

# Attachment A

**AMENDMENT NO. 10  
TO AGREEMENT  
BETWEEN THE COUNTY OF MONTEREY  
BORONDA COUNTY SANITATION DISTRICT (BCSD) AND  
MCSI WATER SYSTEMS MANAGEMENT**

**THIS AMENDMENT NO. 10** to Agreement No. A-12523 between the County of Monterey, a political subdivision of the State of California, acting as the Board of Directors of the Boronda County Sanitation District (BCSD) (hereinafter, "County/BCSD") and MCSI Water Systems Management (hereinafter, "CONTRACTOR") is hereby entered into between the County/BCSD and the CONTRACTOR (collectively, the "Parties") as of the last date opposite the respective signatures below.

**WHEREAS**, CONTRACTOR entered into Agreement No. A-12523 with County/BCSD on July 30, 2013, (hereinafter, "Agreement") to provide management, operation and maintenance (hereinafter, "services") of the County/BCSD - San Jerardo Water System (hereinafter, "Water System or Project") under Request for Proposals (RFP) #10355 for an initial term to commence with the signing of the Agreement through and including March 31, 2014 with the option to extend the Agreement for four (4) additional one (1) year periods for an annual not to exceed amount of \$60,396 and for an amount not to exceed \$181,188 for the first three (3) years of the Agreement; and

**WHEREAS**, the Monterey County Board of Supervisors, acting as the Board of Directors of the BCSD, authorized the Contracts/Purchasing Officer to execute the Agreement and future amendments as stated in the Agreement; and

**WHEREAS**, Agreement was amended by the Parties on March 26, 2014 (hereinafter, "Amendment No. 1") to extend the term for one (1) additional year through March 31, 2015 with no increase to the not to exceed amount; and

**WHEREAS**, Agreement was amended by the Parties on February 24, 2015 (hereinafter, "Amendment No. 2") to extend the term for one (1) additional year through March 31, 2016 with no increase to the not to exceed amount; and

**WHEREAS**, Agreement was amended by the Parties on April 1, 2016 (hereinafter, "Amendment No. 3") to extend the term for one (1) additional year through March 31, 2017 and to increase the amount by \$60,396 which resulted in a total not to exceed amount of \$241,584; and

**WHEREAS**, Agreement was amended by the Parties on April 10, 2017 (hereinafter, "Amendment No. 4") to extend the term for one (1) additional year through March 31, 2018 and to increase the amount by \$70,000 which resulted in a total not to exceed amount of \$311,584; and

**WHEREAS**, Agreement was amended by the Parties on April 24, 2018 (hereinafter, "Amendment No. 5", including Exhibit D-1, Rate Sheet for Additional Services, effective April 24, 2018) to

extend the term for one (1) additional year through March 31, 2019 and to increase the amount by \$70,000 which resulted in a total not to exceed amount of \$381,584; and

**WHEREAS**, Agreement was amended by the Parties on April 1, 2019 (hereinafter, “Amendment No. 6”, including Exhibit D-2, Rate Sheet for Additional Services, effective April 1, 2019) to extend the term for one (1) additional year through March 31, 2020 and to increase the amount by \$70,000 which resulted in a total not to exceed amount of \$451,584; and

**WHEREAS**, Agreement was amended by the Parties on March 23, 2020 (hereinafter, “Amendment No. 7”) to extend the term for two (2) additional years through March 31, 2022 and to increase the amount by \$140,000 which resulted in a total not to exceed amount of \$591,584; and

**WHEREAS**, Agreement was amended by the Parties on March 30, 2022 (hereinafter, “Amendment No. 8”) to extend the term for one (1) additional year through March 31, 2023 and to increase the annual amount by \$70,000 which resulted in a total not to exceed amount of \$661,584; and

**WHEREAS**, Agreement was amended by the Parties on March 17, 2023 (hereinafter, “Amendment No. 9”, including Exhibit D-3 – Rate Sheet for Additional Services, effective April 1, 2023) to update the rates for additional services, to extend the term for two (2) additional years through March 31, 2025, and to increase the annual amount by \$120,792 (\$60,396 per year) plus an additional \$19,208 (\$9,604 per year) for additional anticipated services, for a total increase of \$140,000, which resulted in a total not to exceed amount of \$801,584; and

**WHEREAS**, the following items have been completed: 1) repairs to the Water System control panel, fire pump/generator, 2) improvements to complete the emergency intertie with the Foothill Estates Water System, and 3) installation of two (2) metered connections to benefit the property adjacent to the production well site per the terms of the Purchase Agreement for the production well site between the County/BCSD and the production well site sellers Juan and Rosa Gutierrez; and

**WHEREAS**, the County/BCSD has a continued need for services, beyond the anticipated Agreement term allowed per RFP #10355 to prepare for transfer of the Water System to the San Jerardo Housing Cooperative, Inc.; and

**WHEREAS**, the California State Water Resources Control Board supports the transfer of the Water System to the San Jerardo Housing Cooperative, Inc., and due to CONTRACTOR’s extensive knowledge of the Water System, it is beneficial to retain CONTRACTOR through completion of the necessary repairs and improvements to avoid delays in the transfer of the Water System; and

**WHEREAS**, the Parties agree that the CONTRACTOR’s annual cost for the services of the Project in Exhibit D – Revised Cost Estimate Sheet and the rates and charges for additional services

in Exhibit D-3 – Rate Sheet for Additional Services of the Agreement remain valid through June 30, 2027; and

**WHEREAS**, various provisions of the Agreement require an update; and

**WHEREAS**, additional time and funding are necessary to allow CONTRACTOR to continue to provide the services required by the County/BCSD; and

**WHEREAS**, the Parties wish to further amend the Agreement to update various provisions of the Agreement, extend the term for twenty-seven (27) additional months to June 30, 2027, and increase the annual amount by \$120,792 (\$60,396 per year) plus an additional \$19,208 (\$9,604 per year) for additional anticipated services, for a total increase of \$140,000, and a total amount not to exceed \$941,584 to allow CONTRACTOR to continue to provide tasks identified in the Agreement and as amended by this Amendment No. 10.

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

1. Amend the first sentence of Paragraph 3.1 of Section 3.0, “Term of Agreement”, to read as follows:

The initial term shall commence with the signing of the Agreement on July 30, 2013 through and including June 30, 2027.

2. Amend Paragraph 4.1.1 of Section 4.0, “Compensation and Payments”, to read as follows:

This Agreement shall not exceed \$941,584 for the fourteen (14) year term of the Agreement. Further, the parties understand and agree that the annual not to exceed amount for the initial four (4) years shall not exceed \$60,396 and that the annual not to exceed amount for all subsequent years shall not exceed \$70,000.

3. Amend Paragraph 4.2 of Section 4.0, “Compensation and Payments” to read as follows:

Prices/changes shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

4. Amend Paragraph 4.3 of Section 4.0, “Compensation and Payments” to read as follows:

Negotiations for price/rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

5. Amend Section 4.0, “Compensation and Payments” to add the following Paragraph 4.7:

Invoice amounts shall be billed directly to the ordering department.

6. Amend Section 4.0, "Compensation and Payments" to add the following Paragraph 4.8:

CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. The Contract Administrator or his or her designee shall certify the invoice; either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7. Amend Section 4.0, "Compensation and Payments" to add the following Paragraph 4.9:

CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement. If reimbursement for mileage expenses is set forth in this Agreement in Exhibit A – Scope of Services/Payment Provisions, then the Parties agree that CONTRACTOR and its subcontractors shall be reimbursed for mileage based upon the Internal Revenue Service (IRS) standard business mileage rate at the time of travel. If reimbursement for travel expenses is set forth in this Agreement in Exhibit A – Scope of Services/Payment Provisions, then the Parties agree that CONTRACTOR and its subcontractors shall be reimbursed for travel expenses as set forth in the applicable U.S. General Services Administration (US GSA) Per Diem Rates for the Primary Destination at the time of travel.

8. Amend Paragraph 7.2, "Insurance Coverage Requirements", of Section 7.0, "Insurance Requirements", to read as follows:

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 County 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 County 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 County 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 County requires and shall be entitled to the broader coverage and/or higher limits maintained by the CONTRACTOR.

9. Amend Paragraph 7.3, “Other Insurance Requirements”, of Section 7.0, “Insurance Requirements”, to read as follows:

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

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

Additional Insured Status:

The County of Monterey, its officers, officials, employees, 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 Agreement, 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 to the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, 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.

Waiver of Subrogation:

CONTRACTOR hereby grants to County a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the County by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's Contract Administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10. Amend Agreement to add Paragraph 10.3, "Independent Contractor Compliance with Government Code Section 1097.6(c)", under Section 10.0, "Overriding Contractor Performance Requirements", as follows:

This section applies to those situations when a CONTRACTOR is awarded an Agreement for a preliminary phase of a project, with future phases to be bid separately. This section does not apply to those situations when an Agreement is awarded for multiple phases of a project under a single Agreement/proposal. When applicable, and as described below, CONTRACTOR's duties and services under this Agreement shall not include preparing or assisting the public entity with any portion of the public entity's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the public entity. The public entity entering this Agreement shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. 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 public entity to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by CONTRACTOR pursuant to this Agreement.

11. In all places within the Agreement, any reference to County's email address of [PWFP-Finance-AP@co.monterey.ca.us](mailto:PWFP-Finance-AP@co.monterey.ca.us) for invoicing, is hereby replaced with [PWFP-Finance-AP@countyofmonterey.gov](mailto:PWFP-Finance-AP@countyofmonterey.gov).
12. All other terms and conditions of the Agreement, including all Exhibits thereto, remain unchanged and in full force.



13. This Amendment No. 10 and all previous amendments shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.
14. The recitals to this Amendment No. 10 are incorporated into the Agreement and this Amendment No. 10.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 10 to the Agreement which shall be effective as of the last date opposite the respective signatures below.

**COUNTY OF MONTEREY/BCSD**

**Debra R. Wilson, Contracts/Purchasing Officer**

By: \_\_\_\_\_

Its: \_\_\_\_\_  
(Print Name and Title)

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

**Approved as to Form**

**Office of the County Counsel**

**Susan K. Blitch, County Counsel**

Signed by:  
By: Michael J. Whilden  
2C6F38174D4940D  
Michael J. Whilden  
Deputy County Counsel

Date: 2/24/2025 | 2:36 PM PST

**Approved as to Fiscal Provisions**

**Rupa Shah, Auditor/Controller**

By: Jennifer Forsyth  
4E7E657875454AE...

Its: Auditor-Controller Analyst II  
(Print Name and Title)

Date: 2/25/2025 | 8:52 AM PST

**Approved as to Indemnity and Insurance Provisions**

**Office of the County Counsel – Risk Management**

**Susan K. Blitch, County Counsel**

By: \_\_\_\_\_  
David Bolton  
Risk Manager

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

**CONTRACTOR**

**MCSI Water Systems Management**

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

Its: Ross L. Hatch, President  
(Print Name and Title)

Date: 2/21/25

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

Its: Russell L. Hatch, CFO  
(Print Name and Title)

Date: 2/21/25

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.