

Monterey County

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



Meeting Agenda - Final

Tuesday, September 13, 2022

9:00 AM

<https://montereycty.zoom.us/j/224397747>

Board of Supervisors of the Monterey County Water Resources Agency

Chair Supervisor Mary L. Adams - District 5

Vice Chair Supervisor Luis A. Alejo - District 1

Supervisor John M. Phillips - District 2

Supervisor Chris Lopez - District 3

Supervisor Wendy Root Askew - District 4

Important Notice Regarding COVID 19

Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the COVID 19 virus, please do the following:

1. While the Board chambers remain open, you are strongly encouraged to observe the live stream of the Board of Supervisors meetings at <https://monterey.legistar.com/Calendar.aspx>, <http://www.mgtvonline.com/>, www.youtube.com/c/MontereyCountyTV or <https://www.facebook.com/MontereyCoInfo/>

If you attend the Board of Supervisors meeting in person, you will be required to maintain appropriate social distancing, i.e., maintain a 6-foot distance between yourself and other individuals.

2. If you choose not to attend the Board of Supervisors meeting but desire to make general public comment, or comment on a specific item on the agenda, you may do so in two ways:

a. submit your comment via email by 5:00 p.m. on the Monday prior to the Board meeting. Please submit your comment to the Clerk of the Board at cob@co.monterey.ca.us. In an effort to assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Board of Supervisors Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Board meeting.

b. you may participate through ZOOM. For ZOOM participation please join by computer audio at: <https://montereycty.zoom.us/j/224397747>

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: 224397747 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.

3. You are encouraged to participate via Zoom; however, additional seating with audio of the Board meeting will be available in the Monterey Room on the 2nd floor of the County Government Center is needed for overflow.

Aviso importante sobre COVID 19

Según la orientación del Departamento de Salud Pública de California y la Oficina del Gobernador de California, para minimizar la propagación del virus COVID 19, haga lo siguiente:

1. Mientras las cámaras de la Junta permanezcan abiertas, se le recomienda encarecidamente que observe la transmisión en vivo de las reuniones de la Junta de Supervisores en <https://monterey.legistar.com/Calendar.aspx>, <http://www.mgtvonline.com/>, www.youtube.com/c/MontereyCountyTV o <https://www.facebook.com/MontereyCoInfo/>

Si asiste a la reunión de la Junta de Supervisores en persona, se le pedirá que mantenga un distanciamiento social apropiado, es decir, mantenga una distancia de 6 pies entre usted y otras personas.

2. Si elige no asistir a la reunión de la Junta de Supervisores pero desea hacer comentarios del público en general, o comentar sobre un tema específico de la agenda, puede hacerlo de dos maneras:

Envíe su comentario por correo electrónico antes de las 5:00 p.m. el lunes anterior a la reunión de la Junta. Envíe su comentario al Secretario de la Junta a cob@co.monterey.ca.us. En un esfuerzo por ayudar al Secretario a identificar el ítem de la agenda relacionado con su comentario público, por favor indique en la Línea de Asunto, el cuerpo de la reunión (es decir, la Agenda de la Junta de Supervisores) y el número del ítem (es decir, el Ítem No. 10). Su comentario se colocará en el registro en la reunión de la Junta.

B. puede participar a través de ZOOM. Para participar en ZOOM, únase por audio de computadora en: <https://montereycty.zoom.us/j/224397747>

O para participar por teléfono llame a cualquiera de los siguientes números:

+1669900 6833 EE. UU. (San José)

+ 1346248 7799 EE. UU. (Houston)

+1312626 6799 EE. UU. (Chicago)

+1929205 6099 EE. UU. (Nueva York)

+1 253215 8782 EE. UU.

+1 301 715 8592 EE. UU.

Ingrese este número de identificación de la reunión: 224397747 cuando se le solicite. Tenga en cuenta que no hay un código de participante, simplemente presionará # nuevamente después de que la grabación le indique.

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

3. Se le anima a participar a través de Zoom; sin embargo, se necesitarán asientos adicionales con audio de la reunión de la Junta en el Salón Monterey en el segundo piso del Centro de Gobierno del Condado para el desbordamiento.

NOTE: All agenda titles related to numbered agenda items are live web links. Click on the title to be directed to the corresponding Board Report.

PUBLIC COMMENT: Members of the public may address comments to the Board concerning each agenda item. The timing of public comment shall be at the discretion of the Chair.

Pursuant to AB361 some or all Supervisors may participate in the meeting by telephone or video conference.

9:00 A.M. - Call to Order

Roll Call

Additions and Corrections for Closed Session by County Counsel

Closed Session

1. Closed Session under Government Code section 54950, relating to the following items:
 - a. Pursuant to Government Code section 54957(b)(1), the Board will confer regarding appointment/recruitment to the position of General Manager of the Monterey County Water Resources Agency.

Public Comment for Closed Session

The Board Recesses for Closed Session Agenda Items

10:30 A.M. - Reconvene on Public Agenda Items

Roll Call

Additions and Corrections by Clerk

General Public Comments

Consent Calendar

2. Approve the Board of Supervisors of the Monterey County Water Resources Agency Draft Action Meeting Minutes for the following meeting date: Tuesday, May 17, 2022, Tuesday, May 24, 2022, Thursday, June 2, 2022, Tuesday June 21, 2022, Tuesday, July 12, 2022, Tuesday, July 26, 2022 and Tuesday, August 23, 2022.

Attachments: [DRAFT WRA Minutes 5-17-2022](#)
 [DRAFT WRA Minutes 5-24-2022](#)
 [DRAFT WRA Minutes 6-2-2022](#)
 [DRAFT WRA Minutes 6-21-2022](#)
 [DRAFT WRA Minutes 7-12-2022](#)
 [DRAFT WRA Minutes 7-26-2022](#)
 [DRAFT WRA Minutes 8-23-2022](#)

1:30 P.M. - Reconvene

Roll Call

1:30 P.M. - Scheduled Matters

3. Consider approving and authorizing the Monterey County Water Resources Agency General Manager to:
 - a. Execute a Cost Share Agreement with the City of Watsonville, Santa Cruz Flood Control and Water Conservation District -Zone 7, and the Pajaro Regional Flood Management Agency to fund activities of the Pajaro Regional Flood Management Agency; and
 - b. Execute a Memorandum of Understanding (MOU) with the County of Monterey for the amount not to exceed \$193,700 per fiscal year, effective October 1, 2022 thru June 30, 2030 to cover a funding gap of the Cost Share Agreement.

Attachments: [Board Report](#)
 [MCWRA Cost Share Agreement with PRFMA](#)
 [MOU- PRFMA Cost Share Contributions](#)

Read out from Closed Session

Adjournment



Monterey County

Item No.1

Board Report

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

Legistar File Number: CS 22-035

September 13, 2022

Introduced: 9/8/2022

Current Status: Agenda Ready

Version: 1

Matter Type: Closed Session

Closed Session under Government Code section 54950, relating to the following items:

- a. Pursuant to Government Code section 54957(b)(1), the Board will confer regarding appointment/recruitment to the position of General Manager of the Monterey County Water Resources Agency.



Monterey County

Item No.2

Board Report

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

Legistar File Number: MIN 22-090

September 13, 2022

Introduced: 9/6/2022

Current Status: General Government -
Consent

Version: 1

Matter Type: Minutes

Approve the Board of Supervisors of the Monterey County Water Resources Agency Draft Action Meeting Minutes for the following meeting date: Tuesday, May 17, 2022, Tuesday, May 24, 2022, Thursday, June 2, 2022, Tuesday June 21, 2022, Tuesday, July 12, 2022, Tuesday, July 26, 2022 and Tuesday, August 23, 2022.

Monterey County

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



Meeting Minutes - Draft

Tuesday, May 17, 2022

9:00 AM

Board of Supervisors of the Monterey County Water Resources Agency

*Chair Supervisor Mary L. Adams - District 5
Vice Chair Supervisor Luis A. Alejo - District 1
Supervisor John M. Phillips - District 2
Supervisor Chris Lopez - District 3
Supervisor Wendy Root Askew - District 4*

9:00 A.M. - Called to Order

The meeting was called to order by Chair Supervisor Mary L. Adams.

Roll Called

Present: 5 - Supervisor Mary L. Adams, Supervisor Wendy Root Askew and Supervisor John M. Phillips, appeared in person, Supervisor Chris Lopez and Supervisor Luis A. Alejo appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Susan Blitch, Chief Assistant County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Additions and Corrections for Closed Session by County Counsel

There were no additions or corrections to the agenda.

Closed Session

1. Closed Session under Government Code section 54950, relating to the following items:
 - a. Pursuant to Government Code section 54957(b)(1), the Board will confer regarding appointment to the position of Monterey County Water Resources Agency General Manager.
 - b. Pursuant to Government Code section 54957.6, the Board will provide direction to labor negotiators:
 - (1) Designated representatives: Charles J. McKee, County Administrative Officer and Irma Ramirez-Bough, Human Resources DirectorEmployee Position: Monterey County Water Resources Agency General Manager

Public Comment

Open for public comments; no public comments were made.

The Board Recessed for Closed Session Agenda Items

10:30 A.M. - Reconvened on Public Agenda Items

Roll Called

Present: 5 - Supervisor Mary L. Adams, Supervisor Wendy Root Askew, Supervisor John M. Phillips, and Supervisor Chris Lopez, appeared in person, with Supervisor Luis A. Alejo who appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Susan Blitch, Chief Assistant County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services

Additions and Corrections by Clerk

There were no additions or corrections to the agenda.

Consent Calendar

Open for public comments; no public comments made.

A motion was made by Supervisor Chris Lopez, seconded by Supervisor John M. Phillips to approve Consent Calendar Item Number 2.

Roll call vote taken pursuant to Government Code 54953:

Supervisor Alejo: AYE

Supervisor Phillips: AYE

Supervisor Lopez: AYE

Supervisor Root Askew: AYE

Chair Supervisor Adams: AYE

2. Approve the Board of Supervisors of the Monterey County Water Resources Agency Draft Action Meeting Minutes for the following meeting date: Tuesday, November 16, 2021, Tuesday, April 26, 2022, Tuesday, May 3, 2022 and Tuesday May 10, 2022.

Approved

Read Out from Closed Session

CLOSED SESSION REPORT:

1. Closed Session under Government Code section 54950, relating to the following items:

- a. Pursuant to Government Code section 54957(b)(1), the Board will confer regarding appointment to the position of Monterey County Water Resources Agency General Manager.

The Board took no reportable actions on items 1.a.

- b. Pursuant to Government Code section 54957.6, the Board will provide direction to labor negotiators:

- (1) Designated representatives: Charles J. McKee, County Administrative Officer and Irma Ramirez-Bough, Human Resources Director

- Employee Position: Monterey County Water Resources Agency General Manager

he Board took no reportable actions on items 1.b.(1)

Adjourned

The meeting was adjourned by Chair Supervisor Mary L. Adams

Monterey County

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



Meeting Minutes - Draft

Tuesday, May 24, 2022

10:30 AM

Board of Supervisors of the Monterey County Water Resources Agency

*Chair Supervisor Mary L. Adams - District 5
Vice Chair Supervisor Luis A. Alejo - District 1
Supervisor John M. Phillips - District 2
Supervisor Chris Lopez - District 3
Supervisor Wendy Root Askew - District 4*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Supervisor Mary L. Adams.

Roll Called

Present: 5 - Supervisor Mary L. Adams and Supervisor John M. Phillips, appeared in person, and Supervisor Chris Lopez, Supervisor Luis A. Alejo and Supervisor Wendy Root Askew appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Janet Holmes, Chief Assistant County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions or corrections to the agenda.

General Public Comments

Open for general public comments for items not on today's agenda; no general public comments made.

Consent Calendar

Open for public comments; no public comments made.

A motion was made by Supervisor John M. Phillips seconded by Supervisor Chris Lopez to approve Consent Calendar Item Numbers 1 and 2.

Roll call vote taken pursuant to Government Code 54953:

Supervisor Alejo: AYE

Supervisor Phillips: AYE

Supervisor Lopez: AYE

Supervisor Root Askew: AYE

Chair Supervisor Adams: AYE

1. Adopt a Resolution to:
 - a. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 Appendix A to adjust the base wage salary range of the General Manager-Water Resources Agency classification as indicated in Attachment A effective May 21, 2022;
 - b. Direct the Human Resources Department to implement the changes in the Advantage HRM system.

Adopted Resolution No.: 22-184

2. Approve the Board of Supervisors of the Monterey County Water Resources Agency Draft Action Meeting Minutes for the following meeting date: Thursday, December 9, 2021, Friday, December 10, 2021 and Tuesday, May 17, 2022.

Approved

Adjourned

The meeting was adjourned by Chair Supervisor Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Thursday, June 2, 2022

9:00 AM

FY 2022-23 Budget Hearings

Board of Supervisors of the Monterey County Water Resources Agency

*Chair Supervisor Mary L. Adams - District 5
Vice Chair Supervisor Luis A. Alejo - District 1
Supervisor John M. Phillips - District 2
Supervisor Chris Lopez - District 3
Supervisor Wendy Root Askew - District 4*

1:30 P.M. - Called to Order

The meeting was called to order by Chair Supervisor Mary L. Adams.

Roll Called

Present: 5 - Supervisor Mary L. Adams, Supervisor John M. Phillips, Supervisor Chris Lopez, Supervisor Wendy Root Askew and Supervisor Luis A. Alejo appeared in person

Staff Present

Charles McKee, County Administrative Officer, Susan Blitch, Assistant Deputy County Counsel and Valerie Ralph, Clerk of the Board appeared in person

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions or corrections to the agenda.

1:30 P.M. - Scheduled Matters

1. Hold a public hearing to consider approving and adopting Fiscal Year 2022-23 assessment charges with cost of living adjustment (COLA) increase of 5.2% for Flood Zones 1, 1A, 8, 9, 12, and 17; and adopt a resolution approving the Fiscal Year 2022-23 assessment charges with cost of living adjustment (COLA) increase of 5.2% for Flood Zones 1, 1A, 8, 9, 12, and 17.

Public hearing commenced.

Nan Kyung Kim, Finance Manager III and Brent Buche, General Manager of the Water Resources Agency, in person presented via PowerPoint presentation.

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Chris Lopez to:

Adopt Resolution No's.:

22-185 Flood Zones 1 and 1A

22-186 Flood Zones 8, 9, 12

22-187 Flood Zones 17

to approve and adopt Fiscal Year 2022-23 assessment charges with cost of living adjustment (COLA) increase of 5.2% for Flood Zones 1, 1A, 8, 9, 12, and 17; and adopt a resolution approving the Fiscal Year 2022-23 assessment charges with cost of living adjustment (COLA) increase of 5.2% for Flood Zones 1, 1A, 8, 9, 12, and 17.

ALL AYES

2. Hold a public hearing to consider approving and adopting Fiscal Year 2022-23 assessment charges with cost of living adjustment (COLA) increase of 5.2% for Zone 2C Administration and Operations

and Maintenance of Nacimiento and San Antonio Dams; and adopt a resolution approving the Fiscal Year 2022-23 COLA increase of 5.2% to assessments of Zone 2C Administration and Operations and Maintenance of Nacimiento and San Antonio Dams.

Public hearing commenced.

Nan Kyung Kim, Finance Manager III and Brent Buche, General Manager of the Water Resources Agency, in person presented via PowerPoint presentation.

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Luis A. Alejo to adopt Resolution No. 22-188 to:

Approve and adopt Fiscal Year 2022-23 assessment charges with cost of living adjustment (COLA) increase of 5.2% for Zone 2C Administration and Operations and Maintenance of Nacimiento and San Antonio Dams; and adopt a resolution approving the Fiscal Year 2022-23 COLA increase of 5.2% to assessments of Zone 2C Administration and Operations and Maintenance of Nacimiento and San Antonio Dams.

ALL AYES

- 3.** Hold a public hearing to consider approving and adopting Fiscal Year 2022-23 assessment rates with cost of living adjustment (COLA) increase of 5.2% for Zones 2B, 2Y and 2Z, and the water delivery charge and the water service charge of Zone 2B; and adopt a resolution approving the Fiscal Year 2022-23 COLA increase of 5.2% to assessments of Zones 2B, 2Y and 2Z for the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), and to the water delivery charge and the water service charge of Zone 2B for the CSIP and the Salinas River Diversion Facility (SRDF).

Public hearing commenced.

Nan Kyung Kim, Finance Manager III and Brent Buche, General Manager of the Water Resources Agency, in person presented via PowerPoint presentation.

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Chris Lopez to adopt Resolution No. 22-189 to:

Approve and adopt Fiscal Year 2022-23 assessment rates with cost of living adjustment (COLA) increase of 5.2% for Zones 2B, 2Y and 2Z, and the water delivery charge and the water service charge of Zone 2B; and adopt a resolution approving the Fiscal Year 2022-23 COLA increase of 5.2% to assessments of Zones 2B, 2Y and 2Z for the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), and to the water delivery charge and the water service charge of Zone 2B for the CSIP and the Salinas River Diversion Facility (SRDF).

ALL AYES

- 4.** Hold a public hearing to consider approving and adopting Monterey County Water Resources Agency's Fiscal Year 2022-23 Recommended Budget.

Public hearing commenced.

Nan Kyung Kim, Finance Manager III and Brent Buche, General Manager of the Water Resources Agency, in person presented via PowerPoint presentation.

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Luis A. Alejo to:
Adopt a Resolution of Intent approving and adopting Monterey County Water Resources Agency's
Fiscal Year 2022-23 Recommended Budget and directed staff to return to the Board for final
adoption.

ALL AYES

Adjourned

The meeting was adjourned by Supervisor Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Tuesday, June 21, 2022

9:00 AM

Board of Supervisors of the Monterey County Water Resources Agency

*Chair Supervisor Mary L. Adams - District 5
Vice Chair Supervisor Luis A. Alejo - District 1
Supervisor John M. Phillips - District 2
Supervisor Chris Lopez - District 3
Supervisor Wendy Root Askew - District 4*

9:00 A.M. - Called to Order

The meeting was called to order by Chair Supervisor Mary L. Adams.

Roll Called

Present: 5 - Supervisor Mary L. Adams, Supervisor Wendy Root Askew and Supervisor John M. Phillips, appeared in person, Supervisor Chris Lopez and Supervisor Luis A. Alejo appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Additions and Corrections for Closed Session by County Counsel

There were no additions or corrections to closed session.

0.1 Closed Session under Government Code section 54950, relating to the following items:

a. Pursuant to Government Code section 54957.6, the Board will provide direction to labor negotiators:

(1) Designated representatives: Charles J. McKee, County Administrative Officer and Kelly Donlon, Assistant County Counsel

Employee Position: Monterey County Water Resources Agency General Manager (ADDED VIA ADDENDA)

Public Comment for Closed Session

Open for public comments; no public comments made.

The Board Recessed for Closed Session Agenda Items

10:30 A.M. - Reconvened on Public Agenda Items

Roll Called

Present: 5 - Supervisor Mary L. Adams, Supervisor Wendy Root Askew and Supervisor John M. Phillips, appeared in person, Supervisor Chris Lopez and Supervisor Luis A. Alejo appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions or corrections to today's agenda.

Scheduled Matters

1. Adopt a resolution approving the Monterey County Water Resources Agency's Fiscal Year 2022-23 Recommended Budget.

Open for public comments; no public comments made.

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Chris Lopez to Adopt Resolution No.: 22-241 to:

Approve the Monterey County Water Resources Agency's Fiscal Year 2022-23 Recommended Budget.

Roll call vote taken pursuant to Government Code 54953:

Supervisor Alejo: AYE

Supervisor Phillips: AYE

Supervisor Lopez: AYE

Supervisor Root Askew: AYE

Chair Supervisor Adams: AYE

Adjourned

The meeting was adjourned by Chair Supervisor Mary L. Adams.

Addenda

0.1 Closed Session under Government Code section 54950, relating to the following items:

a. Pursuant to Government Code section 54957.6, the Board will provide direction to labor negotiators:

(1) Designated representatives: Charles J. McKee, County Administrative Officer and Kelly Donlon, Assistant County Counsel

Employee Position: Monterey County Water Resources Agency General Manager

Monterey County

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



Meeting Minutes - Draft

Tuesday, July 12, 2022

10:30 AM

Board of Supervisors of the Monterey County Water Resources Agency

*Chair Supervisor Mary L. Adams - District 5
Vice Chair Supervisor Luis A. Alejo - District 1
Supervisor John M. Phillips - District 2
Supervisor Chris Lopez - District 3
Supervisor Wendy Root Askew - District 4*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Supervisor Mary L. Adams.

Roll Called

Present: 5 - Supervisor Mary L. Adams and Supervisor John M. Phillips, appeared in person, Supervisor Wendy Root Askew, Supervisor Chris Lopez and Supervisor Luis A. Alejo appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Additions and Corrections by Clerk

There were no additions or corrections to today's agenda.

General Public Comments

Open for general public comments for items not on today's agenda; no comments made.

Consent Calendar

1. Approve and authorize the Chair of the Monterey County Water Resource Agency Board of Supervisors to execute Amendment No. 2 to the employment agreement with Brent Buche, Water Resources Agency General Manager, to extend the term of Mr. Buche's employment and increase his compensation.

Open for public comments; no comments made.

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Chris Lopez to: Approve and authorize the Chair of the Monterey County Water Resource Agency Board of Supervisors to execute Amendment No. 2 to the employment agreement with Brent Buche, Water Resources Agency General Manager, to extend the term of Mr. Buche's employment and increase his compensation.

Roll call vote taken pursuant to Government Code 54953:

Supervisor Alejo: AYE
Supervisor Phillips: AYE
Supervisor Lopez: AYE
Supervisor Root Askew: AYE
Chair Supervisor Adams: AYE

Adjourned

The meeting was adjourned by Chair Supervisor Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Tuesday, July 26, 2022

9:00 AM

Board of Supervisors of the Monterey County Water Resources Agency

*Chair Supervisor Mary L. Adams - District 5
Vice Chair Supervisor Luis A. Alejo - District 1
Supervisor John M. Phillips - District 2
Supervisor Chris Lopez - District 3
Supervisor Wendy Root Askew - District 4*

9:00 A.M. - Called to Order

The meeting was called to order by Chair Supervisor Mary L. Adams.

Roll Called

Present: 5 - Supervisor Mary L. Adams, appeared in person, Supervisor Chris Lopez, Supervisor Luis A. Alejo Supervisor Wendy Root Askew and Supervisor John M. Phillips appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Les Girard, County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Additions and Corrections for Closed Session by County Counsel

There were no additions or corrections to the agenda.

Closed Session

1. Closed Session under Government Code section 54950, relating to the following items:
 - a. Pursuant to Government Code section 54956.9(e)(3), the Board will confer with legal counsel regarding liability claim against the Monterey County Water Resources.
 - (1) Adrian Mendoza
 - b. Pursuant to Government Code section 54957(b)(1), the Board will confer regarding appointment of the position of Water Resources Agency General Manager.

Public Comment

Open for public comments; no public comments were made.

The Board Recessed for Closed Session Agenda Items

Read Out from Closed Session

CLOSED SESSION REPORT:

1. Closed Session under Government Code section 54950, relating to the following items:
 - a. Pursuant to Government Code section 54956.9(e)(3), the Board will confer with legal counsel regarding liability claim against the Monterey County Water Resources.(1) Adrian Mendoza b. Pursuant to Government Code section 54957(b)(1), the Board will confer regarding appointment of the position of Water Resources Agency General Manager.

The Board took no reportable actions on items 1.a.

Adjourned

The meeting was adjourned by Chair Supervisor Mary L. Adams.

Monterey County

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



Meeting Minutes - Draft

Tuesday, August 23, 2022

10:30 AM

Board of Supervisors of the Monterey County Water Resources Agency

*Chair Supervisor Mary L. Adams - District 5
Vice Chair Supervisor Luis A. Alejo - District 1
Supervisor John M. Phillips - District 2
Supervisor Chris Lopez - District 3
Supervisor Wendy Root Askew - District 4*

10:30 A.M. - Called to Order

The meeting was called to order by Chair Supervisor Mary L. Adams.

Roll Called

Present: 5 - Supervisor Mary L. Adams, Supervisor Wendy Root Askew and Supervisor John M. Phillips appeared in person, and Supervisor Chris Lopez and Supervisor Luis A. Alejo appeared via video conference

Staff Present

Charles McKee, County Administrative Officer, Kelly Donlon, Assistant Chief County Counsel and Valerie Ralph, Clerk of the Board appeared in person.

Announcement of the Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

General Public Comments

Open for general public comments for items not on today's agenda; Nina Beety, via Zoom, commented.

Appointment

Open for public comments; no comments made.

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Chris Lopez to appoint/reappoint Item Number 1.

ALLY AYES

1. Reappoint Deidre Sullivan to the Water Resources Agency Board of Directors, with a term ending date of December 31, 2025. (Nominated By District 4, Supervisor Askew)

Reappointed

Adjourned

The meeting was recessed by Chair Supervisor Mary L. Adams.



Monterey County

Item No.3

Board Report

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

Legistar File Number: WRAG 22-142

September 13, 2022

Introduced: 9/1/2022

Current Status: Scheduled PM

Version: 1

Matter Type: WR General Agenda

Consider approving and authorizing the Monterey County Water Resources Agency General Manager to:

- a. Execute a Cost Share Agreement with the City of Watsonville, Santa Cruz Flood Control and Water Conservation District -Zone 7, and the Pajaro Regional Flood Management Agency to fund activities of the Pajaro Regional Flood Management Agency; and
- b. Execute a Memorandum of Understanding (MOU) with the County of Monterey for the amount not to exceed \$193,700 per fiscal year, effective October 1, 2022 thru June 30, 2030 to cover a funding gap of the Cost Share Agreement.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors approve and authorize the Monterey County Water Resources Agency General Manager to:

- a. Execute a Cost Share Agreement with the City of Watsonville, Santa Cruz Flood Control and Water Conservation District -Zone 7, and the Pajaro Regional Flood Management Agency to fund activities of the Pajaro Regional Flood Management Agency; and
- b. Execute a Memorandum of Understanding (MOU) with the County of Monterey for the amount not to exceed \$193,700 per fiscal year, effective October 1, 2022 thru June 30, 2030 to cover a funding gap of the Cost Share Agreement.

SUMMARY/DISCUSSION:

The Pajaro Regional Flood Management Agency ("PRFMA") was formed under the Joint Exercise of Powers Act, Government Code section 6500 *et seq.*, pursuant to a Joint Exercise of Powers Agreement ("JPA Agreement") dated July 21, 2021 in order to coordinate, finance, acquire, construct, improve, operate or maintain flood management infrastructure on the Pajaro River in Santa Cruz and Monterey Counties.

The Member Agencies of the PRFMA are County of Santa Cruz, Santa Cruz County Flood Control and Water Conservation District, Zone 7 ("Zone 7"), County of Monterey ("County"), City of Watsonville, and the Monterey County Water Resources Agency ("MCWRA" or "Agency"). The PRFMA is the lead local agency to work with the United States Army Corps of Engineers in continuing the Pajaro River Federal Flood Control Project, which is currently maintained jointly by Zone 7 and MCWRA.

A Cost Share Agreement has been proposed by PRFMA to allocate annual contributions of Watsonville, Zone 7, and MCWRA ("Cost Share Agencies"), and to fund operating expenses of

the PRFMA by dedicating existing revenues generated within the boundaries of the PRFMA. The proposed Fiscal Year (FY) 2022-2023 budget of the PRFMA is \$3.832 million. Under the Cost Share Agreement, contribution allocations are \$2,138,400 for Zone 7, \$49,900 for Watsonville, and \$443,700 for MCWRA. On July 13, 2022, the PRFMA certified a newly formed Proposition 218 benefit zone that will collect \$1,200,000 a year in assessments. The contributions from the Cost Share Agencies will be subject to an annual cost-of-living adjustment by the Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-Hayward area during the previous fiscal year ending June 30. The amount of \$443,700 allocated to MCWRA is proposed to be a combined total contribution by MCWRA and the County. The PRFMA Board of Directors approved the draft Cost Share Agreement on July 13, 2022.

MCWRA is currently negotiating an Operations, Maintenance, Repair, Rehabilitation and Replacement Agreement (“OMRR&R Agreement”) with the PRFMA to transfer MCWRA’s assets, current responsibilities, operation and maintenance activities, capital projects, flood monitoring, and related emergency response, all of which relate to Infrastructure in Zone 1/1A, to the PRFMA. In the event the OMRR&R Agreement is neither executed nor approved by December 31, 2022, MCWRA is not obligated to make any further contributions to the PRFMA.

To pay the total allocated amount of \$443,700 in FY 2022-23, MCWRA will dedicate \$250,000 of Zone 1/1A assessment revenue to the PRFMA, and MCWRA requests Monterey County (“County”) to contribute up to \$193,700. The County’s annual contributions shall be continued to cover funding gaps for the next seven years with the final contribution in FY 2029-30.

The funding gap will be calculated using variances between MCWRA’s maximum cost share amount of \$443,700 and Zone 1/1A assessments available for the PRFMA cost share. MCWRA needs parts of Zone 1/1A assessments to pay administrative expenses of Fund 112, as well as overhead expenses of MCWRA General Administration that is allocable to Fund 112. The administrative and overhead expenses include third party insurance cost, reimbursements to other government agencies and charges by other county service departments, which would be ineligible for reimbursements by PRFMA under the OMRRR Agreement. The annual contribution by the County to MCWRA for the Cost Share Agreement shall not exceed \$193,700.

It is expected that as the operations and responsibilities of PRFMA grows, Zone 1/1A flood assessment that MCWRA can contribute to the PRFMA Cost Share Agreement will increase while County’s contributions will decrease.

The County’s contribution to MCWRA for the Cost Share Agreement shall be terminated prior to FY 2029-30 and the County will be no longer obligated for its annual contributions if Zone 1/1A assessments available for the Cost Share Agreement exceeds \$443,700 and there is no funding gap.

The Cost Share Agreement along with the OMRR&R Agreement is a necessary step for the PRFMA to take over operations and maintenance responsibilities of the Pajaro River levee system, currently undertaken by the Member Agencies. The MOU with the County will provide sufficient fundings for such transfer of operations and maintenance responsibilities by covering the funding gaps.

The Budget Office considers that the Cost Share Agreement that pledges assessment revenue without clearly outlining the transfers of O&M, capital projects, and flood monitoring to the PRFMA would be a financial risk for the MCWRA.

OTHER AGENCY INVOLVEMENT:

MCWRA is working with PRFMA, Office of the County Counsel, and County Budget Office on the Cost Share Agreement and the OMRR&R Agreement.

The Water Resources Agency Board of Directors approved the draft PRFMA Cost Share Agreement and the draft MOU at its August 15, 2022 meeting. The MOU was discussed and recommended at the County's Budget Committee meeting on August 31, 2022 meeting.

FINANCING:

Sufficient appropriations for the Cost Share Agreement are available in Agency's FY 2022-2023 Adopted Budget Fund 112-9300-WRA002- UNIT 8484. Zone 1/1A flood benefit assessments in FY 2022-23 is estimated at \$506,290.

Of the combined total contribution of \$443,700 allocated to MCWRA and County, MCWRA will dedicate \$250,000 of Zone 1/1A flood benefit assessments revenue to PRFMA in FY23 and request County to contribute up to \$193,700 in FY 2022-23. County's annual contributions will continue for the next seven years until the final contribution in FY2029-30, for the annual amount not to exceed \$193,700. The actual amount contributed to the PRFMA in FY 2022-23 will be prorated to the Cost Share Agreement execution date.

It is expected that available Zone 1/1A benefit assessment revenues for the Cost Share Agreement would increase as operations and responsibilities of the PRFMA increase and the contributions needed from County will decrease.

The funding source for the FY 2022-23 County contribution is General Fund Contingencies, which has a balance of \$809,118 at the writing of this report. The use of \$193,700 in Contingencies would leave a remaining Contingencies balance of \$615,418. If the Board of Supervisors approves this MOU, the County Administrative Office will budget for the contribution in future years in the annual recommended budget financed by General Fund Contributions (GFC). The use of GFC for the cost share contribution to PRFMA for which County is a member agency, reduces the available funding for County programs that rely on GFC.

Prepared by: Nan Kyung Kim, Finance Manager III, (831) 755-4861
Monterey County Water Resources Agency

Approved by: _____
Brent Buche, General Manager, (831) 755-4860
Monterey County Water Resources Agency

Attachments:

1. MCWRA Cost Share Agreement with PRFMA
2. MOU - PRFMA Cost Share Contributions



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers

168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAG 22-142

September 13, 2022

Introduced: 9/1/2022

Current Status: Agenda Ready

Version: 1

Matter Type: WR General Agenda

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To pay the total allocated amount of \$443,700 in FY 2022-23, MCWRA will dedicate \$250,000 of Zone 1/1A assessment revenue to the PRFMA, and MCWRA requests Monterey County (“County”) to contribute up to \$193,700. The County’s annual contributions shall be continued to cover funding gaps for the next seven years with the final contribution in FY 2029-30.

The funding gap will be calculated using variances between MCWRA’s maximum cost share amount of \$443,700 and Zone 1/1A assessments available for the PRFMA cost share. MCWRA needs parts of Zone 1/1A assessments to pay administrative expenses of Fund 112, as well as overhead expenses of MCWRA General Administration that is allocable to Fund 112. The administrative and overhead expenses include third party insurance cost, reimbursements to other government agencies and charges by other county service departments, which would be ineligible for reimbursements by PRFMA under the OMRRR Agreement. The annual contribution by the County to MCWRA for the Cost Share Agreement shall not exceed \$193,700.

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The Cost Share Agreement along with the OMRR&R Agreement is a necessary step for the PRFMA to take over operations and maintenance responsibilities of the Pajaro River levee system, currently undertaken by the Member Agencies. The MOU with the County will provide sufficient fundings for such transfer of operations and maintenance responsibilities by covering the funding gaps.

The Budget Office considers that the Cost Share Agreement that pledges assessment revenue without clearly outlining the transfers of O&M, capital projects, and flood monitoring to the PRFMA would be a financial risk for the MCWRA.

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FINANCING:

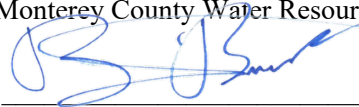
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Prepared by: Nan Kyung Kim, Finance Manager III, (831) 755-4861
Monterey County Water Resources Agency

Approved by: 
Brent Buche, General Manager, (831) 755-4860
Monterey County Water Resources Agency

Attachments:

1. MCWRA Cost Share Agreement with PRFMA
2. MOU - PRFMA Cost Share Contributions

DRAFT

COST SHARING AGREEMENT

**TO FUND THE ACTIVITIES OF THE PAJARO REGIONAL
FLOOD MANAGEMENT AGENCY (PRFMA)**

BY AND AMONG THE

CITY OF WATSONVILLE,

SANTA CRUZ COUNTY FLOOD CONTROL AND WATER CONSERVATION

DISTRICT—ZONE 7,

MONTEREY COUNTY WATER RESOURCES AGENCY

AND

PAJARO REGIONAL FLOOD MANAGEMENT AGENCY

PAJARO REGIONAL FLOOD MANAGEMENT AGENCY

COST SHARING AGREEMENT

This Cost Sharing Agreement (“Agreement”) is made and entered into effective _____ (the “Effective Date”) by and among the following public agencies (individually, “Party” and collectively, “Parties”):

1. Santa Cruz County Flood Control and Water Conservation District, Zone 7 (“Zone 7”), created by resolutions of the Santa Cruz County Flood Control and Water Conservation District pursuant to Chapter 77 of the Water Code Appendix (West’s Annotated California Codes);
2. City of Watsonville, a municipal corporation (herein called “Watsonville”);
3. Monterey County Water Resources Agency (“MCWRA”), a special act agency of the State of California with duties and responsibilities set forth in Chapter 52 of the California Water Code Appendix; and
4. Pajaro Regional Flood Management Agency (“PRFMA” or “Agency”).

WHEREAS, PRFMA was formed under the Joint Exercise of Powers Act, Government Code sections 6500 et seq., pursuant to a Joint Exercise of Powers Agreement (“JPA Agreement”) dated July 21, 2021 in order to coordinate, finance, acquire, construct, improve, operate and maintain flood management infrastructure in Santa Cruz and Monterey Counties.

WHEREAS, the Member Agencies of the PRFMA are:

1. County of Santa Cruz, a political subdivision of the State of California organized and existing under the laws of the State of California;
2. Zone 7;
3. County of Monterey, a political subdivision of the State of California organized and existing under the laws of the State of California;
4. Watsonville; and
5. MCWRA.

WHEREAS, the JPA Agreement authorizes the PRFMA to:

- a. Study, plan, and implement ways and means to provide a reasonable program and plan of operation for the control of waters within or flowing into the boundaries of the Agency;
- b. Participate in financing or re-financing any Infrastructure, in accordance with any terms and conditions imposed by the JPA Law;

- c. Make and enter into contracts necessary to the accomplishment of the purposes of the JPA Agreement;
- d. Contract for the services of engineers, attorneys, planners, financial consultants, and other contractors and consultants as needed;
- e. Employ such persons as it deems necessary;
- f. Enter into agreements with the United States of America, the State of California, or any other public or private person to provide a portion or all of the local contribution which may be required for Infrastructure constructed by the State or Federal governments or one or more Member Agencies;
- g. Acquire, construct, manage, control, maintain, improve, repair, replace, and/or operate any Infrastructure; provided, however, that the Agency shall not do so as to Infrastructure within the boundaries of a Member Agency without its prior written agreement;
- h. Acquire by eminent domain or otherwise, and to hold and dispose of, any interest in real or personal property necessary to the accomplishment of the purposes of the JPA Agreement;
- i. Receive gifts, contributions, and donations of property, funds, services, and other forms of financial or other assistance from any persons, firms, corporations, or governmental entities;
- j. Sue and be sued in its own name;
- k. Adopt rules, regulations, policies, bylaws, and procedures governing the operation of the Agency;
- l. Incur debts, liabilities, or obligations;
- m. Levy and collect assessments and/or special taxes and to participate in other financing districts;
- n. Establish, revise, and collect fees as a condition of development of land or otherwise;
- o. Apply for, accept, and receive state, federal, or local licenses, permits, grants, loans, and other aid from any agency of the United States of America, or of the State of California, or from any other public or private entity necessary for the accomplishment of the purposes of the JPA Agreement;
- p. Perform all acts necessary or proper to carry out fully the purpose of the JPA Agreement and not inconsistent with the JPA Law;
- q. Invest money not required for the immediate necessities of the Agency pursuant to Government Code sections 6505.5 and 53601;
- r. Refinance indebtedness incurred by one of more Member Agencies in connection with any of the purposes of the JPA Agreement;

- s. Apply for letters of credit or other form of financial guarantees to secure the repayment of bonds and enter into agreements in connection therewith;
- t. Carry out and enforce the JPA Agreement; and
- u. Exercise all other powers common to the Member Agencies and authorized by Government Code section 6508.

WHEREAS, the JPA Agreement does not allocate contributions among the Member Agencies or among the Parties to this Agreement.

WHEREAS, the Parties desire to allocate financial contributions to the PRFMA as set forth in this Agreement.

NOW, THEREFORE, in consideration of the above findings and of the mutual promises contained herein, the Parties do hereby agree as follows:

Section 1. Definitions.

Section 1.1 “Infrastructure” includes, without limitation, watercourses, drainage channels, conduits, ditches, canals, water storage facilities, pumping plants, levees, buildings and structures or other capital facilities for the management and disposal of waters within the boundaries of the PRFMA, or outside and running into the PRFMA, or to conserve any waters for beneficial use within the PRFMA, including easements and rights-of-way.

Section 1.2 “Project Commitments” means written agreements between or among the Member Agencies, PRFMA, the Parties, the State of California, the federal government or other public agencies to: (i) design, finance, acquire, construct, improve, operate or maintain Infrastructure, including funding for overhead, planning, and administrative costs; (ii) indemnify one another, one or more Member Agencies or Parties, or other public entities for liabilities arising out of such operation and maintenance or the failure of such operation and maintenance; and/or (iii) indemnify one another, one or more Member Agencies, Parties, or other public or private entities for design or construction of Infrastructure designed or constructed by the PRFMA.

Section 2. Allocation of Costs. All contributions to the PRFMA shall be allocated among the Parties in the manner set forth in Exhibit A.

Section 3. Project Commitments. This Agreement may not be rescinded or terminated, and Zone 7, MCWRA, and Watsonville may not withdraw from this Agreement while that Party’s contributions under this Agreement are used to fund Project Commitments, unless the PRFMA or another public agency has provided such reasonable written assurances to perform those Project Commitments as may be requested by the State, the Federal government, or other contracting parties to those Project Commitments. The PRFMA may assume Project Commitments of a Party by resolution of

the PRFMA Board and in no other fashion.

Section 4. Agreements Concerning PRFMA and Parties' Responsibilities. The Parties shall enter into one or more agreements transferring the current responsibilities and activities of Zone 7, MCWRA, and Watsonville regarding operation and maintenance ("O&M"), capital projects, flood monitoring, and related emergency response, all of which related to Infrastructure, to the PRFMA. Such agreement(s) shall be negotiated, executed, and approved by the Parties' legislative bodies on or before December 31, 2022, unless a later date is agreed to in writing by all Parties. In the event such agreement(s) are not negotiated, executed, and approved by this deadline, or a later date agreed to in writing by all the Parties, Zone 7, MCWRA, and Watsonville shall not be obligated to make any further contributions to PRFMA under this Agreement.

Section 5. Withdrawal. A Party may withdraw from this Agreement pursuant to the procedures set forth below.

Section 5.1 Notice. Prior to withdrawal, a Party must provide written notice of its intent to withdraw to the PRFMA, as well as all other Parties and PRFMA Member Agencies.

Section 5.2 Report. Within 60 days of receipt by the PRFMA, all Parties, and all Member Agencies of the written notice of intent to withdraw required under Section 5.1 above, the PRFMA shall order to be prepared a report ("Report") identifying the extent to which contributions from the Party proposing withdrawal ("Withdrawing Party") are used to fund Project Commitments that may prevent withdrawal pursuant to Section 3 above; the steps required to unwind the Withdrawing Party's obligation to fund Project Commitments; and alternative sources of funding the costs that would otherwise be allocated to or paid for by the Withdrawing Party's contributions. The Report shall be submitted to the PRFMA and the Member Agencies no later than 90 days after it is ordered prepared.

Section 5.3 Determination of Contributions to Fund Project Commitments. If the Report determines that no contributions from the Withdrawing Party are used to fund Project Commitments that would prevent withdrawal under Section 3 above as of the date of receipt of the notice required by Section 5.1 of this Agreement, the PRFMA shall authorize the Withdrawing Party by Resolution to withdraw from this Agreement at the next regularly scheduled meeting of the PRFMA Board. The Withdrawing Party's withdrawal from this Agreement shall be effective as of the date of adoption of said Resolution, and said Withdrawing Party shall no longer be a party to this Agreement or bound by its terms. All remaining Parties shall remain bound by the terms of this Agreement.

If the Report determines that contributions from the Withdrawing Party are used to fund Project Commitments and that withdrawal is prohibited pursuant to Section 3 of this Agreement as of the date of receipt of the notice required under section 5.1 of this Agreement, the Withdrawing Party shall remain subject to this Agreement.

Section 5.4 Appeal. The Withdrawing Party may appeal the Report’s determination that its contributions are used to fund Project Commitments that prevent withdrawal under section 3 of this Agreement by submitting an appeal to the PRFMA Clerk of the Board, including all information relevant to the Withdrawing Party’s position. The appeal shall be submitted no later than 60 days after receipt of the Report by the Withdrawing Party.

Within 60 days of submission of the Withdrawing Party’s appeal, the Board shall set a hearing to determine the status of the Withdrawing Party’s contributions to fund Project Commitments, and the Clerk of the Board shall provide the Withdrawing Party with at least 10 days’ written notice of the hearing.

Within 45 days after the hearing on appeal, the Board shall provide written notice to the Withdrawing Party of its determination, which shall be final.

If the Board determines that contributions from the Withdrawing Party do not fund Project Commitments that prevent withdrawal under Section 3 of this Agreement as of the date of receipt of the notice required under section 5.1 of this Agreement, the PRMA shall authorize the Withdrawing Party by resolution to withdraw from this Agreement at the next regularly scheduled meeting of the PRFMA Board.

Section 6. Amendment. This Agreement may only be amended by written amendment signed by all Parties then subject to this Agreement.

Section 7. Meet and Confer. The Parties shall meet and confer on the 10th anniversary of the Effective Date, and at other mutually agreeable times, to discuss and consider: (i) the sufficiency of funding sources under this Agreement, (ii) any alternatives to the funding sources under this Agreement and their feasibility, and (iii) alternative arrangements and agreements, including amendments to this Agreement, to meet the Parties’ goals.

Section 8. Indemnification. Each Party shall, to the fullest extent allowable under applicable law, indemnify and hold harmless the other Parties for and against any claim, action, liability, penalty, or other imposition whatsoever upon the other Parties, or any one of them, by reason of the activities of the indemnifying Party under this Agreement.

Section 9. Assignment; Binding on Successors. The rights and duties of the Parties may not be assigned or delegated without the written consent of all other Parties. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void and confer no rights on any third party. Any approved assignment or delegation shall be consistent with the terms of any then extant contributions to fund Project Commitments or other obligations of the Agency.

Section 10. Notice. Any notice or instrument required to be given or delivered shall be personally delivered or deposited in the United States mail, registered or certified, postage prepaid, addressed to the clerk or secretary of the Member Agency or Party at the address indicated on the website of

the Member Agency or Party and shall be deemed to have been received by addressee 72 hours after such deposit. Notice may be given by such other means as the Member or Party specifies in writing.

Section 11. Severability. Should a court of competent jurisdiction decide any part, term, or provision of this Agreement conflicts with law or is otherwise unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby and, to that end, the Parties declare the parts, terms, and provisions of this Agreement to be severable.

Section 12. Counterparts. This Agreement may be executed in counterparts, all of which together shall constitute a single agreement, and each of which shall be an original for all purposes. Signatures may be given by emailed pdf or other equivalent means with the same force as original wet signatures.

Section 13. Integration. This Agreement represents the full and entire Agreement among the Parties with respect to the matters covered herein.

Section 14. Authority to Bind. The legislative bodies of the Parties have each authorized execution of this Agreement, as evidenced by the respective signatures attested below. The persons signing below warrant that they have actual authority to bind their respective principals to this Agreement.

Section 15. Selection of Forum. Any legal action or proceeding arising under this Agreement shall be brought in the Superior Court of California for the County of Sacramento and may not be brought or determined in any other forum or jurisdiction. The Parties unconditionally submit to the sole and exclusive jurisdiction of the Sacramento County Superior Court.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day indicated below.

CITY OF WATSONVILLE

By: _____
MAYOR

Date: _____

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

MONTEREY COUNTY WATER RESOURCES
AGENCY

By: _____
CHAIRPERSON

Date: _____

ATTEST:

AGENCY CLERK

APPROVED AS TO FORM:

AGENCY COUNSEL

SANTA CRUZ COUNTY FLOOD CONTROL AND
WATER CONSERVATION DISTRICT, ZONE 7

By: _____
CHAIRPERSON

Date: _____

ATTEST:

CLERK OF THE BOARD

APPROVED AS TO FORM:

DISTRICT COUNSEL

PAJARO REGIONAL FLOOD MANAGEMENT
AGENCY

By: _____
CHAIRPERSON

Date: _____

ATTEST:

BY: _____
SECRETARY

APPROVED AS TO FORM:

GENERAL COUNSEL

EXHIBIT A
Allocation of Parties' Contributions

The Parties shall contribute the amounts set forth below upon execution of this Agreement by all of the Parties and adoption by PRFMA of its 2022-23 annual budget. Thereafter, the Parties shall contribute the amounts set forth below including any adjustments on or before July 31 of each year.

It is the intent of the Parties to adjust the annual contributions for subsequent years as provided herein. Annual contributions for subsequent years may be adjusted for the increase in the Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-Hayward area during the previous fiscal year ("CPI Adjustment") if approved by the increasing Party's legislative body. While Zone 7's revenues may not be increased by more than 4%, pursuant to terms previously approved and adopted, other Parties' revenues are not so limited. For years in which the CPI Adjustment exceeds 4%, all Parties able to do so – including Zone 7 if permissible – may approve a CPI Adjustment in excess of 4% and, if so approved, the CPI Adjustment shall equal the amount approved by the legislative bodies of all other Parties with the exception of Zone 7.

Moreover, the annual contribution from Zone 7 shall be at least 96% of projected revenue for Zone 7 during that fiscal year. Thus, the annual contribution from Zone 7 shall be the greater of (1) the Zone 7 initial contribution for the first fiscal year, increased by cumulative CPI Adjustments through the end of the previous fiscal year, and (2) 96% of projected Zone 7 revenue during that fiscal year. In the event that the remaining Zone 7 revenues and/or fund balance exceeds the projected 4% cost of Zone 7 administration for any fiscal year, the excess amount shall also be contributed by Zone 7.

Contributions:

Parties	Amount of Initial Contribution
City of Watsonville	\$49,000
Zone 7	\$2,138,400, but no less than 96% of projected revenue for Zone 7 during the initial year, as discussed above; plus any existing reserves or fund balance and revenues related to existing project commitments of Zone 7
Monterey County Water Resources Agency	\$443,700

MEMORANDUM OF UNDERSTANDING

between

THE MONTEREY COUNTY WATER RESOURCES AGENCY

and

THE COUNTY OF MONTEREY

regarding

PAJARO REGIONAL FLOOD MANAGEMENT AGENCY MONETARY
CONTRIBUTIONS

WHEREAS, the County of Monterey (“County”) is a political subdivision of the State of California with duties and responsibilities set forth in various provisions of the California Constitution, and state laws and regulations; and,

WHEREAS, the Monterey County Water Resources Agency (“MCWRA”) is a flood control and water agency established in 1990 by special act of the state legislature codified at Water Code Appendix Chapter 52, and is the successor to the Monterey County Flood Control and Water Conservation District established in 1947, also by special act of the state legislature; and,

WHEREAS, the County and MCWRA (separately a “Party”, collectively the “Parties”) are separate legal entities, with separate and distinct duties and responsibilities as set forth in their respective organic laws; and,

WHEREAS, the Pajaro Regional Flood Management Agency (“PRFMA”) was formed under the Joint Exercise of Powers Act, Government Code section 6500 *et seq.*, pursuant to a Joint Exercise of Powers Agreement (“JPA Agreement”) dated July 21, 2021 in order to coordinate, finance, acquire, construct, improve, operate or maintain flood management infrastructure on the Pajaro River in Santa Cruz and Monterey Counties; and,

WHEREAS, the Member Agencies of the PRFMA are County of Santa Cruz, Santa Cruz County Flood Control and Water Conservation District, Zone 7 (“Zone 7”), County of Monterey, City of Watsonville, and MCWRA, and PRFMA is the lead local agency to work with the United States Army Corps of Engineers (“USACE”) in continuing the Pajaro River Federal Flood Control Project to benefit both Santa Cruz and Monterey Counties, which is currently maintained jointly by Zone 7 and MCWRA; and,

WHEREAS, MCWRA is currently negotiating an Operations, Maintenance, Repair, Rehabilitation and Replacement Agreement with the PRFMA to transfer MCWRA's assets, current responsibilities, operation and maintenance activities, capital projects, flood monitoring, and related emergency response, all of which relate to Pajaro infrastructure in MCWRA's Zones 1/1A to the PRFMA; and,

WHEREAS, the proposed Fiscal Year ("FY") 2022-2023 budget of the PRFMA is \$3.832 million, and on July 13, 2022, the PRFMA certified a newly formed Proposition 218 benefit zone that will collect \$1,200,000 a year in assessments; and,

WHEREAS, a Cost Share Agreement has been proposed by PRFMA to allocate annual contributions of Watsonville, Zone 7, and MCWRA ("Cost Share Agencies") to fund operating expenses of the PRFMA by dedicating existing revenues generated within the boundaries of the PRFMA; the contributions from the Cost Share Agencies will be subject to an annual cost-of-living adjustment and the contribution allocations are \$2,138,400 for Zone 7, \$49,900 for Watsonville, and \$443,700 for MCWRA from its Zone 1/1A special assessments; and,

WHEREAS, MCWRA needs parts of its Zone 1/1A assessments to pay its administrative and overhead expenses which include third party insurance cost, reimbursements to other government agencies, and charges by other County service departments (see **Exhibit A** for a list of expense categories identified as the administrative and overhead expenses); and,

WHEREAS, in FY 2022-2023, MCWRA will dedicate at least \$250,000 of Zone 1/1A assessment revenue to PRFMA and, for the benefit of Monterey County and public generally, the County will contribute up to \$193,700 in FY 2022-2023 which contribution will be continued annually to cover funding gaps for the next seven years with the final contribution in FY 2029-2030; and,

WHEREAS, the funding gap will be calculated using the difference between MCWRA's maximum cost share amount of \$443,700 and the Zone 1/1A assessments available for PRFMA cost share; it is the expectation of the Parties that as the operations and responsibilities of PRFMA grow, MCWRA's Zone 1/1A assessments be available for contributions to PRFMA will increase; as operations and responsibilities of PRFMA grow, it is expected that MCWRA administrative and overhead expenses will decrease; and the annual contribution by County shall not exceed \$193,700; NOW THEREFORE,

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the County and MCWRA agree as follows:

1. Effective Date and Term.

This MOU will be effective as of the date last signed by either of the Parties and shall continue in effect until June 30, 2030, unless terminated as set forth in Section 3, below.

2. Obligations of the Parties.

- A. In FY 2022-2023, MCWRA will contribute \$250,000 of its Zone 1/1A assessments pursuant to the PRFMA Cost Share Agreement, and the County will contribute \$193,700 to MCWRA to cover the funding gap, so that MCWRA can contribute \$443,700 to PRFMA under the Cost Share Agreement.
- B. Between FY2023-2024 and FY2029-2030, the County will continue to cover funding gaps for next seven years with the final contribution in FY 2029-2030. The funding gaps will be determined as the difference between MCWRA's maximum cost share amount of \$443,700 and Zone 1/1A assessments available for PRFMA. The County's annual contribution to MCWRA for the Cost Share Agreement shall not exceed \$193,700.

3. Termination.

The final contribution by the County shall be in FY 2029-2030, and this MOU shall terminate without further action of the Parties on June 30, 2030. This MOU may be terminated prior to FY 2029-2030 by mutual agreement of the Parties.

4. Indemnification.

To the maximum extent permitted by law, MCWRA shall defend, indemnify and hold harmless the County, its officers, agents, and employees, from and against any and all demands, claims, causes of action, suits, judgments, liabilities, liens, losses, damages, expenses, fines, penalties and assessments (collectively, "damages") incurred or sustained by the County arising from or related to the performance by MCWRA of its obligations under this MOU excepting therefrom any damages arising from or related to the gross negligence or willful misconduct of the County, its officers, agents, or employees.

5. General Provisions.

A. Notices.

All notices regarding performance under this MOU shall be sent by hand delivery, electronic mail, or U.S. mail (certified mail, return receipt requested and postage prepaid) to the persons and addresses listed below. Either party may change the designated person by notice to the other party. If sent by U.S. mail, delivery shall be presumed five (5) days following deposit with the U.S. Postal Service.

<p>To the MCWRA:</p> <p>General Manager 1441 Schilling Pl., North Bldg., Salinas, CA 93901 (831) 755-4860</p> <p>Copy to: Kelly L. Donlon, Assistant County Counsel 168 W. Alisal St., 3rd Floor Salinas, CA 93901 (831) 755-5313</p>	<p>To the County:</p> <p>County Administrative Officer 163 W. Alisal St., Third Floor Salinas, CA 93901 (831) 755-5115</p> <p>Copy to: Leslie J. Girard, County Counsel 168 W. Alisal St., 3rd Floor Salinas, CA 93901 (831) 755-5365</p>
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B. Modifications.

This MOU may be modified or amended only by written agreement of the Parties. No waiver or modification of this MOU or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the Parties hereto.

C. No Waiver.

No covenant or condition of this MOU can be waived except by the written consent of MCWRA. Forbearance or indulgence by MCWRA in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by the County.

D. Sole Agreement.

This MOU contains the entire agreement of the Parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this MOU shall be of no force or effect excepting a subsequent modification in writing, signed by the parties hereto.

E. Authority to Execute.

The persons executing this MOU on behalf of their respective party represent and warrant that they have, or have received, the proper authority to so execute this MOU.

IN WITNESS WHEREOF, the County and MCWRA have caused the Memorandum of Understanding to be executed:

Monterey County Water Resources Agency

County of Monterey

By _____
Brent Buche
General Manager

By _____
Charles J. McKee
County Administrative Officer

APPROVED AS TO FORM:

Monterey County Water Resources Agency

County of Monterey

By _____
Kelly L. Donlon
Assistant County Counsel

Leslie J. Girard
County Counsel

Exhibit A

General Ledger : Object Codes of administrative and overhead expenses for the Cost Share Agreement

Object Code	Object Name
6261	Insurance - General Liability (Non-recoverable)
6262	Insurance - General Liability (Recoverable)
6266	Insurance - Property
6268	Insurance - Other (Pollution Coverage)
6351	Membership Fees
6405	Courier Services - Internal
6406	Mail Handling Charges
6415	Records Retention Charge - Internal
6601	Accounting & Auditing Charges
6603	Data Processing Services - Internal
6607	Legal Service - Internal
7013	Reimbursement to Other Governmental Agencies
7301	Cost Plan Charges

Percent applicable for the cost share contribution calculations as administrative and overhead expenses:

Fund 111 – 2.63%

Fund 112 – 100%