

THE MONTEREY BAY AREA REGIONAL CLIMATE PROJECT WORKING GROUP (RCPWG) MEMORANDUM OF UNDERSTANDING (“MOU”)

1. RCPWG Members and Purpose of MOU

The Monterey Bay Area Regional Climate Project Working Group (RCPWG) Memorandum of Understanding (“MOU”) is an agreement by and between the participating public agencies listed below:

CITY OF CAPITOLA

CITY OF CARMEL-BY-THE-SEA

CITY OF MARINA

CITY OF MONTEREY

CITY OF SALINAS

CITY OF SANTA CRUZ

CITY OF WATSONVILLE

COUNTY OF MONTEREY

COUNTY OF SAN BENITO

THE ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

The purpose of this MOU is to define and formalize the working relationship among the parties listed above (individually referred to as “Party” and collectively referred to as the “Parties”), in the Monterey Bay Area Regional Climate Project Working Group (RCPWG). This MOU defines the shared goals and objectives of the Parties as they collaborate in operating the RCPWG and establishes necessary administrative and governance structures to promote a cooperative relationship for ensuring successful development and implementation of RCPWG activities.

2. Mission

Climate change is a priority issue for organizations across the Monterey Bay Area region. A focused and coordinated approach to pursuing competitive funding and other resources needed is required to unite the region in achieving equitable and resilient outcomes. Access to large-scale, transformative grant opportunities has the potential to accelerate implementation of climate change mitigation and adaptation projects and programs across the tri-county Monterey Bay Area region, including increasing access to funding for individual jurisdictions.

The RCPWG’s mission is to collaborate among organizations in the Monterey Bay Area, including Santa Cruz, San Benito, and Monterey counties, to develop, prioritize, secure funding for, and effectively and equitably implement regionally beneficial climate mitigation, adaptation, and hazard mitigation projects and programs. The RCPWG works with its members and regional

partners to secure funding for regional grants that individual members may not have the ability to secure on their own; effectively and equitably allocate funding for ambitious climate action and resilience projects; establish more effective collaboration mechanisms to align policies and projects to best address our region's most pressing climate equity challenges; and activate working groups to support deeper coordination amongst RCPWG members and non-member agencies, foundations, nonprofits, academia, and other partners to advance specific project priorities.

3. Background

The RCPWG emerged as a concept in 2021-2022 when a group of local government and nonprofit representatives across the Monterey Bay Area, encompassing Monterey, San Benito, and Santa Cruz counties, began meeting informally on a monthly basis. Through these meetings, the group recognized an opportunity to pursue large regional grants for decarbonization and climate resilience by working collaboratively as a region, both to overcome individual capacity constraints and compete with larger, better-resourced metropolitan regions.

In February 2022, City of Santa Cruz, City of Watsonville, County of Monterey, County of San Benito, County of Santa Cruz, and Ecology Action, a regional nonprofit organization, each made an initial contribution to fund start-up activities to support regional collaboration on grant applications. The Community Foundation of Santa Cruz served as the RCPWG's initial fiscal sponsor and in 2023, fiscal sponsorship transitioned to the County of Santa Cruz.

Since 2022, the RCPWG was successfully awarded the following grants to support the development of RCPWG's governance structure and implement regional climate projects, totaling over \$33 million:

- \$15,713,981 award from the CA Air Resources Board to pioneer the Monterey Bay Municipal Fleet Electrification and Workforce Accelerator with member jurisdictions.
- \$14,346,751 award from the U.S. Department of Transportation to install 6 solar/battery microgrids and 252 public EV chargers in "disadvantaged" and low-income communities and implement workforce training. While RCPWG's application was awarded, disbursement has been paused due to federal administration changes.
- \$2 million award from the Department of Energy (DOE) for residential decarbonization, electrification, and weatherization improvements.
- \$649,335 award from the CA Governor's Office of Land Use and Climate Innovation (LCI) to develop the Monterey Bay Area Climate Adaptation and Resilience Implementation and Funding Roadmap.
- \$250,000 award from the National Oceanic and Atmospheric Administration (NOAA) to secure funding to implement priority projects identified in the Monterey Bay Area Climate Adaptation and Resilience Implementation and Funding Roadmap.

- \$100,000 award from Central Coast Community Energy (3CE) to develop RCPWG’s interim charter and an initial grant strategy and to support grant writing for electrification-focused funding proposals.
- \$15,000 award from the Urban Sustainability Directors’ Network (USDN) to explore governance options and develop strategies for engaging community-based organizations.

4. Structure and Governance

The RCPWG shall be governed pursuant to the RCPWG Charter and By-laws, attached hereto as Exhibit A, which defines RCPWG’s membership types, leadership and decision-making structure, and channels for effective and transparent communication. The RCPWG is led by a Chair, Vice Chair, Fiscal Sponsor, and Strategy Team involving one or more representative(s) from each Party.

The Fiscal Sponsor provides administrative and financial management support to the RCPWG. Upon execution of this MOU, the Association of Monterey Bay Area Governments (AMBAG) shall assume the role of Fiscal Sponsor for a two-year term and the County of Santa Cruz shall transfer any remaining RCPWG project funds to AMBAG within 60 days of the MOU taking effect.

The RCPWG is funded by annual member contributions, set for a period of two years, based on a recommended sliding scale of \$5,000 to \$30,000. Local agency member contributions are individually determined based on each member’s ability to contribute to the RCPWG. Regional agency members contribute a recommended minimum of \$75,000, unless otherwise approved by the Strategy Team, to support RCPWG operations and specific outcomes identified by the regional agency in collaboration with the Chair, Vice Chair, and Fiscal Sponsor.

Annual RCPWG member contributions for FY 2026-27 and FY 2027-28 are as follows:

MEMBER AGENCY	ANNUAL DUES
City of Capitola	\$5,000
City of Carmel-by-the-Sea	\$5,000
City of Marina	\$5,000
City of Monterey	\$5,000
City of Salinas	\$7,500
City of Santa Cruz	\$20,000
City of Watsonville	\$5,000

MEMBER AGENCY	ANNUAL DUES
County of Monterey	\$30,000
County of San Benito	\$15,000
The Association of Monterey Bay Area Governments	\$75,000

On July 1, 2026 or upon the MOU Effective Date, AMBAG in its role as the RCPWG Fiscal Sponsor will invoice member agencies for their FY 2026-27 dues. On July 1, 2027, AMBAG in its role as the RCPWG Fiscal Sponsor will invoice member agencies for their FY 2027-28 dues. Member dues shall be payable within 45 days of invoice, unless otherwise mutually agreed in writing by the applicable member and Fiscal Sponsor. At a member's request, and upon approval by the Fiscal Sponsor, invoices may be consolidated to cover multiple years of member dues.

5. Withdrawal and Termination

The MOU will continue until terminated by two-thirds majority vote of the Parties. Any Party can withdraw from the RCPWG on 30 days' written notice to the other Parties.

Withdrawal shall not relieve a Party of obligations previously incurred under grant agreements, contracts, or approved work plans entered into prior to the effective date of withdrawal.

6. Adding a Partner to the MOU

Any local government located within the geographical area of the RCPWG, which shall encompass Monterey, San Benito, and Santa Cruz counties, is eligible to become a member of the RCPWG and a Party to the MOU. Any regional government agency located within this geographical area of the RCPWG is eligible to become a regional agency member of the RCPWG and a Party to the MOU. Any higher education institution located within the geographical area of the RCPWG is eligible to become a higher education member of the RCPWG and a Party to the MOU.

Local agency member applications shall be automatically approved by the Strategy Team. The Strategy Team shall review member applications from regional agencies and higher education institutions and vote to add a new member to the RCPWG. A unanimous vote and re-signing of the MOU by all parties are required to formally add new members.

Current and new voting members must provide an annual contribution within 45 days of receiving an invoice to support the administration and operations of the RCPWG in accordance with Section 4 of this MOU.

Upon the addition of a new member, the RCPWG Fiscal Sponsor shall manage an amendment process to this MOU pursuant to Section 9 below to formalize the addition of a new member. This amendment process shall be initiated within one year of the approval to add a new member.

7. Agreement to Mediate Dispute

In the event a dispute arises between any of the Parties regarding the governance or operations of the RCPWG, and an informal resolution cannot be reached, the Parties agree to submit the dispute to mediation. The mediation shall be held before a neutral attorney, a retired judge, or a third party mediator. The selection of the mediator shall be determined by a two-thirds majority vote of the Strategy Team. Should the Strategy Team be unable to select a mediator, the Fiscal Sponsor shall select a mediator based on input from the Strategy Team. The Parties shall make their best efforts to schedule the mediation as soon as possible after the selection of the mediator. Costs for the mediation shall be split equally between the Parties to the dispute.

8. Counterparts

This MOU may be executed in counterparts, each of which is an original and all of which constitute one and the same instrument.

9. Amendments

This MOU may be amended only by a unanimous vote of all Parties to this MOU. Amendments must be in writing and executed by authorized representatives from all Parties. Amendments shall take place no more than once a year.

10. Liability

Each Party's respective employees remain subject to the direction and control of their respective employer and shall not be considered as an employee of the other Parties. Each Party shall be responsible for the acts or omissions of its respective employees and volunteers and shall incur any liabilities arising out of the acts or omissions of its respective employees and volunteers relating to this MOU.

Each Party shall bear their own respective costs related to administering any obligations under this MOU and retain financial and any other responsibility for the employment, salary, benefits, and terms and conditions of all staff or employees assigned to work pursuant to this MOU.

Nothing in this MOU obligates any Party to assume liability for grants funds administered by or through the RCPWG or by or through the Fiscal Sponsor, except to the extent such Party separately agrees to obligations under a specific grant agreement.

11. Notices

Any and all notices required to be given pursuant to the terms of this MOU shall be provided electronically or in writing. Written notices shall be by personal service or sent by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

City of Capitola

Jamie Goldstein
City Manager
420 Capitola Ave
Capitola, CA, 95010
(831) 475-7300
jgoldstein@ci.capitola.ca.us

City of Marina

Layne Long
City Manager
211 Hillcrest Ave,
Marina, CA 93933
(831) 884-1278
llong@cityofmarina.org

City of Salinas

Rene Mendez
City Manager
200 Lincoln Ave
Salinas CA 93901
(831) 758-7201
Rene.Mendez@salinas.gov

City of Watsonville

Tamara Vides
City Manager
275 Main Street, Suite 400
Watsonville, CA 95076
(831) 768-3034
tamara.vides@watsonville.gov

County of San Benito

Esperanza Colio Warren
County Executive Officer
481 Fourth Street
Hollister, CA 95023
(831) 636-4000
ecolio@sanbenitocountyca.gov

City of Carmel-by-the-Sea

Brandon Swanson
Acting City Administrator
PO Box CC
Carmel-by-the-Sea, CA, 93921
(831) 620-2000
bswanson@ci.carmel.ca.us

City of Monterey

Dante Hall
City Manager
580 Pacific Street
Monterey, CA 93940
(831) 646-3760
dhall@monterey.org

City of Santa Cruz

Matt Huffaker
City Manager
809 Center Street Room 10
Santa Cruz, CA 95060
(831) 420-5011
mhuffaker@santacruzca.gov

County of Monterey

Sonia De La Rosa
County Administrative Officer
168 W. Alisal St, 3rd Floor
Salinas, CA 93901
(831) 755-5029
DeLaRosaSM@countyofmonterey.gov

**The Association of Monterey Bay
Area Governments**

Amaury Berteaud
Director of Sustainability Programs
24580 Silver Cloud Ct
Monterey, CA, 93940
(831) 264-5089
aberteaud@ambag.org

12. California Public Records Act

The Parties are public agencies subject to the disclosure requirements of the California Public Records Act (“CPRA”). If a Party’s proprietary information is contained in documents or information submitted to the other Parties pursuant to this MOU, and the Party claims that such information falls within one or more CPRA exemptions, the Party must clearly mark such information “Confidential” or “Confidential and Proprietary,” and identify the specific lines containing the information. In the event of a request for such information, the Party that received the CPRA request will make best efforts to provide notice to the applicable Party prior to such disclosure. If a Party contends that any such documents are exempt from disclosure under the CPRA and wishes to prevent disclosure, and the Party receiving the CPRA request disagrees, it is required to obtain a protective order, injunctive relief, or other appropriate remedy from a court of competent jurisdiction. If the Party seeking to prevent disclosure fails to obtain such remedy prior to disclosure of the requested records as required under the CPRA, the Party that received the CPRA request may disclose the requested information without any liability.

13. Entire Agreement and Modification

This MOU supersedes all previous MOUs and agreements between the Parties related to the subject of this MOU and constitutes the entire understanding of the Parties.

The Parties agree that this MOU is independent of any other contract(s), Memorandum of Agreement, and/or any other agreements not expressly pertaining to the RCPWG among or between the Parties.

14. Severability

The unenforceability, invalidity, or illegality of any provision(s) of this MOU shall not render the other provisions unenforceable, invalid, or illegal.

15. Governing Law

This MOU shall be governed by and interpreted in accordance with California Law.

16. Signatories and Warranty of Authority

IN WITNESS WHEREOF, the undersigned warrant and represent that each is authorized to execute this MOU and that their respective signatures serve to legally obligate their respective representatives, agents, successors, and assigns to comply with the provisions of this MOU, and the undersigned have executed this Memorandum of Understanding on the dates set forth below, to be effective on _____ (“Effective Date”) as established by the final signatory, AMBAG as RCPWG’s Fiscal Sponsor.

City of Capitola

Signature: _____ Date: _____
Jamie Goldstein, City Manager

City of Carmel-by-the-Sea

Signature: _____ Date: _____
Brandon Swanson, Acting City Administrator

City of Marina

Signature: _____ Date: _____
Layne Long, City Manager

City of Monterey

Signature: _____ Date: _____
Dante Hall, City Manager

City of Salinas

Signature: _____ Date: _____
Rene Mendez, City Manager

City of Santa Cruz

Signature: _____ Date: _____
Matt Huffaker, City Manager

City of Watsonville

Signature: _____ Date: _____
Tamara Vides, City Manager

County of Monterey

Signature: _____ Date: _____
Sonia De La Rosa, County Administrative Officer

County of San Benito

Signature: _____ Date: _____
Esperanza Colio Warren, County Executive Officer

The Association of Monterey Bay Area Governments

Signature: _____ Date: _____
Maura F. Towney, Executive Director

EXHIBIT A

Monterey Bay Area Regional Climate Project Working Group Charter and By-laws (“RCPWG Charter and By-laws”)

1. The Challenge and Opportunity

Climate change is a priority issue for organizations across the Monterey Bay Area region. A focused and coordinated approach to pursuing competitive funding and other resources needed is required to unite the region in achieving equitable and resilient outcomes. Access to large-scale, transformative grant opportunities has the potential to accelerate implementation of climate change mitigation and adaptation projects and programs across the three-county region, including increasing access to funding for individual jurisdictions.

2. Mission

The Monterey Bay Area Regional Climate Project Working Group (RCPWG) collaboratively develops, prioritizes, secures funding for, and effectively and equitably implements regionally beneficial climate mitigation, adaptation, resilience, and hazard mitigation projects and programs. The RCPWG collaborates among groups and organizations in the Monterey Bay Area region, which includes Santa Cruz, San Benito, and Monterey counties.

3. Membership

Members of the RCPWG benefit from being part of and collaborating with an established network of partners across the Monterey Bay Area to lead to the development and implementation of projects that address shared climate mitigation and adaptation priorities. RCPWG members benefit from defining and prioritizing regionally beneficial projects, learning about grant opportunities, accessing consultant support to develop joint grant applications, and collaborating on funded projects. RCPWG members have the opportunity to collaborate on grant applications to secure funding for priority projects and new staff positions.

RCPWG membership includes dues-paying local agencies, regional agencies, and higher education institutions.

Local Agency Members (voting members): Dues-paying cities and counties within the Monterey Bay Area, which includes Monterey, San Benito, and Santa Cruz counties are voting members of the RCPWG.

Regional Agency Members (voting members): Dues-paying regional agencies working across the entirety of the Monterey Bay Area are voting members of the RCPWG. Regional agencies

may coordinate with the Chair and Vice Chair, and with consent of voting members, to define RCPWG aligned priorities and specific outcomes that their annual contribution will support.

Higher Education Members (voting members): Dues-paying higher education institutions based within the Monterey Bay Area are voting members of the RCPWG.

Advisory Members: Regional agencies, 501(c)3 nonprofit organizations, higher education institutions, or tribal organizations/governments may serve as non-voting advisors and attend RCPWG Strategy Team meetings upon consent of voting members.

Observers: Potential members may request to send up to two representatives to participate in RCPWG meetings as non-voting observers. Local agencies, regional agencies, and higher education institutions may participate as non-voting observers without prior approval required.

Members are expected to provide member agency staff rates on an annual basis to the Fiscal Sponsor and the Managing Consultant to support RCPWG grant writing efforts.

4. Leadership & Decision Making

The RCPWG is led by a Chair, Vice Chair, and Strategy Team and is supported by a Fiscal Sponsor and Managing Consultant (as defined below). All RCPWG decision-making and spending matters will be subject to any policies governing the Fiscal Sponsor. The RCPWG prioritizes consensus-based decision-making, whereby members deliberate with the aim of reaching an outcome that is supported by all voting members. When consensus cannot be reached, decisions will be made by consent, meaning the absence of objections, which supports accelerated decision making. Consensus requires all members to agree with the decision, while consent allows for disagreement as long as no one objects to the decision. If neither consensus nor consent is attainable, decisions will be made by a two-thirds majority vote.

Chair and Vice Chair: The RCPWG is led by a Chair and Vice Chair, designated by a two-thirds majority vote of the voting members of the RCPWG, each serving a one-year term and with no term limits. Any representative of a voting member organization is eligible to serve as Chair or Vice Chair.

The Chair and Vice Chair provide overall leadership and strategic guidance, including setting Strategy Team meeting agendas, chairing Strategy Team meetings, and facilitating an annual work planning process for the Managing Consultant. The Chair and Vice Chair, along with the Fiscal Sponsor, hold signature authority on behalf of the RCPWG, approves RCPWG-related invoices, and serve as the final decision-makers on RCPWG matters not addressed in the Charter and By-laws. The Chair and Vice Chair may delegate responsibilities to the Managing Consultant, subject to available resources in the RCPWG's annual budget and work plan, except in instances where such delegation would create a conflict of interest for the Managing Consultant.

Strategy Team: The RCPWG Strategy Team includes one or more representative(s) from each member organization, including local agency members, regional agency members, higher education members, and advisory members. Decisions are made by voting members of the Strategy Team (dues-paying local agency members, regional agency members, and higher education members) with input from advisory members and observers. Each member organization is provided with one vote. If multiple representatives from any single member organization are present when a vote is called, a primary representative must be identified to cast the member agency's vote.

The Strategy Team provides strategic direction and collective governance to the RCPWG and RCPWG-sponsored projects with voting members serving as the RCPWG's primary decision-making body. The Strategy Team makes decisions with respect to which grants the RCPWG pursues, projects the RCPWG develops, subcommittee formation, and the future membership, leadership, and dues structure of the RCPWG as it evolves, including the formation of an ad-hoc steering or executive committee. The Strategy Team also provides strategic oversight on RCPWG projects and approves the annual work plan for the RCPWG's Managing Consultant, including stipends.

Fiscal Sponsor: The Fiscal Sponsor shall be designated by a two-thirds majority vote of the voting members of the RCPWG.

The Fiscal Sponsor serves as the overall funds holder and financial administrator for the RCPWG. The Fiscal Sponsor is responsible for receiving, managing, and disbursing RCPWG funds, including membership dues, grant awards to the RCPWG as the prime recipient or co-applicant, and other revenue secured by the RCPWG; administering contracts with consultants and contractors to support the RCPWG's approved work plan; maintaining financial records; and providing regular financial reports to the Chair, Vice Chair, and Strategy Team. The Fiscal Sponsor, along with the Chair and Vice Chair, holds signature authority on behalf of the RCPWG, approves RCPWG-related invoices, and serves as the final decision-makers on RCPWG matters not addressed in the Charter and By-laws.

The Fiscal Sponsor's responsibilities are limited to the activities expressly authorized by the RCPWG through approved budgets, work plans, and contracts. The Fiscal Sponsor shall not be liable for misuse of funds by subrecipients or contractors, except to the extent caused by the Fiscal Sponsor's sole negligence or willful misconduct, and provided it exercises reasonable oversight consistent with applicable laws, grant requirements, and contractual obligations.

Managing Consultant: The RCPWG can be supported by a third-party Managing Consultant contracted by the Fiscal Sponsor to implement the RCPWG's work plan. All costs for the Managing Consultant shall be paid by the Fiscal Sponsor.

The Managing Consultant supports overall RCPWG administration and operations, under the direction of the Chair, Vice Chair, and Strategy Team, including supporting Strategy Team

meetings, outreach and engagement, subcommittees, project and proposal development, grant writing, and funding opportunity coordination. The Managing Consultant's annual RCPWG work plan describes specific activities to be completed.

5. Budget and Work Plan

The RCPWG follows a two-year budget forecast cycle, with the annual base budget determined by the current level of local and regional agency member contributions to the RCPWG. Variable dues from new members provide the RCPWG with flexibility to undertake additional activities as part of the approved work plan or new activities approved by voting members.

The two-year budget forecast is supported by annual budgets and work plans, which are developed by the Managing Consultant in collaboration with the Chair and Vice Chair and are approved by voting members.

6. Subcommittees

Subcommittees of the RCPWG will be established to support the mission of the RCPWG with respect to specific focus areas (e.g. building electrification, transportation, waste, etc.). Subcommittees will have the primary focus of identifying, developing, and if awarded, implementing grants. Each subcommittee must have a minimum of three participating RCPWG members, and one member who is willing to serve as a Subcommittee Liaison.

The Subcommittee Liaison is responsible for creating agendas, facilitating subcommittee meetings, advancing the subcommittee toward its agreed upon purpose, and reporting back to the RCPWG (verbally or in writing) on the progress and decisions of the subcommittee. The RCPWG can initiate or sunset a subcommittee through standard voting procedures. Subcommittee Liaisons may delegate responsibilities to the Managing Consultant pending available resources in the RCPWG's annual budget and work plan.

7. Meetings

Members of the RCPWG are expected to attend and actively participate in regular RCPWG meetings, including mandatory attendance at up to two in-person meetings per year.

The RCPWG Strategy Team will meet virtually every six weeks for up to two hours. Additional virtual meetings may be held, as needed, to conduct RCPWG business. Two in-person meetings or retreats will be held each year, instead of or in addition to Strategy Team meetings, with meeting locations rotating between the three counties. Subcommittee meeting frequency will be determined by Subcommittee Liaisons based on input from subcommittee members.

A quorum, defined as three-fifths (3/5) of voting members, is required for any vote; quorum is not required for general discussion or meeting participation.

8. Amendments

This Charter and By-laws may be amended by a unanimous vote of voting members.

9. Acknowledgement

By executing the RCPWG MOU, each Party (voting member) acknowledges and agrees to the provisions of this Exhibit (RCPWG Charter and By-laws) and to participate in the RCPWG in accordance with its terms.

10. Record of Amendments

Amendment No.	Date Approved	Description of Change	Approved By