

County of Monterey

1441 Schilling Place
Saffron Room
Salinas, CA 93901



Meeting Agenda

Friday, October 7, 2022

10:00 AM

IMPORTANT COVID-19 NOTICE ON PAGE 2-4
AVISO IMPORTANTE SOBRE COVID-19 EN LA PAGINA 2-4
Water Resources Agency Finance Committee

John Baillie, Chair
Mark Gonzalez
Mike LeBarre
Matthew Simis

IMPORTANT NOTICE REGARDING COVID 19 AND PARTICIPATION IN THE FINANCE COMMITTEE MEETING

In order to minimize the spread of the COVID 19 virus, please do the following:

To participate in this Finance Committee meeting, the public is invited to observe and address the Committee telephonically or electronically. Instructions for public participation are below:

1. For ZOOM participation please join by computer audio at:

<https://montereycty.zoom.us/j/92403510520>

OR to participate by phone call any of these numbers below:

+1 669 900 6833 US (San Jose)

+1 346 248 7799 US (Houston)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 253 215 8782 US

+1 301 715 8592 US

Enter this Meeting ID number: 924 0351 0520 PASSWORD: 404237 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.

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

2. If you wish to comment on a specific agenda item while the matter is being heard, you may participate by the following means:

When the Chair calls for public comment on an agenda item, the Zoom Meeting Host, or his or her designee, will first ascertain who wants to comment (among those who are in the meeting electronically or telephonically) and will then call on speakers and unmute their device one at a time. Public speakers may be broadcast in audio form only.

3. If you wish to comment on a particular agenda item, please submit your comments in writing via email to Monterey County Water Resources Agency at WRAPubliccomment@co.monterey.ca.us by 5:00 p.m. on the Thursday prior to the Committee meeting. To assist Agency staff in identifying the agenda item to which the comment relates please indicate the Finance Committee meeting date and agenda number in the subject line. Comments received by the 5:00 p.m. Thursday deadline will be distributed to the Committee and will be placed in the record.

4. If you wish to make either a general public comment for items not on the day's agenda or to comment on a specific agenda item as it is being heard, please submit your comment, limited to 250 words or less, to the Monterey County Water Resources Agency at

WRAPubliccomment@co.monterey.ca.us. In an effort to assist Agency staff in identifying the agenda item relating to your public comment please indicate in the subject line, the meeting body (i.e. Finance Committee) and item number (i.e. Item No. 10). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

5. If speakers or other members of the public have documents they wish to distribute to the Committee for an agenda item, they are encouraged to submit such documents by 5:00 p.m. on Thursday before the meeting to: WRAPubliccomment@co.monterey.ca.us. To assist Agency staff in identifying the agenda item to which the comment relates, the public is requested to indicate the Finance Committee date and agenda number in the subject line.

6. If members of the public want to present documents/Power Point presentations while speaking, they should submit the document electronically by 5:00 p.m. on Thursday before the meeting at WRAPubliccomment@co.monterey.ca.us. (If submitted after that deadline, staff will make best efforts, but cannot guarantee, to make it available to present during the Committee meeting.)

7. Individuals with disabilities who desire to request a reasonable accommodation or modification to observe or participate in the meeting may make such request by sending an email to WRAPubliccomment@co.monterey.ca.us. The request should be made no later than noon on the Thursday prior to the Committee meeting in order to provide time for the Agency to address the request.

8. The Chair and/or Secretary may set reasonable rules as needed to conduct the meeting in an orderly manner.

AVISO IMPORTANTE SOBRE COVID 19 Y PARTICIPACIÓN EN LA REUNIÓN DEL COMITE DE FINANZAS

Para minimizar la propagación del virus COVID 19, haga lo siguiente:

Para participar en esta reunión del Comité de Finanzas el público están invitados a observar y dirigirse al Comité telefónicamente o por vía electrónica. Las instrucciones para la participación pública están a continuación:

1. El público puede observar la reunión ZOOM a través de computadora haciendo clic en el siguiente enlace: <https://montereycty.zoom.us/j/92403510520>

O el público puede escuchar a través del teléfono llamando al:

+1 669 900 6833 US (San Jose)

+1 346 248 7799 US (Houston)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Cuando se le solicite el código de acceso para entrar a la reunión, presione los siguientes números:
924 0351 0520 PASSWORD: 404237 . Tenga en cuenta que no hay un Código de participante,
simplemente presionará # nuevamente después de que la grabación lo solicite.

Se le colocará en la reunión como asistente; cuando esté listo para hacer un comentario público si se une al audio de la computadora, levante la mano; y por teléfono presione * 9 en su teclado.

2. Los miembros del público que desean comentar en un artículo específico de la agenda, mientras que el artículo se este presentando durante la reunión, pueden participar por cualquiera de los siguientes medios:

Cuando el Presidente del Comité solicite comentarios públicos sobre un artículo de la agenda, el anfitrión de la reunión Zoom o su designado, primero determinará quién quiere testificar (entre los que están en la reunión por vía electrónica o telefónica) y luego llamará a los oradores (speakers) y activará la bocina para el orador, uno a la vez. Todo orador, será transmitido por audio en altavoz solamente.

3. Si un miembro del público desea comentar sobre un artículo de la agenda en particular, se le es sumamente recomendable que envíe sus comentarios por escrito por correo electrónico a la Agencia de Administración de Recursos del Agua (Agencia) a WRAPubliccomment@co.monterey.ca.us antes de las 5:00 P. M. el Jueves antes de la reunión del Comité. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunión del Comité y el número del artículo de la agenda en la línea de asunto. Comentarios recibidos en la fecha límite del Jueves a las 5 P.M, serán distribuidos al Comité y serán colocados en el registro.

4. Los miembros del público que deseen hacer un comentario público general para temas que no están en la agenda del día o que deseen comentar en un artículo específico mientras se escucha la presentación, lo pueden hacer enviando un comentario por correo electrónico, preferiblemente limitado a 250 palabras o menos, a WRAPubliccomment@co.monterey.ca.us. Para ayudar al personal de la Agencia a identificar el artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique el nombre del Comité (por ejemplo: Comité de Finanzas) y el número del artículo de la agenda (por ejemplo: Artículo # 10). Se hará todo lo posible para leer el comentario en el registro, pero algunos comentarios pueden no leerse en voz alta debido a limitaciones de tiempo. Los comentarios recibidos después del cierre del período de comentarios públicos sobre un artículo de la agenda serán parte del registro si se reciben antes que termine la reunión del Comité.

5. Si los oradores u otros miembros del público tienen documentos que desean distribuir al Comité para un artículo de la agenda, se les recomienda enviar dichos documentos antes de las 5:00 P.M. el Jueves antes de la reunión a: WRAPubliccomment@co.monterey.ca.us. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunion del Comité y el número de agenda en la línea de asunto.

6. Si los miembros del público desean presentar documentos o presentaciones de PowerPoint mientras hablan, deben enviar el documento electrónicamente antes de las 5:00 P.M. del Jueves antes de la reunión a WRAPubliccomment@co.monterey.ca.us (Si se presenta después de ese plazo, el personal hará los mejores esfuerzos, pero no puede garantizar que esté disponible su PowerPoint para presentar durante la reunión del Comité).

7. Las personas con discapacidades que deseen solicitar una modificación o modificación razonable para observar o participar en la reunión pueden realizar dicha solicitud enviando un correo electrónico a WRAPubliccomment@co.monterey.ca.us. La solicitud debe hacerse a más tardar el mediodía del Jueves antes de a la reunión del Comité para dar tiempo a la Agencia para que atienda la solicitud .

8. El Presidente y / o Secretario pueden establecer reglas razonables según sea necesario para llevar a cabo la reunión de manera ordenada.

Call to Order

Roll Call

Public Comment

Committee Member Comments

Consent Calendar

1. Approve the Minutes of the Finance Committee meeting on September 2, 2022.

Attachments: [Draft Finance Minutes September 2, 2022](#)

Scheduled Items

2. Consider receiving the August 2022 Financials for all Agency Funds.

Attachments: [Financial Status - AUGUST 2022](#)

3. Consider receiving the Monterey County Water Resources Agency (MCWRA) FY 2021-22 Financial Status Report.

Attachments: [Board Report](#)
 [Financial Status Report](#)

4. Consider recommending an independent valuation study to assess fiscal impacts of merging CalPERS plans of the Monterey County Water Resources Agency into the Miscellaneous Plan of County of Monterey.

Attachments: [Board Report](#)
 [CalPERS Valuation Study](#)

5. Consider recommending that the Monterey County Board of Directors approve Amendment No.1 to the professional services agreement with E2 consulting engineers, inc. in the new, not to exceed, amount of \$898,520 to provide hydraulic modeling, analysis, and engineering services for the Castroville Seawater Intrusion Project's distribution system; and authorize the General Manager to execute the Agreement.

Attachments: [Board Report](#)
 [Amendment 1 E2 Consulting Attachments](#)

Status Reports

- 6.
- Proposition 218 Update
 - 3-5 Year Financial Plan Update
 - Funding Opportunities Update
 - Grants Update
 - Homeless Encampment Cleanup Costs

Attachments: [CWIFP Fact Sheet](#)
 [Grants Tracking](#)

Calendar

7. Set next meeting date and discuss future agenda items

Adjournment



County of Monterey

Item No.1

Board Report

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

Legistar File Number: WRAFIN 22-060

October 07, 2022

Introduced: 9/29/2022

Current Status: Draft

Version: 1

Matter Type: WRA Finance Item

Approve the Minutes of the Finance Committee meeting on September 2, 2022.

Monterey County

1441 Schilling Place
Saffron Room
Salinas, CA 93901



Meeting Minutes

Friday, September 2, 2022

10:00 AM

IMPORTANT COVID-19 NOTICE ON PAGE 2-4
AVISO IMPORTANTE SOBRE COVID-19 EN LA PAGINA 2-4

Water Resources Agency Finance Committee

John Baillie, Chair
Mark Gonzalez
Mike LeBarre
Matthew Simis

**IMPORTANT NOTICE REGARDING COVID 19 AND PARTICIPATION IN THE
FINANCE COMMITTEE MEETING**

In order to minimize the spread of the COVID 19 virus, please do the following:

To participate in this Finance Committee meeting, the public is invited to observe and address the Committee telephonically or electronically. Instructions for public participation are below:

1. For ZOOM participation please join by computer audio at:

<https://montereycty.zoom.us/j/92403510520>

OR to participate by phone call any of these numbers below:

+1 669 900 6833 US (San Jose)

+1 346 248 7799 US (Houston)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 253 215 8782 US

+1 301 715 8592 US

Enter this Meeting ID number: 924 0351 0520 PASSWORD: 404237 when prompted.

Please note there is no Participant Code, you will just hit # again after the recording prompts you.

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

2. If you wish to comment on a specific agenda item while the matter is being heard, you may participate by the following means:

When the Chair calls for public comment on an agenda item, the Zoom Meeting Host, or his or her designee, will first ascertain who wants to comment (among those who are in the meeting electronically or telephonically) and will then call on speakers and unmute their device one at a time. Public speakers may be broadcast in audio form only.

3. If you wish to comment on a particular agenda item, please submit your comments in writing via email to Monterey County Water Resources Agency at WRAPubliccomment@co.monterey.ca.us by 5:00 p.m. on the Thursday prior to the Committee meeting. To assist Agency staff in identifying the agenda item to which the comment relates please indicate the Finance Committee meeting date and agenda number in the subject line. Comments received by the 5:00 p.m. Thursday deadline will be distributed to the Committee and will be placed in the record.

4. If you wish to make either a general public comment for items not on the day's agenda or to comment on a specific agenda item as it is being heard, please submit your comment, limited to 250 words or less, to the Monterey County Water Resources Agency at WRAPubliccomment@co.monterey.ca.us. In an effort to assist Agency staff in identifying the agenda item relating to your public comment please indicate in the subject line, the meeting body (i.e. Finance Committee) and item number (i.e. Item No. 10). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

5. If speakers or other members of the public have documents they wish to distribute to the Committee for an agenda item, they are encouraged to submit such documents by 5:00 p.m. on Thursday before the meeting to: WRAPubliccomment@co.monterey.ca.us. To assist Agency staff in identifying the agenda item to which the comment relates, the public is requested to indicate the Finance Committee date and agenda number in the subject line.

6. If members of the public want to present documents/Power Point presentations while speaking, they should submit the document electronically by 5:00 p.m. on Thursday before the meeting at WRAPubliccomment@co.monterey.ca.us. (If submitted after that deadline, staff will make best efforts, but cannot guarantee, to make it available to present during the Committee meeting.)

7. Individuals with disabilities who desire to request a reasonable accommodation or modification to observe or participate in the meeting may make such request by sending an email to WRAPubliccomment@co.monterey.ca.us. The request should be made no later than noon on the Thursday prior to the Committee meeting in order to provide time for the Agency to address the request.

8. The Chair and/or Secretary may set reasonable rules as needed to conduct the meeting in an orderly manner.

AVISO IMPORTANTE SOBRE COVID 19 Y PARTICIPACIÓN EN LA REUNIÓN DEL COMITE DE FINANZAS

Para minimizar la propagación del virus COVID 19, haga lo siguiente:

Para participar en esta reunión del Comité de Finanzas el público están invitados a observar y dirigirse al Comité telefónicamente o por vía electrónica. Las instrucciones para la participación pública están a continuación:

1. El público puede observar la reunión ZOOM a través de computadora haciendo clic en el

siguiente enlace: <https://montereycty.zoom.us/j/92403510520>

O el público puede escuchar a través del teléfono llamando al:

+1 669 900 6833 US (San Jose)

+1 346 248 7799 US (Houston)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 253 215 8782 US

+1 301 715 8592 US

Cuando se le solicite el código de acceso para entrar a la reunión, presione los siguientes números: 924 0351 0520 PASSWORD: 404237 . Tenga en cuenta que no hay un Código de participante, simplemente presionará # nuevamente después de que la grabación lo solicite.

Se le colocará en la reunión como asistente; cuando esté listo para hacer un comentario público si se une al audio de la computadora, levante la mano; y por teléfono presione * 9 en su teclado.

2. Los miembros del público que desean comentar en un artículo específico de la agenda, mientras que el artículo se este presentando durante la reunión, pueden participar por cualquiera de los siguientes medios:

Cuando el Presidente del Comité solicite comentarios públicos sobre un artículo de la agenda, el anfitrión de la reunión Zoom o su designado, primero determinará quién quiere testificar (entre los que están en la reunión por vía electrónica o telefónica) y luego llamará a los oradores (speakers) y activará la bocina para el orador, uno a la vez. Todo orador, será transmitido por audio en altavoz solamente.

3. Si un miembro del público desea comentar sobre un artículo de la agenda en particular, se le es sumamente recomendable que envíe sus comentarios por escrito por correo electrónico a la Agencia de Administración de Recursos del Agua (Agencia) a WRAPubliccomment@co.monterey.ca.us antes de las 5:00 P. M. el Jueves antes de la reunión del Comité. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunión del Comité y el número del artículo de la agenda en la línea de asunto. Comentarios recibidos en la fecha límite del Jueves a las 5 P.M, serán distribuidos al Comité y serán colocados en el registro.

4. Los miembros del público que deseen hacer un comentario público general para temas que no están en la agenda del día o que deseen comentar en un artículo específico mientras se escucha la presentación, lo pueden hacer enviando un comentario por correo electrónico, preferiblemente limitado a 250 palabras o menos, a WRAPubliccomment@co.monterey.ca.us. Para ayudar al personal de la Agencia a identificar el artículo de la agenda con el cual se

relaciona el comentario, se solicita al público que indique el nombre del Comité (por ejemplo: Comité de Finanzas) y el número del artículo de la agenda (por ejemplo: Artículo # 10). Se hará todo lo posible para leer el comentario en el registro, pero algunos comentarios pueden no leerse en voz alta debido a limitaciones de tiempo. Los comentarios recibidos después del cierre del período de comentarios públicos sobre un artículo de la agenda serán parte del registro si se reciben antes que termine la reunión del Comité.

5. Si los oradores u otros miembros del público tienen documentos que desean distribuir al Comité para un artículo de la agenda, se les recomienda enviar dichos documentos antes de las 5:00 P.M. el Jueves antes de la reunión a: WRAPubliccomment@co.monterey.ca.us. Para ayudar al personal de la Agencia a identificar el número del artículo de la agenda con el cual se relaciona el comentario, se solicita al público que indique la fecha de la reunion del Comité y el número de agenda en la línea de asunto.

6. Si los miembros del público desean presentar documentos o presentaciones de PowerPoint mientras hablan, deben enviar el documento electrónicamente antes de las 5:00 P.M. del Jueves antes de la reunión a WRAPubliccomment@co.monterey.ca.us (Si se presenta después de ese plazo, el personal hará los mejores esfuerzos, pero no puede garantizar que esté disponible su PowerPoint para presentar durante la reunión del Comité).

7. Las personas con discapacidades que deseen solicitar una modificación o modificación razonable para observar o participar en la reunión pueden realizar dicha solicitud enviando un correo electrónico a WRAPubliccomment@co.monterey.ca.us. La solicitud debe hacerse a más tardar el mediodía del Jueves antes de a la reunión del Comité para dar tiempo a la Agencia para que atienda la solicitud .

8. El Presidente y / o Secretario pueden establecer reglas razonables según sea necesario para llevar a cabo la reunión de manera ordenada.

Call to Order

The meeting was called to order at 10:00 a.m.

Roll Call

Present: John Ballie, Mark Gonzalez, Mike Lebarre, Matthew Simis

Absent: None

Public Comment

None

Committee Member Comments

None

Consent Calendar

Upon Motion by Matthew Simis and Second by Mike Lebarre the Committee approved the Consent Calendar.

AYES: John Ballie, Mark Gonzalez, Mike Lebarre, Matthew Simis

Noes: None

Absent: None

1. Approve the Minutes of the Finance Committee meeting on August 5, 2022.

Attachments: [Draft Finance Minutes August 5, 2022](#)

Scheduled Items

2. Consider receiving the June 2022 Financials for all Agency Funds.

Attachments: [Period 13 - Financial Status - JUNE 2022](#)

Upon Motion by Matthew Simis and Second by Mark Gonzalez the Committee received the June 2022 Financials for Agency Funds.

Ayes: John Ballie, Mark Gonzalez, Mike Lebarre, Matthew Simis

Noes: None

Absent: None

3. Consider receiving the Fiscal Year 2021-22 Water Delivery and Service Fee Revenue Receivable Update

Attachments: [FY 21-22 Water Delivery and Service Fee](#)

Upon Motion by Mark Gonzalez and Second by Matthew Simis the Committee received the Fiscal Year 2021 - 22 Water Delivery and Service Fee Revenue Receivable Update.

Ayes: John Ballie, Mark Gonzalez, Mike Lebarre, Matthew Simis

Noes: None

Absent: None

Public Comment: George Fontes

4. Consider recommending that the Monterey County Water Resources Agency Board of Directors approve an Agreement for Professional Services with E2 Consulting Engineers, Inc., in the amount of \$473,520 to perform hydraulic modeling and analysis of the Castroville Seawater Intrusion Project's distribution system; and authorize the General Manager to execute the Agreement.

Attachments: [Board Report](#)
 [Professional Services Agreement](#)
 [Exhibit A - Scope of Work](#)
 [Exhibit B - Payment Provisions](#)

Upon Motion by Mark Gonzalez and Second by Matthew Simis the Committee recommended that the Monterey County Water Resources Agency Board of Directors approve an Agreement for Professional Services with E2 Consulting Engineers, INC. , in the amount of \$473,520 to perform hydraulic modeling and analysis of the Castroville Seawater Intrusion Project's distribution system; and authorize the General Manager to execute the Agreement.

Ayes: John Ballie, Mark Gonzalez, Mike Lebarre, Matthew Simis
Noes: None
Absent: None

5. Consider recommending that the Monterey County Water Resources Agency Board of Directors approve the annual Joint Funding Agreement with the United States Geological Survey for streamgaging and reservoir elevation gaging work for Monterey County in the amount of \$209,160.

Attachments: [Board Report](#)
 [Joint Funding Agreement](#)
 [Presentation Slides](#)

Upon Motion by Matthew Simis and Second by Mike Lebarre the Committee recommended that the Monterey County Water Resources Agency Board of Directors approve the annual Joint Fund Agreement with the United States Geological Survey for streamgaging and reservoir elevation gaging work for Monterey County in the amount of \$209,106.

Ayes: Mark Gonzalez, Mike Lebarre, Matthew Simis
Noes: None
Absent: John Ballie

6. Consider recommending that the Monterey County Water Resources Agency Board of Directors authorize the General Manager to enter into a Subgrant Agreement with the Salinas Valley Basin Groundwater Sustainability Agency to receive funding related to Grant Agreement 4600014638 Sustainable Groundwater Management Act Implementation Grant of \$3,690,000 to financially support the MCWRA's involvement in the 180/400-Foot Aquifer Subbasin Groundwater Sustainability Plan Phase 1 Implementation.

Attachments: [Board Report](#)
 [CA DWR Grant Agreement](#)
 [Draft Subgrant Agreement](#)

Upon Motion by Matthew Simis and Second by Mark Gonzalez the Committee recommended that the Monterey County Water Resources Agency Board of Directors authorize the General Manager to enter into Subgrant Agreement with the Salinas Valley Basin Groundwater Sustainability Agency to receive funding related to Grant Agreement 4600014638 Sustainable Groundwater Management Act Implementation Grant of \$3,690,000 to financially support the MCWRA's involvement in the 180/400-Foot Aquifer Subbasin Groundwater Sustainability Plan Phase 1 Implementation.

Ayes: John Ballie, Mark Gonzalez, Mike Lebarre, Matthew Simis

Noes: None

Absent: None

Public Comment: Meyer, George Fontes

Status Reports

- 7.
- Proposition 218 Update
 - 3-5 Year Financial Plan Update
 - Grants Update
 - USBR Loan Refinancing
 - Homeless Encampment Cleanup Costs

Calendar

8. Set next meeting date and discuss future agenda items

Adjournment

The meeting adjourned at 11:34 a.m.



County of Monterey

Item No.2

Board Report

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

Legistar File Number: WRAFIN 22-062

October 07, 2022

Introduced: 9/29/2022

Current Status: Draft

Version: 1

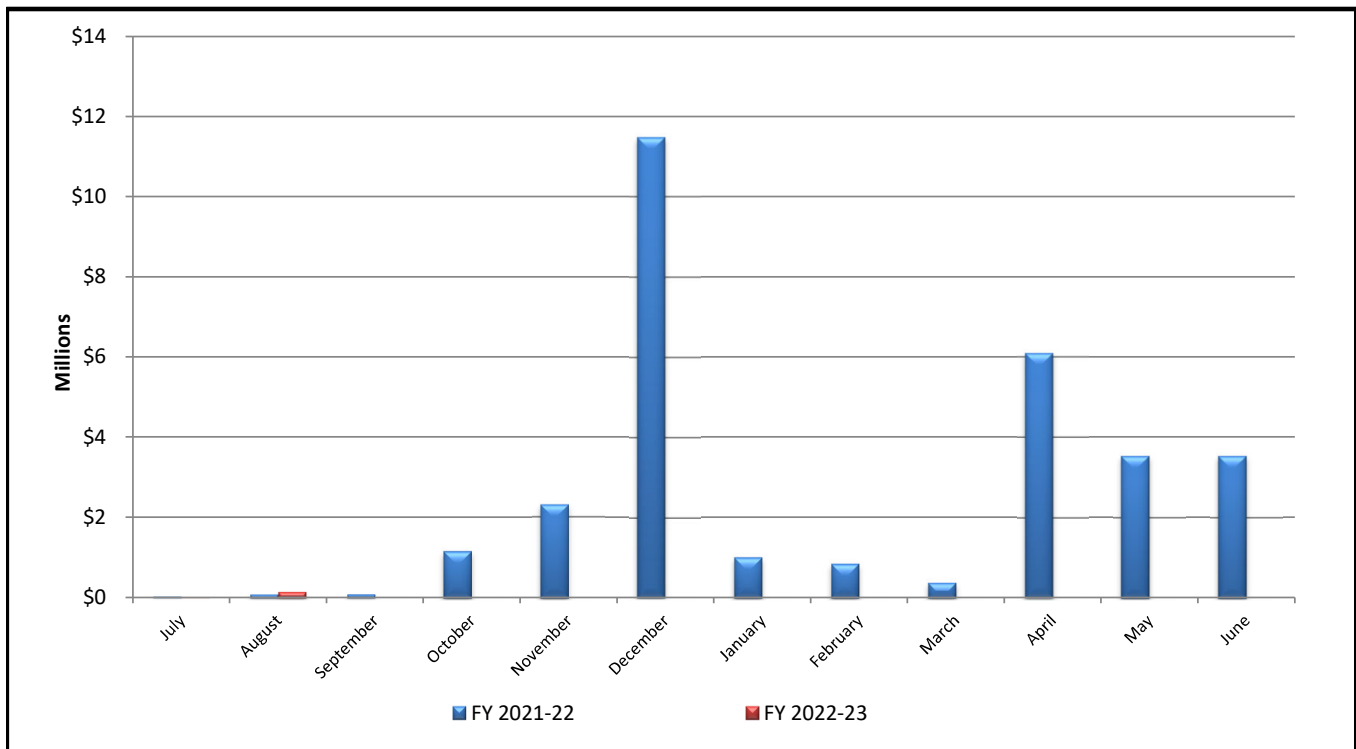
Matter Type: WRA Finance Item

Consider receiving the August 2022 Financials for all Agency Funds.

Monterey County
Water Resources Agency
FY 2022-2023 FINANCIAL STATUS REPORT

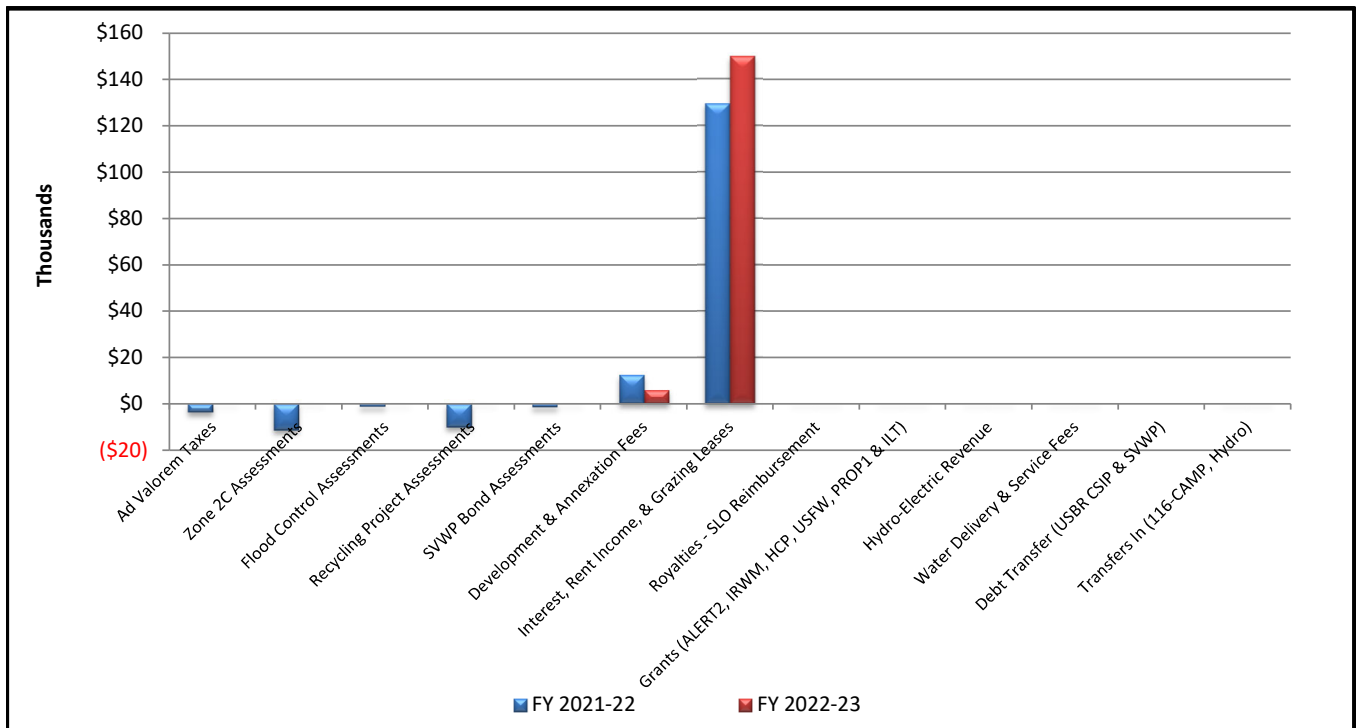
YTD Actual Revenues

Month By Month Revenues				
	FY 2021-22	% Received	FY 2022-23	% Received
July	26,587	0.1%	6,068	0.0%
August	88,147	0.3%	149,696	0.4%
September	83,530	0.6%	-	
October	1,149,973	4.1%	-	
November	2,306,809	11.1%	-	
December	11,483,167	45.8%	-	
January	992,438	48.8%	-	
February	837,753	51.3%	-	
March	375,957	52.5%	-	
April	6,093,778	70.9%	-	
May	3,526,471	81.6%	-	
June	3,527,873	92.2%	-	
YEAR TO DATE ACTUAL:	30,492,483	92.2%	155,764	0.4%
ADOPTED BUDGET:	33,056,693		36,435,652	



Monterey County
Water Resources Agency
FY 2022-2023 FINANCIAL STATUS REPORT
YTD Revenues by Source

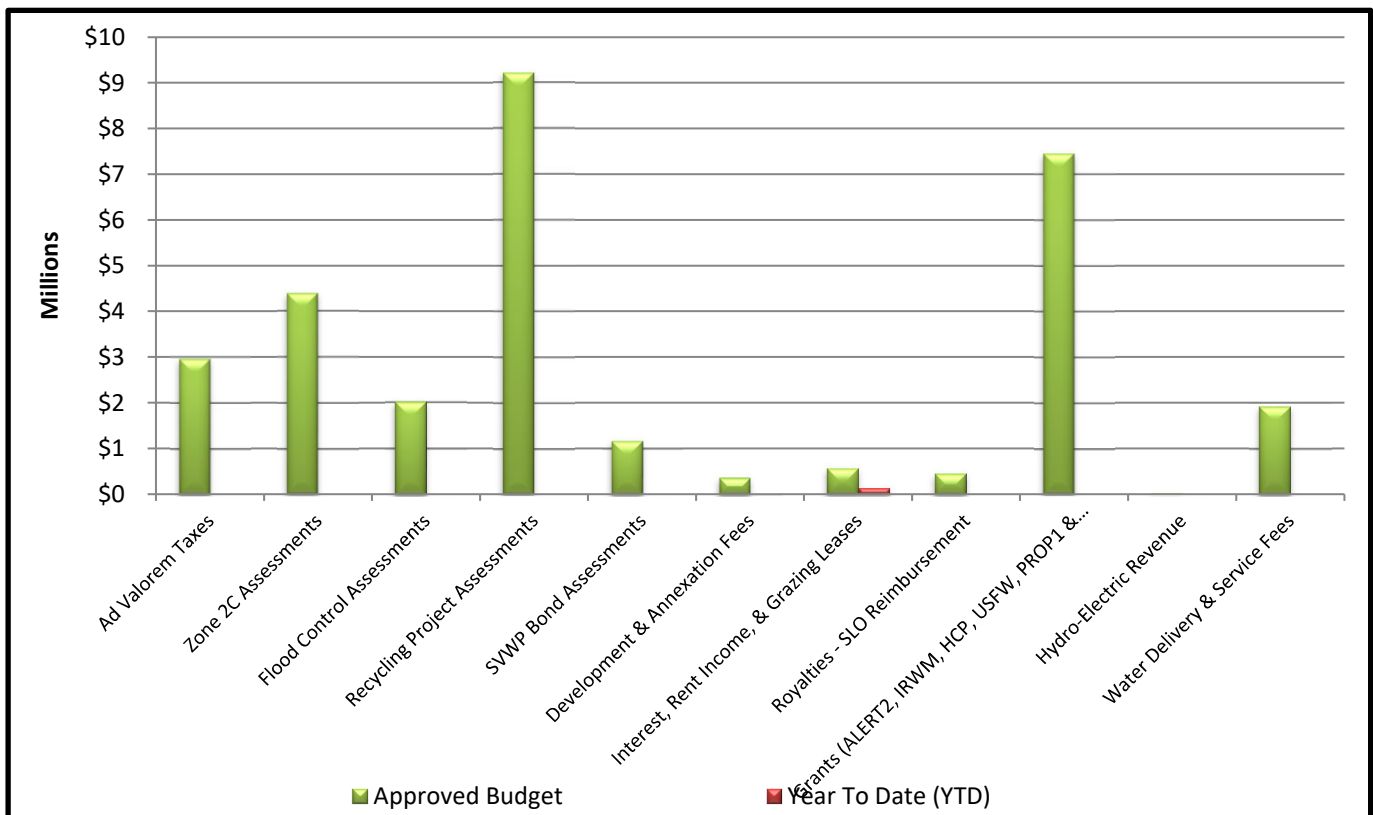
AUGUST 2022 (with previous FY as comparison)		
	FY 2021-22	FY 2022-23
Ad Valorem Taxes	(3,515)	0
Zone 2C Assessments	(11,185)	0
Flood Control Assessments	(1,099)	0
Recycling Project Assessments	(9,890)	0
SVWP Bond Assessments	(1,338)	0
Development & Annexation Fees	12,281	5,880
Interest, Rent Income, & Grazing Leases	129,479	149,884
Royalties - SLO Reimbursement	0	0
Grants (ALERT2, IRWM, HCP, USFW, PROP1 & LT)	0	0
Hydro-Electric Revenue	0	0
Water Delivery & Service Fees	0	0
Debt Transfer (USBR CSIP & SVWP)	0	0
Transfers In (116-CAMP, Hydro)	0	0
YEAR TO DATE TOTAL:	114,734	155,764



MONTEREY COUNTY
WATER RESOURCES AGENCY
FY 2022-2023 FINANCIAL STATUS REPORT

Revenue Variance

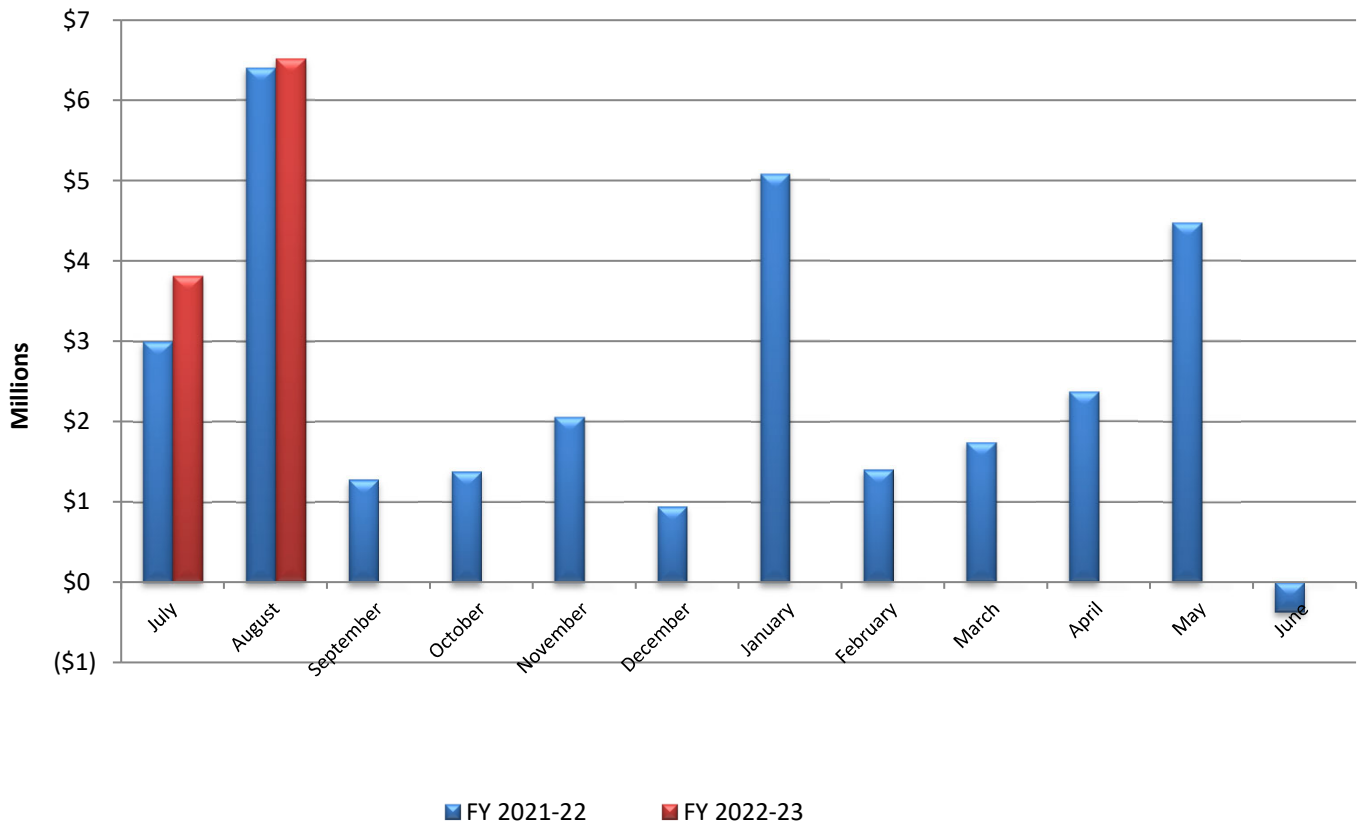
Revenue Variance by Source				
	Approved Budget	% of Approved	Year To Date (YTD)	% of YTD vs. Approved
Ad Valorem Taxes	2,956,007	8.11%	0	0.00%
Zone 2C Assessments	4,386,985	12.04%	0	0.00%
Flood Control Assessments	2,009,506	5.52%	0	0.00%
Recycling Project Assessments	9,206,043	25.27%	0	0.00%
SVWP Bond Assessments	1,164,822	3.20%	0	0.00%
Development & Annexation Fees	364,264	1.00%	5,880	1.61%
Interest, Rent Income, & Grazing Leases	568,776	1.56%	149,884	26.35%
Royalties - SLO Reimbursement	450,000	1.24%	0	0.00%
Grants (ALERT2, IRWM, HCP, USFW, PROP1 & ILT)	7,451,910	20.45%	0	0.00%
Hydro-Electric Revenue	30,000	0.08%	0	0.00%
Water Delivery & Service Fees	1,919,900	5.27%	0	0.00%
Debt Transfer (USBR CSIP & SVWP)	3,426,338	9.40%		0.00%
Transfers In (116-CAMP, Hydro)	2,501,100	6.86%	0	0.00%
TOTAL:	36,435,652	100.00%	155,764	0.43%



Monterey County
Water Resources Agency
FY 2022-2023 FINANCIAL STATUS REPORT

YTD Actual Expenditures

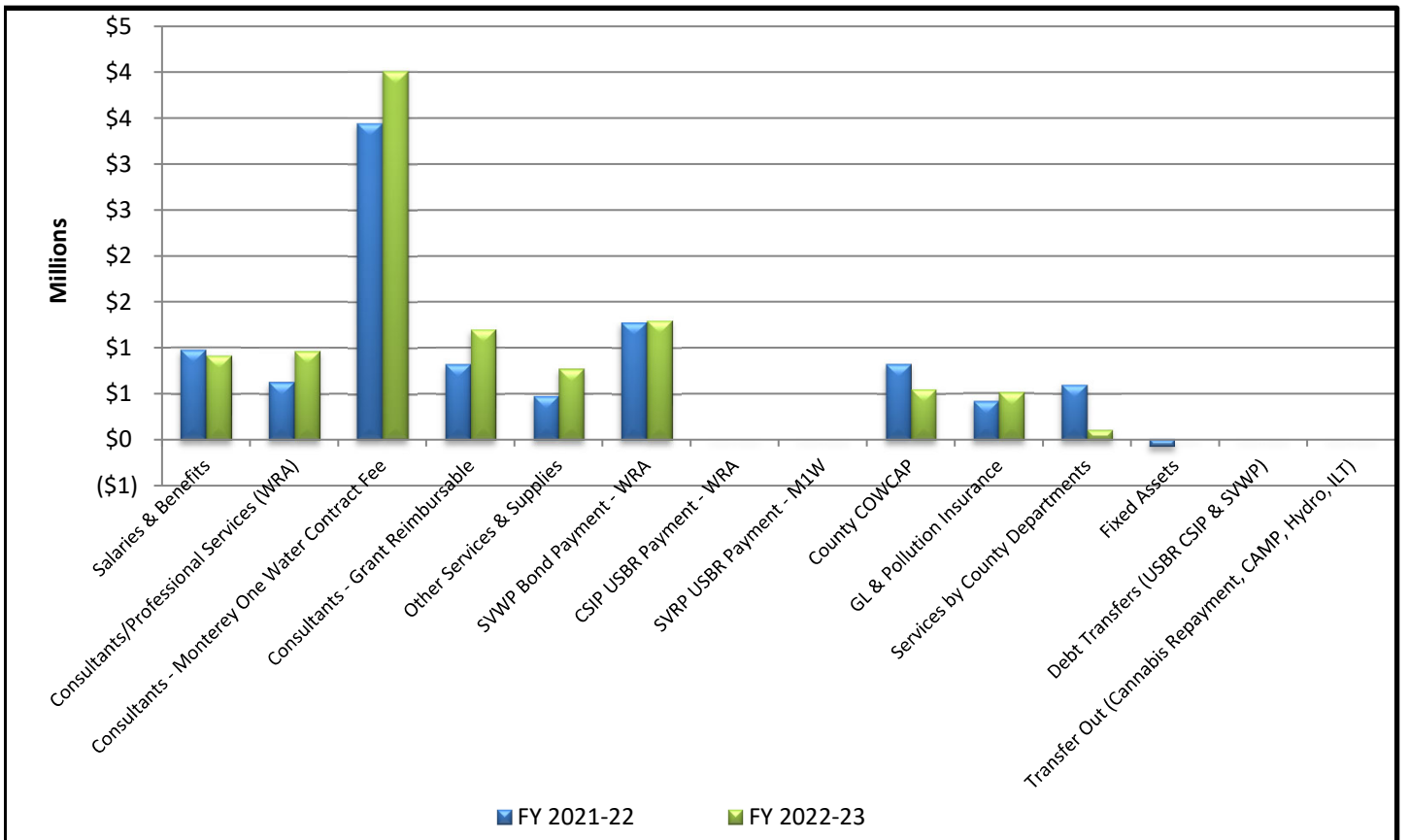
Month By Month Expenditures				
	FY 2021-22	% Expended	FY 2022-23	% Expended
July	2,996,190	7.7%	3,815,260	9.3%
August	6,400,821	24.0%	6,517,256	25.1%
September	1,274,437	27.3%	-	
October	1,373,895	30.8%	-	
November	2,054,928	36.0%	-	
December	942,308	38.4%	-	
January	5,076,570	51.4%	-	
February	1,396,116	55.0%	-	
March	1,736,157	59.4%	-	
April	2,365,663	65.5%	-	
May	4,473,938	76.9%	-	
June	(366,463)	76.0%	-	
YEAR TO DATE ACTUAL:	29,724,559	76.0%	10,332,517	25.1%
ADOPTED BUDGET:	39,123,515		41,222,295	



Monterey County
Water Resources Agency
FY 2022-2023 FINANCIAL STATUS REPORT

YTD Expenditures by Type

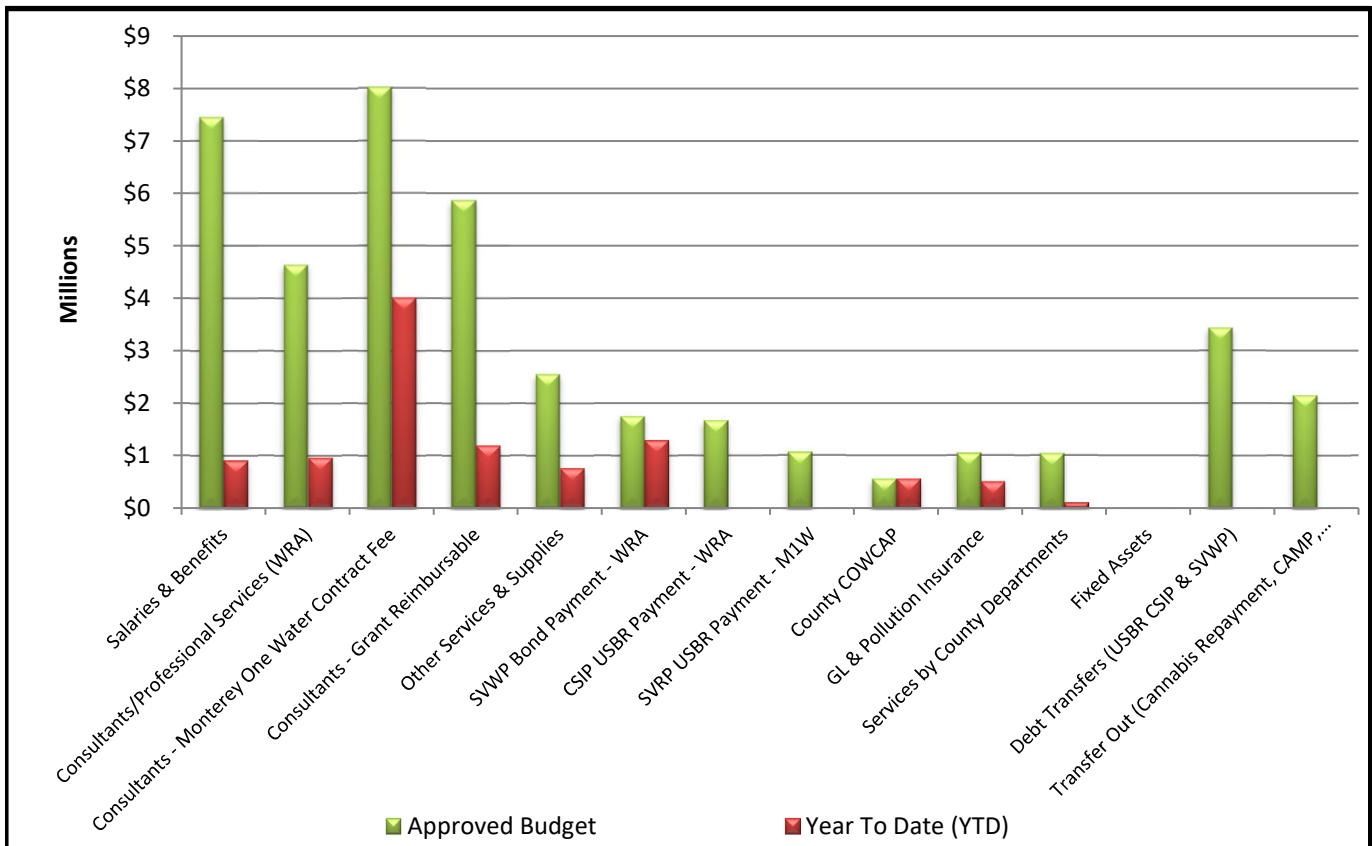
AUGUST 2022 (with previous FY as comparison)		
	FY 2021-22	FY 2022-23
Salaries & Benefits	978,380	913,799
Consultants/Professional Services (WRA)	629,027	965,357
Consultants - Monterey One Water Contract Fee	3,444,500	4,009,799
Consultants - Grant Reimbursable	823,375	1,197,821
Other Services & Supplies	477,291	768,296
SVWP Bond Payment - WRA	1,280,719	1,299,919
CSIP USBR Payment - WRA	-	0
SVRP USBR Payment - M1W	-	0
County COWCAP	823,854	551,357
GL & Pollution Insurance	415,780	512,332
Services by County Departments	601,034	113,838
Fixed Assets	(76,947)	0
Debt Transfers (USBR CSIP & SVWP)	-	0
Transfer Out (Cannabis Repayment, CAMP, Hydro, ILT)	-	0
YEAR TO DATE TOTAL:	9,397,011	10,332,517



MONTEREY COUNTY
WATER RESOURCES AGENCY
FY 2022-2023 FINANCIAL STATUS REPORT

Expenditure Variance

Expenditure Variance by Type				
	Approved Budget	% of Approved	Year To Date (YTD)	% of YTD vs. Approved
Salaries & Benefits	7,446,929	18.07%	913,799	12.27%
Consultants/Professional Services (WRA)	4,637,780	11.25%	965,357	20.82%
Consultants - Monterey One Water Contract Fee	8,019,597	19.45%	4,009,799	50.00%
Consultants - Grant Reimbursable	5,864,440	14.23%	1,197,821	20.43%
Other Services & Supplies	2,548,639	6.18%	768,296	30.15%
SVWP Bond Payment - WRA	1,758,338	4.27%	1,299,919	73.93%
CSIP USBR Payment - WRA	1,668,000	4.05%	0	0.00%
SVRP USBR Payment - M1W	1,063,000	2.58%	0	0.00%
County COWCAP	551,357	1.34%	551,357	100.00%
GL & Pollution Insurance	1,045,110	2.54%	512,332	49.02%
Services by County Departments	1,039,757	2.52%	113,838	10.95%
Fixed Assets	-	0.00%	0	0.00%
Debt Transfers (USBR CSIP & SVWP)	3,426,338	8.31%	0	0.00%
Transfer Out (Cannabis Repayment, CAMP, Hydro, ILT)	2,153,010	5.22%	0	0.00%
TOTAL:	41,222,295	100.00%	10,332,517	25.07%



**MONTEREY COUNTY
WATER RESOURCES AGENCY
FY 2022-2023 FINANCIAL STATUS REPORT**

For Month Ending: August 31, 2022

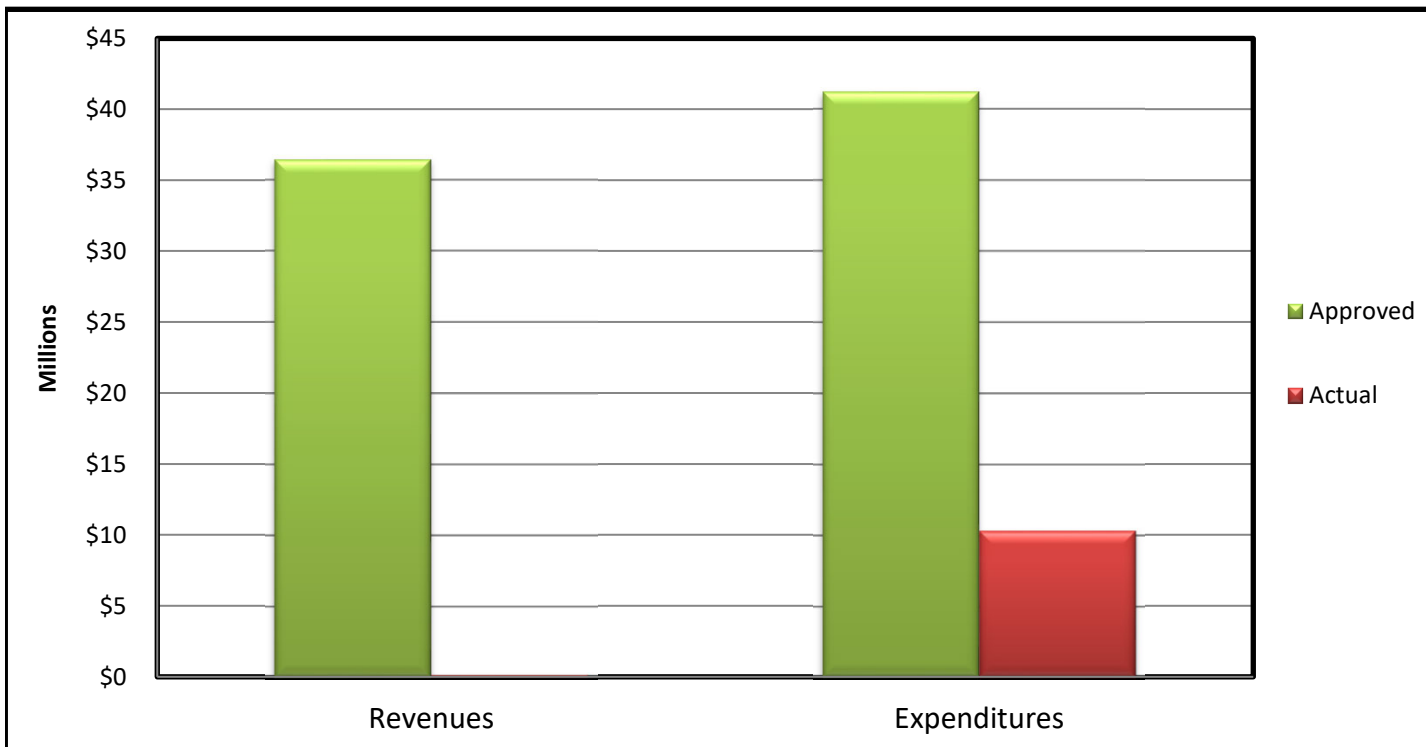
% Monthly Time Elapsed: 16.67%

Updated: 09.12.2022			APPROVED BUDGET				YEAR-TO-DATE					
Fund	Unit	Fund Name	Estimated Beginning Fund Balance	Approved Budget Expenditures	Approved Budget Revenue	Estimated Ending Fund Balance	YTD Actual Expenditures	Percent Budget Expended	YTD Actual Revenue	Percent Budget Received	Estimated Ending Fund Balance	Fund
111	8267	WRA Administration Fund	2,627,418	4,429,019	4,044,703	2,243,102	640,387	14.5%	5,144	0.1%	1,992,175	111
112	8484	Pajaro Levee	548,871	1,715,794	1,439,970	273,047	75,192	4.4%	0	0.0%	473,679	112
116	8485	Dam Operations	2,301,557	9,093,596	8,036,460	1,244,421	1,506,741	16.6%	150,620	1.9%	945,437	116
121	8486	Soledad Storm Drain	238,815	108,318	102,447	232,944	12,082	11.2%	0	0.0%	226,733	121
122	8487	Reclamation Ditch	1,523,960	2,456,126	1,644,187	712,021	483,153	19.7%	0	0.0%	1,040,807	122
124	8488	San Lorenzo Creek	33,933	61,961	45,314	17,286	11,138	18.0%	0	0.0%	22,795	124
127	8489	Moro Cojo Slough	573,178	139,690	102,209	535,697	25,587	18.3%	0	0.0%	547,590	127
130	8490	Hydro-Electric Operations	1,457,997	860,240	53,239	650,996	171,682	20.0%	0	0.0%	1,286,315	130
131	8491	CSIP Operations	3,967,731	5,540,313	4,600,522	3,027,940	1,959,020	35.4%	0	0.0%	2,008,711	131
132	8492	SVRP Operations	2,343,678	4,466,232	4,804,855	2,682,301	1,676,801	37.5%	0	0.0%	666,877	132
134	8493	SRDF Operations	4,531,759	6,415,177	6,112,780	4,229,362	2,033,212	31.7%	0	0.0%	2,498,548	134
303	8267	CSIP Debt Service Fund	770,673	1,668,000	1,668,000	770,673	0	0.0%	0	0.0%	770,673	303
313	8494	Debt Services	1,034,990	1,758,338	1,758,338	1,034,990	1,299,919	73.9%	0	0.0%	(264,928)	313
426	8495	Interlake Tunnel Project	772,304	2,509,491	2,022,628	285,441	437,603	17.4%	0	0.0%	334,701	426
TOTAL:			22,726,865	41,222,295	36,435,652	17,940,222	10,332,517	25.1%	155,764	0.4%	12,550,112	

**MONTEREY COUNTY
WATER RESOURCES AGENCY
FY 2022-2023 FINANCIAL STATUS REPORT**

For Month Ending: August 31, 2022

Budget Variance Analysis		
Category	Approved Budget	YTD Actual
Beginning Available Fund Balance	22,726,865	22,726,865
Revenues	36,435,652	155,764
Expenditures	41,222,295	10,332,517
Ending Available Fund Balance	17,940,222	12,550,112





County of Monterey

Item No.3

Board Report

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

Legistar File Number: WRAFIN 22-061

October 07, 2022

Introduced: 9/29/2022

Current Status: Agenda Ready

Version: 1

Matter Type: WRA Finance Item

Consider receiving the Monterey County Water Resources Agency (MCWRA) FY 2021-22 Financial Status Report.

RECOMMENDATION:

It is recommended that the Finance Committee:

Receive the Monterey County Water Resources Agency (MCWRA) FY 2021-22 Financial Status Report.

SUMMARY/DISCUSSION:

FY 2021-22 Adopted Budget of Monterey County Water Resources Agency (MCWRA) totaled \$38.47 million expenditures and \$32.40 million in revenues. On November 22, 2021, Monterey County Water Resources Agency Board of Supervisors approved to amend the Adopted Budget of Monterey County Water Resources Agency's Pajaro Fund (Fund 112-9300-WRA002-8484) to increase appropriations and revenues in the amount of \$658,500, to budget totals \$39.12 million expenditures and \$33.06 million revenues.

Total actual revenue of FY2021-22 is \$30,492,483, which includes total assessments \$15,527,777 (51%), Ad Valorem Taxes \$3,039,165 (10%), water delivery and service fees \$1,947,923 (6%), grant payments \$1,057,488 (4%), payments from County of San Luis Obispo \$614,370 (2%), fees and permits \$439,372 (2%) and hydro-electric revenue \$340,714 (1%).

MCWRA received \$1,509,201 from Cannabis Tax Assignment as a local funding for Prop 1 Well Destruction Grant and a loan of \$658,500 for Pajaro Levee Design Phase in FY2021-22. Payments of \$2,002,189 from Monterey One Water, as tentative settlements of FY2018-19, FY2019-20 and FY2020-21 reconciliations is included in the total revenue.

The total revenue of \$30,492,483 is an increase of \$3,289,294 from FY21 total revenue. The increase are results of Monterey One Water reconciliations tentative settlements, increased rates to water delivery/service charges and special assessments, and increased fund transfers.

FY2021-22 total actual revenue is 94% of \$33,056,693 FY22 budgeted revenue estimate. All revenue groups are 94% or higher than the budget estimate except grant reimbursements and lease/rent payments. Total revenue from grants is \$1,057,488, 22% of the budget grant revenue, which is due to delay in contract executions and implementation delays. Income from leases and rents is \$323,754, 67% of the budgeted lease and rent income.

MCWRA's total actual expenses of FY2021-22 is \$29,724,559. It includes \$6,889,000 (23.2%) of Monterey One Water contract fee, \$5,867,167 (20%) of salaries and benefits, \$4,346,466 (15%) of debt payments, \$4,363,747 (15%) of consultant services, \$1,905,653 (6%) fund transfers between MCWRA funds and other services and supplies \$6,690,563 (28%).

Compared to FY2020-21 actual expenses, FY2021-22 total expense has increased by \$1,362,294. Notable increases are \$304,051 to salaries and benefits due to increased filled positions, \$1,678,955 to consultant services, \$154,446 to insurance costs and \$151,502 to Monterey One Water contract fees. There are decreases of \$1,012,016 to COWCAP allocation and debt payment total is decreased by \$121,682.

FY22 actual expenditures \$29,724,559 is 76% of the adopted appropriations \$39,123,515. Of total \$3,861,039 for consultant/other professional services budgeted, \$2,238,910 (58%) was spent due to project delays at Nacimiento Dam. Expenses of grant activities is \$2,124,837, which is 60% under budget. Contract executions with DWR took longer than expected and delayed implementation of IRWM and HCP grants. Persistent drought conditions and public uncertainty around State and County well permitting regulations resulted in heightened reluctance from well owners to participate in Prop 1 Well Destruction Grant.

MCWRA FY 2021-22 Adopted Budget estimates use of \$6,066,822 from fund balance to fulfil the deficit with an expectation to end FY2021-22 at \$15,285,903 in total fund balance. However, based on the FY2021-22 actual revenue and expenditures posted through Accounting Period 14, FY 2021-22 actual ending fund balance is estimated \$22,779,150, an increase of \$1,426,425, which accounts for a loan of \$658,500 to Pajaro Levee Project Design Phase. A combined total of \$2,091,854 has returned to fund balances of Fund 131, Fund 132 and Fund 134 due to reconciliation tentative settlements with Monterey One Water while a combined total of \$988,685 will be used from fund balances to cover funding gaps of Fund 122, Fund 130 and Fund 426.

Summary of Agency's consolidated fund balances for FY2021-22 is as follows:

	Approved Budget	Actual Amt
FY22 Est. Beg. Fund Balance	\$ 21,352,725	\$21,352,725
FY22 Revenues	33,056,693	30,492,483
FY22 Pajaro Loan		658,500
FY22 Expenditures	(39,123,515)	(29,724,559)
FY22 Est. End. Fund Balance	\$15,285,903	\$22,779,150

FINANCING:

There is no financial impact for receiving this report.

Prepared by: Nan Kyung Kim, Finance Manager III, (831) 755-4860
 Approved by: Brent Buche, General Manager, (831) 755-4860

Attachments:

1. Financial Status Report



County of Monterey

Item No.3

Board Report

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

Legistar File Number: WRAFIN 22-061

October 07, 2022

Introduced: 9/29/2022

Current Status: Agenda Ready

Version: 1

Matter Type: WRA Finance Item

Consider receiving the Monterey County Water Resources Agency (MCWRA) FY 2021-22 Financial Status Report.

RECOMMENDATION:

It is recommended that the Finance Committee:

Receive the Monterey County Water Resources Agency (MCWRA) FY 2021-22 Financial Status Report.

SUMMARY/DISCUSSION:

FY 2021-22 Adopted Budget of Monterey County Water Resources Agency (MCWRA) totaled \$38.47 million expenditures and \$32.40 million in revenues. On November 22, 2021, Monterey County Water Resources Agency Board of Supervisors approved to amend the Adopted Budget of Monterey County Water Resources Agency's Pajaro Fund (Fund 112-9300-WRA002-8484) to increase appropriations and revenues in the amount of \$658,500, to budget totals \$39.12 million expenditures and \$33.06 million revenues.

Total actual revenue of FY2021-22 is \$30,492,483, which includes total assessments \$15,527,777 (51%), Ad Valorem Taxes \$3,039,165 (10%), water delivery and service fees \$1,947,923 (6%), grant payments \$1,057,488 (4%), payments from County of San Luis Obispo \$614,370 (2%), fees and permits \$439,372 (2%) and hydro-electric revenue \$340,714 (1%).

MCWRA received \$1,509,201 from Cannabis Tax Assignment as a local funding for Prop 1 Well Destruction Grant and a loan of \$658,500 for Pajaro Levee Design Phase in FY2021-22. Payments of \$2,002,189 from Monterey One Water, as tentative settlements of FY2018-19, FY2019-20 and FY2020-21 reconciliations is included in the total revenue.

The total revenue of \$30,492,483 is an increase of \$3,289,294 from FY21 total revenue. The increase are results of Monterey One Water reconciliations tentative settlements, increased rates to water delivery/service charges and special assessments, and increased fund transfers.

FY2021-22 total actual revenue is 94% of \$33,056,693 FY22 budgeted revenue estimate. All revenue groups are 94% or higher than the budget estimate except grant reimbursements and lease/rent payments. Total revenue from grants is \$1,057,488, 22% of the budget grant revenue, which is due to delay in contract executions and implementation delays. Income from leases and rents is \$323,754, 67% of the budgeted lease and rent income.

MCWRA's total actual expenses of FY2021-22 is \$29,724,559. It includes \$6,889,000 (23.2%) of Monterey One Water contract fee, \$5,867,167 (20%) of salaries and benefits, \$4,346,466 (15%) of debt payments, \$4,363,747 (15%) of consultant services, \$1,905,653 (6%) fund transfers between MCWRA funds and other services and supplies \$6,690,563 (28%).

Compared to FY2020-21 actual expenses, FY2021-22 total expense has increased by \$1,362,294. Notable increases are \$304,051 to salaries and benefits due to increased filled positions, \$1,678,955 to consultant services, \$154,446 to insurance costs and \$151,502 to Monterey One Water contract fees. There are decreases of \$1,012,016 to COWCAP allocation and debt payment total is decreased by \$121,682.

FY22 actual expenditures \$29,724,559 is 76% of the adopted appropriations \$39,123,515. Of total \$3,861,039 for consultant/other professional services budgeted, \$2,238,910 (58%) was spent due to project delays at Nacimiento Dam. Expenses of grant activities is \$2,124,837, which is 60% under budget. Contract executions with DWR took longer than expected and delayed implementation of IRWM and HCP grants. Persistent drought conditions and public uncertainty around State and County well permitting regulations resulted in heightened reluctance from well owners to participate in Prop 1 Well Destruction Grant.

MCWRA FY 2021-22 Adopted Budget estimates use of \$6,066,822 from fund balance to fulfil the deficit with an expectation to end FY2021-22 at \$15,285,903 in total fund balance. However, based on the FY2021-22 actual revenue and expenditures posted through Accounting Period 14, FY 2021-22 actual ending fund balance is estimated \$22,779,150, an increase of \$1,426,425, which accounts for a loan of \$658,500 to Pajaro Levee Project Design Phase. A combined total of \$2,091,854 has returned to fund balances of Fund 131, Fund 132 and Fund 134 due to reconciliation tentative settlements with Monterey One Water while a combined total of \$988,685 will be used from fund balances to cover funding gaps of Fund 122, Fund 130 and Fund 426.

Summary of Agency's consolidated fund balances for FY2021-22 is as follows:

	Approved Budget	Actual Amt
FY22 Est. Beg. Fund Balance	\$ 21,352,725	\$21,352,725
FY22 Revenues	33,056,693	30,492,483
FY22 Pajaro Loan		658,500
FY22 Expenditures	(39,123,515)	(29,724,559)
FY22 Est. End. Fund Balance	\$15,285,903	\$22,779,150

FINANCING:

There is no financial impact for receiving this report.

Prepared by: Nan Kyung Kim, Finance Manager III, (831) 755-4860

Approved by: Brent Buche, General Manager, (831) 755-4860

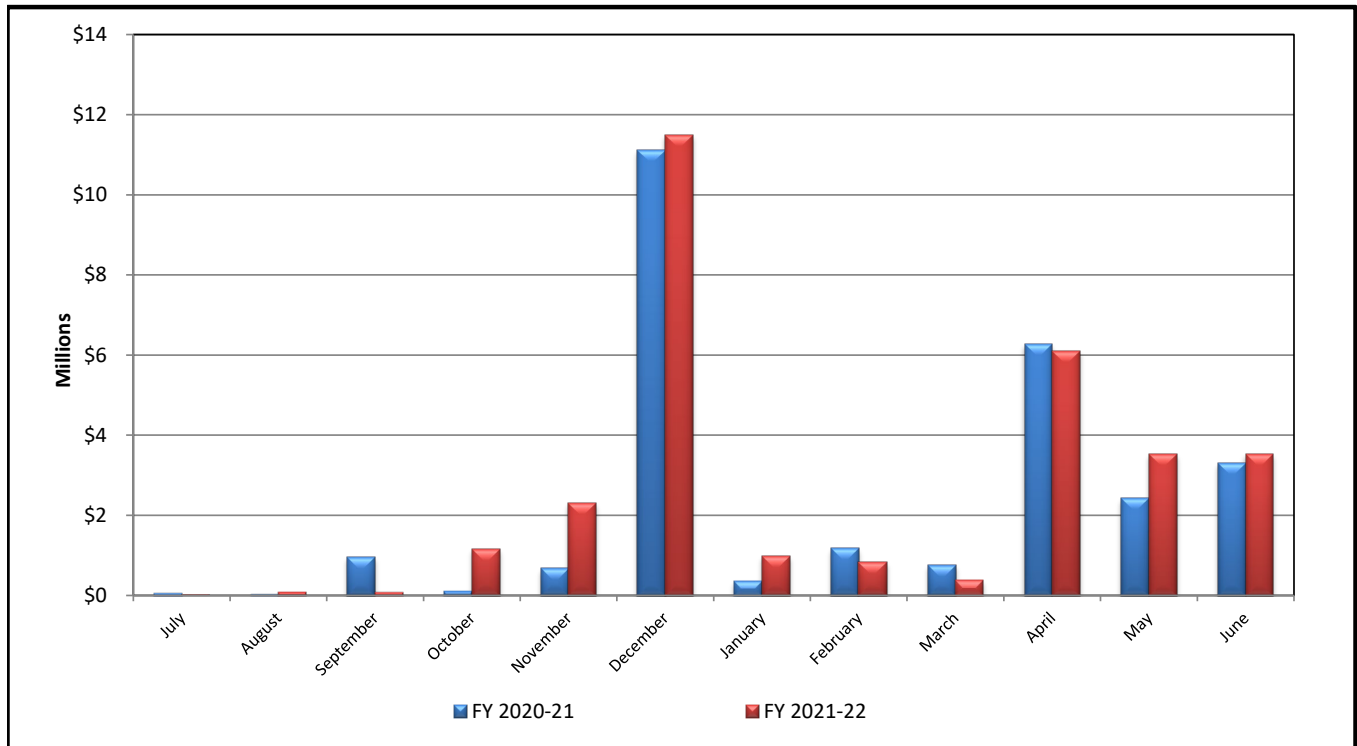
Attachments:

1. Financial Status Report

Monterey County
Water Resources Agency
FY 2021-2022 FINANCIAL STATUS REPORT

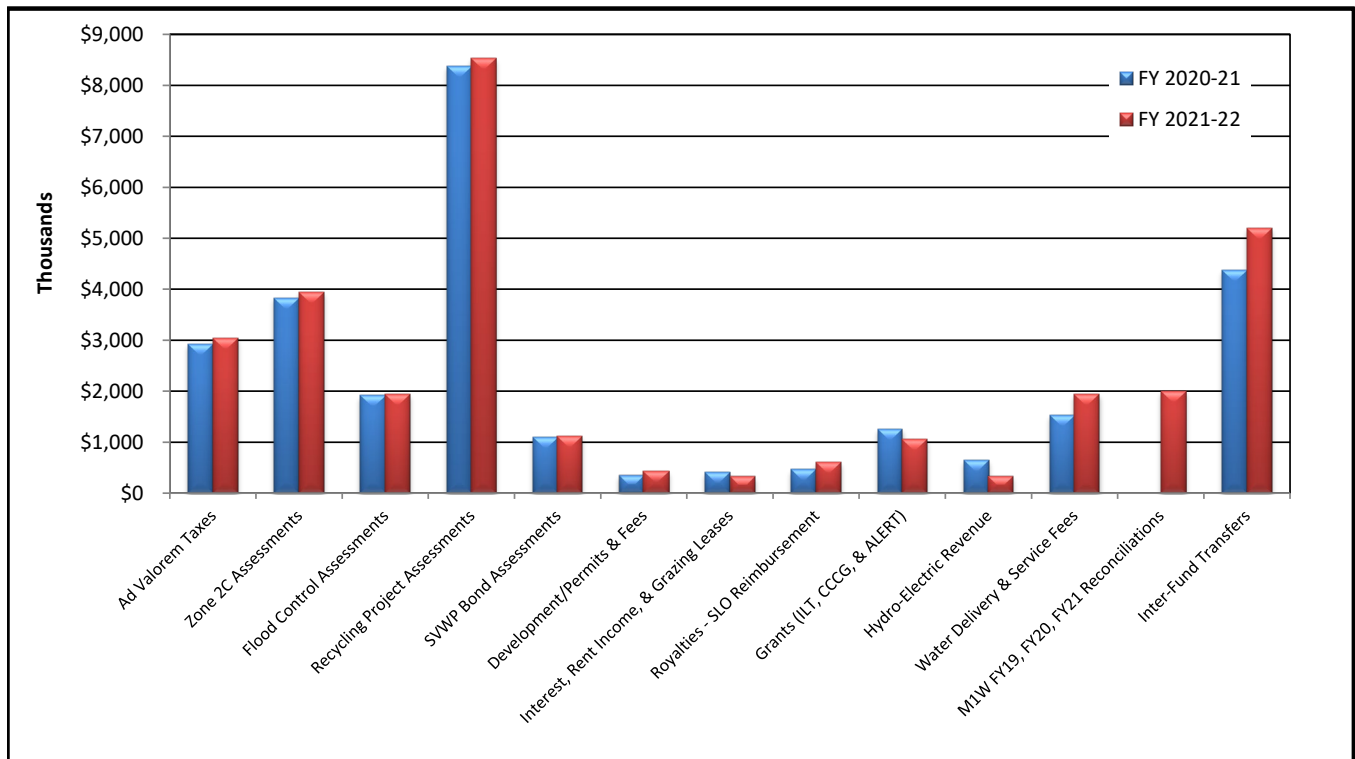
YTD Actual Revenues

Month By Month Revenues				
	FY 2020-21	% Received	FY 2021-22	% Received
July	67,389	0.2%	26,587	0.1%
August	38,307	0.3%	88,147	0.3%
September	949,385	3.4%	83,530	0.6%
October	106,377	3.7%	1,149,973	4.1%
November	669,932	5.9%	2,306,809	11.1%
December	11,114,280	41.8%	11,483,167	45.8%
January	357,567	43.0%	992,438	48.8%
February	1,165,646	46.7%	837,753	51.3%
March	758,277	49.2%	375,957	52.5%
April	6,265,206	69.4%	6,093,778	70.9%
May	2,417,041	77.2%	3,526,471	81.6%
June	3,293,782	87.8%	3,527,873	92.2%
YEAR TO DATE ACTUAL:	27,203,190	87.8%	30,492,483	92.2%
ADOPTED BUDGET:	30,973,327		33,056,693	



Monterey County
Water Resources Agency
FY 2021-2022 FINANCIAL STATUS REPORT
YTD Revenues by Source

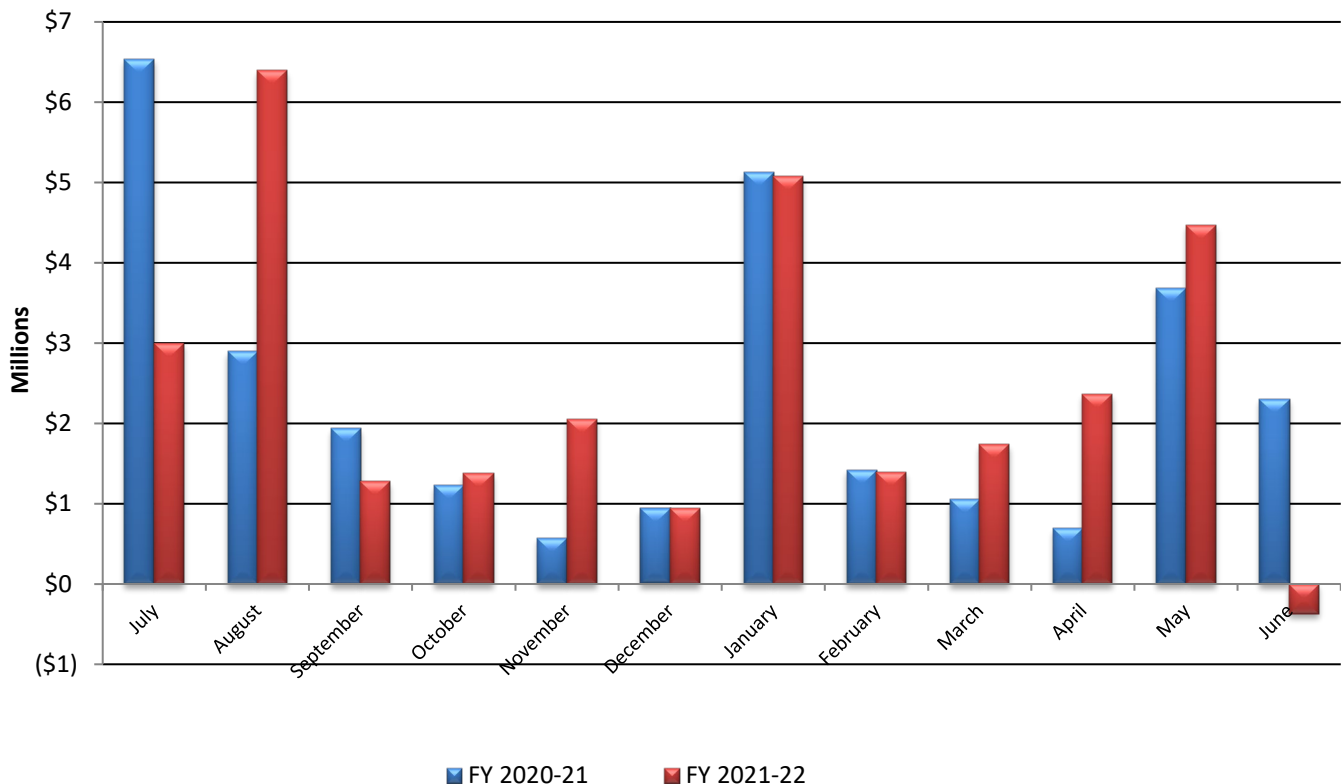
JUNE 2022 - 14th AP (with previous FY as comparison)		
	FY 2020-21	FY 2021-22
Ad Valorem Taxes	2,923,448	3,039,165
Zone 2C Assessments	3,835,556	3,939,339
Flood Control Assessments	1,911,058	1,939,054
Recycling Project Assessments	8,378,742	8,525,905
SVWP Bond Assessments	1,107,245	1,123,479
Development/Permits & Fees	347,933	439,372
Interest, Rent Income, & Grazing Leases	418,403	323,754
Royalties - SLO Reimbursement	462,290	614,370
Grants (ILT, CCCG, & ALERT)	1,258,153	1,057,488
Hydro-Electric Revenue	644,047	340,714
Water Delivery & Service Fees	1,534,199	1,947,923
M1W FY19, FY20, FY21 Reconciliations	0	2,002,189
Inter-Fund Transfers	4,382,116	5,199,733
YEAR TO DATE TOTAL:	27,203,190	30,492,483



Monterey County
Water Resources Agency
FY 2021-2022 FINANCIAL STATUS REPORT

YTD Actual Expenditures

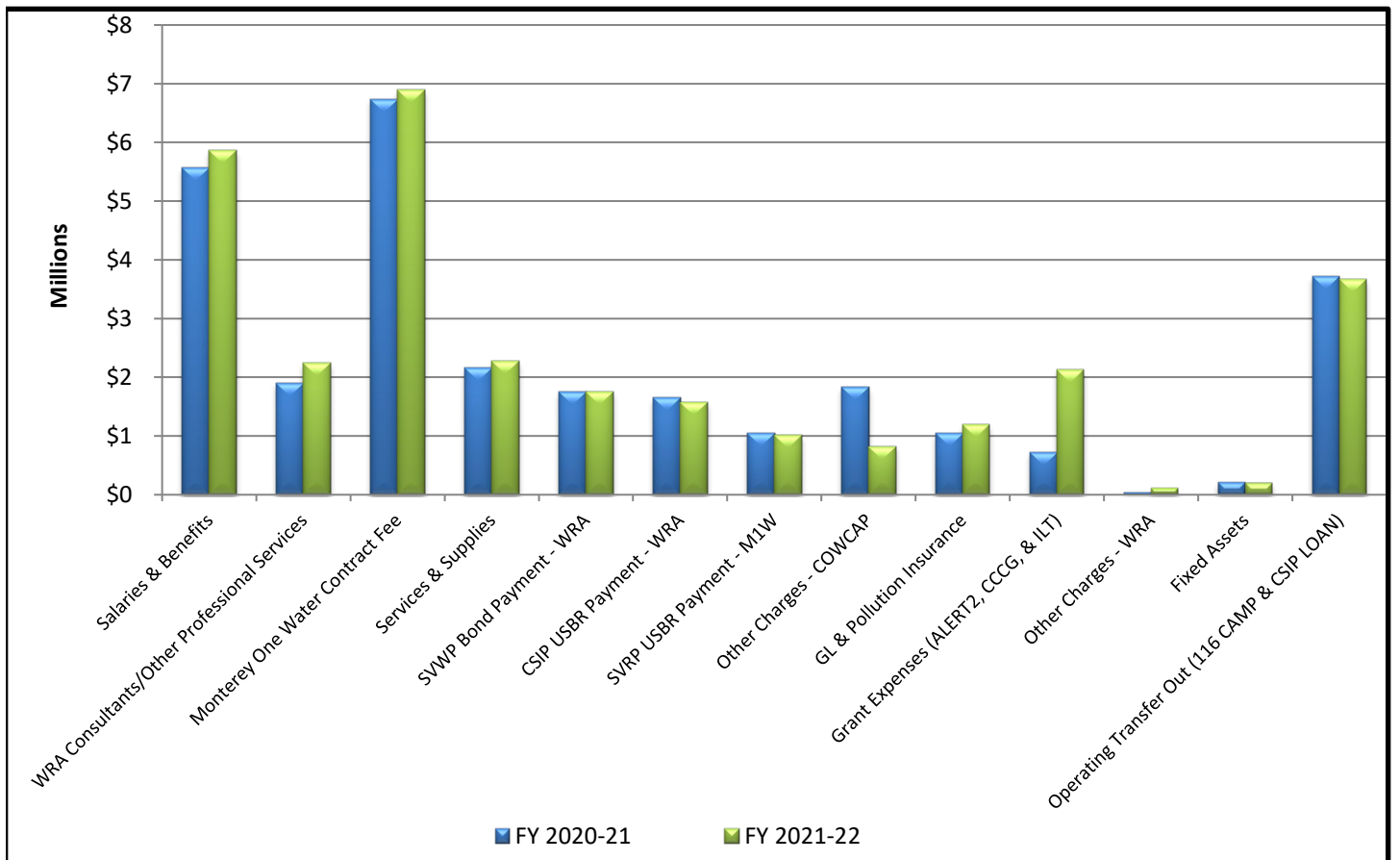
Month By Month Expenditures			Update: 9.15.2022	
	FY 2020-21	% Expended	FY 2021-22	% Expended
July	6,538,823	17.6%	2,996,190	7.7%
August	2,896,867	25.4%	6,400,821	24.0%
September	1,931,691	30.7%	1,274,437	27.3%
October	1,228,660	34.0%	1,373,895	30.8%
November	576,019	35.5%	2,054,928	36.0%
December	944,172	38.1%	942,308	38.4%
January	5,125,828	51.9%	5,076,570	51.4%
February	1,420,291	55.7%	1,396,116	55.0%
March	1,054,819	58.6%	1,736,157	59.4%
April	692,122	60.4%	2,365,663	65.5%
May	3,683,680	70.4%	4,473,938	76.9%
June	2,305,295	76.6%	(366,463)	76.0%
YEAR TO DATE ACTUAL:	28,398,264	76.6%	29,724,559	76.0%
ADOPTED BUDGET:	37,084,083		39,123,515	



Monterey County
Water Resources Agency
FY 2021-2022 FINANCIAL STATUS REPORT

YTD Expenditures by Type

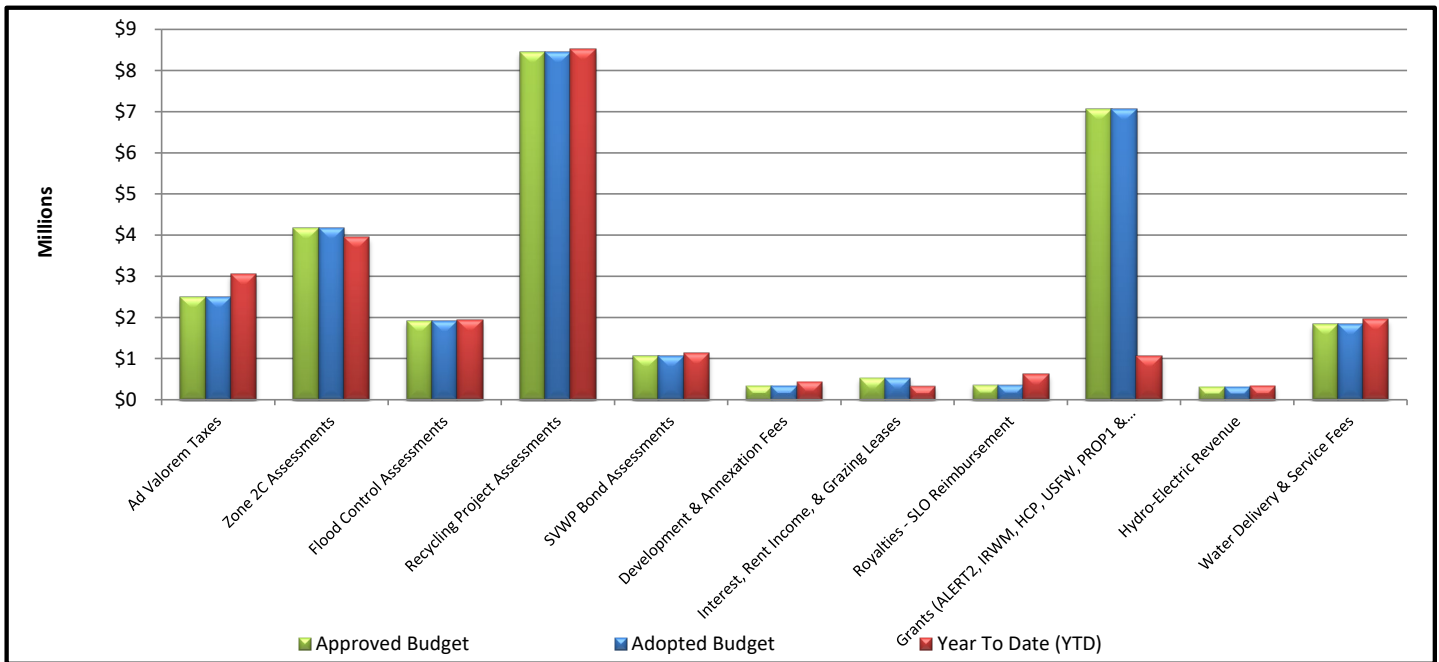
JUNE 2022 - 14th AP (with previous FY as comparison)		
	FY 2020-21	FY 2021-22
Salaries & Benefits	5,563,210	5,867,176
WRA Consultants/Other Professional Services	1,903,563	2,238,910
Monterey One Water Contract Fee	6,737,498	6,889,000
Services & Supplies	2,159,645	2,273,016
SVWP Bond Payment - WRA	1,756,638	1,755,638
CSIP USBR Payment - WRA	1,655,999	1,582,653
SVRP USBR Payment - M1W	1,055,512	1,008,176
Other Charges - COWCAP	1,835,870	823,854
GL & Pollution Insurance	1,041,729	1,196,175
Grant Expenses (ALERT2, CCCG, & ILT)	723,780	2,124,837
Other Charges - WRA	39,033	107,895
Fixed Assets	213,151	195,939
Operating Transfer Out (116 CAMP & CSIP LOAN)	3,712,637	3,661,290
YEAR TO DATE TOTAL:	28,398,264	29,724,559



**MONTEREY COUNTY
WATER RESOURCES AGENCY
FY 2021-2022 FINANCIAL STATUS REPORT**

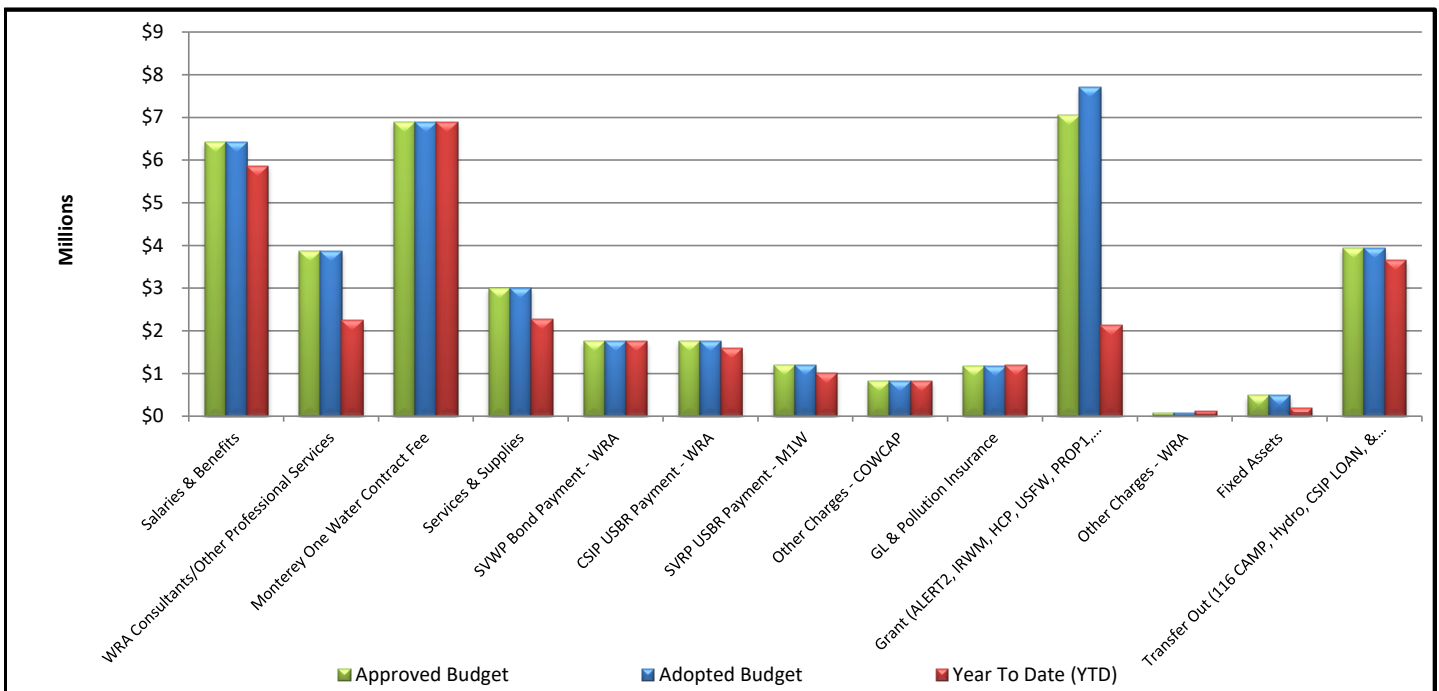
Revenue Variance

Revenue Variance by Source					Update: 9.15.2022	
	Approved Budget	% of Approved	Adopted Budget	% of Adopted	Year To Date (YTD)	% of YTD vs. Approved
Ad Valorem Taxes	2,497,679	7.71%	2,497,679	7.56%	3,039,165	121.68%
Zone 2C Assessments	4,170,138	12.87%	4,170,138	12.62%	3,939,339	94.47%
Flood Control Assessments	1,907,118	5.89%	1,907,118	5.77%	1,939,054	101.67%
Recycling Project Assessments	8,442,056	26.06%	8,442,056	25.54%	8,525,905	100.99%
SVWP Bond Assessments	1,064,993	3.29%	1,064,993	3.22%	1,123,479	105.49%
Development & Annexation Fees	330,000	1.02%	330,000	1.00%	439,372	133.14%
Interest, Rent Income, & Grazing Leases	520,500	1.61%	520,500	1.57%	323,754	62.20%
Royalties - SLO Reimbursement	357,000	1.10%	357,000	1.08%	614,370	172.09%
Grants (ALERT2, IRWM, HCP, USFW, PROP1 & ILT)	7,055,668	21.78%	7,055,668	21.34%	1,057,488	14.99%
Hydro-Electric Revenue	300,000	0.93%	300,000	0.91%	340,714	113.57%
Water Delivery & Service Fees	1,825,000	5.63%	1,825,000	5.52%	1,947,923	106.74%
M1W FY19, FY20, FY21 Reconciliations	-	0.00%	-	0.00%	2,002,189	0.00%
Transfers In (USBR CSIP Loan & SVWP Bond)	3,928,041	12.12%	4,586,541	13.87%	5,199,733	132.37%
TOTAL:	32,398,193	100.00%	33,056,693	100.00%	30,492,483	92.24%



MONTEREY COUNTY
WATER RESOURCES AGENCY
FY 2021-2022 FINANCIAL STATUS REPORT
Expenditure Variance

Expenditure Variance by Type					Update: 9.15.2022	
	Approved Budget	% of Approved	Adopted Budget	% of Adopted	Year To Date (YTD)	% of YTD vs. Approved
Salaries & Benefits	6,429,898	16.72%	6,429,898	16.43%	5,867,176	91.25%
WRA Consultants/Other Professional Services	3,861,039	10.04%	3,861,039	9.87%	2,238,910	57.99%
Monterey One Water Contract Fee	6,889,000	17.91%	6,889,000	17.61%	6,889,000	100.00%
Services & Supplies	3,007,516	7.82%	3,007,516	7.69%	2,273,016	75.58%
SVWP Bond Payment - WRA	1,755,638	4.56%	1,755,638	4.49%	1,755,638	100.00%
CSIP USBR Payment - WRA	1,767,403	4.59%	1,767,403	4.52%	1,582,653	89.55%
SVRP USBR Payment - M1W	1,200,000	3.12%	1,200,000	3.07%	1,008,176	84.01%
Other Charges - COWCAP	823,854	2.14%	823,854	2.11%	823,854	100.00%
GL & Pollution Insurance	1,182,452	3.07%	1,182,452	3.02%	1,196,175	101.16%
Grant (ALERT2, IRWM, HCP, USFW, PROP1, PAJARO & IL	7,055,668	18.34%	7,714,168	19.72%	2,124,837	27.54%
Other Charges - WRA	79,506	0.21%	79,506	0.20%	107,895	135.71%
Fixed Assets	485,000	1.26%	485,000	1.24%	195,939	40.40%
Transfer Out (116 CAMP, Hydro, CSIP LOAN, & SVWP)	3,928,041	10.21%	3,928,041	10.04%	3,661,290	93.21%
TOTAL:	38,465,015	100.00%	39,123,515	100.00%	29,724,559	75.98%

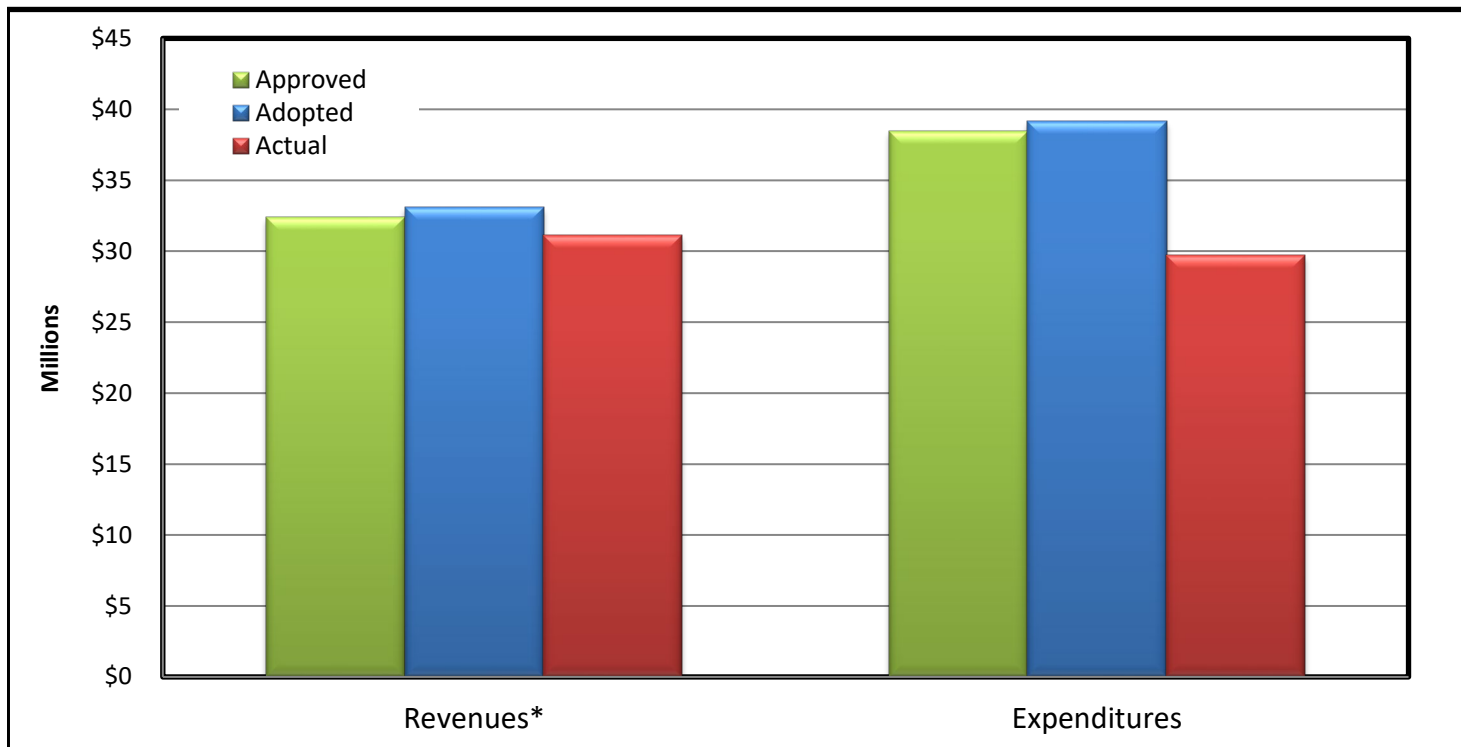


**MONTEREY COUNTY
WATER RESOURCES AGENCY
FY 2021-2022 FINANCIAL STATUS REPORT**

Updated: 09.15.2022

June 30, 2022

Budget Variance Analysis			
Category	Approved Budget	Adopted Budget	YTD Actual
Beginning Available Fund Balance	21,352,725	21,352,725	21,352,725
Revenues*	32,398,193	33,056,693	31,150,983
Expenditures	38,465,015	39,123,515	29,724,559
Ending Available Fund Balance	15,285,903	15,285,903	22,779,150



* includes a loan of \$658,500 in Fund 112 Pajaro

**MONTEREY COUNTY
WATER RESOURCES AGENCY
FY 2021-2022 FINANCIAL STATUS REPORT**

For Month Ending: June 30, 2022

% Monthly Time Elapsed: 100.00%

Updated: 09.15.2022			ADOPTED BUDGET				YEAR-TO-DATE					
Fund	Unit	Fund Name	Estimated Beginning Fund Balance	Adopted Budget Expenditures	Adopted Budget Revenue	Estimated Ending Fund Balance	YTD Actual Expenditures	Percent Budget Expended	YTD Actual Revenue	Percent Budget Received	Estimated Ending Fund Balance	Fund
111	8267	WRA Administration	2,559,605	4,892,156	3,521,094	1,188,543	4,143,002	84.7%	4,174,267	118.6%	2,590,871	111
112	8484	Pajaro Levee	640,323	1,498,321	1,185,903	327,905	1,275,862	85.2%	523,839	44.2%	546,800	112*
116	8485	Dam Operations	2,125,081	7,564,233	6,707,138	1,267,986	4,957,839	65.5%	5,311,206	79.2%	2,478,448	116
121	8486	Soledad Storm Drain	218,099	117,377	93,996	194,718	72,870	62.1%	92,414	98.3%	237,642	121
122	8487	Reclamation Ditch	1,786,806	2,308,417	1,568,928	1,047,317	1,920,686	83.2%	1,598,850	101.9%	1,464,970	122
124	8488	San Lorenzo Creek	58,120	78,565	45,342	24,897	68,964	87.8%	44,185	97.4%	33,340	124
127	8489	Moro Cojo Slough	534,991	286,878	96,327	344,440	79,774	27.8%	117,156	121.6%	572,372	127
130	8490	Hydro-Electric Operations	1,886,007	1,033,859	310,000	1,162,148	772,682	74.7%	349,114	112.6%	1,462,439	130
131	8491	CSIP Operations	2,764,585	7,675,205	6,168,720	1,258,100	5,796,044	75.5%	6,986,901	113.3%	3,955,442	131
132	8492	SVRP Operations	1,816,751	4,472,700	4,314,537	1,658,588	4,283,522	95.8%	4,810,448	111.5%	2,343,677	132
134	8493	SRDF Operations	4,146,338	4,157,485	4,021,667	4,010,520	2,058,965	49.5%	2,433,035	60.5%	4,520,408	134
303	8267	CSIP Debt Service Fund	770,672	1,767,403	1,767,403	770,672	1,582,653	89.5%	1,582,653	89.5%	770,672	303
313	8494	Debt Services	1,034,988	1,755,638	1,755,638	1,034,988	1,755,638	100.0%	1,755,640	100.0%	1,034,991	313
426	8495	Interlake Tunnel Project	1,010,359	1,515,278	1,500,000	995,081	956,058	63.1%	712,776	47.5%	767,077	426
TOTAL:			21,352,725	39,123,515	33,056,693	15,285,903	29,724,559	76.0%	30,492,483	92.2%	22,779,150	

\$105K had been transferred from Fund 116 fund balance to 116 CAMP for capital project *

Fund 112 Fund Balance includes \$658,500 loan from Cannabis Tax Assingment



County of Monterey

Item No.4

Board Report

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

Legistar File Number: WRAFIN 22-065

October 07, 2022

Introduced: 9/29/2022

Current Status: Agenda Ready

Version: 1

Matter Type: WRA Finance Item

Consider recommending an independent valuation study to assess fiscal impacts of merging CalPERS plans of the Monterey County Water Resources Agency into the Miscellaneous Plan of County of Monterey.

RECOMMENDATION:

It is recommended that the Finance Committee:

Consider recommending an independent valuation study to assess fiscal impacts of merging CalPERS plans of the Monterey County Water Resources Agency into the Miscellaneous Plan of County of Monterey.

SUMMARY/DISCUSSION:

The Monterey County Water Resources Agency (MCWRA, "Agency") currently has two CalPERS Plans - Miscellaneous Plan (CalPERS ID: 2180065965) and PEPRA Miscellaneous Plan (CalPERS ID: 2180065965), independent from Miscellaneous Plan of County of Monterey ("County") (CalPERS ID: 6813590383).

CalPERS plans of the Agency were first established in July 1959. The plans were grandfathered in and kept separately from County's CalPERS plan as is. Due to this separation, the Agency was mandated to participate in a Risk Pool with other public agencies of less than 100 active members. Demographics of the Risk Pool show higher values in entry age, attained age and annual salary than those of County's plan and those values are used to calculate Unfunded Accrued Liability (UAL). Average annual PERS employer contributions of MCWRA over the next five years is estimated at 38% of projected payroll, 18% higher than other County departments' 20% of projected payroll.

CalPERS representatives have indicated that 90% of state water agencies are in same plans of their "corresponding" counties and expressed no objections to merging two MCWRA CalPERS plans into County's CalPERS plan if requested. A validation study performed in February 2022 by CalPERS for the merger scenario illustrate that the merger would decrease Employer Normal Cost Rate from 8.32% to 8.31% and Funded Ratio from 75% to 74.9% for the County plan. Potentially the merger would generate \$1.2 million cost saving in employer PERS contributions over the next five years.

Staff recommends, as a next step, an independent valuation study to further evaluate fiscal impacts that the merger would bring to the County as well as to the Agency. Scopes of the valuation study will include cost of Section 115 Pension Trust to the Agency if the merger were approved, UAL forecast of MCWRA PEPRA plan and recommendations of allocation methodologies that are equitable to the

County and MCWRA. Cost of the independent study would not exceed \$50,000.

Prepared by: Nan Kyung Kim, Finance Manager III, (831) 755-4860

Approved by Brent Buche, General Manager, (831) 755-4860

Attachments:

1. CalPERS valuation study for the merger



County of Monterey

Item No.4

Board Report

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

Legistar File Number: WRAFIN 22-065

October 07, 2022

Introduced: 9/29/2022

Current Status: Agenda Ready

Version: 1

Matter Type: WRA Finance Item

Consider recommending an independent valuation study to assess fiscal impacts of merging CalPERS plans of the Monterey County Water Resources Agency into the Miscellaneous Plan of County of Monterey.

RECOMMENDATION:

It is recommended that the Finance Committee:

Consider recommending an independent valuation study to assess fiscal impacts of merging CalPERS plans of the Monterey County Water Resources Agency into the Miscellaneous Plan of County of Monterey.

SUMMARY/DISCUSSION:

The Monterey County Water Resources Agency (MCWRA, "Agency") currently has two CalPERS Plans - Miscellaneous Plan (CalPERS ID: 2180065965) and PEPRA Miscellaneous Plan (CalPERS ID: 2180065965), independent from Miscellaneous Plan of County of Monterey ("County") (CalPERS ID: 6813590383).

CalPERS plans of the Agency were first established in July 1959. The plans were grandfathered in and kept separately from County's CalPERS plan as is. Due to this separation, the Agency was mandated to participate in a Risk Pool with other public agencies of less than 100 active members. Demographics of the Risk Pool show higher values in entry age, attained age and annual salary than those of County's plan and those values are used to calculate Unfunded Accrued Liability (UAL). Average annual PERS employer contributions of MCWRA over the next five years is estimated at 38% of projected payroll, 18% higher than other County departments' 20% of projected payroll.

CalPERS representatives have indicated that 90% of state water agencies are in same plans of their "corresponding" counties and expressed no objections to merging two MCWRA CalPERS plans into County's CalPERS plan if requested. A validation study performed in February 2022 by CalPERS for the merger scenario illustrate that the merger would decrease Employer Normal Cost Rate from 8.32% to 8.31% and Funded Ratio from 75% to 74.9% for the County plan. Potentially the merger would generate \$1.2 million cost saving in employer PERS contributions over the next five years.

Staff recommends, as a next step, an independent valuation study to further evaluate fiscal impacts that the merger would bring to the County as well as to the Agency. Scopes of the valuation study will include cost of Section 115 Pension Trust to the Agency if the merger were approved, UAL forecast of MCWRA PEPRA plan and recommendations of allocation methodologies that are equitable to the

County and MCWRA. Cost of the independent study would not exceed \$50,000.

Prepared by: Nan Kyung Kim, Finance Manager III, (831) 755-4860

Approved by Brent Buche, General Manager, (831) 755-4860

Attachments:

1. CalPERS valuation study for the merger



California Public Employees' Retirement System
Actuarial Office
P.O. Box 942709
Sacramento, CA 94229-2709
TTY: (916) 795-3240
(888) 225-7377 phone • (916) 795-2744 fax
www.calpers.ca.gov

February 2, 2022

CALPERS ID: 6813590383
Employer Name: County of Monterey
Rate Plan: Miscellaneous Plan

Dear Requestor:

An amendment cost analysis for the valuation(s) requested and related information is enclosed.

The change in the employer contribution rate, as of the effective date of the proposed amendment, is displayed on page 3.

If you are aware of others interested in this information (i.e., payroll staff, county court employees, port districts, etc.), please inform them. Sections 20463 (b) and (c) of the California Public Employees' Retirement Law require the governing body of a public agency which requests a contract cost analysis to provide each affected employee organization with a copy within five days of receipt. Likewise, if a cost analysis is requested by an employee organization, the employee organization is required to provide a copy of the analysis to the public agency within five days of receipt.

This cost analysis expires July 1, 2022. A Resolution of Intention (R of I) approved by the agency governing body to create the amendment must be received by this office on or before July 1, 2022 and the amendment effective date must be before July 1, 2022. If either of these two conditions is not met, an updated cost analysis is required to create the amendment. An updated cost analysis may be available as early as November 2022.

To complete the contract amendment process based on the enclosed analysis, you must do the following:

- Complete and return the enclosed Contract Request and Schedule of Agency Actions forms. Within 90 days, CalPERS staff will send your agency the R of I form for adoption.
- Complete and return the adopted R of I to CalPERS on or before July 1, 2022. Adoption of the Final Resolution/Ordinance by this date is not required.

If you have questions about the cost analysis, please call (888) CalPERS (225-7377). Please ask to speak to a contract analyst for questions about the timing of the contract. Please ask to speak to me for questions about this cost analysis.

A handwritten signature in black ink, appearing to read "Alex Grunder".

ALEX GRUNDER, ASA, MAAA
Associate Pension Actuary, CalPERS

Introduction

This report presents the June 30, 2020 actuarial valuation results of the merger involving Monterey County Water Resources Agency (MCWRA) and County of Monterey (CM), pursuant to Assembly Bill No. 1140. This bill authorizes the successor agency, County of Monterey, to provide employees the defined benefit plans they received from the Monterey County Water Resources Agency prior to consolidation. **The Miscellaneous Plan and PEPR Miscellaneous Plan under the Monterey County Water Resources Agency have a combination of benefit plan provisions that do not correspond to any preexisting plan offered by the successor agency. Consequently, these plans must be adopted by the County of Monterey and effectively transferred.**

The pension funding information presented in this report should not be used in financial reports subject to GASB Statement No. 68. A separate accounting valuation report for annual GASB reporting purposes is available from CalPERS and details for ordering are available on our website.

The measurements shown in this actuarial valuation may not be applicable for other purposes. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; and changes in plan provisions or applicable law.

On November 17, 2021, the board adopted new actuarial assumptions based on the recommendations in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases and inflation assumption for public agencies. These new assumptions will be incorporated in the June 30, 2021 actuarial valuation and will impact the required contribution for fiscal year 2023-24. In addition, the board adopted a new strategic asset allocation as part of its Asset Liability Management process. The new asset allocation along with the new capital market assumptions and economic assumptions support a discount rate of 6.80%. This includes a reduction in the price inflation assumption from 2.50% to 2.30%. These changes in assumptions have not been reflected in this valuation.

Assessment and Disclosure of Risk

This report includes the following risk disclosures consistent with the recommendations of Actuarial Standards of Practice No. 51 and recommended by the California Actuarial Advisory Panel (CAAP) in the Model Disclosure Elements document:

- A "Scenario Test," projecting future results under different investment income returns.
- A "Sensitivity Analysis," showing the impact on current valuation results using alternative discount rates of 6.0% and 8.0%.
- A "Sensitivity Analysis," showing the impact on current valuation results assuming rates of mortality are 10% lower or 10% higher than our current mortality assumptions adopted in 2017.
- Plan maturity measures indicating how sensitive a plan may be to the risks noted above.

Required Employer Contributions

The following tables show the change in the plans' employer contribution requirements for fiscal year 2022-23 due to the merger. If the effective date of the amendment is prior to July 1, 2022, the contribution requirements for the remainder of fiscal year 2021-22 will remain unchanged.

Required Employer Contributions	PEPRA MCWRA (Before)	Classic MCWRA (Before)	CM (Before)
Employer Normal Cost Rate	7.47%	10.87%	8.32%
<i>Plus</i>			
Required Payment on Amortization Bases¹	\$ 6,384	\$ 818,560	\$ 44,758,007
<i>Paid either as</i>			
1) Monthly Payment	\$ 532.00	\$ 68,213.33	\$ 3,729,834
<i>Or</i>			
2) Annual Prepayment Option*	\$ 6,172	\$ 791,332	\$ 43,269,199
Required PEPRA Member Contribution Rate	6.75%	N/A	7.00%

Required Employer Contributions	PEPRA MCWRA (After)	Classic MCWRA (After)	CM (After)
Employer Normal Cost Rate	N/A	N/A	8.31%
<i>Plus</i>			
Required Payment on Amortization Bases¹	\$ N/A	\$ N/A	\$ 45,686,367
<i>Paid either as</i>			
1) Monthly Payment	\$ N/A	\$ N/A	\$ 3,807,197
<i>Or</i>			
2) Annual Prepayment Option*	\$ N/A	\$ N/A	\$ 44,166,678
Required PEPRA Member Contribution Rate	N/A	N/A	7.00%

The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll and paid as payroll is reported) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly (1) or prepaid annually (2) in dollars).

** Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31).*

¹ The required payment on amortization bases does not take into account any additional discretionary payment made after April 30, 2021.

Required Employer Contributions (Continued)

	PEPRA MCWRA (Before)	Classic MCWRA (Before)	CM (Before)
	2022-23	2022-23	2022-23
Development of Normal Cost as a Percentage of Payroll			
Base Total Normal Cost for Formula 2% @ 62	14.22%	N/A	N/A
Base Total Normal Cost for Formula 2% @ 55	N/A	17.24%	N/A
Surcharge for Class 1 Benefits ¹			
a) FAC 1	N/A	0.55%	N/A
Phase out of Normal Cost Difference ²	<u>0.00%</u>	<u>0.00%</u>	<u>N/A</u>
Plan's Total Normal Cost	14.22%	17.79%	15.25%
Plan's Employee Contribution Rate	<u>6.75%</u>	6.92%	<u>6.93%</u>
Employer Normal Cost Rate	7.47%	10.87%	8.32%

	PEPRA MCWRA (After)	Classic MCWRA (After)	CM (After)
	2022-23	2022-23	2022-23
Development of Normal Cost as a Percentage of Payroll			
Base Total Normal Cost for Formula 2% @ 62	N/A	N/A	N/A
Base Total Normal Cost for Formula 2% @ 55	N/A	N/A	N/A
Surcharge for Class 1 Benefits ¹			
a) FAC 1	N/A	N/A	N/A
Phase out of Normal Cost Difference ²	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Plan's Total Normal Cost	N/A	N/A	15.24%
Plan's Employee Contribution Rate	<u>N/A</u>	N/A	<u>6.93%</u>
Employer Normal Cost Rate	N/A	N/A	8.31%

¹ Section 2 of the Miscellaneous Risk Pool report contains a list of Class 1 benefits and corresponding surcharges for each benefit. Section 2 may be found on the CalPERS website (calpers.ca.gov) in the Forms and Publications section.

² The normal cost change is phased out over a five-year period in accordance with the CalPERS contribution allocation policy.

Plan's Funded Status

June 30, 2020	PEPRA MCWRA (Before)	Classic MCWRA (Before)	CM (Before)
1. Present Value of Projected Benefits (PVB)	\$1,765,139	\$37,124,937	\$2,620,501,937
2. Entry Age Normal Accrued Liability (AL)	729,719	34,667,637	2,164,127,309
3. Plan's Market Value of Assets (MVA)	650,141	24,833,148	1,622,904,212
4. Unfunded Accrued Liability (UAL) [(2) - (3)]	79,578	9,834,489	\$541,223,097
5. Funded Ratio [(3) / (2)]	89.1%	71.6%	75.0%

June 30, 2020	PEPRA MCWRA (After)	Classic MCWRA (After)	CM (After)
1. Present Value of Projected Benefits (PVB)	N/A	N/A	\$2,659,086,338
2. Entry Age Normal Accrued Liability (AL)	N/A	N/A	2,199,524,665
3. Plan's Market Value of Assets (MVA)	N/A	N/A	1,648,387,501
4. Unfunded Accrued Liability (UAL) [(2) - (3)]	N/A	N/A	\$551,137,164
5. Funded Ratio [(3) / (2)]	N/A	N/A	74.9%

This measure of funded status is an assessment of the need for future employer contributions based on the selected actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members.

Projected Employer Contributions

The table below shows the required and projected employer contributions (before cost sharing) for the next six fiscal years. The projection assumes that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. Actual contribution rates during this projection period could be significantly higher or lower than the projection shown below.

PEPRA MCWRA (Before Transfer)

	Required Contribution	Projected Future Employer Contributions (Assumes 7.00% Return for Fiscal Year 2020-21)				
Fiscal Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Normal Cost %	7.47%	7.5%	7.5%	7.5%	7.5%	7.5%
UAL Payment	\$6,384	\$7,000	\$7,600	\$8,200	\$8,700	\$8,900

Classic MCWRA (Before Transfer)

	Required Contribution	Projected Future Employer Contributions (Assumes 7.00% Return for Fiscal Year 2020-21)				
Fiscal Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Normal Cost %	10.87%	10.9%	10.9%	10.9%	10.9%	10.9%
UAL Payment	\$818,560	\$880,000	\$944,000	\$912,000	\$949,000	\$972,000

CM (Before Transfer)

	Required Contribution	Projected Future Employer Contributions (Assumes 7.00% Return for Fiscal Year 2020-21)				
Fiscal Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Normal Cost %	8.32%	8.2%	8.1%	8.0%	7.8%	7.7%
UAL Payment	\$44,758,007	\$48,597,000	\$52,537,000	\$49,958,000	\$52,606,000	\$53,964,000

Projected Employer Contributions (Continued)

PEPRA MCWRA (After Transfer)

	Required Contribution	Projected Future Employer Contributions (Assumes 7.00% Return for Fiscal Year 2020-21)				
Fiscal Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Normal Cost %	N/A	N/A	N/A	N/A	N/A	N/A
UAL Payment	N/A	N/A	N/A	N/A	N/A	N/A

Classic MCWRA (After Transfer)

	Required Contribution	Projected Future Employer Contributions (Assumes 7.00% Return for Fiscal Year 2020-21)				
Fiscal Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Normal Cost %	N/A	N/A	N/A	N/A	N/A	N/A
UAL Payment	N/A	N/A	N/A	N/A	N/A	N/A

CM (After Transfer)

	Required Contribution	Projected Future Employer Contributions (Assumes 7.00% Return for Fiscal Year 2020-21)				
Fiscal Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Normal Cost %	8.31%	8.2%	8.0%	7.9%	7.8%	7.7%
UAL Payment	\$45,686,367	\$49,526,000	\$53,465,000	\$50,886,000	\$53,535,000	\$54,893,000

Schedule of Plan's Amortization Bases

The next page displays Monterey County Water Resources Agency amortization base schedule that will be transferred to County of Monterey. Note that there is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2020.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: fiscal year 2022-23.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment on the UAL for a fiscal year is equal to the Expected Employer Contribution for the fiscal year minus the Expected Normal Cost for the year. The Employer Contribution for the first fiscal year is determined by the actuarial valuation two years ago and the contribution for the second year is from the actuarial valuation one year ago. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Schedule of Plan's Amortization Bases (Continued)

PEPRA MCWRA (Before Transfer)

Reason for Base	Date Est.	Ramp Level 2022-23	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/20	Expected Payment 2020-21	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Minimum Required Payment 2022-23
Fresh Start	6/30/18	No Ramp		2.75%	13	56,393	5,086	55,080	5,226	53,530	5,370
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	19	2,569	0	2,749	251	2,682	251
Investment (Gain)/Loss	6/30/19	40%	Up Only	0.00%	19	2,984	0	3,193	70	3,344	140
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	20	2,283	0	2,443	0	2,614	239
Investment (Gain)/Loss	6/30/20	20%	Up Only	0.00%	20	15,349	0	16,423	0	17,573	384
Total						79,578	5,086	79,888	5,547	79,743	6,384

Classic MCWRA (Before Transfer)

Reason for Base	Date Est.	Ramp Level 2022-23	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/20	Expected Payment 2020-21	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Minimum Required Payment 2022-23
Share of Pre-2013 Pool UAL	6/30/13	No Ramp		2.75%	15	2,020,043	166,683	1,989,028	171,267	1,951,100	175,977
Non-Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.75%	23	(30,922)	(2,098)	(30,916)	(2,155)	(30,851)	(2,215)
Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.75%	23	3,149,041	213,621	3,148,503	219,496	3,141,850	225,532
Non-Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.75%	24	2,647	175	2,651	180	2,650	185
Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.75%	24	(2,407,418)	(159,195)	(2,411,265)	(163,573)	(2,410,852)	(168,071)
Side Fund	2013 or Prior	No Ramp		2.75%	3	287,329	64,356	240,872	66,126	189,332	67,945
Assumption Change	6/30/14	100%	Up/Down	2.75%	14	1,449,085	137,792	1,407,988	141,582	1,360,094	145,475
Non-Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.75%	25	(124,037)	(6,488)	(126,008)	(8,333)	(126,209)	(8,562)
Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.75%	25	1,521,160	79,563	1,545,341	102,189	1,547,810	104,999
Non-Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.75%	26	(232,911)	(9,153)	(239,747)	(12,540)	(243,558)	(16,106)
Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.75%	26	1,885,753	74,108	1,941,098	101,527	1,971,955	130,399
Assumption Change	6/30/16	100%	Up/Down	2.75%	16	570,768	31,075	578,578	42,573	575,041	54,680
Non-Investment (Gain)/Loss	6/30/17	80%	Up/Down	2.75%	27	(48,897)	(1,300)	(50,975)	(2,003)	(52,471)	(2,744)
Investment (Gain)/Loss	6/30/17	80%	Up/Down	2.75%	27	(944,431)	(25,105)	(984,572)	(38,692)	(1,013,469)	(53,009)
Assumption Change	6/30/17	80%	Up/Down	2.75%	17	639,929	23,335	660,586	35,966	669,624	49,273
Non-Investment (Gain)/Loss	6/30/18	60%	Up/Down	2.75%	28	140,353	1,917	148,195	3,939	154,494	6,071
Investment (Gain)/Loss	6/30/18	60%	Up/Down	2.75%	28	(279,755)	(3,821)	(295,385)	(7,852)	(307,940)	(12,102)
Assumption Change	6/30/18	60%	Up/Down	2.75%	18	996,917	18,587	1,047,475	38,197	1,081,287	58,871
Method Change	6/30/18	60%	Up/Down	2.75%	18	275,545	5,137	289,519	10,557	298,865	16,272
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	19	139,257	0	149,005	13,597	145,371	13,597
Investment (Gain)/Loss	6/30/19	40%	Up Only	0.00%	19	129,778	0	138,862	3,036	145,442	6,072
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	20	108,464	0	116,056	0	124,180	11,332
Investment (Gain)/Loss	6/30/20	20%	Up Only	0.00%	20	586,791	0	627,866	0	671,817	14,689
Total						9,834,489	609,189	9,892,755	715,084	9,845,562	818,560

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

Schedule of Plan's Amortization Bases (Continued)

CM (Before Transfer)											Minimum Required Payment 2022-23
Reason for Base	Date Est.	Ramp Level 2022-23	Ramp Shape	Escala- tion Rate	Amort. Period	Balance 6/30/20	Expected Payment 2020-21	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	
Assumption Change	6/30/03	No Ramp		2.75%	3	19,788,000	4,432,151	16,588,507	4,554,035	13,038,972	4,679,271
Method Change	6/30/04	No Ramp		2.75%	4	(1,961,867)	(373,401)	(1,712,949)	(383,669)	(1,435,985)	(394,220)
Benefit Change	6/30/06	No Ramp		2.75%	5	(290,471)	(48,314)	(260,828)	(49,643)	(227,735)	(51,008)
Assumption Change	6/30/09	No Ramp		2.75%	9	14,200,935	1,622,052	13,517,137	1,666,659	12,739,331	1,712,492
Special (Gain)/Loss	6/30/09	No Ramp		2.75%	19	30,882,017	2,214,098	30,753,477	2,274,986	30,552,957	2,337,548
Special (Gain)/Loss	6/30/10	No Ramp		2.75%	20	(5,056,115)	(352,082)	(5,045,847)	(361,764)	(5,024,845)	(371,712)
Assumption Change	6/30/11	No Ramp		2.75%	11	24,444,933	2,452,262	23,619,439	2,519,699	22,666,403	2,588,990
Special (Gain)/Loss	6/30/11	No Ramp		2.75%	21	(18,106,160)	(1,226,957)	(18,104,417)	(1,260,698)	(18,067,650)	(1,295,367)
Payment (Gain)/Loss	6/30/12	No Ramp		2.75%	22	(2,410,276)	(159,225)	(2,414,292)	(163,604)	(2,414,059)	(168,103)
(Gain)/Loss	6/30/12	No Ramp		2.75%	22	74,287,649	4,907,504	74,411,423	5,042,460	74,404,261	5,181,128
(Gain)/Loss	6/30/13	100%	Up/Down	2.75%	23	151,383,087	10,269,372	151,357,182	10,551,780	151,037,339	10,841,954
Assumption Change	6/30/14	100%	Up/Down	2.75%	14	78,233,741	7,439,184	76,014,951	7,643,762	73,429,229	7,853,965
(Gain)/Loss	6/30/14	100%	Up/Down	2.75%	24	(145,366,267)	(9,612,619)	(145,598,535)	(9,876,966)	(145,573,619)	(10,148,582)
(Gain)/Loss	6/30/15	100%	Up/Down	2.75%	25	86,313,088	4,514,527	87,685,141	5,798,345	87,825,246	5,957,800
Assumption Change	6/30/16	100%	Up/Down	2.75%	16	34,656,252	1,886,854	35,130,413	2,584,991	34,915,606	3,320,097
(Gain)/Loss	6/30/16	100%	Up/Down	2.75%	26	106,564,125	4,187,827	109,691,692	5,737,323	111,435,377	7,368,875
Assumption Change	6/30/17	80%	Up/Down	2.75%	17	49,996,195	1,823,132	51,610,066	2,809,902	52,316,185	3,849,566
(Gain)/Loss	6/30/17	80%	Up/Down	2.75%	27	(67,549,453)	(1,795,577)	(70,420,555)	(2,767,433)	(72,487,339)	(3,791,384)
AL Significant Increase*	6/30/18	60%	Up/Down	2.75%	28	85,651	1,170	90,436	2,404	94,280	3,705
Method Change	6/30/18	60%	Up/Down	2.75%	18	21,724,148	405,039	22,825,863	832,355	23,562,679	1,282,866
Assumption Change	6/30/18	60%	Up/Down	2.75%	18	64,336,210	1,199,525	67,598,946	2,465,024	69,781,032	3,799,218
(Gain)/Loss	6/30/18	60%	Up/Down	2.75%	28	(17,771,398)	(242,719)	(18,764,325)	(498,787)	(19,561,878)	(768,756)
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	19	2,009,176	0	2,149,818	196,178	2,097,377	196,177
Investment (Gain)/Loss	6/30/19	40%	Up Only	0.00%	19	7,930,754	0	8,485,907	185,536	8,888,001	371,071
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	20	(5,300,830)	0	(5,671,888)	0	(6,068,920)	(553,808)
Investment (Gain)/Loss	6/30/20	20%	Up Only	0.00%	20	38,199,973	0	40,873,971	0	43,735,149	956,224
Total						541,223,097	33,543,803	544,410,733	39,502,875	541,657,394	44,758,007

Schedule of Plan's Amortization Bases (Continued)

PEPRA MCWRA (After Transfer)

Reason for Base	Date Est.	Ramp Level 2022-23	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/20	Expected Payment 2020-21	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Minimum Required Payment 2022-23
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total						N/A	N/A	N/A	N/A	N/A	N/A

Classic MCWRA (After Transfer)

Reason for Base	Date Est.	Ramp Level 2022-23	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/20	Expected Payment 2020-21	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Minimum Required Payment 2022-23
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total						N/A	N/A	N/A	N/A	N/A	N/A

CM (After Transfer)

Reason for Base	Date Est.	Ramp Level 2022-23	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/20	Expected Payment 2020-21	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Minimum Required Payment 2022-23
Assumption Change	6/30/03	No Ramp		2.75%	3	19,788,000	4,432,151	16,588,507	4,554,035	13,038,972	4,679,271
Method Change	6/30/04	No Ramp		2.75%	4	(1,961,867)	(373,401)	(1,712,949)	(383,669)	(1,435,985)	(394,220)
Benefit Change	6/30/06	No Ramp		2.75%	5	(290,471)	(48,314)	(260,828)	(49,643)	(227,735)	(51,008)
Assumption Change	6/30/09	No Ramp		2.75%	9	14,200,935	1,622,052	13,517,137	1,666,659	12,739,331	1,712,492
Special (Gain)/Loss	6/30/09	No Ramp		2.75%	19	30,882,017	2,214,098	30,753,477	2,274,986	30,552,957	2,337,548
Special (Gain)/Loss	6/30/10	No Ramp		2.75%	20	(5,056,115)	(352,082)	(5,045,847)	(361,764)	(5,024,845)	(371,712)
Assumption Change	6/30/11	No Ramp		2.75%	11	24,444,933	2,452,262	23,619,439	2,519,699	22,666,403	2,588,990
Special (Gain)/Loss	6/30/11	No Ramp		2.75%	21	(18,106,160)	(1,226,957)	(18,104,417)	(1,260,698)	(18,067,650)	(1,295,367)
Payment (Gain)/Loss	6/30/12	No Ramp		2.75%	22	(2,410,276)	(159,225)	(2,414,292)	(163,604)	(2,414,059)	(168,103)
(Gain)/Loss	6/30/12	No Ramp		2.75%	22	74,287,649	4,907,504	74,411,423	5,042,460	74,404,261	5,181,128
(Gain)/Loss	6/30/13	100% Up/Down		2.75%	23	151,383,087	10,269,372	151,357,182	10,551,780	151,037,339	10,841,954
Assumption Change	6/30/14	100% Up/Down		2.75%	14	78,233,741	7,439,184	76,014,951	7,643,762	73,429,229	7,853,965
(Gain)/Loss	6/30/14	100% Up/Down		2.75%	24	(145,366,267)	(9,612,619)	(145,598,535)	(9,876,966)	(145,573,619)	(10,148,582)
(Gain)/Loss	6/30/15	100% Up/Down		2.75%	25	86,313,088	4,514,527	87,685,141	5,798,345	87,825,246	5,957,800
Assumption Change	6/30/16	100% Up/Down		2.75%	16	34,656,252	1,886,854	35,130,413	2,584,991	34,915,606	3,320,097
(Gain)/Loss	6/30/16	100% Up/Down		2.75%	26	106,564,125	4,187,827	109,691,692	5,737,323	111,435,377	7,368,875
Assumption Change	6/30/17	80% Up/Down		2.75%	17	49,996,195	1,823,132	51,610,066	2,809,902	52,316,185	3,849,566
(Gain)/Loss	6/30/17	80% Up/Down		2.75%	27	(67,549,453)	(1,795,577)	(70,420,555)	(2,767,433)	(72,487,339)	(3,791,384)

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

AL Significant Increase*	6/30/18	60%	Up/Down	2.75%	28	85,651	1,170	90,436	2,404	94,280	3,705
Method Change	6/30/18	60%	Up/Down	2.75%	18	21,724,148	405,039	22,825,863	832,355	23,562,679	1,282,866
Assumption Change	6/30/18	60%	Up/Down	2.75%	18	64,336,210	1,199,525	67,598,946	2,465,024	69,781,032	3,799,218
(Gain)/Loss	6/30/18	60%	Up/Down	2.75%	28	(17,771,398)	(242,719)	(18,764,325)	(498,787)	(19,561,878)	(768,756)
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	19	2,009,176	0	2,149,818	196,178	2,097,377	196,177
Investment (Gain)/Loss	6/30/19	40%	Up Only	0.00%	19	7,930,754	0	8,485,907	185,536	8,888,001	371,071
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	20	(5,300,830)	0	(5,671,888)	0	(6,068,920)	(553,808)
Investment (Gain)/Loss	6/30/20	20%	Up Only	0.00%	20	38,199,973	0	40,873,971	0	43,735,149	956,224
MCWRA Merger	6/30/20	No Ramp		0.00%	19	9,914,067	614,275	9,972,641	720,631	9,925,299	928,360
Total						551,137,164	34,158,078	554,383,374	40,223,506	551,582,693	45,686,367

Future Investment Return Scenarios

Analysis was performed to determine the effects of various future investment returns on required employer contributions. The projections on the following page provide a range of results based on five investment return scenarios assumed to occur during the next four fiscal years (2020-21, 2021-22, 2022-23 and 2023-24). The projections also assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

For fiscal years 2020-21, 2021-22, 2022-23 and 2023-24, each scenario assumes an alternate fixed annual return. The fixed return assumptions for the five scenarios are 1.0%, 4.0%, 7.0%, 9.0% and 12.0%.

These alternate investment returns were chosen based on stochastic analysis of possible future investment returns over the four-year period ending June 30, 2024. Using the expected returns and volatility of the asset classes in which the funds are invested, we produced five thousand stochastic outcomes for this period based on the most recently completed Asset Liability Management process. We then selected annual returns that approximate the 5th, 25th, 50th, 75th, and 95th percentiles for these outcomes. For example, of all the 4-year outcomes generated in the stochastic analysis, approximately 25% had an average annual return of 4.0% or less.

Required contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 1.0% or greater than 12.0% over this four-year period, the likelihood of a single investment return less than 1.0% or greater than 12.0% in any given year is much greater.

Future Investment Return Scenarios (Continued)

PEPRA MCWRA (Before Transfer)

Assumed Annual Return From 2020-21 through 2023-24	Projected Employer Contributions			
	2023-24	2024-25	2025-26	2026-27
1.0%				
Normal Cost	7.5%	7.5%	7.5%	7.5%
UAL Contribution	\$8,000	\$11,000	\$14,000	\$19,000
4.0%				
Normal Cost	7.5%	7.5%	7.5%	7.5%
UAL Contribution	\$7,500	\$9,100	\$11,000	\$14,000
7.0%				
Normal Cost	7.5%	7.5%	7.5%	7.5%
UAL Contribution	\$7,000	\$7,600	\$8,200	\$8,700
9.0%				
Normal Cost	7.6%	7.8%	8.0%	7.4%
UAL Contribution	\$6,800	\$7,000	\$6,900	\$6,500
12.0%				
Normal Cost	7.6%	7.8%	8.0%	7.4%
UAL Contribution	\$6,300	\$5,500	\$0	\$0

Classic MCWRA (Before Transfer)

Assumed Annual Return From 2020-21 through 2023-24	Projected Employer Contributions			
	2023-24	2024-25	2025-26	2026-27
1.0%				
Normal Cost	10.9%	10.9%	10.9%	10.9%
UAL Contribution	\$917,000	\$1,056,000	\$1,136,000	\$1,324,000
4.0%				
Normal Cost	10.9%	10.9%	10.9%	10.9%
UAL Contribution	\$898,000	\$1,001,000	\$1,026,000	\$1,142,000
7.0%				
Normal Cost	10.9%	10.9%	10.9%	10.9%
UAL Contribution	\$880,000	\$944,000	\$912,000	\$949,000
9.0%				
Normal Cost	11.1%	11.3%	11.5%	11.8%
UAL Contribution	\$869,000	\$915,000	\$855,000	\$854,000
12.0%				
Normal Cost	11.1%	11.3%	11.5%	11.8%
UAL Contribution	\$851,000	\$857,000	\$735,000	\$644,000

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

CM (Before Transfer)

Assumed Annual Return From 2020-21 through 2023-24	Projected Employer Contributions			
	2023-24	2024-25	2025-26	2026-27
1.0%				
Normal Cost	8.2%	8.1%	8.0%	7.8%
UAL Contribution	\$51,031,000	\$59,863,000	\$64,667,000	\$77,229,000
4.0%				
Normal Cost	8.2%	8.1%	8.0%	7.8%
UAL Contribution	\$49,814,000	\$56,236,000	\$57,460,000	\$65,292,000
7.0%				
Normal Cost	8.2%	8.1%	8.0%	7.8%
UAL Contribution	\$48,597,000	\$52,537,000	\$49,958,000	\$52,606,000
9.0%				
Normal Cost	8.4%	8.5%	8.6%	8.7%
UAL Contribution	\$47,978,000	\$50,791,000	\$46,566,000	\$46,916,000
12.0%				
Normal Cost	8.4%	8.5%	8.6%	8.7%
UAL Contribution	\$46,768,000	\$47,008,000	\$38,671,000	\$33,169,000

PEPRA MCWRA (After Transfer)

Assumed Annual Return From 2020-21 through 2023-24	Projected Employer Contributions			
	2023-24	2024-25	2025-26	2026-27
1.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A
4.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A
7.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A
9.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A
12.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

Classic MCWRA (After Transfer)

Assumed Annual Return From 2020-21 through 2023-24	Projected Employer Contributions			
	2023-24	2024-25	2025-26	2026-27
1.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A
4.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A
7.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A
9.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A
12.0%				
Normal Cost	N/A	N/A	N/A	N/A
UAL Contribution	N/A	N/A	N/A	N/A

CM (After Transfer)

Assumed Annual Return From 2020-21 through 2023-24	Projected Employer Contributions			
	2023-24	2024-25	2025-26	2026-27
1.0%				
Normal Cost	8.2%	8.0%	7.9%	7.8%
UAL Contribution	\$51,998,000	\$60,908,000	\$65,833,000	\$78,559,000
4.0%				
Normal Cost	8.2%	8.0%	7.9%	7.8%
UAL Contribution	\$50,762,000	\$57,224,000	\$58,510,000	\$66,427,000
7.0%				
Normal Cost	8.2%	8.0%	7.9%	7.8%
UAL Contribution	\$49,526,000	\$53,465,000	\$50,886,000	\$53,535,000
9.0%				
Normal Cost	8.4%	8.5%	8.6%	8.7%
UAL Contribution	\$48,895,000	\$51,690,000	\$47,436,000	\$47,747,000
12.0%				
Normal Cost	8.4%	8.5%	8.6%	8.7%
UAL Contribution	\$47,666,000	\$47,847,000	\$39,414,000	\$33,776,000

Discount Rate Sensitivity

The discount rate assumption is calculated as the sum of the assumed real rate of return and the assumed annual price inflation. The assumed real rate of return and the assumed annual price inflation used in the June 30, 2020 valuation were 4.50% and 2.50%, respectively. Changing either the price inflation assumption or the real rate of return assumption will change the discount rate. The sensitivity of the valuation results to the discount rate assumption depends on which component of the discount rate is changed. Shown below are various valuation results as of June 30, 2020 assuming alternate discount rates by changing the two components independently. Results are shown using the current discount rate of 7.0% as well as alternate discount rates of 6.0% and 8.0%. The rates of 6.0% and 8.0% were selected since they illustrate the impact of a 1.0% increase or decrease to the 7.0% assumption.

The following tables on the next page indicate the sensitivity of key valuation results, both pre- and post-merger, to changes in the discount rate.

Sensitivity to the Real Rate of Return Assumption

PEPRA MCWRA (Before Transfer)

As of June 30, 2020	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	2.5%	2.5%	2.5%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	17.65%	14.22%	11.59%
b) Accrued Liability	\$838,921	\$729,719	\$640,523
c) Market Value of Assets	\$650,141	\$650,141	\$650,141
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$188,780	\$79,578	(\$9,618)
e) Funded Status	77.5%	89.1%	101.5%

Classic MCWRA (Before Transfer)

As of June 30, 2020	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	2.5%	2.5%	2.5%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	22.18%	17.79%	14.42%
b) Accrued Liability	\$39,041,549	\$34,667,637	\$31,038,643
c) Market Value of Assets	\$24,833,148	\$24,833,148	\$24,833,148
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$14,208,401	\$9,834,489	\$6,205,495
e) Funded Status	63.6%	71.6%	80.0%

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

CM (Before Transfer)

As of June 30, 2020	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	2.5%	2.5%	2.5%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	19.25%	15.25%	12.23%
b) Accrued Liability	\$2,458,628,884	\$2,164,127,309	\$1,920,993,636
c) Market Value of Assets	\$1,622,904,212	\$1,622,904,212	\$1,622,904,212
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$835,724,672	\$541,223,097	\$298,089,424
e) Funded Status	66.0%	75.0%	84.5%

PEPRA MCWRA (After Transfer)

As of June 30, 2020	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	2.5%	2.5%	2.5%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	N/A	N/A	N/A
b) Accrued Liability	N/A	N/A	N/A
c) Market Value of Assets	N/A	N/A	N/A
d) Unfunded Liability/(Surplus) [(b) - (c)]	N/A	N/A	N/A
e) Funded Status	N/A	N/A	N/A

Classic MCWRA (After Transfer)

As of June 30, 2020	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	2.5%	2.5%	2.5%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	N/A	N/A	N/A
b) Accrued Liability	N/A	N/A	N/A
c) Market Value of Assets	N/A	N/A	N/A
d) Unfunded Liability/(Surplus) [(b) - (c)]	N/A	N/A	N/A
e) Funded Status	N/A	N/A	N/A

CM (After Transfer)

As of June 30, 2020	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	2.5%	2.5%	2.5%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	19.25%	15.24%	12.22%
b) Accrued Liability	\$2,498,629,277	\$2,199,524,665	\$1,952,776,623
c) Market Value of Assets	\$1,648,387,501	\$1,648,387,501	\$1,648,387,501
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$850,241,776	\$551,137,164	\$304,389,122
e) Funded Status	66.0%	74.9%	84.4%

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

Sensitivity to the Price Inflation Assumption**PEPRA MCWRA (Before Transfer)**

As of June 30, 2020	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	1.5%	2.5%	3.5%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	15.20%	14.22%	13.05%
b) Accrued Liability	\$768,313	\$729,719	\$677,702
c) Market Value of Assets	\$650,141	\$650,141	\$650,141
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$118,172	\$79,578	\$27,561
e) Funded Status	84.6%	89.1%	95.9%

Classic MCWRA (Before Transfer)

As of June 30, 2020	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	1.5%	2.5%	3.5%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	18.96%	17.79%	16.39%
b) Accrued Liability	\$36,374,090	\$34,667,637	\$32,360,310
c) Market Value of Assets	\$24,833,148	\$24,833,148	\$24,833,148
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$11,540,942	\$9,834,489	\$7,527,162
e) Funded Status	68.3%	71.6%	76.7%

CM (Before Transfer)

As of June 30, 2020	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	1.5%	2.5%	3.5%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	16.31%	15.25%	14.01%
b) Accrued Liability	\$2,275,830,293	\$2,164,127,309	\$2,016,067,834
c) Market Value of Assets	\$1,622,904,212	\$1,622,904,212	\$1,622,904,212
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$652,926,081	\$541,223,097	\$393,163,622
e) Funded Status	71.3%	75.0%	80.5%

PEPRA MCWRA (After Transfer)

As of June 30, 2020	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	1.5%	2.5%	3.5%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	N/A	N/A	N/A
b) Accrued Liability	N/A	N/A	N/A
c) Market Value of Assets	N/A	N/A	N/A
d) Unfunded Liability/(Surplus) [(b) - (c)]	N/A	N/A	N/A
e) Funded Status	N/A	N/A	N/A

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

Classic MCWRA (After Transfer)

As of June 30, 2020	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	1.5%	2.5%	3.5%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	N/A	N/A	N/A
b) Accrued Liability	N/A	N/A	N/A
c) Market Value of Assets	N/A	N/A	N/A
d) Unfunded Liability/(Surplus) [(b) - (c)]	N/A	N/A	N/A
e) Funded Status	N/A	N/A	N/A

CM (After Transfer)

As of June 30, 2020	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	1.5%	2.5%	3.5%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	16.31%	15.24%	14.00%
b) Accrued Liability	\$2,313,088,743	\$2,199,524,665	\$2,049,218,373
c) Market Value of Assets	\$1,648,387,501	\$1,648,387,501	\$1,648,387,501
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$664,701,242	\$551,137,164	\$400,830,872
e) Funded Status	71.3%	74.9%	80.4%

Mortality Rate Sensitivity

The following tables look at the change in the June 30, 2020 plan costs and funded ratio under two different longevity scenarios, namely assuming post-retirement rates of mortality are 10% lower or 10% higher than our current mortality assumptions adopted in 2017. This type of analysis highlights the impact on the plan of improving or worsening mortality over the long-term.

PEPRA MCWRA (Before Transfer)

As of June 30, 2020	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	14.49%	14.22%	13.97%
b) Accrued Liability	\$747,509	\$729,719	\$713,417
c) Market Value of Assets	\$650,141	\$650,141	\$650,141
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$97,368	\$79,578	\$63,276
e) Funded Status	87.0%	89.1%	91.1%

Classic MCWRA (Before Transfer)

As of June 30, 2020	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	18.10%	17.79%	17.50%
b) Accrued Liability	\$35,461,573	\$34,667,637	\$33,940,710
c) Market Value of Assets	\$24,833,148	\$24,833,148	\$24,833,148
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$10,628,425	\$9,834,489	\$9,107,562
e) Funded Status	70.0%	71.6%	73.2%

CM (Before Transfer)

As of June 30, 2020	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	15.52%	15.25%	15.00%
b) Accrued Liability	\$2,211,073,556	\$2,164,127,309	\$2,120,958,355
c) Market Value of Assets	\$1,622,904,212	\$1,622,904,212	\$1,622,904,212
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$588,169,344	\$541,223,097	\$498,054,143
e) Funded Status	73.4%	75.0%	76.5%

PEPRA MCWRA (After Transfer)

As of June 30, 2020	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	N/A	N/A	N/A
b) Accrued Liability	N/A	N/A	N/A
c) Market Value of Assets	N/A	N/A	N/A
d) Unfunded Liability/(Surplus) [(b) - (c)]	N/A	N/A	N/A
e) Funded Status	N/A	N/A	N/A

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

Classic MCWRA (After Transfer)

As of June 30, 2020	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	N/A	N/A	N/A
b) Accrued Liability	N/A	N/A	N/A
c) Market Value of Assets	N/A	N/A	N/A
d) Unfunded Liability/(Surplus) [(b) - (c)]	N/A	N/A	N/A
e) Funded Status	N/A	N/A	N/A

CM (After Transfer)

As of June 30, 2020	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	15.51%	15.24%	15.00%
b) Accrued Liability	\$2,247,402,402	\$2,199,524,665	\$2,155,726,220
c) Market Value of Assets	\$1,648,387,501	\$1,648,387,501	\$1,648,387,501
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$599,014,901	\$551,137,164	\$507,338,719
e) Funded Status	73.3%	74.9%	76.5%

Maturity Measures

As pension plans mature they become more sensitive to risks. Understanding plan maturity and how it affects the ability of a pension plan to tolerate risk is important in understanding how the plan is impacted by investment return volatility, other economic variables and changes in longevity or other demographic assumptions. One way to look at the maturity level of CalPERS and its plans is to look at the ratio of a plan's retiree liability to its total liability. A pension plan in its infancy will have a very low ratio of retiree liability to total liability. As the plan matures, the ratio starts increasing. A mature plan will often have a ratio above 60%-65%.

PEPRA MCWRA (Before Transfer)

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2019	June 30, 2020
1. Retired Accrued Liability	220,364	216,493
2. Total Accrued Liability	622,279	729,719
3. Ratio of Retiree AL to Total AL [(1) / (2)]	35%	30%

Classic MCWRA (Before Transfer)

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2019	June 30, 2020
1. Retired Accrued Liability	17,945,130	17,652,022
2. Total Accrued Liability	33,724,476	34,667,637
3. Ratio of Retiree AL to Total AL [(1) / (2)]	53%	51%

CM (Before Transfer)

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2019	June 30, 2020
1. Retiree Accrued Liability	1,003,203,346	1,074,245,123
2. Total Accrued Liability	2,060,649,621	2,164,127,309
3. Ratio of Retiree AL to Total AL [(1) / (2)]	49%	50%

PEPRA MCWRA (After Transfer)

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2019	June 30, 2020
1. Retired Accrued Liability	N/A	N/A
2. Total Accrued Liability	N/A	N/A
3. Ratio of Retiree AL to Total AL [(1) / (2)]	N/A	N/A

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020**Miscellaneous Plan of the County of Monterey****CALPERS ID: 6813590383****Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).****Classic MCWRA (After Transfer)**

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2019	June 30, 2020
1. Retired Accrued Liability	N/A	N/A
2. Total Accrued Liability	N/A	N/A
3. Ratio of Retiree AL to Total AL [(1) / (2)]	N/A	N/A

CM (After Transfer)

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2019	June 30, 2020
1. Retiree Accrued Liability	N/A	1,092,113,638
2. Total Accrued Liability	N/A	2,199,524,665
3. Ratio of Retiree AL to Total AL [(1) / (2)]	N/A	50%

Maturity Measures (Continued)

Another measure of maturity level of CalPERS and its plans is to look at the ratio of actives to retirees, also called the Support Ratio. A pension plan in its infancy will have a very high ratio of active to retired members. As the plan matures, and members retire, the ratio starts declining. A mature plan will often have a ratio near or below one. The average support ratio for CalPERS public agency plans is 1.25.

PEPRA MCWRA (Before Transfer)

Support Ratio	June 30, 2019	June 30, 2020
1. Number of Actives	10	10
2. Number of Retirees	1	1
3. Support Ratio [(1) / (2)]	10.00	10.00

Classic MCWRA (Before Transfer)

Support Ratio	June 30, 2019	June 30, 2020
1. Number of Actives	22	21
2. Number of Retirees	68	68
3. Support Ratio [(1) / (2)]	0.32	0.31

CM (Before Transfer)

Support Ratio	June 30, 2019	June 30, 2020
1. Number of Actives	4,653	4,663
2. Number of Retirees	3,713	3,863
3. Support Ratio [(1) / (2)]	1.25	1.21

PEPRA MCWRA (After Transfer)

Support Ratio	June 30, 2019	June 30, 2020
1. Number of Actives	N/A	N/A
2. Number of Retirees	N/A	N/A
3. Support Ratio [(1) / (2)]	N/A	N/A

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020**Miscellaneous Plan of the County of Monterey****CALPERS ID: 6813590383****Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).****Classic MCWRA (After Transfer)**

Support Ratio	June 30, 2019	June 30, 2020
1. Number of Actives	N/A	N/A
2. Number of Retirees	N/A	N/A
3. Support Ratio [(1) / (2)]	N/A	N/A

CM (After Transfer)

Support Ratio	June 30, 2019	June 30, 2020
1. Number of Actives	N/A	4,694
2. Number of Retirees	N/A	3,907
3. Support Ratio [(1) / (2)]	N/A	1.20

Maturity Measures (Continued)

The actuarial calculations supplied in this communication are based on various assumptions about long-term demographic and economic behavior. Unless these assumptions (e.g., terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

Asset Volatility Ratio (AVR)

Shown in the tables on the next page is the asset volatility ratio (AVR), which is the ratio of market value of assets to payroll. Plans that have higher AVR experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an asset-to-payroll ratio of 8 may experience twice the contribution volatility due to investment return volatility than a plan with an asset-to-payroll ratio of 4. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as the plan matures.

Liability Volatility Ratio (LVR)

Also shown in the following tables is the liability volatility ratio (LVR), which is the ratio of accrued liability to payroll. Plans that have a higher LVR experience more volatile employer contributions (as a percentage of payroll) due to investment return and changes in liability. For example, a plan with LVR ratio of 8 is expected to have twice the contribution volatility of a plan with LVR of 4. It should be noted that this ratio indicates a longer-term potential for contribution volatility. The AVR, described above, will tend to move closer to the LVR as a plan matures.

PEPRA MCWRA (Before Transfer)

Contribution Volatility	June 30, 2019	June 30, 2020
1. Market Value of Assets	\$568,192	\$650,141
2. Payroll	640,338	711,728
3. Asset Volatility Ratio (AVR) [(1) / (2)]	0.9	0.9
4. Accrued Liability	\$622,279	\$729,719
5. Liability Volatility Ratio (LVR) [(4) / (2)]	1.0	1.0

Classic MCWRA (Before Transfer)

Contribution Volatility	June 30, 2019	June 30, 2020
1. Market Value of Assets	\$24,683,169	\$24,833,148
2. Payroll	2,170,058	2,222,069
3. Asset Volatility Ratio (AVR) [(1) / (2)]	11.4	11.2
4. Accrued Liability	\$33,724,476	\$34,667,637
5. Liability Volatility Ratio (LVR) [(4) / (2)]	15.5	15.6

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020**Miscellaneous Plan of the County of Monterey****CALPERS ID: 6813590383****Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).****CM (Before Transfer)**

Contribution Volatility	June 30, 2019	June 30, 2020
1. Market Value of Assets without Receivables	\$1,556,101,055	\$1,619,849,400
2. Payroll	348,833,585	355,821,784
3. Asset Volatility Ratio (AVR) [(1) / (2)]	4.5	4.6
4. Accrued Liability	\$2,060,649,621	\$2,164,127,309
5. Liability Volatility Ratio (LVR) [(4) / (2)]	5.9	6.1

PEPRA MCWRA (After Transfer)

Contribution Volatility	June 30, 2019	June 30, 2020
1. Market Value of Assets	N/A	N/A
2. Payroll	N/A	N/A
3. Asset Volatility Ratio (AVR) [(1) / (2)]	N/A	N/A
4. Accrued Liability	N/A	N/A
5. Liability Volatility Ratio (LVR) [(4) / (2)]	N/A	N/A

Classic MCWRA (After Transfer)

Contribution Volatility	June 30, 2019	June 30, 2020
1. Market Value of Assets	N/A	N/A
2. Payroll	N/A	N/A
3. Asset Volatility Ratio (AVR) [(1) / (2)]	N/A	N/A
4. Accrued Liability	N/A	N/A
5. Liability Volatility Ratio (LVR) [(4) / (2)]	N/A	N/A

CM (After Transfer)

Contribution Volatility	June 30, 2019	June 30, 2020
1. Market Value of Assets without Receivables	N/A	\$1,645,332,689
2. Payroll	N/A	358,755,581
3. Asset Volatility Ratio (AVR) [(1) / (2)]	N/A	4.6
4. Accrued Liability	N/A	\$2,199,524,665
5. Liability Volatility Ratio (LVR) [(4) / (2)]	N/A	6.1

Participant Data

The table below summarizes changes in the plan's member data as result of the merger.

June 30, 2020	PEPRA MCWRA (Before)	Classic MCWRA (Before)	CM (Before)
Active Members			
Counts	10	21	4,663
Average Attained Age	43.8	50.0	44.06
Average Entry Age to Rate Plan	40.6	30.9	33.89
Average Years of Credited Service	3.0	20.1	9.70
Average Annual Covered Payroll	\$71,173	\$105,813	\$76,307
Annual Covered Payroll	\$711,728	\$2,222,069	355,821,784
Projected Annual Payroll for Contribution Year	\$772,075	\$2,410,477	385,991,752
Present Value of Future Payroll	\$6,916,373	\$15,793,353	3,170,972,641
Transferred Members	4	20	1,242
Separated Members	2	22	3,249
Retired Members and Beneficiaries			
Counts*	1	68	3,863
Average Annual Benefits*	\$21,123	\$22,757	\$23,575

June 30, 2020	PEPRA MCWRA (After)	Classic MCWRA (After)	CM (After)
Active Members			
Counts	N/A	N/A	4,694
Average Attained Age	N/A	N/A	44.09
Average Entry Age to Rate Plan	N/A	N/A	33.88
Average Years of Credited Service	N/A	N/A	9.75
Average Annual Covered Payroll	N/A	N/A	\$76,429
Annual Covered Payroll	N/A	N/A	358,755,581
Projected Annual Payroll for Contribution Year	N/A	N/A	389,174,304
Present Value of Future Payroll	N/A	N/A	3,193,659,109
Transferred Members	N/A	N/A	1,249
Separated Members	N/A	N/A	3,271
Retired Members and Beneficiaries			
Counts*	N/A	N/A	3,907
Average Annual Benefits*	N/A	N/A	\$23,711

CALPERS AMENDMENT ACTUARIAL VALUATION - June 30, 2020

Miscellaneous Plan of the County of Monterey

CALPERS ID: 6813590383

Benefit Description: To provide for the transfer of the Monterey County Water Resources Agency (CID 2180065965) to County of Monterey (6813590383).

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

* Values include community property settlements.

Additional Disclosure

If your agency is requesting cost information for two or more benefit changes, the cost of adopting more than one of these changes **may not** be obtained by adding the individual costs. Instead, a separate valuation must be done to provide a cost analysis for the combination of benefit changes.

Please note that the cost analysis provided in this document **may not** be relied upon after July 1, 2022. If you have not taken action to contract by this date, you must contact our office for an updated cost analysis, based on the new annual valuation.

Descriptions of the actuarial methodologies, actuarial assumptions, and plan benefit provisions may be found in the appendices of the June 30, 2020 annual report. Please note that the results shown here are subject to change if any of the data or plan provisions differ from what was used in this study.

Certification

This actuarial valuation for the proposed merger is based on the participant, benefits, and asset data used in the June 30, 2020 annual valuation, with the benefits modified if necessary to reflect what is currently provided under your contract with CalPERS, and further modified to reflect the proposed merger. The valuation has been performed in accordance with standards of practice prescribed by the Actuarial Standards Board, and the assumptions and methods are internally consistent and reasonable for this plan, as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.



ALEX GRUNDER, ASA, MAAA
Associate Pension Actuary, CalPERS



County of Monterey

Item No.5

Board Report

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

Legistar File Number: WRAFIN 22-066

October 07, 2022

Introduced: 9/29/2022

Current Status: Agenda Ready

Version: 1

Matter Type: WRA Finance Item

Consider recommending that the Monterey County Board of Directors approve Amendment No.1 to the professional services agreement with E2 consulting engineers, inc. in the new, not to exceed, amount of \$898,520 to provide hydraulic modeling, analysis, and engineering services for the Castroville Seawater Intrusion Project's distribution system; and authorize the General Manager to execute the Agreement.

RECOMMENDATION:

It is recommended that the Finance Committee:

- a. Recommend the Monterey County Water Resources Agency Board of Directors approve Amendment No.1 to the Professional Services Agreement with E2 Consulting Engineers, Inc. in the new, not to exceed, amount of \$898,520 to provide hydraulic modeling, analysis, and engineering services for the Castroville Seawater Intrusion Project's distribution system; and
- b. Authorize the General Manager to execute the Agreement.

SUMMARY/DISCUSSION:

On September 17, 2022, the Agency's Board of Directors (BOD) approved a Professional Services Agreement (PSA) with E2 Consulting Engineers, Inc. (E2) for hydraulic modeling and analysis of the Castroville Seawater Intrusion Project's (CSIP) distribution system. The purpose of the modeling is to provide support for various elements of potential optimization of CSIP system operations and facilities that will benefit the sustainability of the local groundwater basin and growing operations in Zone 2B. Originally the analysis, design, and implementation of projects to optimize CSIP was planned to take several years. Recently the BOD approved a sub-grant agreement between the Agency and the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) that will provide up to \$2,150,000 in financial support for CSIP distribution system upgrades to include planning, design, and implementation projects. The deadline for completion of work on implementation projects for this round of grant funding under the sub-grant agreement is April 30, 2025.

E2 was awarded a PSA with the Agency, through the public bid process, in an amount not to exceed \$473,520. The Agency is now requesting to increase the contract amount by \$425,000 to a new, not to exceed, contract amount of \$898,520 for design services. Expediting of the design phase of planned CSIP optimization is needed to meet the work completed by deadline, in the sub-grant of April 30, 2025. Completion of a project design for CSIP distribution system improvement this fiscal year, will allow access to \$1,622,000 in sub-grant construction funding should construction be completed in FY25, prior to April 30, 2025.

FINANCING:

- Original PSA w/E2, \$473,520 in FY 2022-23 Fund 134 - SRDF O&M
 - o \$473,520 reimbursable under sub-grant component 3
- Amendment 1 of PSA w/E2, \$425,000 in FY2022-23 Fund 134-SRDF O&M
 - o \$46,480 reimbursable under sub-grant component 3
 - o \$378,520 in capital outlay Fund 134

OTHER AGENCY INVOLVEMENT:

Salinas Valley Basin Groundwater Sustainability Agency

Prepared by: Mark Foxworthy, Associate Water Resources Engineer, (831) 755-4860

Approved by: Brent Buche, General Manager, (831) 755-4860

Attachments:

1. Board Order
2. Executed Agreement for Professional Services with E2 Consulting Engineers, Inc.
3. Exhibit A-Scope of Work
4. Exhibit B-Payment Provisions
5. Amended 1 to Agreement for Professional Services with E2 Consulting Engineers, Inc
6. Exhibit C-Amended Scope of Work



County of Monterey

Item No.5

Board Report

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

Legistar File Number: WRAFIN 22-066

October 07, 2022

Introduced: 9/29/2022

Current Status: Agenda Ready

Version: 1

Matter Type: WRA Finance Item

Consider recommending that the Monterey County Board of Directors approve Amendment No.1 to the professional services agreement with E2 consulting engineers, inc. in the new, not to exceed, amount of \$898,520 to provide hydraulic modeling, analysis, and engineering services for the Castroville Seawater Intrusion Project's distribution system; and authorize the General Manager to execute the Agreement.

RECOMMENDATION:

It is recommended that the Finance Committee:

- a. Recommend the Monterey County Water Resources Agency Board of Directors approve Amendment No.1 to the Professional Services Agreement with E2 Consulting Engineers, Inc. in the new, not to exceed, amount of \$898,520 to provide hydraulic modeling, analysis, and engineering services for the Castroville Seawater Intrusion Project's distribution system; and
- b. Authorize the General Manager to execute the Agreement.

SUMMARY/DISCUSSION:

On September 17, 2022, the Agency's Board of Directors (BOD) approved a Professional Services Agreement (PSA) with E2 Consulting Engineers, Inc. (E2) for hydraulic modeling and analysis of the Castroville Seawater Intrusion Project's (CSIP) distribution system. The purpose of the modeling is to provide support for various elements of potential optimization of CSIP system operations and facilities that will benefit the sustainability of the local groundwater basin and growing operations in Zone 2B. Originally the analysis, design, and implementation of projects to optimize CSIP was planned to take several years. Recently the BOD approved a sub-grant agreement between the Agency and the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) that will provide up to \$2,150,000 in financial support for CSIP distribution system upgrades to include planning, design, and implementation projects. The deadline for completion of work on implementation projects for this round of grant funding under the sub-grant agreement is April 30, 2025.

E2 was awarded a PSA with the Agency, through the public bid process, in an amount not to exceed \$473,520. The Agency is now requesting to increase the contract amount by \$425,000 to a new, not to exceed, contract amount of \$898,520 for design services. Expediting of the design phase of planned CSIP optimization is needed to meet the work completed by deadline, in the sub-grant of April 30, 2025. Completion of a project design for CSIP distribution system improvement this fiscal year, will allow access to \$1,622,000 in sub-grant construction funding should construction be completed in FY25, prior to April 30, 2025.

FINANCING:

- Original PSA w/E2, \$473,520 in FY 2022-23 Fund 134 - SRDF O&M
 - o \$473,520 reimbursable under sub-grant component 3
- Amendment 1 of PSA w/E2, \$425,000 in FY2022-23 Fund 134-SRDF O&M
 - o \$46,480 reimbursable under sub-grant component 3
 - o \$378,520 in capital outlay Fund 134

OTHER AGENCY INVOLVEMENT:

Salinas Valley Basin Groundwater Sustainability Agency

Prepared by: Mark Foxworthy, Associate Water Resources Engineer, (831) 755-4860

Approved by: Brent Buche, General Manager, (831) 755-4860

Attachments:

1. Board Order
2. Executed Agreement for Professional Services with E2 Consulting Engineers, Inc.
3. Exhibit A-Scope of Work
4. Exhibit B-Payment Provisions
5. Amended 1 to Agreement for Professional Services with E2 Consulting Engineers, Inc
6. Exhibit C-Amended Scope of Work



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

BOARD ORDER No. _____

APPROVE AMENDMENT NO.1 TO THE PROFESSIONAL SERVICES)
AGREEMENT WITH E2 CONSULTING ENGINEERS, INC. IN THE)
NEW, NOT TO EXCEED, AMOUNT OF \$898,520 TO PROVIDE)
HYDRAULIC MODELING, ANALYSIS, AND ENGINEERING)
SERVICES FOR THE CASTROVILLE SEAWATER INTRUSION)
PROJECT'S DISTRIBUTION SYSTEM; AND AUTHORIZE THE)
GENERAL MANAGER TO EXECUTE THE AGREEMENT)

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

1. Approves Amendment No.1 to the Professional Services Agreement with E2 Consulting Engineers, Inc. in the new, not to exceed, amount of \$898,520 to provide hydraulic modeling, analysis, and engineering services for the Castroville Seawater Intrusion Project's distribution system; and
2. Authorize the General Manager to execute the amended agreement

PASSED AND ADOPTED on this 17th day of **October 2022**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: John Ballie , Chair
Board of Directors

ATTEST: Brent Buche
General Manager

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

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and E2 Consulting Engineers, Inc., a California Corp., 2100 Powell Street, Suite 850, Emeryville, CA 94608 hereinafter called "CONTRACTOR".

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

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

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

The Contractor will supply hydraulic modeling and engineering services to to provide analysis, recommendations, and technical reports per scope of work and work schedule in Exhibit A.

- (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.
 - (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
 - (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin on October 17, 2022 by CONTRACTOR and Agency, and will terminate on June 30, 2025, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is Four Hundred Seventy Three Thousand, Five Hundred and Twenty dollars

(\$ 473,520.00).

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 five percent (5%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.
- (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.
- (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification

- 5.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full

force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for the COUNTY under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

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

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

6. Insurance.

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

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

Vinod M. Badani, P.E.- Vice President

Agency's designated administrator of this Agreement shall be

Mark Foxworthy- Associate Water Resources Engineer

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

TO AGENCY	TO CONTRACTOR
Name: Mark Foxworthy	Name: Vinod M. Badani
Address:	Address:
<u>1441 Schilling Place, Salinas CA 93901</u>	<u>2100 Powell Street, Suite 850, Emeryville, CA 94608</u>
Telephone: 831-755-8984	Telephone: 510-652-1164
Fax: 831-424-7935	Fax: 510-355-3611
E-Mail: foxworthymel@co.monterey.ca.us	E-Mail: vinod.badani@e2.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, Deliverables

Exhibit B - Fee Schedule

Exhibit C -

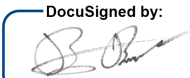
Exhibit D -

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
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN
PROFESSIONALS**

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

**MONTEREY COUNTY WATER
RESOURCES AGENCY:**

BY: 
2B64A6A1043A441...

Brent Buche
General Manager

Date: 9/26/2022 | 11:05 AM PDT

CONTRACTOR:

BY: *Vinod Badani*

Type Name: Vinod M. Badani

Title: Vice President

Date: 9-2-2022

BY:



Type Name: Hersh Saluja

Title: Chief Executive Officer (CEO)

Date: 9-6-2022

* 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.

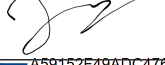
(**E2 Consulting Engineers, Inc.**)
Agreement

Approved as to form ¹:

Approved as to fiscal provisions:

DocuSigned by:


22D690CA05A940B...
Assistant County Counsel

DocuSigned by:

A59152F49ADC476...
Administrative Analyst

Dated: 9/23/2022 | 1:26 PM PDT

Dated: 9/26/2022 | 8:24 AM PDT

County Counsel – Risk Manager:

DocuSigned by:

4E7E657875454AE...
Auditor-Controller ²:

Dated: _____

Dated: 9/23/2022 | 1:38 PM PDT

¹ Approval by County Counsel is required, and/or when legal services are rendered
² Approval by Auditor-Controller is required

Exhibit A

Scope of Work and Work Schedule

CASTROVILLE SEAWATER INTRUSION PROJECT DYNAMIC HYDRAULIC MODELING AND ANALYSIS

for the
Monterey County Water Resources Agency
1441 Schilling Place – North Building
Salinas, California 93901

Scope of Work

Scope of Work to perform Dynamic Hydraulic Modeling and Analysis of the Existing Castroville Seawater Intrusion Project (CSIP) irrigation water distribution system to optimize system operations includes following activities:

Dynamic Hydraulic Modeling

- Develop and Calibrate a Hydraulic Model of the CSIP irrigation Water Distribution System
- Identify any hydraulic deficiencies in the existing distribution system
- Recommend upgrades to enhance the delivery system that reduces supplemental well pumping and eliminates occurrences of low system pressure

Additional Water Storage facilities to improve system deliveries and provide additional water storage that would provide benefits to CSIP Distribution System during peak demand period.

Development of an **Irrigation/Scheduling System** to provide sustainable system demand flow rate and optimize distribution to active turnouts in the current system configuration. The results will assist in support of the water order scheduling system currently being developed by Monterey One Water (M1W).

TASKS

TASK 1 – REVIEW BACKGROUND DOCUMENTS AND DATA

Review existing documents and historical operation data related to CSIP, Salinas Valley Reclamation Project (SVRP) and Salinas River Diversion Facility (SRDF). All documents will be provided by MCWRA which will include:

- As-Built Drawings
- CSIP Model Analysis (Schaaf and Wheeler 2015)
- Hydraulic Analysis of Existing CSIP System Operation (Boyle Engineering 2006)
- CSIP Hydraulic Constraints (RMC TM 2001)
- CSIP Design Criteria Report (Montgomery-Watson 1993)
- Historical CSIP, SVRP and SRDF operation data
- MCWRA's CSIP System Model in Bentley's WaterCAD v6.5.

TASK 2 – FIELD SURVEY AND FLOW/PRESSURE VERIFICATION

Subtask 2.1 - Field Survey

Conduct field survey of the existing facilities as needed to verify accuracy of information provided by MCWRA.

Subtask 2.2 – Flow/Pressure Tests

In conjunction with operating staff, identify best locations for observing field flow and/or pressure tests as required to develop and validate the hydraulic model.

Task 3 – Develop Dynamic Hydraulic Model

Subtask 3.1 - Verification/Validate Previous Models

Verify validity of previous model runs by other consultants to identify the potential or reasonable range of operation, i.e., the system's upper and lower bounds in terms of capacity, compare results to operational experience, and discuss any modifications with MCWRA to achieve better agreement with current operating experience.

Subtask 3.2 – CSIP Dynamic Hydraulic Model

After verification/validation of the Model provided by MCWRA, convert/generate CSIP Dynamic Hydraulic Model.

Subtask 3.3 – Develop System Scenarios

Develop system scenarios to model in coordination with MCWRA. This will include following elements:

Subtask 3.3.1 Meetings – Attend up to two meetings with MCWRA staff to review and identify system operational concerns, set criteria to be used during model analyses (e.g., scenarios, flow conditions and pressure/velocity constraints)

Subtask 3.3.2 Potential Scenarios – Potential system scenarios include:

A. Current System Configuration

- a. Determine Maximum Flow with all supplemental wells OFF
- b. Determine Maximum Flow with all supplemental wells ON

B. Evaluation of A1 Monitoring Station: Current System with Implementation of the 3 Model ID components listed in Table 6 of the CSIP Hydraulic Constraint– Technical Memorandum (2001) prepared by RMC upgrade. These three components are:

Model ID #1 (Pipe Size-51-inch) – recommended 48-inch Control Valve and 48-inch Meter Size

Model ID #2 (Pipe Size 45-inch) – recommended 45-inch Control Valve and 42-inch Meter Size

Model ID #4 (Pipe Size 36 – inch) – recommended 36-inch Control Valve

- a. Determine Maximum Flow with all supplemental wells OFF
- b. Determine Maximum Flow with all supplemental wells ON

C. Current System with Implementation of all 6 Model ID components upgraded as listed in Table 6 of the CSIP Hydraulic Constraint – Technical Memorandum (2001) prepared by RMC upgrade. Three Model ID Components are listed under subtask 3.3.2.B above and remaining 3 Model ID Components are:

Model ID #9 (Pipe Size-36-inch) – recommended 36-inch Control Valve

Model ID #18 (Pipe Size 33-inch) – recommended 33-inch Control Valve and 30-inch Meter Size

Model ID #20 (Pipe Size 36 – inch) – recommended 36-inch Control Valve

- a. Determine Maximum Flow all supplemental wells OFF
- b. Determine Maximum Flow with all supplemental wells ON

D. Constant Head System

- a. Run with Current System Configuration (Subtask 3.3.2.A) and determine maximum flow and desired head. (Ensure maximum pressure does not exceed existing pipe design criteria at any location).
- b. Run with Current System and implementation of 3 Model ID components listed in Table 6 of the CSIP Hydraulic Constraint – Technical Memorandum (2001) prepared by RMC upgrade. (Subtask 3.3.2.B) and determine maximum flow and desired head. (Ensure maximum pressure does not exceed existing pipe design criteria at any location).

E. Additional Model Run

Options for three (3) additional model runs based on the findings of the preliminary Model Runs (Subtasks 3.3.2.A through 3.3.2.D listed above). Model Run Criteria will be determined between E2 and MCWRA.

Task 4 - Deliverables

1. Prepare and submit Draft (Pre-Model) Technical Memorandum summarizing Model Scenario parameters, and assumptions established under Subtask 3.1. Include in the TM descriptions of System scenarios, (flows, wells, booster pumping stations, turnouts etc.) developed in subtask 3.3.
2. Respond to MCWRA review comments.
3. Incorporate response to MCWRA comments and prepare final Technical Memorandum.

Task 5 – Perform Dynamic Modeling

Upon authorization from MCWRA:

1. Develop and run the Dynamic Hydraulic Model scenarios prepared under Task 3.
 - 1.1 Summarize results of all 5-scenarios. Up to six model runs per scenario may be performed based on criteria developed in meetings with MCWRA staff under subtask 3.3.1.
 - 1.2 Identify if “As-Desired” operational criteria are met. If not met, provide brief explanation of factor(s) preventing meeting criteria.

“As Desired-Operations” to minimize supplemental well (ground water) use and meet demand going forward for the CSIP system are as follows:

- As a constant head gravity regime system
 - Increase storage at RTP
- 10 psi minimum operating pressure at each turnout
- Decrease instantaneous or short-term peak system demand flows
 - Scheduled water deliveries

- Increase peak flow delivery (without use of supplemental wells)
 - Increased water storage using existing water sources, including:
 - inline system storage
 - booster pump station operation
- Integration of SCADA control system with real-time monitoring at all operational turnouts to allow system operators to take action as needed on unscheduled use.

Current optimization efforts of the CSIP system include the installation of remote monitoring units (RMU's) at each operational turnout. These RMU's will provide real-time monitoring of system flow and pressure throughout the distribution system. This monitoring will allow water order scheduling and assigned flow rate compliance at each turnout.

1.3 Summarize pros and cons of each scenario.

1.4 Identify any deficiencies in each scenario.

1.5 Attend a meeting to discuss preliminary findings of model runs A through E under Subtask 3.3.2

1.5.1 If needed, generate additional scenario(s) and criteria E under task 3.3.2

1.6 Identify physical system improvements/modifications required for each scenario.

1.7 Provide budget-level construction cost estimate for improvements/modifications recommended for each scenario.

Task 6 - Deliverables

1. Prepare and submit Draft (Post-Modeling) Technical Memorandum Summarizing Results of Task 5.
2. Prepare and submit a Draft "Basis of Design" Memorandum for rehabilitation/redesign of Monitoring Station A-1 based on results of Task 5.
3. Respond to MCWRA review comments.
4. Incorporate response to MCWRA comments and prepare final Technical Memorandum.

Task 7 - Project Management, Quality Assurance/Quality Control (Qa/Qc), And Meetings

Project Management - E2 plans to provide effective management throughout the duration of the project to ensure a finished project of the highest quality that is constructed within the budget and the time limits that have been established for this project. Collaboration and effective communication between the MCWRA and E2 will be crucial in meeting these goals.

Quality Assurance/Quality Control – Our Project Manager (PM) and Technical Director (TD) will review all deliverables to ensure all technical deliverable are of the highest quality for the entire duration of this project. Our Technical Director will be involved throughout the project to provide input on model scenarios, interpretation of model results, and options for system optimization.

Meetings - This will be facilitated through bi- monthly coordination meetings over the duration of the project, beginning with a project commencement and user group meeting with MCWRA/M1W Operations Staff. Key issues arising between bi-monthly coordination meetings can be addressed by periodic conference calls. Minutes from bi-monthly coordination meetings and documentation of consensus established for key issues will be provided by E2 on a timely basis.

Review Meetings - In addition to bi-monthly meetings, additional review meetings with MCWRA staff will be conducted after each Draft and Final Draft Technical Memoranda.

Work Schedule

September, 2022	Commence work
December, 2022	Submit Draft Pre-model Technical Memorandum (Task 4) to MCWRA
March, 2023	Submit Draft Post-modeling Technical Memorandum (Task 6) to MCWRA
April, 2023	Submit Draft Post-modeling “Basis of Design” Memorandum (Task 6) to MCWRA
By May, 2023	Submit Final Technical Memoranda to MCWRA (Task 7)

Exhibit B

Payment Provisions

E2 Consulting Engineers, Inc. (E2) will perform work described in Exhibit A and will be paid on a time and expense basis up to the not-to-exceed total amount of **\$473,520**. Total cost will not exceed this amount so long as the Scope of Work is not changed. If E2's time and expense costs necessary to complete the Scope of Work defined in Exhibit A are less than \$473,520, the Agency enjoys the savings. If E2 requires time and expense to complete the Scope of Work defined in Exhibit A, excepting Task 3.3.2.E (Additional model Run), are over and above \$473,520, the maximum amount payable to Contractor remains \$473,520. The Additional Model Run listed in Task 3.3.2.E is optional and will only be run if doing so will not cause E2's cost to exceed \$473,520.

Hourly billing rates will be paid per the Fee Schedule below and expenses will be paid as described below.

FEE SCHEDULE

Classification	Hourly Billing Rate
Principal-In-Charge	\$ 240.00
Technical Specialist	\$ 200.00
Supervising Engineer	\$ 185.00
Project Engineer	\$ 145.00
Specialist III	\$ 135.00
Specialist II	\$ 85.00

Above rates are billed for both regular and overtime hours in all categories. The Fee Schedule herein shall be valid for a twelve-month period, beginning September 1, 2022. Hourly billing rates and other direct costs chargeable to the project may be modified as agreed by Agency and E2 after said period of time. The parties shall agree to any modification in writing as an Amendment to the Agreement. Rates will be adjusted no more than four percent (4%), with approval from MCWRA, from July 1, 2023, to June 30, 2024.

EXPENSES

Expenses are identifiable costs necessarily incurred by E2 to complete the Scope of Work. Expenses include, but are not limited to, travel and subsistence expenses, document reproduction costs, and postal costs. Expenses shall be accounted for in each invoice by submittal of receipts for such costs and a description of their necessity. Monterey County Travel Policy requires hotel, meals, and incidentals be billed at U.S. General Services Administration (GSA) rates, no mark-up; mileage is billable at IRS allowable rate at time of travel, no mark-up. Sub-consultant, postal and materials costs may be marked up 10%.

MONTEREY COUNTY WATER RESOURCES AGENCY														
DYNAMIC HYDRAULIC MODELING AND ANALYSIS OF EXISTING CSIP IRRIGATION WATER DISTRIBUTION SYSTEM														
ESTIMATE OF ENGINEERING SERVICES FEES														
Task	Task Descriptions	Principal in Charge & PM - Vinod Badani	Technical Director- Joe Reichenberger	Project Engineer- Loren Weinbrenner	Project Engineer- Pavithra Prakash	CAD Operator - Bill Harris Mark Davis	Specialist II- Office Administrative Staff	Total Labor Hours	Total Labor Cost - E2	Other Direct Costs	Sub-Consultant's Cost- Larry Crossley	Sub-Consultant's Cost- Scott Foster	Total Cost ⁽¹⁾	
	Hourly Rates	\$ 240	\$ 200	\$ 185	\$ 145	\$ 135	\$ 85							
1	REVIEW BACKGROUND DOCUMENTS AND DATA													
	As-Build Drawings	8		16	16			40	\$ 7,200					\$ 7,200
	CSIP Model Analysis-Schaaf & Wheeler	4	4		16			24	\$ 4,080			\$ 1,000		\$ 5,180
	Hydraulic Analysis of Existing CSIP System Operation (Boyle Engineering 2006)	4	4		16			24	\$ 4,080			\$ 1,000		\$ 5,180
	CSIP Hydraulic Constraints (RMC TM 2001)	4	4		8			16	\$ 2,920			\$ 1,000		\$ 4,020
	Historical CSIP, SVRP and SRDF Operation Data	4	6	8	8			26	\$ 4,800			\$ 1,000		\$ 5,900
	MCWRA's CSIP System Model in Bentley's WaterCAD v6.5	4	4		8			16	\$ 2,920	\$ 5,000		\$ 1,000		\$ 9,020
	Total Task 1	28	22	24	72	0	0	146	\$ 26,000	\$ 5,000	\$ -	\$ 5,000		\$ 36,500
2	FIELD SURVEY AND FLOW/PRESSURE VERIFICATION													
	2.1 - Field Survey	4		16	16			36	\$ 6,240	\$ 1,000				\$ 7,240
	2.2 Flow/Pressure Tests		8	24	24			56	\$ 9,520	\$ 1,000				\$ 10,520
	Total Task 2	4	8	40	40	0	0	92	\$ 15,760	\$ 2,000	\$ -	\$ -		\$ 17,760
3	DEVELOP DYNAMIC HYDRAULIC MODEL													
	3.1 Verification/Validate Previous Models	8	8		80			96	\$ 15,120					\$ 15,120
	3.2 CSIP Dynamic Hydraulic Model	8	16		120			144	\$ 22,520					\$ 22,520
	3.3 Develop System Scenarios	8	10	8	8			34	\$ 6,560			\$ 10,000		\$ 17,560
	3.3.1 Meetings (2 Meetings 4hrs. Each are Budgeted)	8	8	8	8			32	\$ 6,160					\$ 6,160
	3.3.2 Potential Scenarios													
	A. Current System Configuration	8	8		40			56	\$ 9,320					\$ 9,320
	B. Current System with Implementation of 3 Model ID Components listed in Table 6 of RMC TM 2001	8	8		40			56	\$ 9,320					\$ 9,320
	C. Current System with Implementation of all 6 Model ID Components listed in Table 6 of RMC TM 2001	8	8		40			56	\$ 9,320					\$ 9,320
	D. Constant Head System	8	8		40			56	\$ 9,320					\$ 9,320
	E. Additional Model Run	8	8		40			56	\$ 9,320					\$ 9,320
	Total Task 3	72	82	16	416	0	0	586	\$ 96,960	\$ -	\$ -	\$ 10,000		\$ 107,960
4	DELIVERABLES (TASK 3)													
	1. Draft (Pre-Model) TM	8	8	40	120	40		216	\$ 33,720					\$ 33,720
	2. Respond to MCWRA Review Comments	8	8	16	16			48	\$ 8,800					\$ 8,800
	3. Incorporate responses to MCWRA Comments and Final TM	4		8	24			36	\$ 5,920					\$ 5,920
	Total Task 4	20	16	64	160	40	0	300	\$ 48,440	\$ -	\$ -	\$ -		\$ 48,440
5	PERFORM HYDRAULIC MODELING													
	1. Develop and Run Dynamic Hydraulic Model scenarios prepared under Task 3	16	40		160				\$ 35,040					\$ 35,040
	1.1 Summarize Results of all 5-Scenarios. Up to 6 Model Runs/Scenario	8	8	40	80			136	\$ 22,520					\$ 22,520
	1.2 Identify if, As-Desired Operational Criteria are met, if not Provide explanation of Factors Preventing meeting criteria	8	8	16	40			72	\$ 12,280					\$ 12,280
	1.3 Summarize Pros and Cons of each Scenario	8	8	16	40			72	\$ 12,280					\$ 12,280
	1.4 Identify Deficiencies in each Scenario	8	8	16	40			72	\$ 12,280					\$ 12,280
	1.5 Attend Meetings with MCWRA Staff Discuss Preliminary Findings of Model Runs A through E Under Subtask 3.3.2	8	8	8	8			32	\$ 6,160					\$ 6,160
	1.5.1 -If Needed, Generate additional scenarios and Criteria developed by MCWRA and E2 Additional 3-Model runs are estimated	8	8	16	40			72	\$ 12,280					\$ 12,280
	1.6 Identify Physical System Improvements/Modifications required for each scenarios	16	12	80	8	120		236	\$ 38,400		\$ 15,000			\$ 54,900
	1.7 Prepare Budget-Level Construction Cost Estimate for recommended Improvements/Modifications for each scenario	40	4	80				124	\$ 25,200					\$ 25,200
	Total Task 5	104	64	272	256	120	0	816	\$ 141,400	\$ -	\$ 15,000	\$ -		\$ 157,900
6	DELIVERABLES (TASK 5)													
	1. Draft (Pre-Model) TM	8	8	40	120	40		216	\$ 33,720					\$ 33,720
	2. Respond to MCWRA Review Comments	8	8	16	16			48	\$ 8,800					\$ 8,800
	3. Incorporate responses to MCWRA Comments and Final TM	4		8	24			36	\$ 5,920					\$ 5,920
	Total Task 6	20	16	64	160	40	0	300	\$ 48,440	\$ -	\$ -	\$ -		\$ 48,440
7	PROJECT MANAGEMENT, QA/QC, AND MEETINGS													
	1. Project Management	40					16	56	\$ 10,960					\$ 10,960
	2. Quality Assurance/Quality Control	8	40	24				72	\$ 14,360					\$ 14,360
	3. Meetings - Every 2-week (Via Zoom/MS Team) 1-Kick off and 16 Bi-Weekly Meetings	40	20	40	40			140	\$ 21,000	\$ 1,200				\$ 22,200
	4. Review Meeting with MCWRA - 2-Review Meetings are budgeted	16	8	16	8			48	\$ 8,400	\$ 600				\$ 9,000
	Total Task 7	104	68	80		0	16	316	\$ 54,720	\$ 1,800	\$ -	\$ -		\$ 56,520
	Total Tasks 1 through 7	352	276	560	1104	200	16	2556	\$ 431,720	\$ 8,800	\$ 15,000	\$ 15,000		\$ 473,520

Note

¹ Total Cost includes 10% Mark-ups on Subconsultant's costs

**AMENDMENT NO. 1 TO
AGREEMENT FOR SERVICES
BETWEEN MONTEREY COUNTY WATER RESOURCES AGENCY AND
E2 CONSULTING ENGINEERS, INC.**

THIS AMENDMENT NO. 1 to the Agreement for Services between the Monterey County Water Resources Agency, a political subdivision of the State of California (hereinafter, "Agency") and e2 Consulting Engineers, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the Agency and the CONTRACTOR (collectively, the Agency and CONTRACTOR are referred to as the "Parties").

WHEREAS, CONTRACTOR entered into an Agreement for Services with the Agency on September 26, 2022 (hereinafter, "Agreement");

WHEREAS, the Parties wish to amend the Agreement with a dollar amount increase of \$425,000.00, not to exceed \$898,520.00, to continue providing services identified in the Agreement.

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

1. Amend Section 1, "Employment of Contractor", to replace Exhibit A, "Scope of Work/Work Schedule", with Exhibit C, "Revised Scope of Work."
2. Amend Section 3, "Payments to CONTRACTOR; maximum liability", to read as follows:

Subject to the limitations set forth herein, Agency shall pay CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to the contractor under this contract is Eight Hundred Ninety-eight Thousand Five Hundred Twenty dollars (\$898,520.00)

Original Agreement	\$473,520
<u>Amendment No. 1</u>	<u>\$425,000</u>
Not to exceed total:	\$898,520

3. All other terms and conditions of the Agreement remain unchanged and in full force.
4. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

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

Amendment No. 1
E2 Consulting Engineers Inc.

**MONTEREY COUNTY WATER
RESOURCES AGENCY**

By: _____
Brent Buche
General Manager

Date: _____

**Approved as to Form and Legality
Office of the County Counsel**

By: _____
Assistant County Counsel

Date: _____

Approved as to Fiscal Provisions

By: _____
Auditor-Controller

Date: _____

By: _____
Administrative Analyst

Date: _____

Approved as to Indemnity, Insurance Provisions

By: _____
Risk Management

Date: _____

*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.

CONTRACTOR

E2 Consulting Engineers, Inc.
*Contractor Business Name

By: _____
(Signature of Vice President)

Title: Vinod Badani
(Print Name and Title)

Date: _____

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

Title: _____
(Print Name and Title)

Date: _____

Exhibit C

Scope of Work- Amendment No. 1

**CASTROVILLE SEAWATER INTRUSION PROJECT
DYNAMIC HYDRAULIC MODELING, ANALYSIS, AND ENGINEERING SERVICES**
for the
Monterey County Water Resources Agency
1441 Schilling Place – North Building
Salinas, California 93901

Scope of Work

The Scope of Work of the Original Professional Services Agreement with E2 Consulting Engineers, Inc. is amended to include Engineering Services in addition to the hydraulic modeling and analysis services provided in the original scope of work. Engineering services provided in the amended scope may include but are not limited to:

- Civil design
- Permit support
- Environmental support services
- Construction management services

Based on findings and recommendations of the hydraulic modeling provided in the original Professional Services Agreement, and at the direction Agency staff, E2 will design an improvement project supporting efforts to improve and enhance the Castroville Seawater Intrusion Project's Distribution System.

Deliverables

The deliverables under Amendment No. 1 of the PSA with E2 Consulting Engineers, Inc. will include:

- 100% design of an implementation project
- Copies of calculations, reports, and memorandums supporting design
- Documentation required for construction, permitting, and release of Request for Proposals (RFP's)

All other provisions of the original Scope of Work (exhibit A) of the original Professional Services Agreement shall remain.



County of Monterey

Item No.6

Board Report

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

Legistar File Number: WRAFIN 22-063

October 07, 2022

Introduced: 9/29/2022

Current Status: Draft

Version: 1

Matter Type: WRA Finance Item

- Proposition 218 Update
- 3-5 Year Financial Plan Update
- Funding Opportunities Update
- Grants Update
- Homeless Encampment Cleanup Costs



An Innovative Approach to Project Financing

By providing long-term, low-cost loans, the U.S. Army Corps of Engineers (USACE) Corps Water Infrastructure Financing Program (CWIFP), as authorized by the Water Infrastructure Finance and Innovation Act (WIFIA), enables local investment in projects that enhance community resilience, promote economic prosperity, and improve environmental quality.



Program Features

- Long-term, low-cost credit assistance for water resource infrastructure projects
- Funding of up to 49% of project costs
- Requires a dedicated source of repayment (i.e. state or local taxes, user fees, etc.)
- Available to projects or group of projects with eligible costs in excess of \$20 million



Program Benefits

- Low, fixed interest rates near U.S. Treasury rates
- Interest accrues only once funds have been disbursed
- Customized repayment schedules
- Long repayment periods (*up to 35 years after completion*)
- Deferred payments during construction and up to 5 years after completion
- No prepayment penalties



Current Focus

- Projects must be non-Federally owned, operated, and maintained
- Projects must be dam safety projects included in the National Inventory of Dams
- Projects must meet statutory eligibility requirements, including creditworthiness



Funding

- To date, CWIFP has received a total of \$81 million for credit subsidy, which will allow USACE to issue up to approximately \$7 billion in loans

Timeline



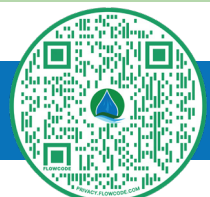
CWIFP is currently under development in coordination with the Environmental Protection Agency's WIFIA program.



The CWIFP program rules were published in the Federal Register in June 2022. A notice of funding availability and call for preliminary applications will occur as soon as Spring 2023.

For More Information Visit:

<https://www.usace.army.mil/Missions/Civil-Works/Infrastructure/revolutionize/CWIFP/>



MCWRA Grant Tracking 2022

Funding Agency	Title	Type	Status	End Date	MCWRA Reimbursement Amount	MCWRA Match Amount	Project Partners
FUNDING AWARDS							
DWR	Alert to Alert 2	Grant	Contract in Place	11/15/2022	162,782	0	SC Co., MCOES
DWR	Interlake Tunnel	Grant	Contract in Place	1/31/2023	10,000,000	0	
CDFW	Interlake Tunnel - Fish Exclusion	Grant	Contract in Place	6/30/2023	17,000,000	0	
DWR -IRMWP Prop 1E	Pajaro River Flood Risk Project	Grant	Contract in Place	11/30/2021	500,000		Zone 7 (Grant Administrator)
SWRCB-Prop 1 Groundwater Quality	Protection of Domestic Drinking Water Supplies	Grant	Contract in Place	3/31/2023	4,927,729	4,197,795	
DWR-IRWMP	Greater MC IRWM Implementation (Reservoir Reoperation and Grant Admin)	Grant	Contract in Place	4/30/2025	1,096,284	910,000	Salinas, MCRCD
USFW/CDFW	FY19 Salinas River HCP	Grant	Contract in Place	3/31/2023	1,000,000	375,860	
USFW/CDFW	FY21 Salinas River HCP	Grant	Contract in Place	11/30/2024	1,000,000	459,096	
FEMA/OES	Multi-Jurisdictional Hazard Mitigation Plan	Grant	Awarded		20000 (OES invoiced)	0	MCOES (Grant Administrator)
DWR	Pajaro River Flood Risk Project, PED Phase	Subventions Reimbursement Agreement	Eligible - agreement negotiations on-going	TBD	1,142,750	0	Zone 7; PRFMA
National Fish and Wildlife Foundation	Salinas River Lagoon Resiliency	Grant	Awarded	TBD	100,000	100,329.66	
FEMA/CALOES Rehabilitation of High Hazard Dams	San Antonio Spillway Repair/Replacement 100% Design Level	Grant	Awarded 130K from Requested >\$2M	TBD	130,000	75,000	
CA Homeless Coordinating and Financing Council	Encampment Resolution	Grant	Awarded Feb 25, 2022		491,335	186,500	City of Salinas
SVBGSA	CSIP Optimization	Grant	BOD Approved	6/30/2025	3,690,000	0	SVGBGSA
TOTAL					41,240,880	6,204,251	
GRANT APPLICATIONS SUBMITTED							
FEMA/CALOES Haz Mitigation	Nacimiento Plunge Pool 65% Design Level	Grant	Submitted application 7/18/2021		407,471	135,833	
SVBGSA	CSIP Optimization	Grant	Submitted 2/2022		2,100,000	0	SVGBGSA
Federal Government	CSIP Wells*	Earmark	Submitted Mar 2022		350,000		
Federal Government	CSIP Supplemental Well*	Earmark	Submitted Mar 2022		900,000	90,000	
CA Budget	Nacimiento Reservoir	Earmark	Waiting assign to SWRCB		6,163,000	0	0
TOTAL					7,820,471	225,833	

*may be consolidated



County of Monterey

Item No.7

Board Report

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

Legistar File Number: WRAFIN 22-064

October 07, 2022

Introduced: 9/29/2022

Current Status: Draft

Version: 1

Matter Type: WRA Finance Item

Set next meeting date and discuss future agenda items