

**MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR SERVICES**

This is an agreement (“Agreement”) between the Monterey County Water Resources Agency, hereinafter called "Agency," and _____, a _____ hereinafter called "CONTRACTOR".

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

1. **Scope of Work.** 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:

 - (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 _____, by CONTRACTOR and Agency, and will terminate on _____, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. 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 CONTRACTOR under this contract is _____, (\$_____).

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 shall submit to Agency an invoice via email to WRACountsPayable@countyofmonterey.gov and to the Contract Administrator listed in Section 27.
- (c) 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.
- (d) 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.
- (e) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

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

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

6. Insurance.

6.1 Evidence of Coverage:

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

This verification of coverage shall be sent to the Agency. 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 coverages, 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 A.M. Best's Rating Guide or a company of equal financial stability that is approved by the Agency.

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, and \$2,000,000 in the aggregate.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to Agency approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to Agency 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.

(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to Agency 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.

(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the Agency requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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.

Additional Insured Status:

The Monterey County Water Resources Agency, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The Monterey County Water Resources Agency, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against Agency, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against Agency, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance and endorsements with the Agency, 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 always 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. 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. Format of Deliverables. For this section, “Deliverables” shall mean all electronic documents CONTRACTOR provides to the Agency under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines (“WCAG”) 2.1, pursuant to the Americans with Disabilities Act (“ADA”). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format (“PDF”) and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the Agency against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State Website: <https://webstandards.ca.gov/accessibility/>.
9. 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.
10. 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.

11. 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.
12. 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.
13. 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.
14. 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.
15. 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.

16. 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.
17. Independent Contractor Compliance with Government Code Section 1097.6(c). This section applies to those situations when a contractor/consultant is awarded a Contract for a preliminary phase of a project, with future phases to be bid separately. This section does not apply to those situations when a Contract is awarded for multiple phases of a project under a single contract/proposal. When applicable, and as described below, CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the Agency with any portion of the Agency's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Agency. The Agency shall at all times retain responsibility for public contracting, including with respect to any subsequent phase stemming from this Agreement. CONTRACTOR's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. CONTRACTOR shall cooperate with the Agency to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if applicable, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.
18. 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.
19. 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.
20. 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.

21. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
22. 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.
23. 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.
24. 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.
25. 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.
26. 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.
27. 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.
28. Contract Administrators.

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

Agency’s designated administrator of this Agreement shall be:

29. 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: _____	Name: _____
Address: _____	Address: _____
Telephone: _____	Telephone: _____
Fax: _____	Fax: _____
E-Mail: _____	E-Mail: _____

30. 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.

31. 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.

32. 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.

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

Exhibit A - Scope of Work/ Work Schedule

Exhibit B - Fee Schedule

34. 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.

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

**MONTEREY COUNTY WATER
RESOURCES AGENCY:**

CONTRACTOR:

BY:

BY:

Ara Azhderian
General Manager

Type Name: _____

Title:

Date:

Date:

BY:

Type Name: _____

Title:

Date:

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

(_____)
Agreement/Amendment No # (_____)

Approved as to form ¹:

Approved as to fiscal provisions:

Chief Assistant County Counsel

Administrative Analyst

Dated: _____

Dated: _____

County Counsel – Risk Manager:

Auditor-Controller ²:

Dated: _____

Dated: _____

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/WORK SCHEDULE

Scope of Work

To: Amy Woodrow, Monterey County Water Resources Agency
From: Claire Sheridan and Janet Clements, One Water Econ
Date: April 10, 2026
Re: Economic Impacts and Ecosystem Service Benefits of MCWRA Infrastructure

Background

The Monterey County Water Resources Agency (MCWRA) would like One Water Econ to conduct a forward-looking, comprehensive assessment of the economic impacts and public benefits generated by the water infrastructure it has developed and manages. This assessment will focus on how these benefits accrue broadly to the public, with a particular focus on the residents of Monterey County. The goals of this effort include:

- Assess current and future economic activity supported by MCWRA infrastructure.
- Value the ecosystem service and environmental benefits supported by MCWRA infrastructure.
- Inform the allocation and recovery of costs across beneficiaries.
- Ensure consistency with parallel / related analyses that have been commissioned by MCWRA and partner agencies.

This memorandum outlines One Water Econ’s scope of work for completing this assessment.

Throughout this project, as directed by the Agency, our team will coordinate with economic teams engaged by the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA), the County of Monterey Agricultural Commissioner’s Office, and other MCWRA consultants to ensure mutual understanding, align data inputs and analyses, and coordinate recommendations related to cost allocation and recovery mechanisms.

Scope of Work

MCWRA’s infrastructure provides essential water supply reliability for a predominantly agricultural region. Reliable water supplies during dry periods sustain agricultural growers, ranchers, farm and ranch workers, and the broader local economy. In addition, MCWRA’s infrastructure and the water resources it manages provide a range of public benefits, including habitat provision, recreation, power generation, and other ecosystem services.

The Nacimiento and San Antonio Reservoirs, along with the Castroville Seawater Intrusion Project (CSIP) and the Salinas River Diversion Facility (SDRF), support surface water flows and ground water recharge; this analysis will not differentiate the benefits of water by source.

Task 1: Project Management

Project management activities will ensure clear communication, efficient coordination, and timely delivery of all work products. Key tasks include:

- Virtual kick-off meeting to review this scope of work and ensure all parties are aligned with the approach, timeline, and data needs.

- Virtual participation in two (2) meetings per month with the MCWRA project manager to communicate progress, submit data requests, and update timelines, assuming a total of 16 project meetings (April – December 2026). One Water Econ staff will coordinate scheduling of meetings, providing agendas and notes.
- Virtual participation in five (5) consulting teams coordination meetings (as described in Task 5)
- Virtual participation in up to two (2) public meetings (such as an Agency committee or Board meeting), with the possibility of in-person attendance as needed. The attached budget includes one (1) in-person meeting attendance for two (2) One Water Econ personnel.
- Virtual participation in up to two (2) stakeholder workshops to present report findings. This task includes time and budget for preparation of materials for distribution. Stakeholder workshops could be combined with in-person attendance of public meetings as desired.
- Prepare and submit monthly invoices and progress reports.

Task 2: Economic Impacts of MCWRA Infrastructure

Under Task 2, One Water Econ will quantify the economic activity supported by MCWRA’s management of local water resources and infrastructure. This task focuses on economic impacts—the direct, indirect, and induced economic activity associated with enhanced agricultural production and other water-dependent activities. In contrast, Task 3 evaluates economic benefits, including ecosystem services and non-market values.

Task 2.1 Agricultural Impacts

Reliable water supplies supported by MCWRA infrastructure allow farmers to avoid crop losses during drought, maintain or improve crop quality and yields, and in some cases extend the growing season. Agriculture, in turn, drives employment, tax revenues, food-processing activity, and broader economic ripple effects across Monterey County and the region. Without reliable water, irrigated agriculture would produce less during dry years, and growers would likely shift to lower-value crops or fallow land during extended drought.

To quantify these impacts, One Water Econ will evaluate how reduced water availability affects crop yields and grower behavior across crop types. The ongoing Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) analysis (led by ERA Economics) provides a strong foundation for understanding farm-level responses to water scarcity. We will coordinate closely with the SVBGSA team to streamline data gathering, avoid duplication, and ensure alignment of data inputs and assumptions.

In addition, under this task our team will:

- Review relevant literature, such as the Monterey County Agricultural Commissioner’s November 2025 report, *Economic Contributions of Monterey County Agriculture*, which provides a strong, sector-wide baseline.
- Conduct interviews with five to seven growers in various agricultural sectors, and other knowledgeable experts identified by MCWRA staff, to understand how reduced water supply affects production levels, crop quality, and growing season.
- Compile spatial data and reports on irrigated agriculture and rangeland and use historical weather data and climate forecasts to estimate how often MCWRA infrastructure will likely prevent reductions (or changes) in irrigated crop production in future years.

All data/analyses will be organized by DWR Bulletin 118 subbasins to reflect current management units. Modeling results from the SVBGSA analysis will inform assumptions about grower responses to reduced water availability and help establish the “no infrastructure” scenario. One Water Econ will apply crop-specific assumptions about irrigator behavior under different water conditions and scale these assumptions based on irrigated acreage in Monterey County. MCWRA and key stakeholders will review and refine assumptions before economic modeling begins.

To quantify the economic impacts of enhanced water supply reliability for agriculture, we will use IMPLAN for Monterey County and surrounding counties. IMPLAN is an industry-standard input-output model that allows us to estimate the “ripple effects” (i.e., indirect and induced impacts) of an economic event within a local economy. In this case, we will use IMPLAN to estimate how reduced agricultural production under a “no MCWRA management alternative” would affect local economic output, employment, labor income, spending, and tax revenues. In addition to capturing impacts to sectors that supply the agricultural industry, IMPLAN recently introduced a forward linkages model, allowing us to better capture impacts on local industries that rely on Monterey County agricultural products. IMPLAN is a county level model; One Water Econ will tailor the model, as necessary, to match agricultural production within the Salinas Valley specifically.

Task 2.2 Water Dependent Industries Impacts

A recent analysis by SVBGSA indicates that domestic, municipal, commercial, and industrial sectors also face challenges from declining groundwater levels and seawater intrusion. Under this subtask, we will extend the water supply reliability analysis beyond agriculture to evaluate how other economic sectors dependent on reliable water supply respond to changes in water availability and/or quality.

This work will include:

- Reviewing relevant literature to understand how reduced water availability affects business operations, employment, and investment decisions across Monterey County.
- Quantifying the economic output, jobs, and tax revenues MCWRA infrastructure facilitates by providing clean and reliable water supplies.

One Water Econ has conducted similar analyses at the national and local levels, using data inputs from IMPLAN as well as relevant literature on the impacts of water supply disruptions to water dependent industries. We will adapt these methods to Monterey County’s industrial and commercial landscape to estimate the economic ripple effects of water reliability across non-agricultural sectors.

Task 2.3 Recreation Impacts

Nacimiento and San Antonio reservoirs generate significant economic activity by supporting recreation. Visitors pay entry fees, stay in local hotels, dine in restaurants, purchase fuel, and buy recreational equipment. Data collected for the 2024 Historical Benefits Analysis (HBA) Report—including visitation, visitor expenditures, and activity types—can be used as inputs to IMPLAN to estimate the economic impacts of reservoir-based recreation in Monterey County, including output, jobs, wages, and tax revenues generated annually.

This valuation focuses on economic activity and differs from the consumer welfare analysis described in Task 3.3, which will estimate recreational benefits from a broader public-value perspective.

Task 3: Ecosystem Services and Environmental Benefits associated with MCWRA Infrastructure/Management

The purpose of Task 3 is to quantify and describe the ecosystem service and environmental benefits supported by MCWRA infrastructure. These benefits extend beyond direct economic activity (described under Task 2) and include the public value of agricultural landscapes, habitat and fisheries, recreation, and hydropower-related improvements.

Task 3.1: Benefits of Irrigated Agriculture and Rangeland

MCWRA infrastructure supports a stable and productive agricultural economy, and the agricultural landscapes it sustains provide a wide range of public benefits. Several agricultural communities in California have quantified the values of agricultural conservation easements, such as the Sonoma County Ag + Open Space [Healthy Lands & Health Economies](#) report; similar reports exist for agricultural lands in Santa Cruz and Santa Clara Counties. Our team will conduct a similar analysis, adapting methods and findings to Monterey County’s agricultural landscape.

Interviews with agricultural growers and other experts in Task 2 will inform the range of benefits provided by MCWRA infrastructure. To supplement this information, our team will conduct three to five additional interviews with local and state government entities that have evaluated agricultural benefits, such as the California Department of Food and Agriculture’s (CDFA’s) Office of Environmental Farming and Innovation (OEFI), and the Resource Conservation District of Monterey County. These interviews will help identify the full suite of potential benefits associated with irrigated farmland and pasture and support the selection of at least five priority benefits for quantitative evaluation. Benefits not amenable to quantification will be described qualitatively.

Agriculture-related benefits that may be evaluated include:

- **Wildlife habitat** – farmland and pasture can provide habitat for resident and transient wildlife (e.g. migratory birds)
- **Recreation and cultural** – farmland can provide a scenic backdrop and/or specific places for wildlife viewing, nature walks, outdoor recreation, entertainment, and educational experiences
- **Pollinator support** – farmland can provide habitat for pollinators that can help pollinate wild and cultivated plants
- **Nutrient cycling** – farmland can provide buffers that can help sequester and cycle nutrients such as nitrogen and phosphorus
- **Carbon storage** – farmland can store carbon over time, including when cultivated with specific conservation practices that encourage carbon storage
- **Wildfire protection** – agricultural areas can help protect people and property from wildfires
- **Soil Structure, Stability and Fertility** – maintaining healthy soils can reduce erosion, prevent landslides, suppress pathogens, sequester carbon, and purify water

Results from a high-level screening analysis will be presented to MCWRA during a regularly scheduled management call to prioritize and establish appropriate and desired benefits to be valued. The selected benefits will be quantified using willingness-to-pay studies, avoided cost approaches, and standard benefit transfer methods. Where relevant, values will be estimated under different water-availability conditions.

Task 3.2: Benefits Biodiversity and Habitat from Fish Flows

Evaluating the habitat and fisheries benefits of MCWRA infrastructure requires a distinct analytical approach. Rather than comparing conditions with and without infrastructure, we will compare the value of habitat created under the current reservoir operational practices fish-flow prescription instituted in 2010 to the habitat that would have been lost without these releases.

Our team has previously researched the value of fish flows for steelhead and salmon in California and will apply those findings to the Salinas Valley using a benefits transfer approach, as relevant. We also review willingness-to-pay/non-market valuation studies related to fish flows, fish habitat, and riverine preservation in this region. These studies will help estimate the value that residents place on living in a region that supports functioning fish habitat and healthy river ecosystems.

Task 3.3: Benefits of Recreation at Nacimiento and Antonio Reservoirs

Nacimiento and San Antonio reservoirs provide significant recreational value to residents of Monterey County and surrounding communities. Activities such as camping, boating, fishing, hiking, swimming, and picnicking generate benefits to participants that exceed park entry fees.

For the 2024 HBA Report, One Water Econ evaluated the historical recreational benefits at both reservoirs. This analysis can be readily updated using current visitation data, applying the previous valuation framework to estimate the benefits generated by maintaining recreational amenities. To ground the analysis in present-day conditions, we will interview at least one staff member from the Monterey County Parks Department to understand current visitation patterns.

This analysis will estimate an average annual benefit value, and project ranges of possible future values to support long-term planning and cost-allocation discussions.

Task 3.4: Hydropower generation and associated improvements to air quality

Hydropower generated at Nacimiento Dam provides a clean and inexpensive source of energy for the Bay Area Rapid Transit District. By avoiding the cost of traditional gas or coal powered energy, the generation of hydropower improves air quality and reduces the costs associated with pollutant-related health outcomes. One Water Econ valued historical power generation and the benefits of avoided emissions for the 2024 HBA Report; we can estimate these benefits into the future using recent energy pricing data and projected increases. The analysis will report average annual benefit values to align with the other analyses, and project these annual benefit values forward to support long-term planning and cost-allocation discussions.

Task 4: Cross Analysis Collaboration - Translating Benefits to Cost Recovery Allocation

MCWRA faces rising costs as its dam infrastructure ages and requires increasingly expensive maintenance. A cost-allocation framework will provide a systematic method for distributing a portion of these costs across beneficiary groups based on the benefits they receive. Findings from the economic impact and benefits analyses (Tasks 2 and 3) will inform the identification and characterization of these beneficiaries.

Vega Economics is leading a cost allocation/rate analysis focused on dam related, regulatory compliance costs for MCWRA. As directed by MCWRA, we will work with Vega and other consultants conducting related efforts to understand the results of their studies and determine what portion of those costs could be recovered from

external sources. Our team will participate in up to five (5) meetings with other consulting teams to coordinate closely, ensuring our assumptions and recommendations align. If our frameworks diverge in assumptions or findings, we will clearly document the basis for those differences.

Task 5: Report & Presentations

For the final task, One Water Econ will prepare a comprehensive report describing the methods and results of the analyses conducted in Tasks 2 and 3, along with recommendations developed under Task 4. The draft report will include:

- An executive summary
- Figures and tables presenting estimates of economic impacts and monetized benefit values
- A discussion of implications for cost-recovery and allocation, developed in collaboration with other consulting teams

Our team will present the findings of our analyses prior to submitting a draft report to gather initial impressions and feedback from MCWRA staff. Once the draft report is submitted, MCRWA will have the opportunity to review and provide one round of comments. Based on feedback from MCWRA, other consulting teams, and relevant stakeholders, One Water Econ will revise the draft and submit a final report. The presentation will also be updated and submitted for MCWRA to use to communicate study findings to other stakeholders and the public.

Schedule and Budget

Figure 1 presents the anticipated timeline for each project task, including key deliverables and coordination meetings, with the final report scheduled for completion by the end of 2026. One Water Econ proposes delivering a full draft analysis and report to MCWRA in late October, with time for MCWRA staff and other stakeholders to review the draft in late October and early November. This allows our team time to revise the report based on comments received.

The timing of public meetings and any desired in-person meetings will be determined in consultation with MCWRA. We will work closely with the Agency to adjust the schedule as needed to align project priorities and the timelines of related consulting efforts.

Figure 1. Timeline

Task	2026												
	April	May	June	July	Aug	Sept	Oct	Nov	Dec				
Task 1. Project Management	★	★	★	★	★	★	★	★	★	★	★	★	★
Task 2. Economic Impacts													
Task 3. Economic Benefits													
Task 4. Cross Analysis Collaboration		★		★		★		★		★		★	
Task 5: Final Report and Presentations								★	★				★

★ Meetings ★ Interim/Draft Deliverables ★ Final Deliverables

*Timing for public and stakeholders’ meetings will be determined as appropriate and necessary as directed by MCWRA staff

Table 1 presents our proposed budget based on our understanding of project expectations and deliverables. We are happy to adjust the budget and associated level of effort to best meet MCWRA’s needs.

EXHIBIT B
FEE SCHEDULE

Table 1. Proposed Budget

Task	Description	Clements	Sheridan	Associate	Henderson	Subtotal Hours	Subtotal Cost
		\$290	\$200	\$140	\$242		
1	Project Management					130	\$29,936
	Kick Off	2	4	0	2	8	\$1,864
	Meetings with MCWRA	8	16	0	8	32	\$7,456
	Public & Stakeholder meetings	20	22	0	6	48	\$11,652
	Internal meetings & admin	6	16	8	12	42	\$8,964
2	Economic Impacts					297	\$55,134
2.1	Data Gathering & Interviews	0	32	36	7	75	\$13,134
2.2	Agricultural Impacts	20	20	60	10	110	\$20,620
2.3	Water Dependent Industries	10	10	30	0	50	\$9,100
2.4	Recreation	4	10	20	0	34	\$5,960
	Quality Assurance/Control	8	20	0	0	28	\$6,320
3	Benefits Generated by MCWRA Infrastructure					242	\$52,180
3.1	Agriculture Lands	2	20	40	90	152	\$31,960
3.2	Fisheries	0	20	0	5	25	\$5,210
3.3	Recreation	0	10	0	0	10	\$2,000
3.4	Hydropower	0	10	0	5	15	\$3,210
	Quality Assurance/Control	20	20	0	0	40	\$9,800
4	Cross Analysis Collaboration					35	\$8,110
	Working sessions	5	10	0	5	20	\$4,660
	Develop recommendations	5	10	0	0	15	\$3,450
5	Report and Presentation					150	\$33,252
	Draft Report	20	40	20	40	120	\$26,280
	Presentation	4	6	0	2	12	\$2,844
	Final Report	4	10	0	4	18	\$4,128
	Labor Total	138	306	214	196	854	\$178,612
	Optional Travel Expenses						\$2,000
	IMPLAN Purchase						\$10,000
	Proposed Total Budget						\$190,612