-	-	60.54	60.54	2,078.54	4%
Franchise Agreement	-	-	-	2,038.00	-	-	29.10	29.10	999.40	4%
	-	-	-	670.00	-	-	30.27	30.27	1,039.27	4%
Franchise Agreement Extension / Amendment	118.00	-	-	118.00	-	-	118.00	118.00	118.00	0%
	-	-	-	1,008.00	-	-	4.92	4.92	168.92	4%
Code Enforcement activities(per hour)	-	-	-	17,000.00	-	-	5.10	5.10	175.10	4%
Monterey Peninsula Water Mgmt Dist. Allocation Tracking	-	-	-	16,335.00	-	-	16.35	16.35	564.35	4%
Well Construction-over 5 acre ft production in zone 2A	-	-	-	567,000.00	-	-	17.01	17.01	584.01	4%
Well Reconstruction/Destruction for zone 2A	-	-	-	32,500.00	-	-	9.84	9.84	396.84	4%
	-	-	-	34,000.00	-	-	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/Destruction Database Maintenance					227.00			8.84	336.84	
Hydrogeologic Report Review					24,000			10.20	350.20	4%
Hydrogeologic Report Review w/Diminutus Finding					654,600			18.62	674.62	
Plan check fee for building permit					880,000			20.40	700.40	4%
Soils Testing (per hour)					227,000			6.81	233.81	4%
Sewage treatment & reclamation facility - Application					340,000			10.20	350.20	4%
Sewage treatment & reclamation facility - Permit fee yr.					127,720			3.72	127.72	
					136,990			3.99	136.99	7%
					950,000			28.50	978.50	
					1,026,000			30.78	1,056.78	8%
					713,000			24.38	734.38	
					770,000			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 ARE 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 (\$)	PWD	WRA	EH	CC	GPU (\$)	Total FY10	Notes
Administrative Permit - General	2,050.27	20.80	123.02	414.15	929.80	525.89	174.27	122.83	4,390.73	
Administrative Permit - Senior Citizen Unit	1,076.39	10.76	64.58	414.15	929.80	442.86	174.27	91.12	3,203.93	
Administrative Permit - Signs	1,076.39	10.76	64.58	207.08			174.27	43.73	1,576.81	
Airport Land Use Commission Application Review	615.08	6.15	36.90					18.45	676.58	
Appeal of Fee Determination	615.08	6.15	0.00				139.42	0.00	760.65	
Appeals	3,731.50	37.32	0.00	414.15	346.56	232.71	139.42	0.00	4,803.65	
Appeals of Administrative Determinations	2,986.57	23.89	0.00				139.42	0.00	2,551.88	
Application Request/Appointment	461.31								461.31	
Big Sur Viewshed Acquisition	1,537.70	15.38	92.26	103.54	232.71	789.35		78.90	2,850.84	
BP for Additions to existing commercial/industrial	768.85		46.13	207.08	464.39	526.89		58.99	2,071.33	
BP for Additions to existing residential structures	615.08		36.90	207.08	464.39	283.46		46.50	1,633.41	
BP for Ground Mounted Solar and Significant Demolition	153.77		9.23					4.61	167.61	
BP for Minor Review (Dwelling Addition under 600 sf.)	153.77		9.23					4.61	167.61	
BP for New commercial & industrial development	922.62		55.36	207.08	464.39	525.89		63.60	2,238.94	
BP for New SFD	768.85		46.13	207.08	697.09	263.46		58.09	2,040.70	
Certificate of Compliance a) 1-2 Lots	1,537.70	15.38	92.26			304.47	1,045.64	86.63	3,082.08	
Certificate of Compliance b) each additional lot above two (2)	461.31	4.61	27.88			110.71	348.55	27.62	980.48	
Certificate of Correction	615.08	6.15	36.90	155.82				23.13	837.08	
Coastal Administrative Permit	2,050.27	20.50	123.02	414.15	929.80	1,051.79	174.27	138.61	4,902.41	
Coastal Administrative Permit - Senior Unit	1,076.39	10.76	64.58	414.15	929.80	1,051.79	174.27	109.39	3,831.13	
Coastal Administrative Permit - Signs	1,076.39	10.76	64.58	103.54			174.27	40.63	1,470.17	
Coastal Development Permit - General	4,613.11	46.13	276.79	620.21	929.80	1,051.79	871.37	242.59	8,651.79	
Coastal Development Permit - Signs	2,152.79	21.53	129.17	207.08			174.27	76.02	2,780.86	
Coastal Development Permit - Tree Removal	2,152.79	21.53	129.17		232.71		174.27	76.79	2,787.26	
Coastal Implementation Plan Amend - Extraordinary Project	15,377.04	153.77	922.82	5,126.98	6,972.98	6,864.31	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	3,075.41	30.75	184.52	620.21		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	64.58				522.82	47.98	1,722.53	
Conformance Determination (Specific Plan) - Hearing	3,070.28	30.70	184.22				522.82	107.70	3,916.81	
Corner Record	0.00	0.00	0.00	11.28				0.34	11.62	
Design Approval Requiring Public Hearing	768.85	7.69	46.13				174.27	28.29	1,025.23	
Design Approval, Director's Approval	491.31	4.91	27.88					13.84	607.44	

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

Permit Type	PLAN	Doc. Mgt (3)	Technology Fee (6)	PWD	WRA	EH	CC	GPU (8)	Total FY10	Notes
Design Approval, Roof	153.77	1.54	0.23					4.01	169.15	
Development Agreement (7) Hourly Rate - Extraordinary Project	15,377.04	153.77	922.82	5,125.88	6,972.98	6,864.31	1,742.73	1,082.48	38,241.81	Extraordinary Proj/ Hourly Rate
EIR Review/Contract Admin (1) (7) Hourly Rate - Extraordinary Project	15,377.04	153.77	922.82	5,125.88	6,972.98	6,864.31	1,742.73	1,082.48	38,241.81	Extraordinary Proj/ Hourly Rate
Emergency Permits	2,306.50	23.07	138.39				87.14	71.81	2,626.97	
Extraordinary Development Applications (7)	15,377.04	153.77	922.82	5,125.88	6,972.98	6,864.31	1,742.73	1,082.48	38,241.81	DEPOSIT
Field Review Before an Application	307.54	3.08	18.45					9.23	338.30	
Franchise Agreement	0.00	0.00	0.00	2,068.72				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	15,377.04	153.77	922.82	5,125.88	6,972.98	6,864.31	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	1,162.50	789.35	174.27	174.65	6,211.66	
Grading Permits (not in conjunction with BP)	922.52		55.36		697.06			48.59	1,723.66	
House Number	0.00	0.00	0.00	52.28				1.57	53.85	
Hydrogeologic Report Review	0.00	0.00	0.00		697.06			20.91	718.00	
Hydrogeologic Report Review w/Diminutive Finding	0.00	0.00	0.00		232.71			8.98	239.89	
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	5,704.88	57.05	342.29	414.15	464.39	283.46	1,045.84	236.78	8,528.64	
Initial Study CEQA - Other	4,049.29	40.49	242.95	414.15	464.39	283.46	697.09	176.85	6,348.48	
Initial Study CEQA - SFD, filed from earlier EIR	1,078.39	10.78	64.88	414.15	464.39	152.75	697.09	84.14	2,964.24	
Initial Study CEQA - Single Family Dwelling (SFD)	4,049.29	40.49	242.95	414.15	464.39	283.46	348.55	165.20	5,989.49	
Initial Study CEQA - Standard Subdivision	15,377.04	153.77	922.82	1,034.36	464.39	283.46	1,394.18	556.00	20,165.82	DEPOSIT
Landscape/Fuel Mgt. re-inspection (per hour)	153.77	1.54						0.00	155.31	
Landscape/Fuel Mgt. Review, Commercial	461.31	4.61						0.00	465.92	
Landscape/Fuel Mgt. Review, Residential	230.66	2.31						0.00	232.97	
Letters of Public Convenience and Necessity	788.85	7.89	45.13					23.07	845.74	
License to Cross Non-Access Strip	0.00	0.00	0.00	1,034.36				31.03	1,065.39	
LLA Amendment, Revision or Extension	1,537.70	15.38	92.26	103.64	681.26	393.85	174.27	83.71	2,981.76	
Lot Line Adjustment - General	2,767.87	27.68	166.07	620.21	697.09	789.35	622.82	181.82	5,763.01	
Lot Line Adjustment - Williamson Act	2,460.33	24.60	147.62	620.21	697.09	789.35	1,742.73	159.29	6,671.22	
Mills Act Application	1,290.18	12.90	73.81				174.27	42.13	1,874.38	Total includes fee of \$341.71 for Parks Dept
Mills Act Selected Contract Processing Fee	615.08	6.15					697.09	39.37	1,357.69	
Minor and Trivial Amendment (no public hearing)	1,845.24	18.45	110.71				87.14	57.97	2,119.51	

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

Permit Type	PLAN	Doc. Mgt (3)	Technology Fee (\$)	PWD	WRA	EH	CC	GPU (\$)	Total FY10	Notes
Minor Subdivision Tentative Map (exist. sewers)	6,150.82	61.51	369.05	2,274.78	2,789.40	1,973.39	1,568.46	442.71	15,630.12	
Minor Subdivision Tentative Map (new septic or system)	6,150.82	61.51	369.05	2,274.78	2,789.40	2,629.47	1,568.46	462.39	16,305.89	
Mitigation Monitoring -1 to 10 measures	3,075.41	30.75	0.00	616.67	697.09	688.84	348.55	0.00	5,365.31	
Mitigation Monitoring -11 to 30 measures	6,150.82	61.51	0.00	1,034.36	1,394.18	1,372.08	697.09	0.00	10,710.82	
Mitigation Monitoring -31 to 100 measures	9,226.22	92.26	0.00	2,068.72	2,091.26	2,059.50	1,394.18	0.00	16,932.16	
Mitigation Monitoring -over 100 measures	9,226.22	92.26	0.00	2,068.72	2,789.40	2,745.31	1,364.18	0.00	18,318.09	DEPOSIT/WRA: after 24 hrs. \$115.64/hr
Monterey Peninsula Water Mgmt Dist. Allocation Tracking	0.00	0.00	0.00	0.00	174.27			5.29	179.50	
MS Ext (exist sewers)	3,075.41	30.75	184.52	414.15	681.25	393.65	697.09	154.85	5,531.67	
MS Amend, Revisions (exist sewers)	3,075.41	30.75	184.52	1,034.36	681.25	789.35	697.09	185.32	6,578.05	
MS Amend, Revisions (new septic or systems)	3,075.41	30.75	184.52	1,034.36	681.25	1,051.79	697.09	193.20	6,848.37	
MS Amended Parcel Map (EXIST SEWER)	3,075.41	30.75	184.52	1,034.36	681.25	789.35	697.09	185.32	6,578.05	
MS Amended Parcel Map (NEW SEPTIC OR SYSTEM)	3,075.41	30.75	184.52	1,034.36	681.25	1,051.79	697.09	193.20	6,848.37	
MS Ext (new septic or system)	3,075.41	30.75	184.52	414.15	681.25	393.65	697.09	154.85	5,531.67	
MS Vesting Tentative Map (exist sewers)	9,226.22	92.26	553.57	2,274.78	2,789.40	1,973.39	1,568.46	534.97	19,013.05	
MS Vesting Tentative Map (new septic or system)	9,226.22	92.26	553.57	2,274.78	2,789.40	2,629.47	1,568.46	564.05	19,688.81	
MS Vesting Tentative Map Ext (exist sewers)	3,075.41	30.75	184.52	414.15	681.25	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	414.15	681.25	393.65	697.09	154.85	5,531.67	
Oak Woodland Guidelines Consistency Certification	307.84	3.08	18.45				174.27		503.34	
Parcel Legality Determination - each additional lot > 2	461.31	4.61	27.68				348.55	24.30	866.45	CC: per each add'l lot
Parcel Legality Determination 1-2 Lots	788.85	7.89	46.13				1,045.84	54.43	1,922.74	CC: 1-2 lots
Parcel Map Processing	0.00	0.00	0.00	1,943.95				40.32	1,984.27	
Parcel Map Processing(per Lot)	0.00	0.00	0.00					0.00	-	
Permit Amendment, Renewals, Revisions or Extensions	3,075.41	30.75	184.52	103.54	681.25	393.65	348.55	135.07	4,852.74	
Plan check fee for building permit	0.00	0.00	0.00			348.55		10.46	359.01	
Pre/Post Application Conference - charge to (per hour)	153.77	0.00	0.00	103.54	116.84	136.34		0.00	509.49	PER HOUR
Preliminary Map	0.00	0.00	0.00	1,034.36				31.03	1,065.39	
Public Service Easement Abandonment	0.00	0.00	0.00	2,068.72				62.08	2,130.78	
Record of Survey	0.00	0.00	0.00	414.15				12.42	426.57	
Research	307.84	3.08	18.45	103.54				12.33	444.94	
Rezoning or Code Text Amendments - Extraordinary Project	15,377.04	0.00	922.62	8,125.88	8,972.88	6,884.31	1,742.73	1,082.48	38,067.84	Extraordinary Proj/ Hourly Rate
Road Abandonment	788.85	7.89	46.13	2,585.39			348.55	111.08	3,867.89	
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 (\$)	PWD	WRA	EH	CC	GPU (\$)	Total FY10	Notes
Scenic Easement Amendment	1,537.70	15.38	92.26				348.55	56.59	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			789.35		23.68	813.03	
Soils Testing (per hour)	0.00	0.00	0.00			136.34		4.09	140.43	
Specific Plan (2) (7) Hourly Rate - Extraordinary Project	16,377.04	163.77	922.82	5,125.68	6,972.96	6,884.31	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	5,125.68	6,972.96	6,884.31	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	15.58	538.50
Standard Sub Preliminary Map (exist sewers)(4)	6,140.56	61.41	368.43	1,034.36	2,789.40	2,629.47		377.81	13,401.44	WRA: After 24 hrs, \$115.84/hr
Standard Sub Preliminary Map (new septic or system)	6,140.56	61.41	368.43	1,034.36	2,789.40	3,287.61		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	2,068.72					128.03	4,476.29
Standard Sub Tentative Map (exist sewers)	12,301.63	123.02	738.10	3,198.42	3,485.49	2,829.47	3,485.46	753.04	26,715.63	PW: +\$314.50/lot WRA: After 30 hrs, \$115.84/hr
Standard Sub Tentative Map (new septic or system)	12,301.63	123.02	738.10	3,198.42	3,485.49	3,287.61	3,485.46	772.79	27,393.52	PW: +\$314.50/lot WRA: After 30 hrs, \$115.84/hr
Standard Sub Vesting Tentative Map (exist sewers)	12,301.63	123.02	738.10	3,198.42	4,847.07	2,829.47	3,485.46	787.89	27,911.98	PW: +\$314.50/lot WRA: After 40 hrs, \$115.84/hr
Standard Sub, Amended Final Map (ON SEPTIC)	3,690.49	36.90	221.43	2,068.72	581.25	1,184.03	1,394.18		287.56	9,713.61
Standard Sub, Amended Final Map (ON SEWER OR EXIST SYSTEM)	3,690.49	36.90	221.43	2,068.72	581.25	1,184.03	1,394.18		242.74	8,592.48 WRA: After 5 hrs, \$115.84/hr
Std Sub Amendment or Revision (exist sewers)	3,690.49	36.90	221.43	1,241.44	581.25	1,184.03	1,394.18		260.68	8,861.71 WRA: After 5 hrs, \$115.84/hr
Std Sub Amendment or Revision (new septic or system)	3,690.49	36.90	221.43	1,241.44	581.25	1,445.44	1,394.18		190.92	6,813.29 WRA: After 5 hrs, \$115.84/hr
Std Sub Extension (exist sewers)	3,690.49	36.90	221.43	827.28	581.25	393.55	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	827.28	581.25	393.55	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	1,599.21		504.37	1,742.73		115.39	3,861.70 PW: +\$159.92/lot
Std Sub Vesting Tentative Map (new septic or system)	12,301.63	123.02	738.10	3,198.42	4,847.07	3,287.61	3,485.46	807.83	28,589.84	PW: +\$314.50/lot WRA: After 40 hrs, \$115.84/hr
Surface Mine Annual Inspection	3,075.41	30.75	184.52					92.26	3,382.94	
Surface Mine Reclamation Plan	12,301.63	123.02	738.10				697.09	389.96	14,249.80	
Tree Removal, Director's Approval (Inland)	246.03	2.46	14.76					7.38	270.63	
Tree Waiver, Coastal	246.03	2.46	14.76					7.38	270.63	
Tree Waiver, Coastal	3,844.26	38.44	230.86	820.21	929.60	1,051.79	522.82	209.07	7,447.05	
Use Permit - General	2,152.79	21.53	129.17	207.08			174.27		76.02	2,760.88
Use Permit - Signs	2,152.79	21.53	129.17				174.27		69.81	2,647.57
Use Permit - Tree Removal	3,075.41	30.75	184.52	414.15	813.95	525.89	174.27	150.11	5,369.06	
Variance	6,150.82	61.51	399.05				1,742.73	235.81	8,660.92	
Wasted Rights Determination	0.00	0.00	0.00		348.55				10.48	359.01
Well Construction/Destruction Database Maintenance	0.00	0.00	0.00		581.25				17.44	598.69
Well Construction-over 5 acre ft production in zone 2A	0.00	0.00	0.00		581.25				17.44	598.69

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

Permit Type	PLAN	Doc. Mgt (3)	Technology Fee (b)	PWD	AWRA	EH	CC	GPU (8)	Total FY10	Notes
Well Reconstruction/Destruction for zone 2A	0.00	0.00	0.00		348.55			10.46	359.01	
Williamson Act. or Farmland Security Zone Contract	1,383.83	13.84	83.04				1,394.18	83.34	2,958.33	
Williamson Act Amendments	1,383.83	13.84	83.04				871.37	67.66	2,419.84	

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 \$319.80/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: 9% OF TOTAL PERMIT FEES
- (7) EH WILL CHARGE THE HOURLY RATE OF \$136.34/HR ONCE THE STANDARD PERMIT FEE FOR EXTRAORDINARY PERMITS HAVE BEEN EXHAUSTED
- (8) TECHNOLOGY FEE: 0% OF PLANNING PERMIT FEE (7/1/2006 - 6/30/2013)

NOTE: Pursuant to Board of Supervisors Resolution No. 06-132, 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 7/28/2010: BOS Resolution No. 10-130 (New fees for Mills Act, Oak Woodland Certification, and Ground Mounted Solar review)