

**MONTEREY COUNTY WATER RESOURCES AGENCY**  
**AND RAFTELIS FINANCIAL CONSULTANTS INC.**  
**AGREEMENT FOR SERVICES**

This is a multi-year agreement between the Monterey County Water Resources Agency, hereinafter called "Agency," and RAFTELIS FINANCIAL CONSULTANTS INC.,  
a CALIFORNIA CORPORATION, MURRIETA CA,  
hereinafter called "CONTRACTOR".

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

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

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

PREPARE AN ENGINEER'S REPORT FOR THE CSIP NEW SOURCE  
WATER FACILITIES - SEE EXHIBIT A.

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

- (b) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- (c) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin upon execution of this Agreement by CONTRACTOR and Agency, and will terminate on COMPLETION OF THE ATTACHED SCOPE OF WORK, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR the amounts provided in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is ONE HUNDRED SEVEN THOUSAND ONE HUNDRED TWENTY THREE DOLLARS  
(\$ 107,123.00).

4. Monthly Invoices by CONTRACTOR; Payment.

- (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.
- (b) CONTRACTOR agrees that Agency may withhold ten percent (10%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.
- (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.
- (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly stated in this Agreement.

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

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

## 6. Insurance.

### 6.1 Evidence of Coverage:

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

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

### 6.2 Qualifying Insurers:

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

### 6.3 Insurance Coverage Requirements:

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

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

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

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

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

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

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

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

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

#### 6.4 Other Insurance Requirements.

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

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

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County



and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

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

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

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

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

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

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

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

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

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

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and

obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

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

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

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

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

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

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

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

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

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

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

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

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

26. Contract Administrators.

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

HABIB ISAAC

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Agency's designated administrator of this Agreement shall be

ELISE RAMIREZ

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

TO AGENCY

Name: ELISE RAMIREZ

Address:

1441 Schilling Place, North Building  
Salinas CA 93901

Telephone: 831-755-8913

Fax:

E-Mail: RAMIREZEC@CO.MONTEREY.CA.US

TO CONTRACTOR

Name: HABIB ISAAC

Address:

24640 JEFFERSON AVE, SUITE 207  
MURRIETA CA 92562

Telephone: 915-595-9354

Fax:

E-Mail: HISAAC@RAFTELIS.COM

28. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats in accordance with the specifications listed in Exhibit C.

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

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

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

Exhibit A - Scope of Work/ Work Schedule

Exhibit B - Fee Schedule

Exhibit C - Insurance Certificates

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

**MONTEREY COUNTY WATER RESOURCES AGENCY**  
**AND RAFTELIS FINANCIAL CONSULTANTS INC.**  
**AGREEMENT FOR SERVICES**

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

**MONTEREY COUNTY WATER  
RESOURCES AGENCY:**

BY: \_\_\_\_\_

David E. Chardavoyne  
General Manager

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

**CONTRACTOR:**

BY: \_\_\_\_\_

Type Name: Peffer A. Brendt  
Title: President; CEO

Date: 6/8/17

BY: \_\_\_\_\_

Type Name: Jon P. Davis  
Title: VP

Date: 6/9/17

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

( \_\_\_\_\_ )  
**Agreement/Amendment No # ( \_\_\_\_\_ )**

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Approved as to form <sup>1</sup>:

Approved as to fiscal provisions:

\_\_\_\_\_  
Deputy County Counsel

\_\_\_\_\_  
Administrative Analyst

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
Risk Management:

\_\_\_\_\_  
Auditor-Controller <sup>2</sup>:

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

<sup>1</sup> Approval by County Counsel is required, and/or when legal services are rendered

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



## EXHIBIT A

### SCOPE OF WORK

#### SERVICES SCOPE OF WORK

##### **A.1.0 Introduction:**

On November 3, 2015 the Monterey County Water Resources Agency ("MCWRA") entered into the Amended and Restated Water Recycling Agreement ("Agreement") with the Monterey Regional Water Pollution Control Agency (PCA). The Agreement provided terms, inter alia, regarding the financing, design, construction, operation, maintenance, and replacement of New Source Water Facilities to provide approximately 4,320 acre-ft./year to PCA and approximately 4,381 acre-ft./year to MCWRA of additional recycled water. Section 16.15.4 of the Agreement requires an Engineer's Report to be prepared by an independent third party, said report to include an evaluation of PCA's projected New Source Water Facilities' capital and operating costs, determination of total annual charges by PCA to MCWRA, and projected increases/decreases in annual charges to MCWRA pursuant to A.4.0.7b, including replacement and renewal costs.

The results of the aforesaid Engineer's Report will be incorporated into an Assessment Methodology Report which will be utilized to conduct a successful assessment or Proposition 218 process. The Assessment Methodology Report preparation is not part of the Engineer's Report Scope of Work. PCA will finance, design, construct, and install the New Source Water Facilities, substantially as shown in Paragraph 1.04 of the Agreement with the exception of facilities for Tembladero Slough water, which facilities will not be constructed, and any future stormwater facilities. MCWRA's share of capital service costs is fixed at 45.1%. A sample calculation of MCWRA's proportional share of amortized capital renewal costs for New Source Water Facilities is contained in Exhibit I to the Agreement. New Source Water Facilities Operating and Maintenance Costs With the exception of other New Source Water, including Ag Wash Water, where the primary and secondary treatment costs of which are paid by others, MCWRA will be proportionately assessed for the incremental operation and maintenance costs of the influent pump station, primary treatment and secondary treatment of its portion of New Source Water flows actually delivered to tertiary treatment. MCWRA will be responsible for incremental tertiary treatment operations, maintenance repair and replacement costs related to the volume of New Source Waters that are delivered to the Castroville Seawater Intrusion Project (CSIP).

##### **A.3.0 Work Tasks:**

The design consultant engineering firm is herein referred to as "CONTRACTOR". The Scope of Work for the CONTRACTOR services presumes that the CONTRACTOR will be an engineering firm or joint venture lead by an engineering firm that will be responsible for coordination of all subcontractors that make up the team providing their specialized professional services for the proposed scope of work.

##### **A.3.0.1 Project Management and Team Coordination:**

The CONTRACTOR shall provide the management and staff needed to plan, organize, direct, supervise, control and coordinate the administrative aspects of the Projects including contract and subcontract administration, accounting, purchasing, office services, personnel

## EXHIBIT A

administration, publications support, document and drawing control administration necessary to complete the requirements of the Scope of Work. The CONTRACTOR shall perform the following project management duties to support the MCWRA (and the Program Manager) in the performance of the scope of work for the Engineer's Report

A.3.0.1.1 Submit timely invoicing, including invoicing from sub-consultants, in the format specified by MCWRA; and

A.3.0.1.2 Develop, implement and maintain a quality control system; and

A.3.0.1.3 Provide a one hour bi-weekly project status meeting (agenda to include, but not limited to: costs, changes in project approach, schedule updates and current report review status) to PCA and MCWRA Staff utilizing WebEx, or equivalent meeting software.

A.3.0.1. 4 Development of the Engineer's Report in conformance with the requirements of Proposition 218 tax assessment financing for use by MCWRA in the establishment of project financing via the Proposition 218 process; and

A.3.0.1.5 Support MCWRA as a liaison of the Proposition 218 process with engineering cost estimates, benefit-cost evaluations, and preparation of information for release by MCWRA to the public for meetings and hearings; and

A.3.0.1.6 Prepare all deliverables in electronic (Microsoft Word to facilitate editing draft documents) and original software format customary of engineering design projects.

A.3.0.1.7 Conduct two stakeholder meetings, one evening and one day meeting on Preliminary findings; meeting time and location to be approved by PCA and MCWRA a minimum of thirty (30) days prior to meetings

A.3.0.1.8 Separately, present Final Engineer's Report to the MCWRA Board of Directors, PCA Board of Directors, and MCWRA Board of Supervisors.

### **A.4.0 Engineer's Report**

A.4.0.1 Prepare an independent cost analysis and cost estimate, and review, comment, and either revise or validate PCA's cost estimates for New Source Water Facilities design, construction, financing costs, including permitting and licensing for accepting, for accepting Blanco Drain water, Reclamation Ditch water, and Salinas Pond Return water, and provide accurate total capital costs estimates for New Source Water Facilities, including modifications to PCA's Regional Treatment Facility. Project background documents (based on 95% design or greater, if available) will be provided by MCWRA and PCA.

A.4.0.2 Prepare an independent cost analysis and cost estimate, and review, comment, and either revise or validate operation, maintenance, replacement, and repair costs for

## EXHIBIT A

New Source Water Facilities, for accepting Reclamation Ditch water, Blanco Drain water, and Salinas Pond Return water. This includes all related permit requirements, licenses, and ESA consultations as well as the available regulatory compliance plans, including all reporting requirements and mitigation. Project background documents (based on 95% design or greater, if available) will be provided by MCWRA and PCA.

A.4.0.3 Describe PCA's cost accounting methodology for development of charges to MCWRA for primary and secondary treatment of Reclamation Ditch water, Blanco Drain water, and Salinas Pond return water.

A.4.0.4 Describe PCA's cost accounting methodology for development of charges to MCWRA for tertiary treatment of Reclamation Ditch water, Blanco Drain water, and Salinas Pond return water.

A.4.0.5 Develop New Source Water annual operating costs to MCWRA utilizing FY 18-19 as the base year.

- a. Include capital, operations, maintenance, and replacement and renewal costs
- b. Provide annual costs for Case Nos. 1, 2, and 3 shown on the Cost Comparison Cases for CSIP Operation, Attachment 1 of this SOW.

A.4.0.6 Develop New Source Water annual capital costs to MCWRA utilizing FY 18-19 as the base year.

A.4.0.7 Utilizing existing MCWRA and PCA capital and operating costs of CSIP system operating costs, Salinas River Diversion Facility, the Salinas Valley Reclamation Plant, and the capital and operating costs developed for New Source Water Facilities, calculate the total annual cost to MCWRA of the CSIP operation.

- a. Utilize FY 18-19 as the base year
- b. Provide a 5-year projection of annual costs by month for each of Case Nos. 1, 2, and 3 shown on the Cost Comparison Cases for CSIP Operation, Attachment 1 of this SOW.
- c. Attachment 2 of this SOW shows the monthly variation of prior CSIP water production
- d. Attachment 3 of this SOW provides additional monthly projections for various types of water years

### **A.5.0 Deliverables**

#### **A.5.0.1**

A DRAFT document shall be submitted for MCWRA and PCA review (via electronic delivery) containing the complete Engineer's Report including results of the aforesaid Preparation Tasks plus the following:

## EXHIBIT A

- a. Reference documents used to validate all capital, operations and maintenance costs
- b. List of all material assumptions incorporated in the report preparation
- c. Methodology utilized to establish cost allocations

### A.5.0.2

Fifteen (15) paper copies, five CDs, and electronic delivery containing the complete Final Engineer's Report, including results of the aforesaid Preparation Tasks plus the following:

- a. Two (2) CDs containing all reference documents used to validate all capital, operations and maintenance costs
- b. List of all material assumptions incorporated in the report preparation
- c. Methodology utilized to establish cost allocations

### A.5.0.3

Conduct two stakeholder meetings, one held during the evening and one held during the day; meeting to cover Preliminary or Draft Engineer's Report findings. Time and location of each meeting shall be approved by MCWRA and PCA a minimum of 30 days prior to meeting date.

### A.5.0.4

Separately, present Engineer's Report to the MCWRA Board of Directors, PCA Board of Directors and MCWRA Board of Supervisors

## PROJECT SCHEDULE

CONTRACT AWARD	JULY 1, 2017
DRAFT ENGINEERS REPORT	MID – LATE JULY 2017
STAKEHOLDER MEETINGS OF PRELIMINARY FINDINGS	AUGUST 2017
FINAL ENGINEERS REPORT DUE	LATE AUGUST 2017
BOARD PRESENTATIONS	END OF SEPTEMBER 2017

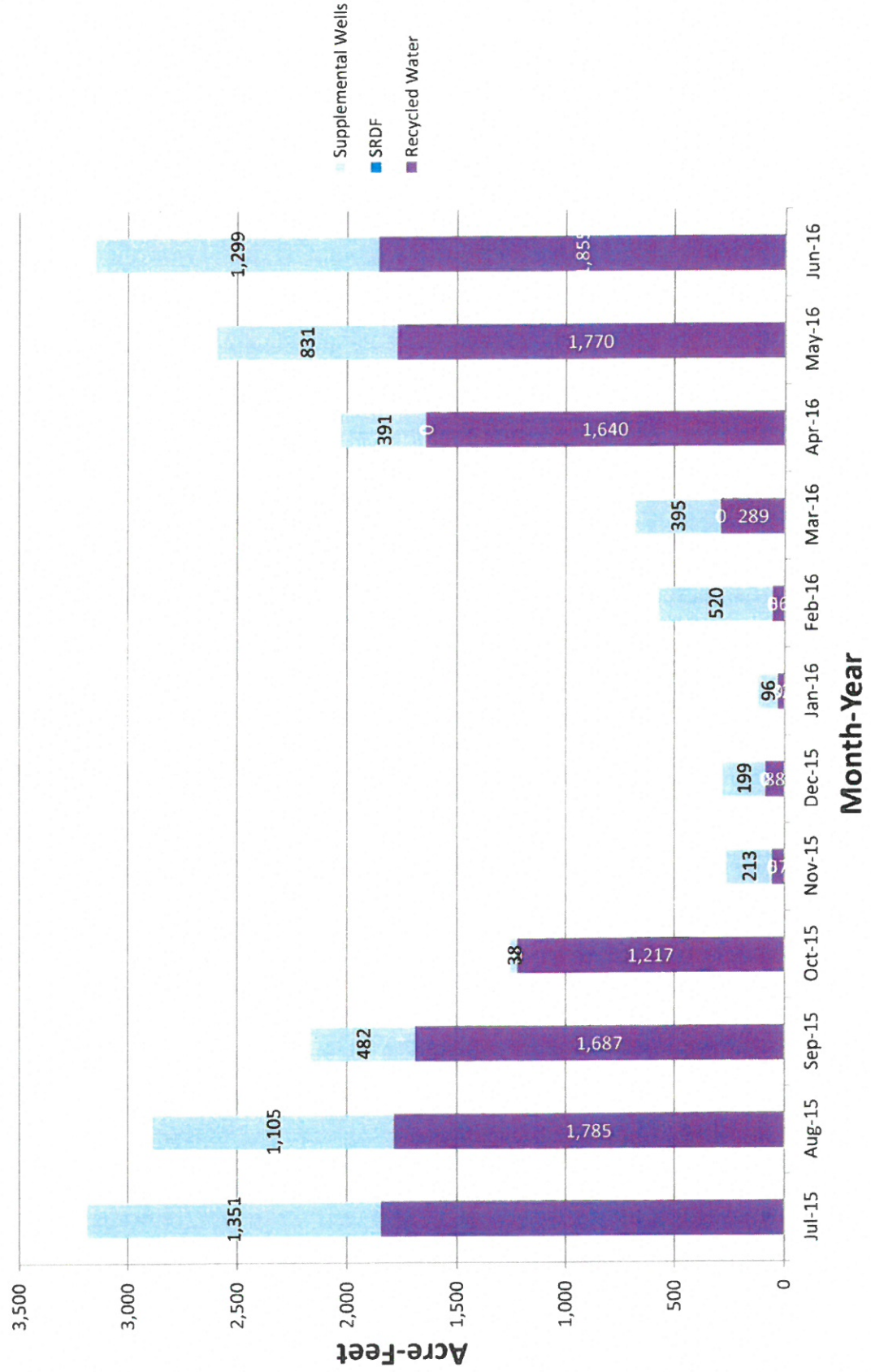
## Cost Comparison Cases for CSIP Operation

Cases Based on 22,750 (AFY)	Supplemental Wells (AFY)	SRDF (AFY)	Recycled Water (AFY)	New Source Water (AFY)
<b>Base</b> FY 15-16 Demand Schedule	6,058		14,260	2,432
<b>Case No. 1</b> No SRDF, Reduced Well, and Maximized New Source Waters	4,169		14,260	B - 1,856 IWW - 1,866 REC - 599
<b>Case No. 2</b> SRDF, Minimized Well, and New Source Waters	1,634	5,000	14,260	B - 1,856
<b>Case No. 3</b> SRDF, No Well usage and New Source Waters		5,000	14,260	B - 1,856 IWW - 1,634

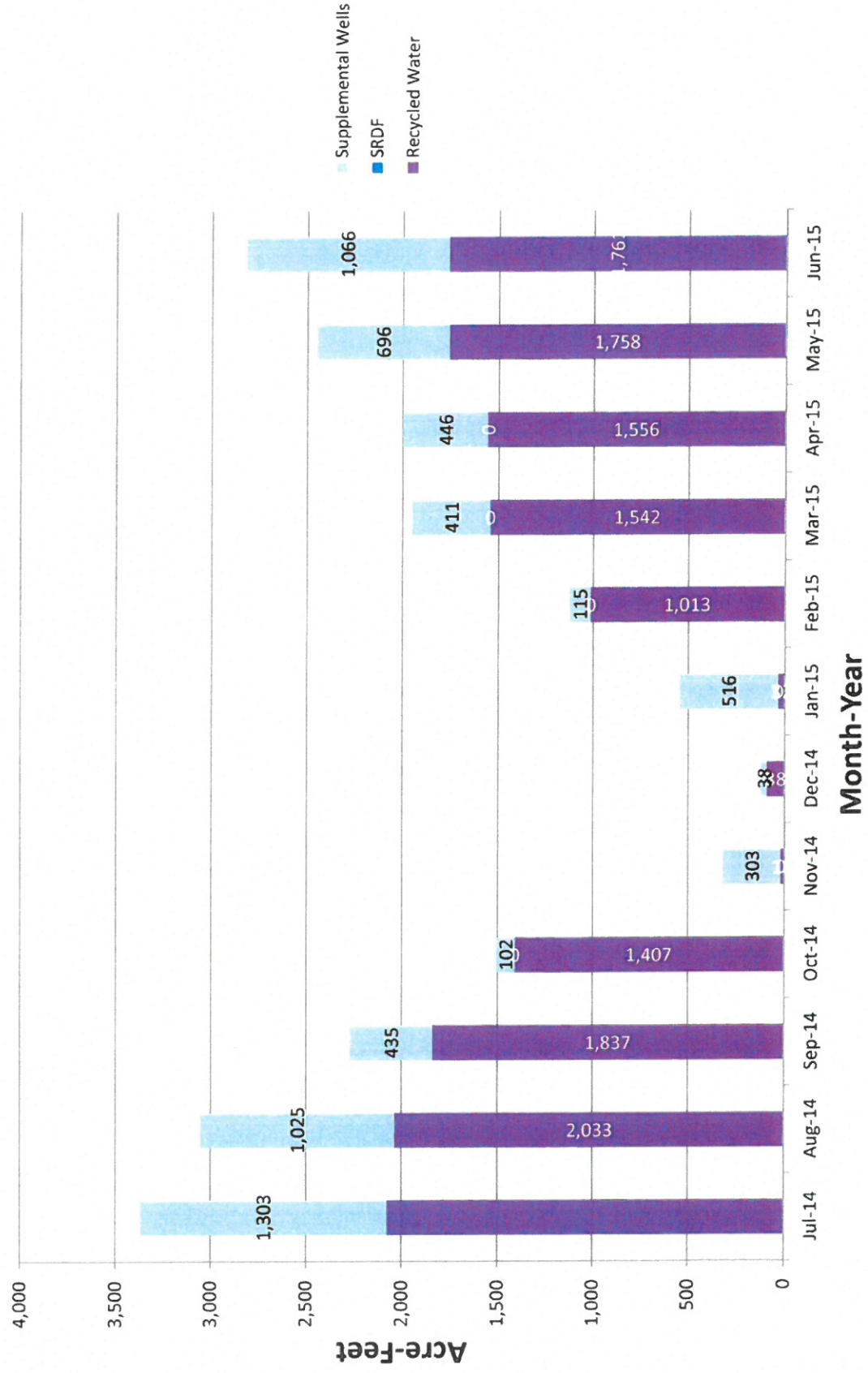




# CSIP Monthly Water Production By Source (FY15/16)

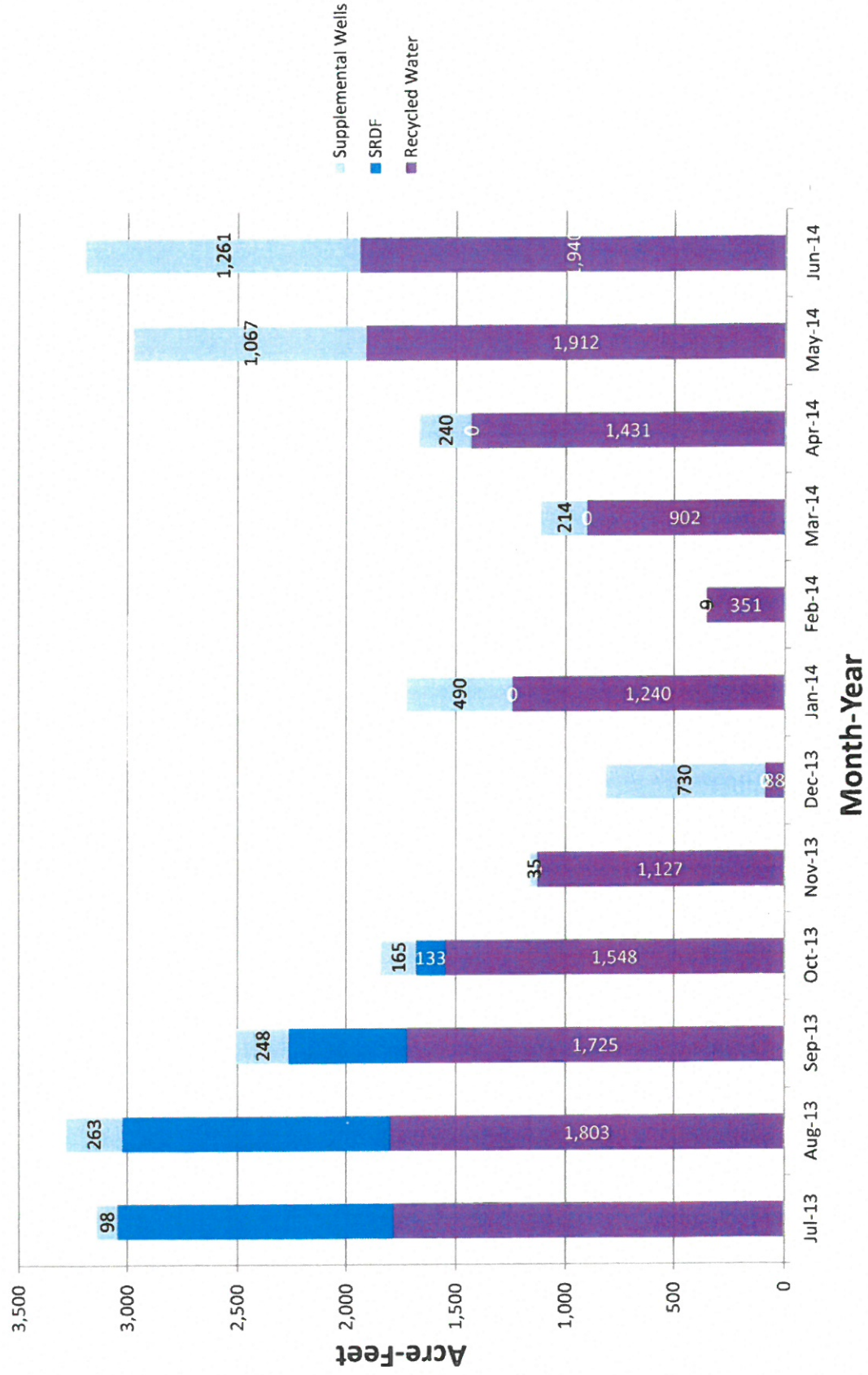


# CSIP Monthly Water Production By Source (FY14/15)

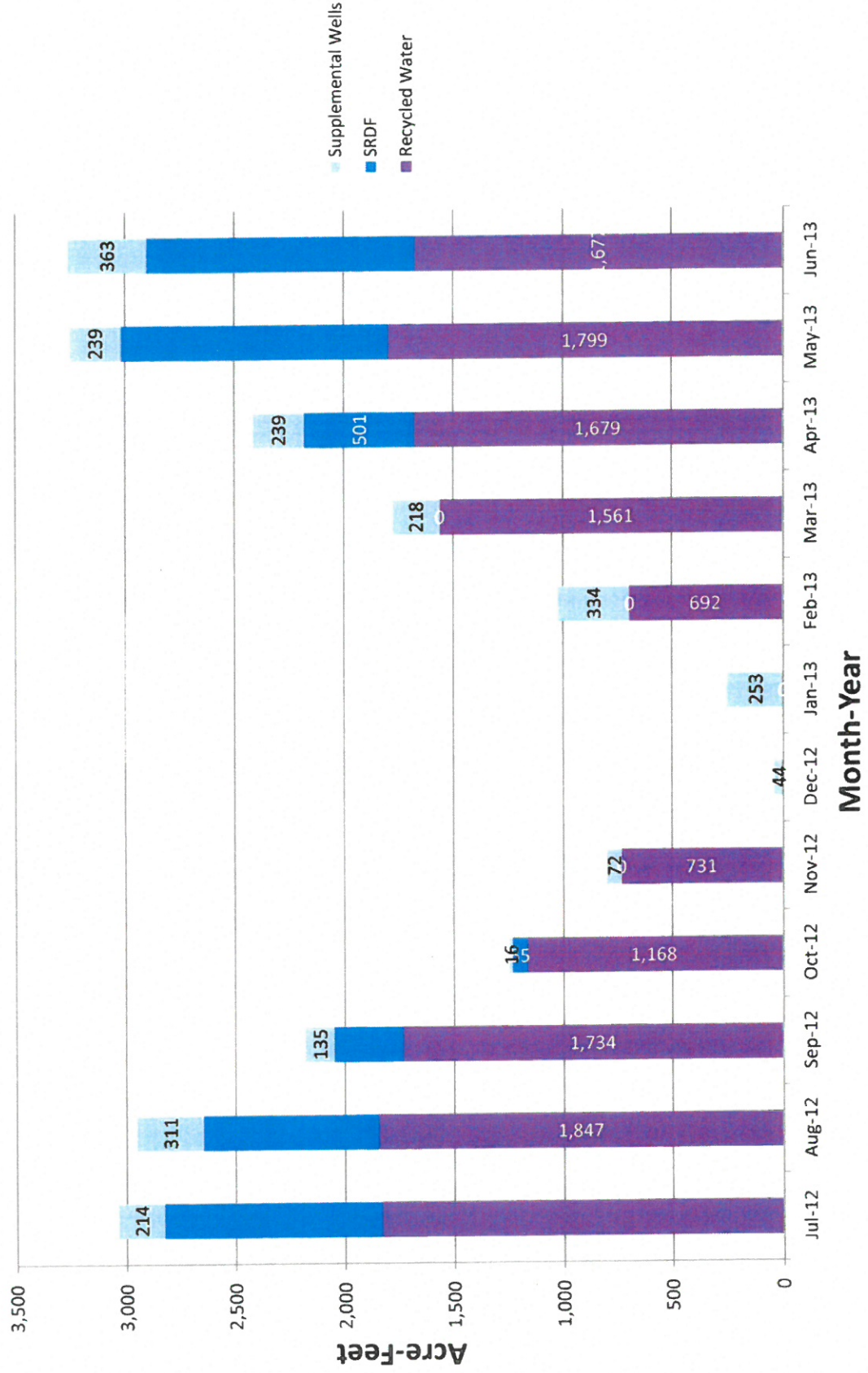




# CSIP Monthly Water Production By Source (FY13/14)



# CSIP Monthly Water Production By Source (FY12/13)





**PRELIMINARY REVIEW ONLY - INITIAL RUWAP DEMAND AS AWT WATER**  
**Table 6B: Source Water Analysis for the Pure Water Monterey Groundwater Replenishment Project**  
**Full Surface Water Yields, Normal Water Year, Building a Drought Reserve**

All facilities built <sup>1</sup> - average water year conditions - all flows in acre-feet

SOURCES	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	7/28/2015 Total
Existing RTP Inflows (Average 2009 to 2013)	1,798	1,678	1,867	1,796	1,850	1,799	1,893	1,888	1,813	1,844	1,762	1,776	21,764
<b>New Source Water</b>													
City of Salinas													
1 Salinas Agricultural Wash Water <sup>2</sup>	156	158	201	307	311	391	435	444	367	410	329	223	3,732
Agricultural Wash Water (AWW) to Ponds <sup>3</sup>	156	158	201	0	0	0	0	0	0	410	329	223	1,477
AWW directly to RTP	0	0	0	307	311	391	435	444	367	0	0	0	2,255
2 Salinas Urban Storm Water Runoff <sup>4</sup>	52	41	34	16	2	0	0	0	2	8	23	47	225
Urban runoff to ponds	52	41	34	0	0	0	0	0	0	8	23	47	205
Urban runoff to RTP	0	0	0	16	2	0	0	0	2	0	0	0	20
3 Rainfall (on SIWTF, 121 acre pond area) <sup>5</sup>	26	24	21	11	3	1	0	0	2	6	14	24	132
4 Evaporation (from SIWTF, 121 acre pond area) <sup>6</sup>	(122)	(186)	(29)	(41)	(46)	(52)				(26)	(15)	(12)	(251)
5 Percolation <sup>7</sup>	(143)	(129)	(143)	(138)	(143)	(136)				(143)	(136)	(143)	(1,257)
6 SIWTF pond storage balance <sup>8</sup>	684	763	847	647	362	0	0	0	0	253	466	605	
7 Recovery of flow from SIWTF storage ponds to RTP	0	0	0	32	100	172	0	0	0	0	0	0	304
8 AWW and Salinas Runoff to RTP	0	0	0	355	413	563	435	444	369	0	0	0	2,579
Water Rights Applications to SWRCB													
9 Blanco Drain <sup>9</sup>	209	223	246	252	225	274	277	244	184	168	133	185	2,620
10 Reclamation Ditch at Davis Road <sup>10</sup>	70	66	70	106	79	116	113	109	72	65	89	76	1,030
11 Tembladero Slough at Castroville <sup>11</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
12 City of Monterey - Diversion at Lake El Estero	24	15	14	5	1	0	0	0	1	4	10	13	87
13 Subtotal New Waters Available	303	304	330	718	718	953	825	797	626	237	232	274	6,316
Total Projected Water Supply	2,101	1,982	2,197	2,514	2,569	2,752	2,718	2,684	2,438	2,080	1,994	2,050	28,080
<b>DEMANDS</b>													
Average SVRP deliveries to CSIP (2009-2013)	13	459	726	1,376	1,763	1,750	1,866	1,854	1,698	984	448	18	12,955
14 FIVE YEAR AVERAGE CSIP AREA WELL WATER USE (2009-2013)	448	195	304	412	324	606	519	504	300	75	233	352	4,272
TOTAL CSIP Demand	461	654	1,030	1,788	2,087	2,356	2,385	2,358	1,998	1,059	681	370	17,227
15 FEEDWATER AMOUNT AT RTP TO GWR PROJECT AWT	367	331	367	355	367	355	367	367	355	367	355	367	4,320
16 FEEDWATER TO ESTABLISH CSIP AREA DROUGHT RESERVE (200 AFY AWT PRODUCT WATER) <sup>14</sup>	42	38	42							42	41	42	248
17 FEEDWATER TO AWT FOR MCWD RUWAP <sup>15</sup>	28	19	33	70	108	110	113	94	85	51	21	9	741
18 TOTAL TO GWR ADVANCED WATER TREATMENT FACILITY	437	388	442	425	475	465	480	461	440	463	417	418	5,309
Total Projected Water Demand	898	1,043	1,472	2,213	2,562	2,821	2,865	2,819	2,438	1,519	1,098	788	22,536
<b>Use of Source Water</b>													
19 Secondary effluent to SVRP for CSIP <sup>12</sup>	461	654	1,030	1,726	1,742	1,689	1,780	1,794	1,728	1,059	681	370	14,714
20 New sources available to CSIP <sup>13</sup>	0	0	0	363	351	598	458	430	271	0	0	0	2,471
21 Total Supply to CSIP	461	654	1,030	2,089	2,094	2,287	2,238	2,223	1,998	1,059	681	370	17,185
Net CSIP Increase													4,230
22 Surface waters at RTP to AWT	303	304	330	0	0	0	0	0	0	237	232	274	1,679
23 Secondary effluent to AWT	106	65	79	0	0	0	0	0	0	172	164	136	722
24 AWW and Salinas urban runoff to AWT	0	0	0	355	367	355	367	367	355	0	0	0	2,166
25 Secondary effluent to AWT for MCWD RUWAP	28	19	33	70	108	110	113	94	85	51	21	9	741
26 Feedwater to AWT	437	388	442	425	475	465	480	461	440	463	417	418	5,308
Subtotal: all waters (including secondary effluent)	898	1,043	1,472	2,514	2,569	2,752	2,718	2,684	2,438	1,519	1,098	788	22,494
27 FIVE YEAR AVERAGE WASTE WATER EFFLUENT TO OCEAN OUTFALL (2009-2013) <sup>15</sup>	1,785	1,219	1,141	420	88	49	27	34	114	859	1,314	1,759	8,809
28 WASTE WATER EFFLUENT TO OCEAN OUTFALL WITH PROPOSED DIVERSIONS TO CSIP/AWT/RUWAP <sup>16</sup>	1,202	940	725	0	0	0	0	0	0	561	896	1,262	5,586
29 NEW SUPPLIES IN EXCESS OF AWT DEMANDS FOR GWR <sup>17</sup>	(106)	(65)	(79)	363	351	598	458	430	271	(172)	(164)	(136)	1,749
30 AWT BRINE TO OCEAN OUTFALL	83	74	84	81	90	88	91	88	84	87	79	79	1,009

#### Notes

- Presumes all facilities associated with diversions are completed.
- Table 2-1, p. 5, Schaaf & Wheeler Consulting Engineers. Revised Draft, Groundwater Replenishment Project, Salinas River Inflow Impacts, Prepared for Denise Duffy & Associates, February 2015.
- Volume of effluent from City of Salinas agricultural wash water to be directed into ponds 1,2,3, and the aeration pond for storage.
- Average monthly flow from Revised Draft, Groundwater Replenishment Project, Salinas River Inflow Impacts, Prepared for Denise Duffy & Associates, February 2015.
- Rainfall from Revised Draft, Groundwater Replenishment Project, Salinas River Inflow Impacts, Prepared for Denise Duffy & Associates, February 2015. Pond area presumed to be Ponds 1,2,3 + Aeration lagoon. No rainfall/evaporation or storage assigned to drying beds.
- Table 3, Todd Groundwater, Draft Memorandum, Pure Water Monterey Groundwater Replenishment Project: Impacts of Changes in Percolation at the Salinas Industrial Wastewater Treatment Facility on Groundwater and the Salinas River, February 11, 2015.
- Table 4, Ibid.
- Ponds 1,2,3 and aeration basin hold up to 1,065 acre-feet (one foot of freeboard). If flow to ponds would exceed the maximum volume, it is presumed that excess flow can be diverted to the RIBs or drying beds or flow can be diverted to the RTP. Presume that pond storage goes to zero sometime during the year (shown here starting in July).
- Water right application 32263A. Max diversion = 6 cfs diversion. If SRDF is not operating (drought year), 2 cfs is bypassed to the Salinas River. See REVISED DRAFT BLANCO DRAIN YIELD STUDY, Schaaf and
- Water right application 32263B. Max. diversion = 6 cfs. See REVISED DRAFT RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015. Assumes 2 cfs instream bypass requirement Dec-May and 0.7 cfs instream bypass requirement for June-Nov. Also assumes diversion stopped when flows reach 30 cfs (migration window) and restart when flow declines to 20 cfs.
- Water right application 32263C. Max. diversion = 3 cfs. Removed from project portfolio. See REVISED DRAFT RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015.
- Includes secondary effluent wastewater currently used to produce recycled water at the Salinas Valley Reclamation Project (SVRP), and additional amounts which may be used during periods of low demand (<5 mgd) with the proposed improvements to the SVRP.
- New source waters not used by AWT will be available to SVRP for CSIP.
- A drought reserve of up to 1,000 AF would be created over five years by producing 200 AFY additional product water from the GWR Project AWT during winter months and storing the water in the Seaside Basin. This would establish a "water bank" that the CSIP can draw on in droughts. The drought reserve would allow flow at the RTP for the GWR Project to be temporarily reduced during critically dry periods, thus freeing up more of the newly available inflows to the RTP to be sent to the CSIP area. Extraction from the Seaside Basin would continue at the average rate to supply the Monterey Peninsula.
- Average monthly RTP discharge, 2009-2013 (reported by MRWPCA).
- Secondary treated municipal effluent not used for SVRP or the AWT.
- Excess is calculated as Line 13 minus Lines 15 & 16
- RUWAP supply comes from existing RTP inflows, demands reflect existing urban irrigation customers along trunk main.



**Table 7A: Source Water Analysis for the Pure Water Monterey Groundwater Replenishment Project**  
**Diversion Pattern for a Normal Water Year Building a Drought Reserve. Initial RUWAP Demand as AWT Product**

All facilities built <sup>1</sup> - average water year conditions - all flows in acre-feet													7/28/2015
SOURCES	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
Existing RTP Inflows (Average 2009 to 2013)	1,798	1,678	1,867	1,796	1,850	1,799	1,893	1,888	1,813	1,844	1,762	1,776	21,764
<b>New Source Water</b>													
<i>City of Salinas</i>													
1 Salinas Agricultural Wash Water <sup>2</sup>	156	158	201	307	311	391	435	444	367	410	329	223	3,732
Agricultural Wash Water (AWW) to Ponds <sup>3</sup>	156	158	201	0	0	0	0	0	0	410	329	223	1,477
AWW directly to RTP	0	0	0	307	311	391	435	444	367	0	0	0	2,255
2 Salinas Urban Storm Water Runoff <sup>4</sup>	52	41	34	16	2	0	0	0	0	2	8	23	47
Urban runoff to ponds	52	41	34	0	0	0	0	0	0	8	23	47	225
Urban runoff to RTP	0	0	0	16	2	0	0	0	2	0	0	0	20
3 Rainfall (on SIWTF, 121 acre pond area) <sup>5</sup>	26	24	21	11	3	1	0	0	2	6	14	24	132
4 Evaporation (from SIWTF, 121 acre pond area) <sup>6</sup>	(12)	(16)	(20)	(31)	(46)	(52)				(28)	(15)	(12)	(251)
5 Percolation <sup>7</sup>	(143)	(179)	(143)	(138)	(143)	(138)				(143)	(138)	(143)	(1,257)
6 SIWTF pond storage balance <sup>8</sup>	684	763	847	647	362	0	0	0	0	253	466	605	
7 Recovery of flow from SIWTF storage ponds to RTP	0	0	0	32	100	172	0	0	0	0	0	0	304
8 AWW and Salinas Runoff to RTP	0	0	0	355	413	563	435	444	369	0	0	0	2,579
<i>Water Rights Applications to SWRCB</i>													
9 Blanco Drain <sup>9</sup>	0	0	0	252	225	274	277	244	184	0	0	0	1,456
10 Reclamation Ditch at Davis Road <sup>10</sup>	0	0	0	106	79	116	113	109	72	0	0	0	595
11 Tembladero Slough at Castoville <sup>11</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
12 City of Monterey - Diversion at Lake El Estero	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Subtotal New Waters Available	0	0	0	713	717	953	825	797	625	0	0	0	4,630
<b>Total Projected Water Supply</b>	<b>1,798</b>	<b>1,678</b>	<b>1,867</b>	<b>2,509</b>	<b>2,568</b>	<b>2,752</b>	<b>2,718</b>	<b>2,684</b>	<b>2,437</b>	<b>1,844</b>	<b>1,762</b>	<b>1,776</b>	<b>26,394</b>
<b>DEMANDS</b>													
Average SVRP deliveries to CSIP (2009-2013)	13	459	726	1,376	1,763	1,750	1,866	1,854	1,698	984	448	18	12,955
14 FIVE YEAR AVERAGE CSIP AREA WELL WATER USE (2009-2013)	448	195	304	412	324	606	519	504	300	75	233	352	4,272
<b>TOTAL CSIP Demand</b>	<b>461</b>	<b>654</b>	<b>1,030</b>	<b>1,788</b>	<b>2,087</b>	<b>2,356</b>	<b>2,385</b>	<b>2,358</b>	<b>1,998</b>	<b>1,059</b>	<b>681</b>	<b>370</b>	<b>17,227</b>
15 FEEDWATER AMOUNT AT RTP TO GWR PROJECT AWT	367	331	367	355	367	355	367	367	355	367	355	367	4,320
16 FEEDWATER TO ESTABLISH CSIP AREA DROUGHT RESERVE (200 AFY AWT PRODUCT WATER) <sup>14</sup>	42	38	42							42	41	42	248
17 FEEDWATER TO AWT FOR MCWD RUWAP <sup>15</sup>	28	19	33	70	108	110	113	94	85	51	21	9	741
18 TOTAL TO GWR ADVANCED WATER TREATMENT FACILITY	437	388	442	425	475	465	480	461	440	460	417	418	5,309
<b>Total Projected Water Demand</b>	<b>898</b>	<b>1,043</b>	<b>1,472</b>	<b>2,213</b>	<b>2,562</b>	<b>2,821</b>	<b>2,865</b>	<b>2,819</b>	<b>2,438</b>	<b>1,519</b>	<b>1,098</b>	<b>788</b>	<b>22,536</b>
<b>Use of Source Water</b>													
19 Secondary effluent to SVRP for CSIP <sup>12</sup>	461	654	1,030	1,726	1,742	1,689	1,780	1,794	1,728	1,059	681	370	14,714
20 New sources available to CSIP <sup>13</sup>	0	0	0	358	350	598	458	430	270	0	0	0	2,464
21 Total Supply to CSIP	461	654	1,030	2,084	2,093	2,287	2,238	2,223	1,997	1,059	681	370	17,178
Net CSIP Increase													4,223
22 Surface waters at RTP to AWT	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Secondary effluent to AWT	409	369	409	0	0	0	0	0	0	409	396	409	2,401
24 AWW and Salinas urban runoff to AWT	0	0	0	355	367	355	367	367	355	0	0	0	2,166
25 Secondary effluent to AWT for MCWD RUWAP	28	19	33	70	108	110	113	94	85	51	21	9	741
26 Feedwater to AWT	437	388	442	425	475	465	480	461	440	460	417	418	5,308
Subtotal- all waters (including secondary effluent)	898	1,043	1,472	2,509	2,568	2,752	2,718	2,684	2,437	1,519	1,098	788	22,487
27 FIVE YEAR AVERAGE WASTE WATER EFFLUENT TO OCEAN OUTFALL (2009-2013) <sup>15</sup>	1,785	1,219	1,141	420	88	49	27	34	114	859	1,314	1,759	8,809
28 WASTE WATER EFFLUENT TO OCEAN OUTFALL WITH PROPOSED DIVERSIONS TO CSIP/AWT/RUWAP <sup>16</sup>	900	636	395	0	0	0	0	0	0	324	664	989	3,908
29 NEW SUPPLIES IN EXCESS OF AWT DEMANDS FOR GWR <sup>17</sup>	(409)	(369)	(409)	358	350	598	458	430	270	(409)	(396)	(409)	63
30 AWT BRINE TO OCEAN OUTFALL	83	74	84	81	90	88	91	88	84	87	79	79	1,009

## Notes

- Presumes all facilities associated with diversions are completed.
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- Volume of effluent from City of Salinas agricultural wash water to be directed into ponds 1,2,3, and the aeration pond for storage.
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- Water right application 32263B. Max. diversion = 6 cfs. See REVISED DRAFT RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015. Assumes 2 cfs instream bypass requirement Dec-May and 0.7 cfs instream bypass requirement for June-Nov. Also assumes diversion stopped when flows reach 30 cfs (migration window) and restart when flow declines to 20 cfs.
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- Secondary treated municipal effluent not used for SVRP or the AWT.
- F excess is calculated as Line 13 minus Lines 15 & 16.
- RUWAP supply comes from existing RTP inflows, demands reflect existing urban irrigation customers along trunk main.



**Table 7B: Source Water Analysis for the Pure Water Monterey Groundwater Replenishment Project**  
**Diversion Pattern for a Normal Water Year with a Full Reserve, Initial RUWAP Demand as AWT Product**

All facilities built <sup>1</sup> - average water year conditions - all flows in acre-feet														7/28/2015
SOURCES	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total	
Existing RTP Inflows (Average 2009 to 2013)	1,798	1,678	1,867	1,796	1,850	1,799	1,893	1,888	1,813	1,844	1,762	1,776	21,764	
<b>New Source Water</b>														
<i>City of Salinas</i>														
1 Salinas Agricultural Wash Water <sup>2</sup>	156	158	201	307	311	391	435	444	367	410	329	223	3,732	
Agricultural Wash Water (AWW) to Ponds <sup>3</sup>	156	158	201	0	0	0	0	0	0	410	329	223	1,477	
AWW directly to RTP	0	0	0	307	311	391	435	444	367	0	0	0	2,255	
2 Salinas Urban Storm Water Runoff <sup>4</sup>	52	41	34	16	2	0	0	0	2	8	23	47	225	
Urban runoff to ponds	52	41	34	0	0	0	0	0	0	8	23	47	205	
Urban runoff to RTP	0	0	0	16	2	0	0	0	2	0	0	0	20	
3 Rainfall (on SIWTF, 121 acre pond area) <sup>5</sup>	26	24	21	11	3	1	0	0	2	6	14	24	132	
4 Evaporation (from SIWTF, 121 acre pond area) <sup>6</sup>	(121)	(116)	(73)	(41)	(46)	(52)				(78)	(15)	(12)	(251)	
5 Percolation <sup>7</sup>	(147)	(129)	(148)	(148)	(143)	(176)				(143)	(138)	(142)	(1,257)	
6 SIWTF pond storage balance <sup>8</sup>	684	763	847	647	362	0	0	0	0	253	466	605		
7 Recovery of flow from SIWTF storage ponds to RTP	0	0	0	32	100	172	0	0	0	0	0	0	304	
8 AWW and Salinas Runoff to RTP	0	0	0	355	413	563	435	444	369	0	0	0	2,579	
<i>Water Rights Applications to SWRCB</i>														
9 Blanco Drain <sup>9</sup>	0	0	0	252	225	274	277	244	184	0	0	0	1,456	
10 Reclamation Ditch at Davis Road <sup>10</sup>	0	0	0	106	79	116	113	109	72	0	0	0	595	
11 Tembladero Slough at Castroville <sup>11</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0	
12 City of Monterey - Diversion at Lake El Estero	0	0	0	0	0	0	0	0	0	0	0	0	0	
13 Subtotal New Waters Available	0	0	0	713	717	953	825	797	625	0	0	0	4,630	
Total Projected Water Supply	1,798	1,678	1,867	2,509	2,568	2,752	2,718	2,684	2,437	1,844	1,762	1,776	26,394	
<b>DEMANDS</b>														
Average SVRP deliveries to CSIP (2009-2013)	13	459	726	1,376	1,763	1,750	1,866	1,854	1,698	984	448	18	12,955	
14 FIVE YEAR AVERAGE CSIP AREA WELL WATER USE (2009-2013)	448	195	304	412	324	606	519	504	300	75	233	352	4,272	
TOTAL CSIP Demand	461	654	1,030	1,788	2,087	2,356	2,385	2,358	1,998	1,059	681	370	17,227	
15 FEEDWATER AMOUNT AT RTP TO GWR PROJECT AWTF	367	331	367	355	367	355	367	367	355	367	355	367	4,320	
16 FEEDWATER TO ESTABLISH CSIP AREA DROUGHT RESERVE (200 AFY AWTF PRODUCT WATER) <sup>14</sup>	0	0	0							0	0	0	0	
17 FEEDWATER TO AWT FOR MCWD RUWAP <sup>15</sup>	28	19	33	70	108	110	113	94	85	51	21	9	741	
18 TOTAL TO GWR ADVANCED WATER TREATMENT FACILITY	395	350	400	425	475	465	480	461	440	418	376	376	5,061	
Total Projected Water Demand	856	1,004	1,430	2,213	2,562	2,821	2,865	2,819	2,438	1,477	1,057	746	22,288	
<b>Use of Source Water</b>														
19 Secondary effluent to SVRP for CSIP <sup>12</sup>	461	654	1,030	1,726	1,742	1,689	1,780	1,794	1,728	1,059	681	370	14,714	
20 New sources available to CSIP <sup>13</sup>	0	0	0	358	350	598	458	430	270	0	0	0	2,464	
21 Total Supply to CSIP	461	654	1,030	2,084	2,093	2,287	2,238	2,223	1,997	1,059	681	370	17,178	
Net CSIP Increase													4,223	
22 Surface waters at RTP to AWT	0	0	0	0	0	0	0	0	0	0	0	0	0	
23 Secondary effluent to AWT	367	331	367	0	0	0	0	0	0	367	355	367	2,154	
24 AWW and Salinas urban runoff to AWT	0	0	0	355	367	355	367	367	355	0	0	0	2,166	
25 Secondary effluent to AWT for MCWD RUWAP	28	19	33	70	108	110	113	94	85	51	21	9	741	
26 Feedwater to AWT	395	350	400	425	475	465	480	461	440	418	376	376	5,061	
Subtotal- all waters (including secondary effluent)	856	1,004	1,430	2,509	2,568	2,752	2,718	2,684	2,437	1,477	1,057	746	22,239	
<b>WASTE WATER</b>														
27 FIVE YEAR AVERAGE WASTE WATER EFFLUENT TO OCEAN OUTFALL (2009-2013) <sup>15</sup>	1,785	1,219	1,141	420	88	49	27	34	114	859	1,314	1,759	8,809	
28 WASTE WATER EFFLUENT TO OCEAN OUTFALL WITH PROPOSED DIVERSIONS TO CSIP/AWT/RUWAP <sup>16</sup>	942	674	437	0	0	0	0	0	0	366	705	1,031	4,155	
29 NEW SUPPLIES IN EXCESS OF AWT DEMANDS FOR GWR <sup>17</sup>	(267)	(331)	(367)	358	350	598	458	430	270	(367)	(376)	(367)	310	
30 AWT BRINE TO OCEAN OUTFALL	75	67	76	81	90	88	91	88	84	79	71	71	962	

## Notes

- Presumes all facilities associated with diversions are completed.
- Table 2-1, p. 5, Schaaf & Wheeler Consulting Engineers. Revised Draft, Groundwater Replenishment Project, Salinas River Inflow Impacts, Prepared for Denise Duffy & Associates, February 2015.
- Volume of effluent from City of Salinas agricultural wash water to be directed into ponds 1, 2, 3, and the aeration pond for storage.
- Average monthly flow from Revised Draft, Groundwater Replenishment Project, Salinas River Inflow Impacts, Prepared for Denise Duffy & Associates, February 2015.
- Rainfall from Revised Draft, Groundwater Replenishment Project, Salinas River Inflow Impacts, Prepared for Denise Duffy & Associates, February 2015. Pond area presumed to be Ponds 1, 2, 3 + Aeration lagoon. No rainfall/evaporation or storage assigned to drying beds.
- Table 3, Todd Groundwater, Draft Memorandum, Pure Water Monterey Groundwater Replenishment Project: Impacts of Changes in Percolation at the Salinas Industrial Wastewater Treatment Facility on Groundwater and the Salinas River, February 11, 2015.
- Table 4, Ibid.
- Ponds 1, 2, 3 and aeration basin hold up to 1,065 acre-feet (one foot of freeboard). If flow to ponds would exceed the maximum volume, it is presumed that excess flow can be diverted to the RIBs or drying beds or flow can be diverted to the RTP. Presume that pond storage goes to zero sometime during the year (shown here starting in July).
- Water right application 32263A. Max diversion = 6 cfs diversion. If SRDF is not operating (drought year), 2 cfs is bypassed to the Salinas River. See REVISED DRAFT BLANCO DRAIN YIELD STUDY, Schaaf and
- Water right application 32263B. Max diversion = 6 cfs. See REVISED DRAFT RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015. Assumes 2 cfs instream bypass requirement Dec-May and 0.7 cfs instream bypass requirement for June-Nov. Also assumes diversion stopped when flows reach 30 cfs (migration window) and restart when flow declines to 20 cfs.
- Water right application 32263C. Max diversion = 3 cfs. Removed from project portfolio. See REVISED DRAFT RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015.
- Includes secondary effluent wastewater currently used to produce recycled water at the Salinas Valley Reclamation Project (SVRP), and additional amounts which may be used during periods of low demand (<5 mgd) with the proposed improvements to the SVRP.
- New source waters not used by AWT will be available to SVRP for CSIP.
- A drought reserve of up to 1,000 AF would be created over five years by producing 200 AFY additional product water from the GWR Project AWTF during winter months and storing the water in the Seaside Basin. This would establish a "water bank" that the CSIP can draw on in droughts. The drought reserve would allow flow at the RTP for the GWR Project to be temporarily reduced during critically dry periods, thus freeing up more of the newly available inflows to the RTP to be sent to the CSIP area. Extraction from the Seaside Basin would continue at the average rate to supply the Monterey Peninsula.
- Average monthly RTP discharge, 2009-2013 (reported by MRWPCA).
- Secondary treated municipal effluent not used for SVRP or the AWT.
- Excess is calculated as Line 13 minus Lines 15 & 16.
- RUWAP supply comes from existing RTP inflows, demands reflect existing urban irrigation customers along Trunk main.

EXHIBIT B

The following is based on a time and materials basis with a “not to exceed” cost of \$107,123.

Task	Description	No. of Meetings	Hours Requirements					Total Fees and Expenses
			WY-JP	WY-Staff	PM	LC	Total	
	<b>Hourly Rates</b>		\$ 273	\$ 215	\$ 230	\$ 185		
1	Project Management and Team Coordination	1	8		40	24	72	\$ 16,912
2	Compile and Review Available Documents		10		8		18	\$ 4,750
3	New Source Water Cost of Service		40	75	8	4	127	\$ 30,895
4	Cost Allocation Plan Review	1	16		24	32	72	\$ 16,896
5	Financial Plan Rate Derivation	1	16		16	32	64	\$ 14,976
6	Engineer's Report and Rate Implementation	2	16		32	50	98	\$ 22,694
	<b>Total Estimated Meetings / Hours</b>	<b>5</b>	<b>106</b>	<b>75</b>	<b>128</b>	<b>142</b>	<b>451</b>	
	<b>Professional Fees</b>		<b>\$ 28,938</b>	<b>\$ 16,125</b>	<b>\$ 29,440</b>	<b>\$ 26,270</b>	<b>\$ 100,773</b>	
							<b>Total Fees</b>	<b>\$ 100,773</b>
							<b>Total Expenses</b>	<b>\$ 6,350</b>
							<b>Total Fees and Expenses</b>	<b>\$ 107,123</b>



Exhibit C

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/5/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. 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).

<b>PRODUCER</b> Bear Insurance Service 173 North Second Street  Albemarle NC 28001	<b>CONTACT NAME:</b> Pamela Morton <b>PHONE (A/C, No, Ext):</b> (704) 982-1156 <b>FAX (A/C, No):</b> (704) 982-7012 <b>E-MAIL ADDRESS:</b> pmorton@bearinsurance.com
<b>INSURED</b> Raftelis Financial Consultants, Inc. 227 W Trade St Suite 1400 Charlotte NC 28202	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> The Cincinnati Insurance Company <b>INSURER B:</b> Old Republic Ins Co <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>
	<b>NAIC #</b> 10677

## COVERAGES

CERTIFICATE NUMBER: 2017 CA/FL

REVISION NUMBER:

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liab GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X	CAP5124411 No Liability Deductible	1/21/2017	1/21/2018	EACH OCCURRENCE \$ 2,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000					
	MED EXP (Any one person) \$ 10,000					
	PERSONAL & ADV INJURY \$ 2,000,000					
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$		CAP5124411 No Liability Deductible	1/21/2017	1/21/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	BODILY INJURY (Per person) \$					
	BODILY INJURY (Per accident) \$					
	PROPERTY DAMAGE (Per accident) \$					
A	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	WC1921777 (CA) (FL)	1/21/2017	1/21/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	E.L. EACH ACCIDENT \$ 1,000,000					
	E.L. DISEASE - EA EMPLOYEE \$ 1,000,000					
	E.L. DISEASE - POLICY LIMIT \$ 1,000,000					
B	Professional Liability Claims Made Policy		ALT72500 Retro Date 3/4/94	1/21/2017	1/21/2018	\$2,000,000 occurrence \$25,000 ded \$3,000,000 aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Monterey County Water listed as additional insured. Insurance is primary & non-contributory. Forms CG2010 and CG2037

## CERTIFICATE HOLDER

## CANCELLATION

Monterey County Water  
Resources Agency  
893 Blanco Cir  
Salinas, CA 93901

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Pamela Morton/APRIL

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AUTOMATIC ADDITIONAL INSURED - WHEN REQUIRED IN CONTRACT OR AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

CAP5124411

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**1. SECTION II - WHO IS AN INSURED, 2. is amended to include:**

e. Any person or organization, hereinafter referred to as **ADDITIONAL INSURED**:

- (1) Who or which is not specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part; and
- (2) For whom you are required to add as an additional insured on this Coverage Part

under:

- (1) A written contract or agreement; or
- (2) An oral agreement or contract where a certificate of insurance showing that person or organization as an additional insured has been issued;

but only with respect to liability arising out of "your work" performed for that additional insured by you or on your behalf. A person or organization's status as an insured under this endorsement continues for only the period of time required by the written contract or agreement, but in no event beyond the expiration date of this Coverage Part. If there is no written contract or agreement, or if no period of time is required by the written contract or agreement, a person or organization's status as an insured under this endorsement ends when your operations for that insured are completed.

**2. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended to include:**

**1. Automatic Additional Insured Provision**

The written or oral contract or agreement must be currently in effect or become effective during the term of this Coverage Part. The contract or agreement also must be executed prior to the "bodily injury", "property damage" or "personal and advertising injury" to which this endorsement pertains.

**2. Conformance to Specific Written Contract or Agreement**

If a written contract or agreement between you and the additional insured specifies that coverage for the additional insured:

- a. Be provided by the Insurance Services Office additional insured form number **CG 20 10** or **CG 20 37** (where edition specified); or
- b. Include coverage for completed operations; or
- c. Include coverage for "your work";

and where the limits or coverage provided to the additional insured is more restrictive than was specifically required in that written contract or agreement, the terms of Paragraphs 3., 4.a.(2) and / or 4.b., or any combination thereof, of this endorsement shall be interpreted as providing the limits or coverage required by the terms of the written contract or agreement, but only to the extent that such limits or coverage is included within the terms of the Coverage Part to which this endorsement is attached. If, however, the written contract or agreement specifies the Insurance Services Office additional insured form number **CG 20 10** but does not specify which edition, or specifies an edition that does not exist, Paragraphs 3. and 4.a.(2) of this endorsement shall not apply and Paragraph 4.b. of this endorsement shall apply.

**3. SECTION III - LIMITS OF INSURANCE is amended to include:**

The limits applicable to the additional insured are those specified in the written contract or agreement or in the Declarations of this Coverage Part, whichever are less. If no limits are specified in the written contract or agreement, or if there is no written contract or agreement, the limits applicable to the additional insured are those specified in the Declarations of this Coverage Part. The limits of insurance are inclusive of and not in addition to the limits of insurance shown in the Declarations.

4. The following are added to **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** and **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions**:

The insurance provided to the additional insured does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the:
  - (1) Rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
    - (a) The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
    - (b) Supervisory, inspection, architectural or engineering activities;
  - (2) Sole negligence or willful misconduct of, or for defects in design furnished by, the additional insured or its "employees".
- b. "Bodily injury" or "property damage" arising out of "your work" included in the "products-completed operations hazard".

- c. "Bodily injury" or "property damage" arising out of "your work" for which a consolidated (wrap-up) insurance program has been provided by the prime contractor / project manager or owner of the construction project in which you are involved.

5. **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 5. Other Insurance** is amended to include:

- a. Where required by a written contract or agreement, this insurance is primary and / or noncontributory as respects any other insurance policy issued to the additional insured, and such other insurance policy shall be excess and / or noncontributing, whichever applies, with this insurance.
- b. Any insurance provided by this endorsement shall be primary to other insurance available to the additional insured except:
  - (1) As otherwise provided in **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 5. Other Insurance, b. Excess Insurance**; or
  - (2) For any other valid and collectible insurance available to the additional insured as an additional insured by attachment of an endorsement to another insurance policy that is written on an excess basis. In such case, the coverage provided under this endorsement shall also be excess.