

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

FINANCE COMMITTEE

COMMITTEE MEMBERS

Claude Hoover, Chair
Ken Ekelund

David Hart

TIME: 10:00 a.m.
DATE: Friday, July 8, 2016
PLACE: Monterey County Water Resources Agency
893 Blanco Circle
Salinas, CA 93901

A G E N D A

1. **Call to Order**
2. **Public Comment**
(Limited to three (3) minutes per speaker on matters within the jurisdiction of the Agency not listed on this agenda. The public will have the opportunity to ask questions and make statements on agenda items as the Committee considers them.)
3. **Consider approving the Minutes of the Finance Committee meeting on May 13, 2016.**
The Committee will consider approval of the Minutes of the above-mentioned meeting (Page 3).
4. **Consider receiving the May 2016 Financials for the Castroville Seawater Intrusion Project/Salinas Valley Reclamation Project, and the Salinas River Diversion Facility.**
Mark Foxworthy, Associate Water Resources Engineer, will review the Financials for the CSIP/SVRP/SRDF (Page 7).
5. **Consider receiving the May 2016 Financials for all Agency Funds.**
Cathy Paladini, Finance Manager, will review the May 2016 Financials for all Agency Funds (Page 13).
6. **Consider approving Purchase Orders/Contracts/Credit Card Purchases in excess of \$500.**
Cathy Paladini, Finance Manager, will review purchase orders/contracts/credit card purchases in excess of \$500 (Page 21).
7. **Consider receiving the May 2016 Consultants Report**
Cathy Paladini, Finance Manager, will review the report (Page 23).

8. **Consider recommending that the full Board approve a request that the public and interested parties provide the Agency with any information regarding the current 2B, 2Y, and 2Z assessments, water delivery/service charges and corresponding improvements that should be addressed as part of any revised methodology, thereby enabling Raftelis Financial Consultants, Inc. to explore potential alternatives in the assessment methodologies to be prepared for future stakeholder meetings.**
Cathy Paladini, Finance Manager, will provide information regarding this item (Page 27).
9. **Consider recommending that the full Board, in accordance with Agency Technology Plan Appendix 2017, approve a three-year lease of two multifunction copiers from Monterey Bay Systems at a cost not-to-exceed \$72,000; and, authorize the General Manager to execute the Agreement.**
Reico Cruz, Information Systems Manager, will provide information regarding this item (Page 35).
10. **Set next meeting date and discuss future agenda items.**
The Committee will discuss and determine details for its next meeting.
11. **Adjournment**

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

FINANCE COMMITTEE

COMMITTEE MEMBERS

Claude Hoover (Chair)
David Hart

Ken Ekelund
Abby Taylor-Silva

TIME: 10:00 a.m.
DATE: Friday, May 13, 2016
PLACE: Monterey County Water Resources Agency
893 Blanco Circle
Salinas, CA 93901

MINUTES

1. **Call Meeting to Order @ 10:00 a.m. by Committee Chair, Claude Hoover**
Members Present: Claude Hoover, David Hart, Ken Ekelund

Members Absent: Abby Taylor-Silva

A quorum was established.

2. **Public Comment:** None
3. Approve the Minutes of the Finance Committee Meeting held on March 11, 2016.

Committee Action:

Upon Motion and Second by Directors Hart and Ekelund approved the Minutes of the Finance Committee meeting held on March 11, 2016.

Vote: Motion carried unanimously by those members present.

4. Consider receiving the March 2016 Financials for the Castroville Seawater Intrusion Project/Salinas Valley Reclamation Project, and the Salinas River Diversion Facility. Mark Foxworthy, Associate Water Resources Engineer, reviewed the Financials for the CSIP/SVRP/SRDF.

Committee Action:

Upon Motion and Second by Directors Ekelund and Hart, received the March 2016 Financials for the Castroville Seawater Intrusion Project/Salinas Valley Reclamation Project, and the Salinas River Diversion Facility.

Vote: Motion carried unanimously by those members present.

5. Consider receiving the March 2016 Financials for all Agency Funds.
Cathy Paladini, Finance Manager, presented this item for consideration.

Committee Action:

Upon Motion and Second by Directors Ekelund and Hart, received the March 2016 Financials for all Agency Funds.

Vote: Motion carried unanimously by those members present.

6. Consider approving Purchase Orders/Contracts/Credit Card Purchases in excess of \$500.
Cathy Paladini, Finance Manager, presented this item for consideration.

Committee Action:

Upon Motion and Second by Directors Hart and Ekelund, approved the Purchase Orders/Credit Card Purchases in excess of \$500.

Vote: Motion carried unanimously by those members present.

7. Consider receiving the April 2016 Consultants Report
Cathy Paladini, Finance Manager, reviewed the report.

Public Comment: John Baillie

Committee Action:

Upon Motion and Second by Directors Ekelund and Hart, received the report.

Vote: Motion carried unanimously by those members present.

8. Consider receiving the July 2015 – March 2016 Board of Directors Fees and Mileage Report.
Cathy Paladini, Finance Manager, reviewed the report.

Committee Action:

Upon Motion and Second by Directors Hart and Ekelund, received the report.

Vote: Motion carried unanimously by those members present.

9. Consider receiving and recommending that the full Board of Directors recommend that the Monterey County Water Resources Agency Board of Supervisors:
- a) Approve a Professional Services Agreement with Raftelis Financial Consultants, Inc., in the amount of \$110,360 to conduct a review and analysis of the Agency's Assessments and Benefits for Zones 2B, 2Y, 2Z;
 - b) provide an updated assessment methodology and analysis, and a utility cost of service approach to be considered by these taxpayers; and
 - c) Authorize the General Manager to execute the Agreement, substantially in the form attached and subject to approval by County Counsel.
- Cathy Paladini, Finance Manager, provided information regarding this item.

Public Comment: John Baillie

Committee Action:

Upon Motion and Second by Directors Hart and Ekelund, received the report and recommended that the full Board of Directors recommend that the Monterey County Water Resources Agency Board of Supervisors:

- a) **Approve a Professional Services Agreement with Raftelis Financial Consultants, Inc., in the amount of \$110,360 to conduct a review and analysis of the Agency's Assessments and Benefits for Zones 2B, 2Y, 2Z;**
- b) **provide an updated assessment methodology and analysis, and a utility cost of service approach to be considered by these taxpayers; and**
- c) **Authorize the General Manager to execute the Agreement, substantially in the form attached and subject to approval by County Counsel.**

Vote: Motion carried unanimously by those members present.

10. Consider receiving and recommending that the full Board of Directors recommend that the Monterey County Water Resources Agency Board of Supervisors:

- a) Approve Budget Amendment No. 8 for the Water Resources Agency's FY 2015-16 year-end accounting transactions. The first transaction closes two asset accounts for the FY 2013-14 MRWPCA annual seed allocation reconciliation as a result of the WRA taking over the billing and collections of Water delivery/service charges. The second is an increase in appropriation for Fund 132 SVRP due to a \$15,000 increase in the annual USBR Loan payment; and, the third is an increase in appropriations to Fund 132 SVRP of \$37,000 to pay Raftelis Financial Consulting Services to review CSIP special assessments;
- b) Authorize the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Adopted Budget for Fund 131 CSIP O&M, WRA 020 to increase appropriation by \$618,646.91 financed by unassigned fund balance. (4/5th vote required);
- c) Authorize the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Fund 132 SVRP O&M, WRA 021 to increase appropriations by \$851,774.13 financed by unassigned fund balance. (4/5th vote required);
- d) Authorize the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Adopted Budget for Fund 132 SVRP O&M, WRA 021 to increase appropriation by \$15,000 financed by unassigned fund balance. (4/5th vote required); and
- e) Authorize the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Adopted Budget for Fund 132 SVRP O&M, WRA 021 to increase appropriation by \$37,000 financed by unassigned fund balance. (4/5th vote required).

Cathy Paladini, Finance Manager, provided information regarding this item.

Committee Action:

Upon Motion and Second by Directors Ekelund and Hart, received the report and recommended that the full Board of Directors recommend that the Monterey County Water Resources Agency Board of Supervisors:

- e) **Approve Budget Amendment No. 8 for the Water Resources Agency's FY 2015-16 year-end accounting transactions. The first transaction closes two asset accounts for the FY 2013-14 MRWPCA annual seed allocation reconciliation as a result of the WRA taking over the billing and collections of Water delivery/service charges. The second is an increase in appropriation for Fund 132 SVRP due to a \$15,000 increase in the annual USBR Loan payment; and, the third is an increase in**

appropriations to Fund 132 SVRP of \$37,000 to pay Raftelis Financial Consulting Services to review CSIP special assessments;

- f) Authorize the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Adopted Budget for Fund 131 CSIP O&M, WRA 020 to increase appropriation by \$618,646.91 financed by unassigned fund balance. (4/5th vote required);
- g) Authorize the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Fund 132 SVRP O&M, WRA 021 to increase appropriations by \$851,774.13 financed by unassigned fund balance. (4/5th vote required);
- h) Authorize the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Adopted Budget for Fund 132 SVRP O&M, WRA 021 to increase appropriation by \$15,000 financed by unassigned fund balance. (4/5th vote required); and
- e) Authorize the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Adopted Budget for Fund 132 SVRP O&M, WRA 021 to increase appropriation by \$37,000 financed by unassigned fund balance. (4/5th vote required).

- 9. Set next meeting date and discuss future agenda items.

There will be no meeting in June 2016. The next meeting is scheduled to be held on July 8 2016 at 10:00 a.m.

- 10. **ADJOURNMENT**
The Committee adjourned at 11:35 a.m.

Submitted by: Alice Henault

Approved on:

**FY 2015-2016
SUMMARY OF CSIP, SVRP AND SRDF
OPERATIONS AND MAINTENANCE
EXPENDITURE REPORTS**

**FROM JULY 1, 2015 THROUGH MAY 31, 2016
11 MONTHS = 92% OF THE BUDGET CYCLE**

	TOTAL EXPENDITURES AND COMMITMENTS	FY 15-16 Budget	% USED
CSIP			
MCWRA	914,722	1,443,479	63%
MRWPCA	1,066,331	1,501,203	71%
Total	1,981,053	2,944,682	67%
SVRP			
MCWRA	-	255	0%
MRWPCA	1,605,845	2,513,382	64%
Total	1,605,845	2,513,637	64%
SRDF			
MCWRA	179,470	789,215	23%
MRWPCA	32,595	75,808	43%
Total	212,065	865,023	25%
		Budget	% Used
CSIP Supplemental Well Water Produced this FY	5,622	acre-feet 6,058	93%
SVRP Recycled Water Produced this Fiscal Year	10,343	acre-feet 16,692	62%
SRDF River Water Produced this Fiscal Year	0	acre-feet 0	0%
Total Water Production	15,965	acre-feet 22,750	70%

FUND 131
Castroville Seawater Intrusion Project (CSIP) O&M Expenditure Report
FY 2015-2016

FROM JULY 1, 2015 THROUGH MAY 31, 2016

Description	May, 2016	Year-to-Date	Year-to-Date	Total Year-to-Date	FY 2014 - 2015(a)	Approved	FY 2015-2016
	Current Period Expenditures	Expenditures	Encumbered	Expenditures & Commitments	Expenditures & Commitments thru May, 2015	FY 2015-2016 Budgeted Amount	Percent of Budget Used
A	B	C	D	E	F	G	H
MCWRA O&M							
1 Communication Charges - External	0	0	0	0	0	0	0%
2.1 Earthquake Insurance	0	24,241	0	24,241	34,306	40,139	60%
2.2 Project Insurance	0	249,596	0	249,596	23,932	212,023	118%
3 Insurance reimbursement from MRWPCA	0	(114,562)	0	(114,562)	(75,000)	(75,000)	153%
4.1 Maintenance Svc. & Suppl. External	25	1,556	976	2,532	1,164	3,121	81%
4.2 Maintenance Svc. & Suppl. Internal	0	0	0	0	0	0	n/a
5 Equipment Maintenance	0	23,605	12,354	35,959	97	520	6915%
6 Memberships/Publications	0	228	0	228	215	270	85%
7 Non-Capital Equipment	0	2,237	0	2,237	0	1,561	143%
8 Miscellaneous Services	0	2,037	0	2,037	4,058	0	n/a
9 Miscellaneous Supplies	0	0	0	0	409	0	n/a
10 Books/Periodicals and Other Subscriptions	0	0	0	0	0	0	n/a
11 Courier Service (external)	0	0	0	0	0	0	n/a
12 Lab Services	498	2,791	0	2,791	626	0	n/a
13 Outside Legal Counsel	0	0	0	0	1,342	0	n/a
14 County Counsel	0	4,195	0	4,195	0	1,082	388%
15 Consultants/Contractors	0	12,493	122,101	134,594	207,052	455,614	30%
16 MRWPCA-Prior year O&M adjustment	0	0	0	0	0	0	n/a
17 Publications and legal Notices	0	0	0	0	0	255	n/a
18 Equipment Rental	15,205	75,933	22,141	98,074	536	0	n/a
19 MCWRA Labor Charges	46,160	376,886	0	376,886	351,569	803,894	47%
20 Equipment	(0)	39,753	56,162	95,915	27,414	0	n/a
20 Infrastructure	0	0	0	0	0	0	n/a
21 TOTAL O&M CSIP (MCWRA)	61,887	700,988	213,734	914,722	577,721	1,443,479	63%
MRWPCA O&M							
22 MRWPCA Salaries/Benefits	55,838	437,939	0	437,939	420,591	559,112	78%
23 Office Expense	207	1,084	0	1,084	1,948	2,125	51%
24 Outside Professional Services	20,054	24,785	20,203	44,988	4,057	25,000	180%
25 Operating Supplies	33	8,228	160	8,388	10,168	12,550	67%
26 Contract Services - Lab Services, Equip Rent	702	10,010	12,529	22,538	25,110	39,300	57%
27 Chemicals	0	0	0	0	0	0	n/a
28 Utilities	29,998	456,925	0	456,925	498,811	684,588	67%
29 PM/Repairs	246	21,397	60	21,457	25,234	64,150	33%
30 Contingency	0	0	0	0	0	0	n/a
31 Equipment Replacement Fund	0	0	0	0	0	0	n/a
32 Vehicle Costs	0	0	0	0	0	2,000	0%
33 Indirect	9,208	73,013	0	73,013	72,504	112,378	65%
34 TOTAL O&M CSIP (MRWPCA)	116,287	1,033,380	32,952	1,066,331	1,058,424	1,501,203	71%
35 CSIP PCA Capital Outlay (from Reserves)	102,922	102,922	0	102,922	55,476	160,000	64.3%
36 TOTAL CSIP O&M	281,096	1,837,290	246,685	2,083,975	1,691,621	3,104,682	67%

(a) Prior year has been added to provide a comparative reference

FUND 132

**Salinas Valley Reclamation Project (SVRP) O&M Expenditure Report
FY 2015-2016**

FROM JULY 1, 2015 THROUGH MAY 31, 2016

Description	May, 2016 Current Period Expenditures	Year-to-Date Expenditures	Year-to-Date Encumbered	Total Year-to-Date Expenditures & Commitments	FY 2014 - 2015(a) Expenditures & Commitments thru May, 2015	Approved FY 2015-2016 Budgeted Amount	FY 2015-2016 Percent of Budget Used
A	B	C	D	E	F	G	H
MCWRA O&M							
1 Equipment Maintenance	0	0	0	0	0	0	n/a
2 Publications & Legal Notices	0	0	0	0	0	255	0%
3 TOTAL O&M SVRP (MCWRA)	0	0	0	0	0	255	0%
MRWPCA O&M							
4 MRWPCA Salaries/Benefits	65,521	441,854	1,819	443,673	502,841	619,264	72%
5 Office Expense	0	150	0	150	840	3,000	5%
6 Contractors	0	21,368	9,681	31,049	66,262	29,000	107%
7 Operating Supplies	0	17,563	232	17,796	13,393	24,000	74%
8 Contract Services - Rodent Control, Equip Rent	12,839	24,260	12,559	36,819	26,413	48,875	75%
9 Chemicals	37,739	351,590	6,374	357,964	261,362	515,817	69%
10 Utilities	21,573	275,963	0	275,963	303,185	527,278	52%
11 PM/Repairs	5,851	267,475	66,352	333,827	303,236	373,413	89%
12 Contingency	0	0	0	0	0	0	n/a
13 Equipment Replacement Funds	0	0	0	0	0	0	n/a
14 Indirect Costs	11,387	108,604	0	108,604	109,934	168,145	65%
15 TOTAL O&M SVRP (MRWPCA)	154,910	1,508,827	97,018	1,605,845	1,587,467	2,308,792	70%
16 SVRP Capital Outlay (Transferred from reserves)	0	91,476	0	91,476	193,530	204,590	n/a
17 TOTAL SVRP O&M	154,910	1,600,303	97,018	1,697,321	1,780,997	2,513,637	68%

(a) Prior year has been added to provide a comparative reference

FUND 134
Salinas River Diversion Facility (SRDF) O&M Expenditure Report
FY 2015-2016

FROM JULY 1, 2015 THROUGH MAY 31, 2016

Preliminary Description					FY 2014 - 2015(a)	Approved	FY 2015-2016
	May, 2016 Current Period Expenditures	Year-to-Date Expenditures	Year-to-Date Encumbered	Total Year-to-Date Expenditures & Commitments	Expenditures & Commitments thru May, 2015	FY 2015-2016 Budgeted Amount	Percent of Budget Used
A	B	C		C	D	E	F
MCWRA O&M							
1 Communication Charges - External	0	0	0	0	0	0	n/a
2.1 Earthquake Insurance	0	0	0	0	0	0	n/a
2.2 Project Insurance	0	0	0	0	0	0	n/a
3 Maintenance Svc. & Suppl. External	0	128	8,500	8,628	4,500	15,300	56%
4 Maintenance Svc. & Suppl. Internal	266	5,517	0	5,517	6,864	2,040	270%
5 Equipment Maintenance	8	705	0	705	903	6,120	12%
6 Non-Capital Equipment	0	0	0	0	0	3,570	0%
7 Miscellaneous Services	0	0	0	0	0	0	n/a
8.1 Miscellaneous Supplies	0	0	0	0	0	2,080	0%
8.2 Books & Periodicals	0	0	0	0	0	0	n/a
9 Minor Equip. & Furnishings	0	0	0	0	0	0	n/a
10 Postage and Shipping	0	0	0	0	0	0	n/a
11 Outside Legal Counsel	0	11,862	8,498	20,360	17,473	20,400	100%
12 County Counsel	0	4,396	0	4,396	25,864	3,060	144%
13 Contractors/Consultants	1,700	1,700	1,479	3,179	2,768	152,599	2%
14 Equipment Rental	1,877	1,877	0	1,877	0	0	n/a
15 MCWRA Labor Charges	15,044	103,086	0	103,086	428,631	582,531	18%
16 Water Rights & Dam Fees	2,760	2,760	0	2,760	308	1,515	182%
15b Claims, Judgements & Damages	0	28,963	0	28,963	0	0	n/a
17 Equipment	0	0	0	0	0	0	n/a
18 Infrastructure	0	0	0	0	0	0	n/a
19 TOTAL O&M SRDF (MCWRA)	21,655	160,993	18,477	179,470	487,311	789,215	23%
MRWPCA O&M							
20 MRWPCA Salaries/Benefits	2,310	21,085	0	21,085	45,073	26,412	80%
21 Office Expense	0	0	0	0	351	590	0%
22 Contractors/Consultants	0	0	0	0	1,825	12,500	0%
23 Operating Supplies	0	81	0	81	4,309	3,250	3%
24 Contract Services - Lab Services, Equip Rent	0	250	0	250	10,774	6,000	4%
25 Chemicals (chlorine)	0	0	0	0	19,360	0	n/a
26 Utilities	357	6,192	0	6,192	161,984	6,000	103%
27 PM/Repairs	0	2,311	0	2,311	10,041	13,500	17%
28 Equipment Replacement	0	0	0	0	0	0	n/a
29 Sludge Disposal Costs	0	0	0	0	50,000	0	n/a
30 Vehicle Mileage Charges	0	0	0	0	0	1,500	0%
31 Contingency	0	0	0	0	0	0	n/a
32 Indirect Costs	249	2,675	0	2,675	15,590	6,056	44%
33 TOTAL O&M SRDF (MRWPCA)	2,916	32,595	0	32,595	319,307	75,808	43%
34 TOTAL SRDF O&M	24,571	193,588	18,477	212,065	806,618	865,023	25%

(a) Prior year has been added to provide a comparative reference

Utility Cost Summary

FROM JULY 1, 2015 THROUGH MAY 31, 2016
11 MONTHS = 92% OF THE BUDGET CYCLE

	Fiscal Year Budget Amount	Water Budget (Acre-Feet)	Calculated Unit Cost (\$ / Ac-Ft)
CSIP	\$ 684,588	6,058	\$ 113.01
SVRP	\$ 527,278	16,692	\$ 31.59
SRDF	\$ 6,000	0	\$ -
		<u>22,750</u>	

FY 2015-2016 - Actual Utility Expenditures

	Utility Expenditures Thru April, 2016	Delivered Water (Acre-Feet)	Calculated Unit Cost (\$ / Ac-Ft)	Percent Budget Expended
CSIP	\$ 456,925	5,622	\$ 81.27	67%
SVRP	\$ 275,963	10,343	\$ 26.68	52%
SRDF	\$ 6,192	0	\$ -	103%
		<u>15,965</u>		

Comparison with Prior Fiscal Year (2014-2015)

	Utility Expenditures Thru May, 2015	Delivered Water (Acre-Feet)	Calculated Unit Cost (\$ / Ac-Ft)
CSIP	\$ 498,811	5,389	\$ 92.56
SVRP	\$ 303,185	13,269	\$ 22.85
SRDF	\$ 161,984	0	\$ -
		<u>18,658</u>	

**Monterey County
Water Resources Agency
FY 2015-2016 Financial Status Report**

For Month Ending: May 31, 2016
% Monthly Time Elapsed: 91.67%

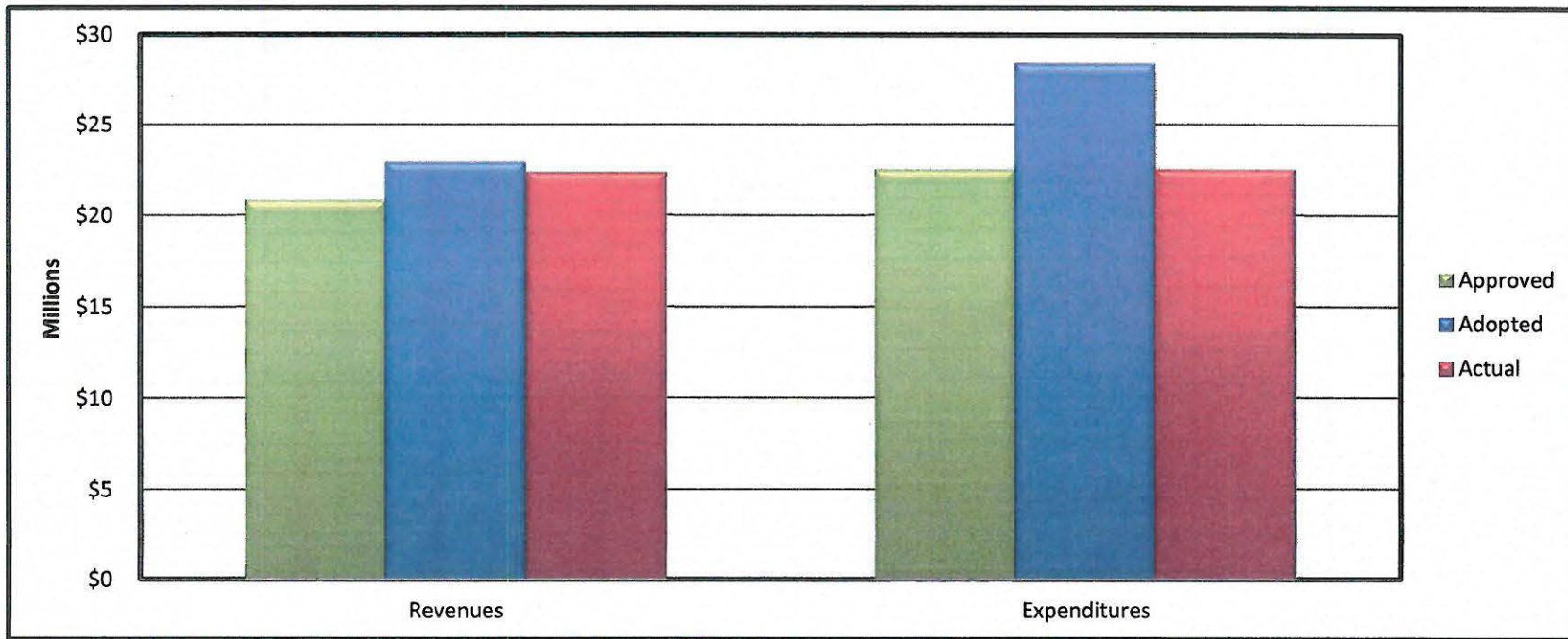
Fund	Zone	Fund Name	Approved Budget				Adopted Budget				Year-to-Date			
			Est Beginning Fund Balance	Approved Budget Expenditures	Approved Budget Revenue	Estimated Ending Fund Balance	Actual Beginning Fund Balance	Adopted Budget Expenditures	Adopted Budget Revenue	Estimated Ending Fund Balance	YTD Actual Expenditures	Percent Budget Expended	YTD Actual Revenue	Percent Budget Received
111	ADMN	Administration	70,029	70,028	0	1	254,294	162,028	0	92,266	206,125	n/a	2,790	n/a
112	1	Pajaro Levee	19,903	406,829	412,357	25,431	57,199	479,658	457,516	35,057	288,376	60.1%	458,643	100.2%
113	CW	Countywide	82,553	610,989	570,039	41,603	432,041	923,308	576,704	85,437	592,582	64.2%	591,758	102.6%
114	2	Naci Non-O&M	112,168	423,657	330,893	19,404	402,669	581,120	330,893	152,442	382,737	65.9%	335,165	101.3%
115	2A	SA Non-O&M	163,204	521,958	393,953	35,199	827,837	1,338,914	669,213	158,136	1,158,857	86.6%	456,327	68.2%
116	2C	Dam Ops	274,943	3,180,600	2,935,978	30,321	790,934	4,314,115	3,752,824	229,643	3,458,668	80.2%	3,756,186	100.1%
116	2C	Camp	1,631	0	0	1,631	1,631	0	0	1,631	0	0.0%	0	0.0%
116	2C	2C Admin	501,243	346,207	345,556	500,592	672,704	356,290	365,307	681,721	83,902	23.5%	351,843	96.3%
117	3	Lwr Salinas Rvr	31,195	34,087	34,478	31,586	72,810	57,565	34,478	49,723	399	0.7%	34,949	101.4%
118	5	Merritt Lake	28,448	40,220	39,684	27,912	35,690	42,697	39,684	32,677	24,161	56.6%	39,917	100.6%
119	6	CSIP Trns & Wtr Cons	879,551	767,328	33,778	146,001	1,000,802	808,933	60,057	251,926	634,285	78.4%	33,709	56.1%
120	7	No. County	17,335	3,705	4,534	18,164	23,646	4,046	4,534	24,134	54	1.3%	4,681	103.3%
121	8	Soledad Storm Drain	1,587	71,277	70,043	353	144,759	188,368	81,062	37,453	47,164	25.0%	83,734	103.3%
122	9	Reclamation Ditch	394,179	1,348,782	1,355,679	401,076	906,352	1,682,107	1,510,242	734,487	1,359,713	80.8%	1,470,103	97.3%
123	11	Monterey/Carmel Vly	114,360	28,375	56,504	142,489	129,186	28,375	56,504	157,315	28,156	99.2%	57,309	101.4%
124	12	San Lorenzo Creek	13,496	34,079	36,155	15,572	72,997	76,364	36,155	32,788	9,187	12.0%	31,124	86.1%
125	14	Arroyo Seco	660	1,560	1,738	838	598	1,560	1,738	776	19	1.2%	1,649	94.9%
126	15	Camation Subdivision	59,441	5,506	5,441	59,376	59,554	5,972	5,441	59,023	59	1.0%	5,498	101.1%
127	17	Moro Cojo Slough	491,482	381,059	106,685	217,108	501,442	420,903	111,236	191,775	191,435	45.5%	110,551	99.4%
128	2	Storm Drain	105,581	20,240	20,169	105,510	156,682	21,415	20,169	155,436	3,030	14.1%	21,117	104.7%
129	GS	Gonzales Slough	1,376	4,308	4,220	1,288	2,609	5,589	4,220	1,240	698	12.5%	4,073	96.5%
130	HY	Naci Hydro Ops	232,369	286,343	86,000	32,026	533,043	440,621	86,000	178,422	139,016	31.6%	39,639	46.1%
131	2Y	CSIP O&M	1,325,923	2,799,068	2,302,412	829,267	1,992,869	3,179,731	2,365,862	1,179,000	2,362,191	74.3%	2,248,439	95.0%
132	2Z	SVRP	1,597,291	4,285,263	4,015,201	1,327,229	1,871,977	4,285,263	4,015,201	1,601,915	4,285,043	100.0%	3,912,430	97.4%
133		SVWP Revenue Fund	3,344,569	2,142,694	2,134,204	3,336,079	3,537,042	2,142,694	2,134,204	3,528,552	2,141,710	100.0%	2,250,925	105.5%
134	SRDF	SRDF Operations	1,352,865	712,424	1,542,905	2,183,346	1,886,653	919,409	1,563,010	2,530,254	236,801	25.8%	1,181,307	75.6%
303		CSIP Debt Svc	1,614,229	1,859,657	1,865,000	1,619,572	2,271,057	3,159,657	1,865,000	976,400	2,134,703	67.6%	2,090,523	112.1%
313		SVWP Debt Service	0	2,138,313	2,138,313	0	0	2,138,313	2,138,313	0	2,138,313	100.0%	2,138,601	100.0%
425		MBRWP Construction	7,888	0	0	7,888	10,940	644,290	644,290	10,940	644,290	100.0%	647,256	100.5%
Totals			\$12,839,496	\$22,524,556	\$20,841,919	\$11,156,859	\$ 18,650,017	\$ 28,409,306	\$ 22,929,858	\$ 13,170,569	\$ 22,551,674	79.4%	\$ 22,360,245	97.5%

* Fund 111 includes monthly inter-fund reimbursements based on estimate -Total expenditures will be charged to other funds at 6/30/16

**Monterey County
Water Resources Agency
FY 2015-2016 Financial Status Report**

For Month Ending: May 31, 2016

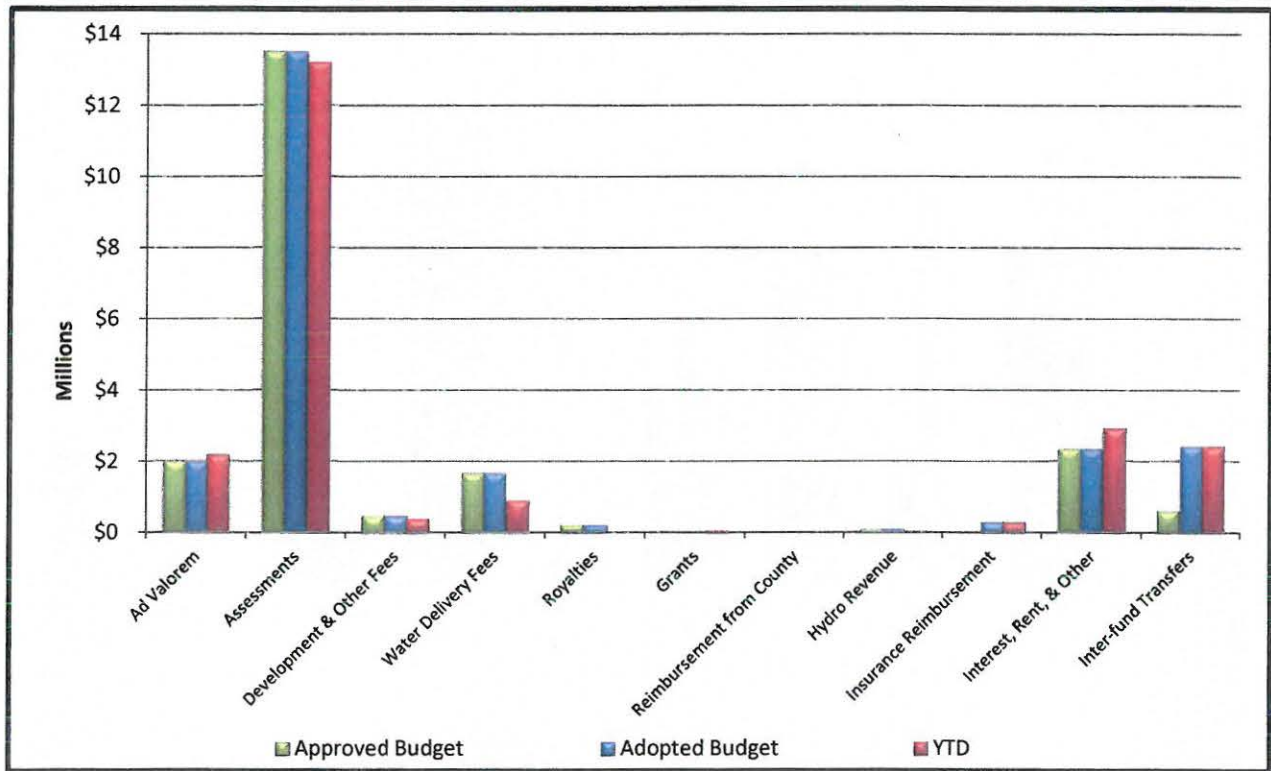
Budget Variance Analysis			
Category	Approved Budget	Adopted Budget	YTD Actual
Revenues	20,841,919	22,929,858	22,360,245
Expenditures	22,524,556	28,409,306	22,551,674
Impact to Fund Balance	(1,682,637)	(5,479,448)	(191,428)



**Monterey County
Water Resources Agency
FY 2015-2016 Financial Status Report**

Revenue Variance

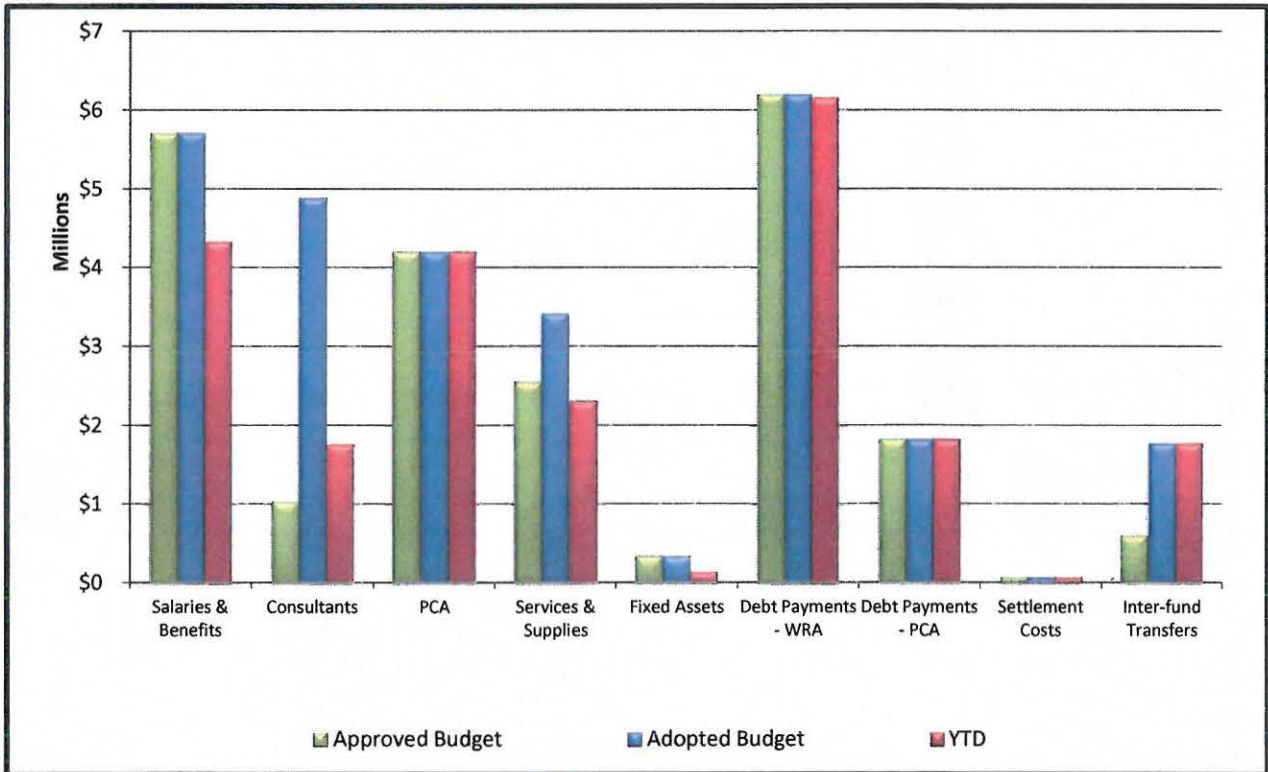
Revenue Variance by Source						
	Approved Budget	% of Approved	Adopted Budget	% of Adopted	YTD	% of Total YTD
Ad Valorem	\$1,983,692	9.52%	1,983,692	8.65%	2,172,650	9.72%
Assessments	\$13,511,482	64.83%	13,511,482	58.93%	13,210,900	59.08%
Development & Other Fees	\$454,979	2.18%	454,979	1.98%	376,851	1.69%
Water Delivery Fees	\$1,670,988	8.02%	1,670,988	7.29%	893,943	4.00%
Royalties	\$200,271	0.96%	200,271	0.87%	0	0.00%
Grants	\$0	0.00%	0	0.00%	64,762	0.29%
Reimbursement from County	\$0	0.00%	0	0.00%	(61)	0.00%
Hydro Revenue	\$85,000	0.41%	85,000	0.37%	36,612	0.16%
Insurance Reimbursement	\$0	0.00%	275,260	1.20%	275,260	1.23%
Interest, Rent, & Other	\$2,335,507	11.21%	2,335,507	10.19%	2,916,649	13.04%
Inter-fund Transfers	\$600,000	2.88%	2,412,679	10.52%	2,412,679	10.79%
Totals	\$20,841,919		\$ 22,929,858		\$ 22,360,245	



**Monterey County
Water Resources Agency
FY 2015-2016 Financial Status Report**

Expenditure Variance

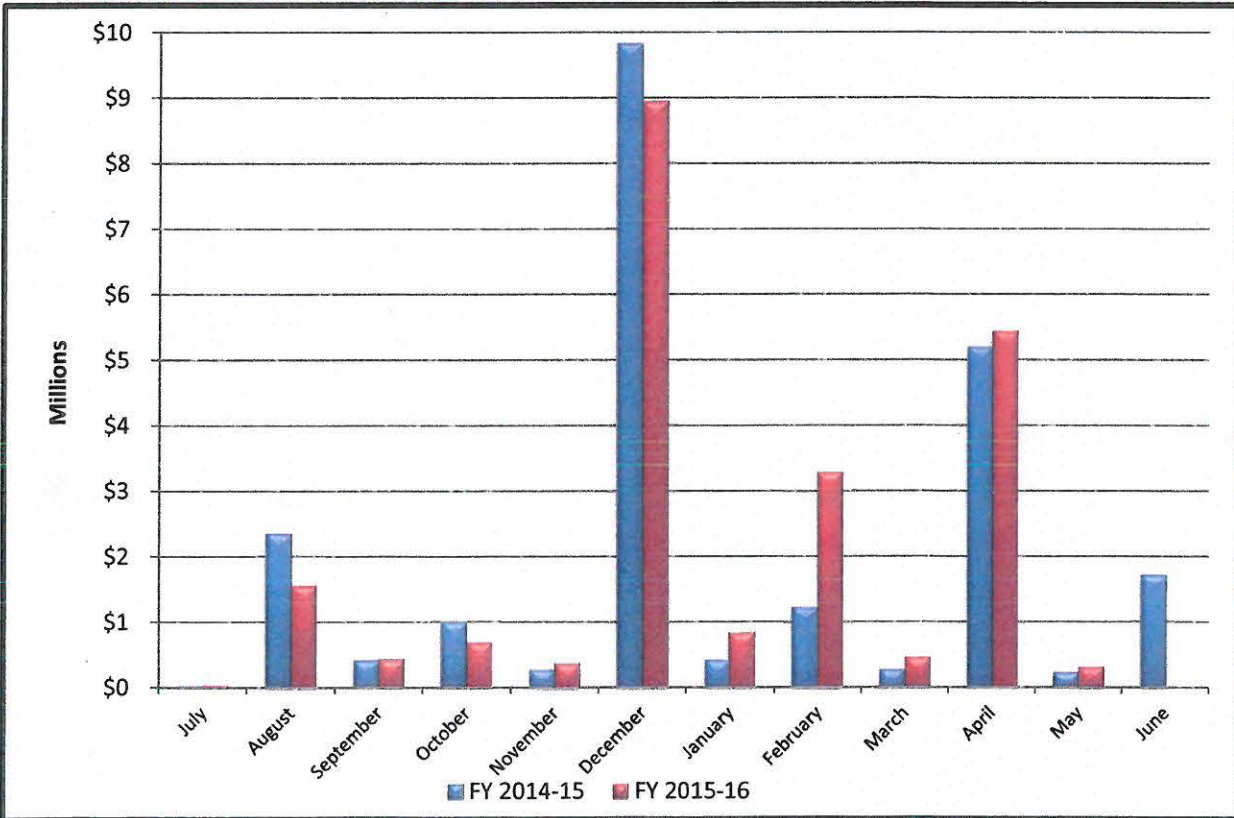
Expenditure Variance by Type						
	Approved Budget	% of Approved	Adopted Budget	% of Adopted	YTD	% of Total YTD
Salaries & Benefits	5,710,957	25.35%	5,710,957	20.10%	4,329,105	19.20%
Consultants	1,036,680	4.60%	4,887,344	17.20%	1,762,793	7.82%
PCA	4,203,144	18.66%	4,203,144	14.79%	4,203,144	18.64%
Services & Supplies	2,550,231	11.32%	3,415,928	12.02%	2,305,238	10.22%
Fixed Assets	334,984	1.49%	334,984	1.18%	136,147	0.60%
Debt Payments - WRA	6,203,064	27.54%	6,203,064	21.83%	6,161,325	27.32%
Debt Payments - PCA	1,818,875	8.08%	1,818,875	6.40%	1,818,910	8.07%
Settlement Costs	66,621	0.30%	66,621	0.23%	66,621	0.30%
Inter-fund Transfers	600,000	2.66%	1,768,389	6.22%	1,768,389	7.84%
Totals	\$ 22,524,556		\$ 28,409,306		\$ 22,551,674	



**Monterey County
Water Resources Agency
FY 2015-2016 Financial Status Report**

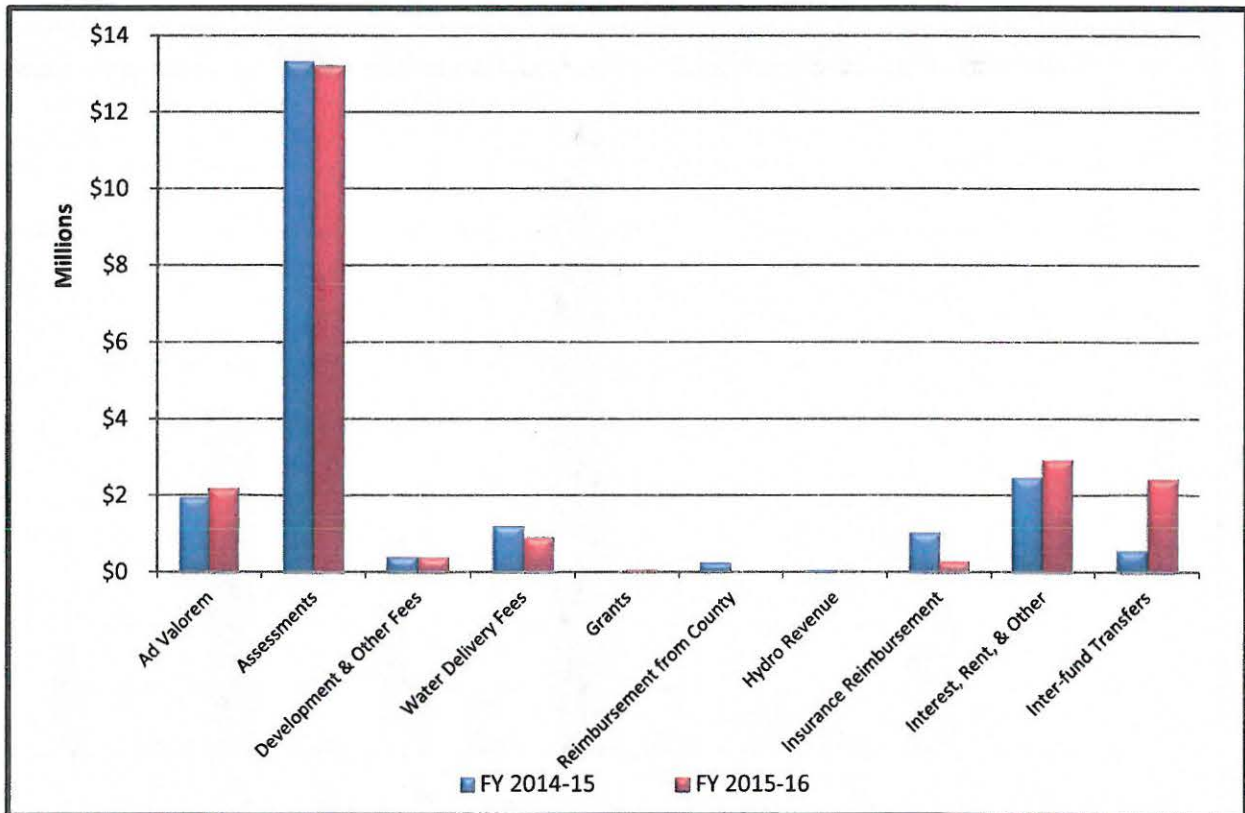
YTD Actual Revenues

Month over Month Revenues				
	FY 2014-15	% Received	FY 2015-16	% Received
July	33,003	0.15%	44,074	0.19%
August	2,349,936	11.00%	1,558,264	6.99%
September	411,711	12.90%	423,216	8.83%
October	998,479	17.51%	685,025	11.82%
November	277,240	18.79%	370,767	13.44%
December	9,839,286	64.20%	8,953,348	52.48%
January	421,120	66.15%	833,673	56.12%
February	1,225,609	71.81%	3,293,787	70.49%
March	266,703	73.04%	454,923	72.47%
April	5,206,833	97.07%	5,440,825	96.20%
May	221,205	98.09%	302,341	97.52%
June	1,714,285	106.00%		
YTD Actual	\$ 22,965,409		\$ 22,360,245	
Budget	\$ 21,664,625		\$ 22,929,858	



**Monterey County
Water Resources Agency
FY 2015-2016 Financial Status Report
YTD Revenues by Source**

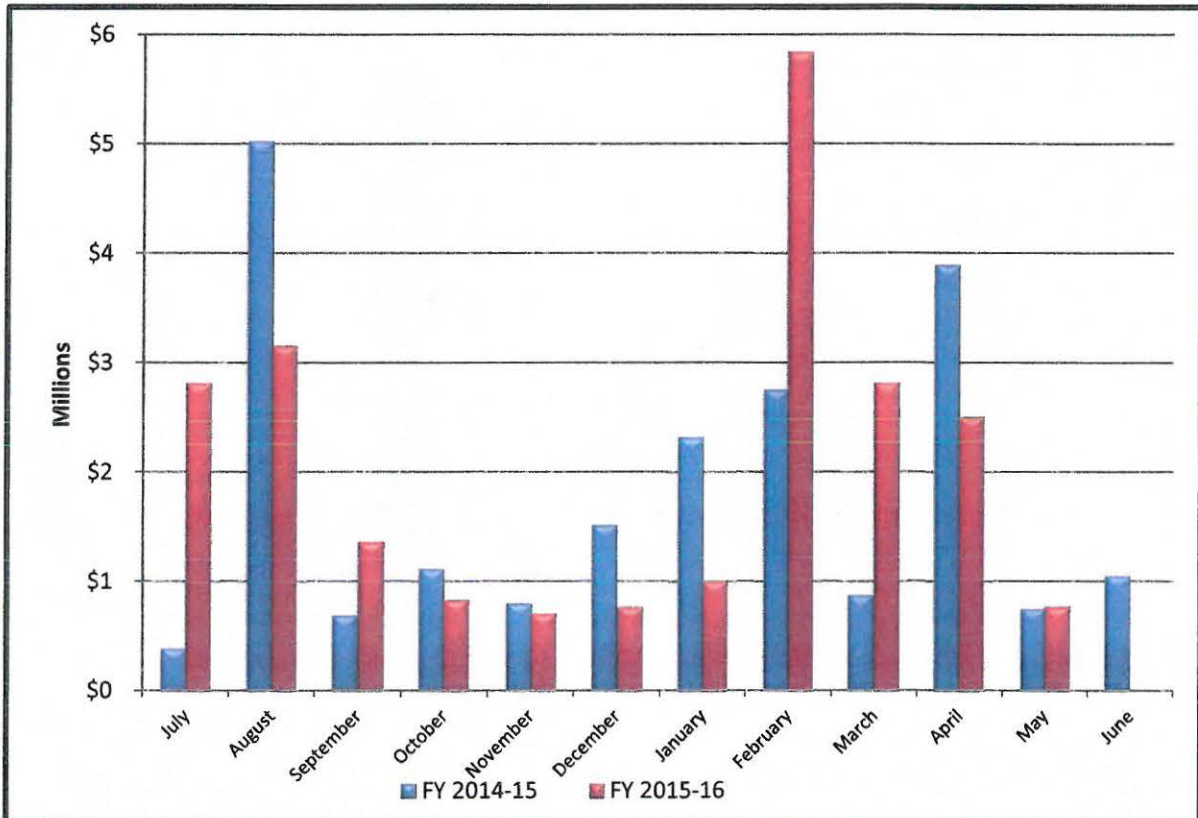
Revenues by Source		
	FY 2014-15	FY 2015-16
Ad Valorem	1,954,284	2,172,650
Assessments	13,328,905	13,210,900
Development & Other Fees	386,727	376,851
Water Delivery Fees	1,193,703	893,943
Grants	28,136	64,762
Reimbursement from County	237,107	(61)
Hydro Revenue	54,104	36,612
Insurance Reimbursement	1,013,849	275,260
Interest, Rent, & Other	2,460,107	2,916,649
Inter-fund Transfers	550,000	2,412,679
Totals	\$21,206,924	\$22,360,245



**Monterey County
Water Resources Agency
FY 2015-2016 Financial Status Report**

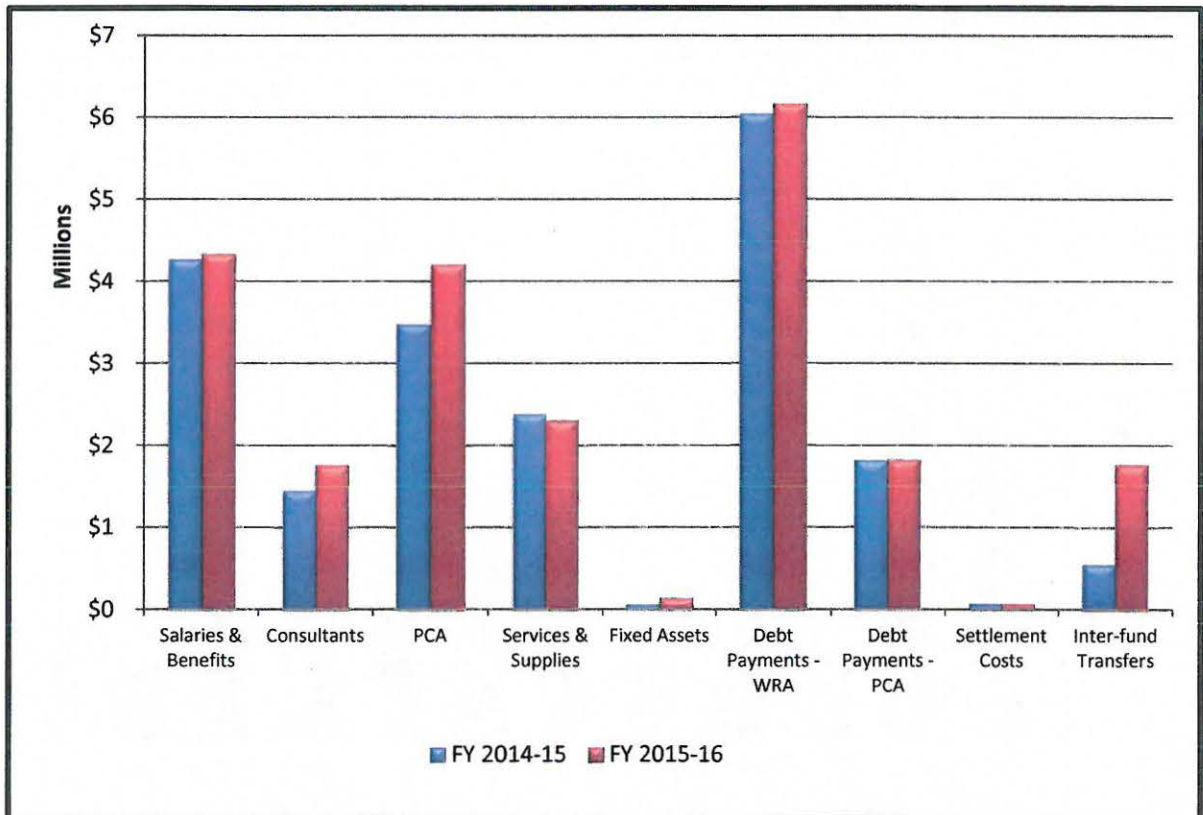
YTD Actual Expenditures

Month over Month Expenditures				
	FY 2014-15	% Expended	FY 2015-16	% Expended
July	385,154	1.51%	2,812,374	9.90%
August	5,025,367	21.15%	3,151,298	20.99%
September	683,740	23.82%	1,360,887	25.78%
October	1,115,419	28.18%	830,556	28.71%
November	794,204	31.29%	701,755	31.18%
December	1,512,271	37.20%	763,283	33.86%
January	2,320,277	46.27%	1,006,066	37.40%
February	2,754,445	57.03%	5,841,095	57.96%
March	873,941	60.45%	2,810,730	67.86%
April	3,893,155	75.67%	2,503,345	76.67%
May	751,940	78.61%	770,284	79.38%
June	1,047,704	82.70%		
YTD Actual	\$ 21,157,617		\$ 22,551,674	
Budget	\$ 25,582,922		\$ 28,409,306	



**Monterey County
Water Resources Agency
FY 2015-2016 Financial Status Report
YTD Expenditures by Type**

Expenditures by Type		
	FY 2014-15	FY 2015-16
Salaries & Benefits	4,266,074	4,329,105
Consultants	1,452,116	1,762,793
PCA	3,477,999	4,203,144
Services & Supplies	2,381,874	2,305,238
Fixed Assets	58,227	136,147
Debt Payments - WRA	6,044,742	6,161,325
Debt Payments - PCA	1,812,260	1,818,910
Settlement Costs	66,621	66,621
Inter-fund Transfers	550,000	1,768,389
Totals	\$20,109,913	\$22,551,674



**Purchase Orders/Contracts in Excess of \$500.00
opened for the month of May 2016
and credit card purchases over \$500.00 in May 2016**

CONSENT

Vendor Description	PO/Contract	Zone	Amount
Credit Card Purchases May 2016			
United Rentals Rental of a boxscrapper to resurface roadways at Lake Nacimiento		2C	850.00
United Rentals Rental of a boxscrapper to resurface roadways at Lake San Antonio		2C	850.00
My Chevrolet Vehicle Maintenance & Repairs		ADM	1,754.40
ASAP Signs Property Management Signs		Various	775.00
		Total	4
			4,229.40

Monterey County Water Resources Agency
FY 15-16 Consultants
May-16

	Fund	Zone	FY 14-15 Expenditures	FY 15-16 Budget	FY 15-16 YTD Expenditures/Obligations	Document Number
RJA	111	Administration	7,000.00	7,650.00	7,000.00	SC*4635
Legal	111	Administration	59,579.36	255,000.00	200,000.00	DO*9716
Viasyn	111	Administration	8,397.89			
Management Partners	111	Administration	7,500.00		9,900.00	SC*4856
JAMS Arbitration	111	Administration	1,660.24			
KCs reporting	111	Administration	5,096.25			
Armstrong Productions	111	Administration		7,650.00	5,500.00	DO *10785
Fund 111 Total			89,233.74	270,300.00	222,400.00	-
Bill Phillips	112	Zone 1 & 1A	6,260.48			
Fund 112 Total			6,260.48	-	-	-
One Rain	113	Countywide	6,480.00	10,200.00	6,480.00	DO*10156
Specialized Helicopters	113	Countywide	1,410.00		4,000.00	DO*10385
Fund 113 Total			7,890.00	10,200.00	10,480.00	-
FishBio	115	Zone 2A	-	20,400.00	70,378.14	DO*10468
Fund 115 Total			-	20,400.00	70,378.14	-
USGS	116-O&M	Zone 2C O&M	173,525.00	118,500.00		
A&G Pumping	116-O&M	Zone 2C O&M			6,000.00	DO*9657
AECOM	116-O&M	Zone 2C O&M	31,059.72	38,000.00	49,450.00	
Hagar	116-O&M	Zone 2C O&M	16,974.64	19,000.00		
Yoshimaru	116-O&M	Zone 2C O&M		10,000.00		
Greenline	116-O&M	Zone 2C O&M		2,000.00	15,940.00	DO*9730
Dam Safety Report	116-O&M	Zone 2C O&M	8,814.28	20,000.00		
Low Level Outlet	116-O&M	Zone 2C O&M		100,000.00		
URS	116-O&M	Zone 2C O&M	29,799.42			
EPC	116-O&M	Zone 2C O&M	579,620.56		468,917.37	DO*10031,*10158, 10359, 10484
LUX Environmental	116-O&M	Zone 2C O&M			31,810.00	SC*4585
Obermeyer Hydro	116-O&M	Zone 2C O&M			27,716.00	DO*10047
Techno Coatings, Inc	116-O&M	Zone 2C O&M			544,458.30	EPO*765
Industrial Machine Shop	116-O&M	Zone 2C O&M			20,126.64	DO*9660
Safety Center, Inc.	116-O&M	Zone 2C O&M			9,990.00	SC*4853
Burke, Williams & Sorensen LLP	116-O&M	Zone 2C O&M			105,713.75	DO*10534
Horizon Water & Environment	116-O&M	Zone 2C O&M			62,362.04	DO*10872, DO *10971, DO*11020
Schenberger, Taylor,McCormick & Jecker	116-O&M	Zone 2C O&M			22,000.00	SC*4917
Fund 116 O&M Total			839,793.62	307,500.00	1,280,122.06	-

**Monterey County Water Resources Agency
FY 15-16 Consultants
May-16**

	Fund	Zone	FY 14-15 Expenditures	FY 15-16 Budget	FY 15-16 YTD Expenditures/Obligations	Document Number
Assessments Consultant	116-ADMIN	Zone 2C Admin		75,000.00		
Legal	116-ADMIN	Zone 2C Admin	12,540.89	150,000.00	67,540.89	DO*9716
Fund 116 Admin Total			12,540.89	225,000.00	67,540.89	-
Legal	122	Zone 9		8,000.00		
Carr Lake	122	Zone 9	50,235.94	10,000.00		
USGS	122	Zone 9				
Industrial Machine Shop	122	Zone 9			22,601.18	DO*9660
Fund 122 Total			50,235.94	18,000.00	22,601.18	-
USGS	123	Zone 11				
Fund 123 Total			-	-	-	-
USGS	124	Zone 12				
Fund 124 Total			-	-		
USGS	125	Zone14				
Fund 125 Total			-	-		-
Don Chapin Company	127	Zone 17			99,000.00	SC*4925
Industrial Machine Shop	127	Zone 17			600.00	DO*9660
Fund 127 Total			99,600.00	-	99,600.00	-
Viasyn	130	Naci Hydro Plant	8,296.55	21,000.00	24,253.01	DO*9507
BBMS	130	Naci Hydro Plant	3,002.75			
PowerPros	130	Naci Hydro Plant	567.00			
Fund 130 Total			111,466.30	21,000.00	124,453.01	-
Industrial Machine Shop	131	Zone 2Y			32,664.00	DO*9660
MRWPCA	131	Zone 2Y	1,311,674.00	1,661,203.00	910,601.50	
Salinas Pump	131	Zone 2Y	177,887.76	150,000.00	195,752.65	DO*10302 ,DO*10918
Rain for Rent	131	Zone 2Y			86,000.00	LPO*1553 ,DO*10854
JDH Corrosion Consultants	131	Zone 2Y			36,235.00	DO* 10761
Fund 131 Total			1,489,561.76	1,811,203.00	1,261,253.15	-
MRWPCA	132	Zone 2Z	1,902,779.00	2,466,133.00	1,233,066.50	
Fund 132 Total			1,902,779.00	2,466,133.00	1,233,066.50	-
MRWPCA	134	SRDF	599,338.00	75,808.00	37,904.00	
Willoughby - Legal	134	SRDF	399,640.00	20,400.00	120,000.00	SC*4730
Coastal Conservation Res.	134	SRDF	4,300.00	1,700.00	1,700.00	DO*10836

**Monterey County Water Resources Agency
FY 15-16 Consultants
May-16**

	Fund	Zone	FY 14-15 Expenditures	FY 15-16 Budget	FY 15-16 YTD Expenditures/Obligations	Document Number
Obermeyer Hydro	134	SRDF			7,500.00	DO*10047
Fund 134 Total			1,003,278.00	97,908.00	167,104.00	-
Agency Total			\$ 5,513,039.73	\$ 5,247,644.00	\$ 4,558,398.93	

Document Legend:

SC (Service Contract) = award document within the system that procures professional services through an agreement that can extend more than one fiscal year.

DO (Delivery Order) = award document within the system for procuring professional services against a Master Agreement.

LPO (Lease Purchase Order) = award document within the system that encumbers funds for Capital Leases (both operating and capital)

EPO (Emergency Purchase Order) = award document within the system that encumbers funds for good associated with an identified emergency.

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS – FINANCE COMMITTEE**

MEETING DATE:	July 8, 2016	AGENDA ITEM:	
AGENDA TITLE:	Consider recommending that the full Board approve a request that the public and interested parties provide the Agency with any information regarding the current 2B, 2Y, and 2Z assessments, water delivery/service charges and corresponding improvements, thereby enabling Raftelis Financial Consultants, Inc. to explore potential alternatives in the assessment methodologies to be prepared for future stakeholder meetings.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY:	Cathy Paladini	PREPARED BY:	Cathy Paladini
PHONE:	831-755-4860	PHONE:	831-755-4860
DEADLINE FOR BOARD ACTION:	July 8, 2016		

RECOMMENDED BOARD ACTION:

Approve a request that the public and interested parties provide the Agency with any information regarding the current 2B, 2Y, and 2Z assessments, water delivery/service charges and corresponding improvements. thereby enabling Raftelis Financial Consultants, Inc. to explore potential alternatives in the assessment methodologies that will be prepared for future stakeholder meetings.

SUMMARY/DISCUSSION:

On June 7, 2016 the Water Resources Board of Supervisors approved the Raftelis Financial Consultants, Inc. agreement with the Water Resources Agency. In prior Board and Finance Committee meetings it was suggested that the Agency engage the public and interested parties in full collaboration and transparency regarding Raftelis Financial Consultants, Inc. (RFC) review of the Benefit Assessments in Zones including water delivery/service charges so as to provide the Agency with the following three methodologies:

1. Existing assessment methodology
2. Revised assessment methodology
3. Cost of service methodology

In order to gather all of the pertinent information from the public and interested parties, the Agency would like to put an invitation to the public on the Agency website requesting that such information be sent to a said mailbox by a certain date so as to have the information timely enough for RFC to review and ask more in depth questions, if needed, before they engage the interested parties in a public meeting format.



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

BOARD ORDER No. _____

APPROVE A REQUEST THAT THE PUBLIC AND INTERESTED PARTIES)
PROVIDE THE AGENCY WITH ANY INFORMATION REGARDING THE CURRENT)
2B, 2Y, AND 2Z ASSESSMENTS, WATER DELIVERY/SERVICE CHARGES AND)
CORRESPONDING IMPROVEMENTS, THEREBY ENABLING RAFTELIS FINANCIAL)
CONSULTANTS, INC. TO EXPLORE POTENTIAL ALTERNATIVES IN THE)
ASSESSMENT METHODOLOGIES THAT WILL BE PREPARED FOR FUTURE)
STAKEHOLDERS MEETINGS.)

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

1. Approves a request that the public and interested parties provide the Agency with any information regarding the current 2B, 2Y, and 2Z assessments, water delivery/service charges and corresponding improvements, thereby enabling Raftelis Financial Consultants, Inc. to explore potential alternatives in the assessment methodologies that will be prepared for future stakeholder meetings.

PASSED AND ADOPTED on this **25** day of **July 2016**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: David Hart, Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager

EXHIBIT A – Scope of Work

The primary objective of this study is to review the Agency Benefit Assessments in Zones 2B, 2Y, and 2Z including Water Delivery/Service charges and ongoing project management; provide an updated assessment methodology/analysis, and a cost of service approach. Upon completion of the cost of service analysis, a comparison of the three methodologies will be presented and appended to the updated model. The three methodologies include:

1. Existing assessment methodology
2. Revised assessment methodology developed in Task 2
3. Cost of Service methodology developed in Task 3.1

The model will be able to show the resulting assessments levied for each property under the different assessment methodologies. Agency staff and the Board will be able to clearly observe how each methodology affects the levied assessment for each property.

Raftelis Consultants, Inc. will approach the Scope of Work in a three step task approach: Task 1: Review of Agency Benefit Assessments and ongoing Project Management; Task 2: Updated Assessment Methodology/Analysis; Task 3: Cost of Service Approach.

TASK 1 –REVIEW OF AGENCY BENEFIT ASSESSMENTS AND ONGOING PROJECT MANAGEMENT

TASK 1.1 – PROJECT KICK-OFF MEETING, INITIATION AND DATA COLLECTION

A detailed data request list will be submitted to the Agency prior to the meeting so that all appropriate data in the required format can be forwarded to RFC. Upon receiving the items requested in the data request, the Project Team will conduct a thorough review of the information provided by the Agency.

The in-person kick-off meeting provides a solid foundation for the project and ensures that project participants are in mutual agreement as to the project's approach, work plan, schedule, and the Agency's priorities. As part of the meeting, RFC will review and discuss the Agency's current assessments, discuss questions that RFC has regarding the data received, and work with staff to identify and prioritize the Agency's goals and objectives for the Study.

TASK 1.2 – DESCRIPTION OF EXISTING ASSESSMENTS

After RFC develops a strong understanding of the existing assessments and the methodology used to develop the assessments. RFC will reconstruct the history of the current assessments levied on properties within the Agency's service area. The results will be summarized in the technical memorandum outlined in Task 3. The summary will include a map of Agency assessments, what improvements were funded by each assessment, and which properties were included in each of the assessment zones.

As a subsequent meeting to the kick-off meeting, it will be equally important to obtain information and feedback regarding the current assessments and corresponding improvements from major stakeholders. Doing so will ensure that we understand all perspectives and how the overlapping assessments impact each major stakeholder's property. This meeting will include a review of the history of existing assessments, perceived inequities with the existing assessments, what issues ought to be addressed as part of any revised methodology, and explore potential alternative assessment methodologies.

TASK 1.3 – ONGOING PROJECT MANAGEMENT

The RFC Project Team is well-versed in the critical elements of this project, including utility rate development, benefit assessments, and industry best management practices with water related

operations. The RFC project management team will stress communication, teamwork, objectivity, and accountability for meeting project objectives and will include general administrative duties, including client correspondence, billing, project documentation, and administration of the study control plan. This task provides for consistent and competent project management to ensure that all deadlines and objectives are met in a timely and efficient manner as requested under Section IV within the RFP. This task also includes ongoing project management. Management responsibilities include general administrative duties such as client correspondence, billing, project documentation, and administration of the study control plan.

Meeting(s)/Conference(s): Two (2) meetings. One (1) kick-off meeting with Agency staff to discuss overall priorities, objectives, framework, and schedule, and one (1) meeting with major stakeholders / property owners.

Deliverable(s): Data Request List, presentation materials, meeting minutes, and history of existing assessments to be provided in Technical Memorandum.

TASK 2 – UPDATED ASSESSMENT METHODOLOGY/ANALYSIS

TASK 2.1 – DEVELOP NEW ASSESSMENT METHODOLOGY

RFC will develop a new assessment methodology to allocate the Agency's CSIP, SVRP, and water delivery service charges. The new methodology will take a fresh look at the improvements and services funded through the assessments and the benefits conferred on property from the improvements and services. Our analysis and assessment methodology will be based on industry standards and will comply with the special benefit provisions of Proposition 218, including:

- A description of the charge and the method by which it will be imposed.
- A compilation of the amount of the charge proposed for each parcel subject to the charge.
- A statement of the methodology and rationale followed in determining the degree of benefit conferred by the services/facilities for which the charge is made.
- A list of assessor parcels upon which the charge is to be imposed.
- The amount of the charge for each of the affected assessor parcels.

The results of the analysis will be presented to the Agency. The parcel database will be able to show the total assessment levy for each property under the existing methodology versus the proposed methodology.

Meeting(s)/Conference(s): One (1) meeting with Agency staff

Deliverable(s): Assessment Methodology Assessment Analysis and Parcel Database in Microsoft Office Excel® 2013

TASK 3 – COST OF SERVICE APPROACH

TASK 3.1 – COST OF SERVICE ANALYSIS

A cost of service rate approach for recovering costs to serve its users will be created by RFC to develop a rate-based approach. Doing so will provide another industry standard comparison for the Agency's revenue requirement recovery.

The cost of service study will be performed based on industry standards and methodologies approved by the American Water Works Association (AWWA) M1 Rate Manual. With a background in Applied Mathematics, Project Manager – Mr. Isaac, has developed numerous utility financial plan, utility rate models, impact fee studies, and has also worked with other public agencies with "Assessments." Mr. Pardiwala, Technical Reviewer, has conducted over a hundred water, wastewater, recycled water, and storm water rate studies. Mr. Isaac and Mr. Pardiwala will collectively ensure that the cost of service allocations focus on service functions, appropriately allocate the cost of service (revenue requirements)

to the service functions, determine how those services are used by each assessment zone, and develop the cost allocation components of the models. Cost allocations among assessment zones will be based on the AWWA-approved Base-Extra Capacity approach which focuses on the different usage patterns (or peaking factors) demonstrated by each assessment zone.

The cost of service will be allocated to the various cost components including, water supply costs, capacity-related costs, commodity costs, customer costs, specific capital costs, and other direct and indirect costs consistent with industry standards. The purpose of this task is to allocate the costs associated with the various costs components to the various assessment zones on the basis of the relative responsibility of each. Costs will be allocated based on the determination of units of service for each assessment zone and the application of unit costs of service to the respective units. The result is the total cost responsibility required of each assessment zone in order to maintain the financial stability of the Agency's water enterprise.

TASK 3.2 – COMPARISON OF METHODOLOGIES

Upon completion of the cost of service analysis, a comparison of the three methodologies will be presented and appended to the model created in Task 2. The three methodologies include:

1. Existing assessment methodology
2. Revised assessment methodology developed in Task 2
3. Cost of service methodology developed in Task 3.1

The model will be able to show the resulting assessments levied for each property under the different assessment methodologies. Agency staff and the Board will be able to clearly observe how each methodology affects the levied assessment for each property.

TASK 3.3 – PREPARATION OF TECHNICAL MEMORANDUM

RFC will present final results and the technical memorandum to the Board of Directors and Agency Board of Supervisors in Workshop format. The presentation materials used in the Workshop will be provided to Agency staff for review prior to the Workshop. The final presentation materials will be available to the General Manager for approval and be distributed to the Board of Directors prior to the Workshop. Comments from the Board of Directors will be incorporated into the Technical Memorandum. The Final Technical Memorandum along with an electronic version will be submitted to the Agency and will include appropriate supporting data from the Model.

Meeting(s)/Conference(s): Two (2) web-meetings with Agency Staff, and one (1) Board workshop

Deliverable(s): Assessment Methodology Model in Microsoft Office Excel® 2013 with Cost of service analysis, draft and final Technical Memoranda

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS-FINANCE COMMITTEE**

MEETING DATE:	July 3, 2016	AGENDA ITEM:	
AGENDA TITLE:	Consider recommending that the full Board approve, in accordance with the Monterey County Water Resources Agency Technology Plan Appendix 2017, a three-year lease of two multifunction copiers from Monterey Bay Systems at a cost not-to-exceed \$72,000; and, authorize the General Manager to execute the Agreement.		
Consent () Action () Information ()			
SUBMITTED BY: PHONE:	Reico Cruz (831) 755-4820	PREPARED BY: PHONE:	Reico Cruz (831) 755-4820
DEADLINE FOR BOARD ACTION:	July 20, 2016		

RECOMMENDED BOARD ACTION:

Approve, in accordance with the Monterey County Water Resources Agency Technology Plan Appendix 2017, a three-year lease of two multifunction copiers from Monterey Bay Systems at a cost not-to-exceed \$72,000; and, authorize the General Manager to execute the Agreement.

SUMMARY:

The Agency replaces its multifunction copiers every three-years. The devices requested for leasing are upgraded versions of the previous copiers.

DISCUSSION:

The multifunction copiers are a Konica Minolta Bizhub C454e and a Konica Minolta Bizhub C654e. The C654e is a larger machine that will provide the more sophisticated functions such as z-folding, saddle stitching, post insertion and large jobs. The smaller copier is for general use and serves as a backup when the larger copier is down. The three-year lease will cover the period from July 1, 2016 to June 30, 2019. Payments include the leasing of the copiers and the actual copies made. Payments are made quarterly.

OTHER AGENCY INVOLVEMENT:

N/A

FINANCING:

Appendix 2017 of the Agency Technology Plan identifies \$72,000 from Fund 111 for copier leases for FY 2016-17.



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

BOARD ORDER No. _____

APPROVE, IN ACCORDANCE WITH THE MONTEREY COUNTY)
WATER RESOURCES AGENCY TECHNOLOGY PLAN APPENDIX)
2017, A THREE-YEAR LEASE OF TWO MULTIFUNCTION)
COPIERS FROM MONTEREY BAY SYSTEMS AT A COST NOT-TO-)
EXCEED \$72,000; AND, AUTHORIZE THE GENERAL MANAGER TO)
EXECUTE THE AGREEMENT)

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

1. Approves, in accordance with the Monterey County Water Resources Agency Technology Plan Appendix 2017, a three-year lease of two multifunction copiers from Monterey Bay Systems at a cost not-to-exceed \$72,000; and
2. Authorizes the General Manager to execute the Agreement.

PASSED AND ADOPTED on this 20th day of July 2016, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: David Hart, Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager

MONTEREY COUNTY WATER RESOURCES AGENCY
AND Monterey Bay Systems
AGREEMENT FOR SERVICES

This is a multi-year agreement between the Monterey County Water Resources Agency, hereinafter called "Agency," and Monterey Bay Systems, a California Company, hereinafter called "CONTRACTOR".

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

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

The scope of work is briefly described and outlined as follows:
Provision of one Konica Minolta Bizhub C454e multi-function copier and one Konica Minolta Bizhub C654e multi-function copier with options as noticed in the attached quote forms.

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.

- (b) 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.
- (c) 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 upon execution of this Agreement by CONTRACTOR and Agency, and will terminate on June 30, 2019 _____, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR the amounts provided in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is Seventy-two thousand dollars
(\$72,000 _____).

4. Monthly Invoices by CONTRACTOR; Payment.

- (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.
- (b) CONTRACTOR agrees that Agency may withhold ten percent (10%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.
- (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.
- (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly stated in this Agreement.

5. Indemnification CONTRACTOR shall indemnify, defend, and hold harmless the Agency and the County of Monterey, their 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's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:

Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORS, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

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

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

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County

and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subCONTRACTORs relating to this Agreement. Government Code Section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of \$10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subCONTRACTORs shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency 's well database and other water use data.

CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual preference, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and

obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

17. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

18. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

19. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

20. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

21. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

22. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

23. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

24. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

25. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

26. Contract Administrators.

CONTRACTOR's designated principal responsible for administering
CONTRACTOR's work under this Agreement shall be
Nic Trudeau, MBS Contacts

Agency's designated administrator of this Agreement shall be
Reico Cruz, Departmental Information Systems Manager

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

TO AGENCY
Name: Reico Cruz
Address: P.O. Box 930
Salinas, CA 93902

TO CONTRACTOR
Name: Nic Trudeau
Address: 325-A Victor Street
Salinas, CA 93907

Telephone: (831) 755-4860
Fax: (831) 424-7935
E-Mail: cruzr@co.monterey.ca.us

Telephone: (831) 758-1048
Fax: (831) 758-5984
E-Mail: nic@mbsworks.com

28. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats in accordance with the specifications listed in Exhibit C.

29. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

30. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

31. Exhibits. The following Exhibits are attached hereto and incorporated by reference:
Exhibit A - Scope of Work/ Work Schedule

32. Entire Agreement --As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

MONTEREY COUNTY WATER RESOURCES AGENCY
AND
AGREEMENT FOR SERVICES

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

**MONTEREY COUNTY WATER
RESOURCES AGENCY:**

CONTRACTOR:

BY:

BY:

David E. Chardavoyne
General Manager

Type Name: Kelly Murphy
Title: President

Date:

Date:

BY:

Type Name: Armando Gonzalez
Title: Vice-President

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:

Deputy County Counsel

Administrative Analyst

Dated: _____

Dated: _____

Risk Management:

Auditor-Controller ²:

Dated: _____

Dated: _____

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

²Approval by Auditor-Controller is required

COUNTY OF MONTEREY, **Exhibit A**
INC0052542
 CONTRACTS/PURCHASING DIVISION



168 W. Alisal Street 3rd Floor, Salinas CA 93901
 Phone (831) 755-4990

PRINTER/COPIER/MULTIFUNCTION MACHINE QUOTE FORM

Date: 6/03/16	Sales Rep Name: Nic Trudeau
Company Name: MBS Business Systems	Sales Rep Phone: 831.206.5355
Company Address: 325 Victor Street Salinas, CA 93907	Sales Rep Signature: <i>Nic Trudeau</i>

*NETWORKED: Yes No

The following equipment shall be provided on a: 36 month term 24 month term 12 month term
 Term begins on: (enter date) 7/01/16

Copier Model:	Konica Minolta Bizhub C454e	\$ 275.11/month	<p>Note: Do not list standard features as Add-ons.</p> <p>Security Note: The County requires full hard disk encryption and data overwrite capabilities. If these are standard features do not list them as add-ons. However, if add-ons are required to meet these requirements, please list those.</p>
Finisher Model:	Finisher Stapler	\$ Inc. /month	
Add-on:	2/3 Hole Punch Kit	\$ Inc. /month	
Add-on:	External Keyboard	\$ Inc. /month	
Add-on:	Keyboard Holder	\$ Inc. /month	
Add-on:	Numeric Pad	\$ Inc. /month	
Add-on:	PC410 2,500 Sheet Paper Cassette	\$ Inc. /month	
Add-on:	Working Table	\$ Inc. /month	
Security Add-on:	Surge Protector	\$ Inc. /month	
Security Add-on:		\$ /month	
Other:		\$ /month	
Total Monthly Rental:		\$ 275.11/month	

Monthly Copies Included (if any): NONE /month
 Cost-Per-Copy: \$.0055 /copy Black and White
 \$.049/Color Copy

- All maintenance and repair costs shall be included in pricing above, including drums & rollers
 All delivery, installation, and machine pick-up shall be included in pricing above
 Toner included as needed (no limitations) Staples included as needed (no limitations)

Ship To: Water Resources Administration
893 Blanco Circle
Salinas, CA 93901

Bill To: County of Monterey Water Resources
P.O. Box 930
Salinas, CA 93902

Equip Contact (name & phone): Reico Cruz 755-4820 Billing Contact (name & phone): Reico Cruz 755-4820

*IF THIS DEVICE WILL BE CONNECTED TO THE COUNTY NETWORK AND USED AS A SHARED PRINTING DEVICE, ITD REVIEW AND APPROVAL IS REQUIRED. PLEASE ROUTE THIS FORM TO "IT SUPPORT SERVICES" TO FACILITATE IT APPROVAL AND ASSURE TIMELY ASSISTANCE FOR INSTALLATION.

ITD Technical and Security Review Approved by: Stephen Lucas Date: 6-22-2016
 (Security review summary shall be attached to this form if machine is networked)

ITD Management Approval: [Signature] Date: 6-22-16
 ITD Manager, County of Monterey Information Technology Department

Exhibit A

Monterey County Information Security & Privacy Team Security Analysis Document

Target: Konica Bizhub 454e multi-function copier (ref: INC0052542)
Date: June 22, 2016

The following steps should be executed on the Konica Bizhub 454e device in order to decrease its risk to the County's network environment:

- The default administrative password to the device should be changed to meet complexity standards and the password should be securely maintained at all times.
- Disable the SNMP service on the device.
- The USB interface on the device must be disabled (either physically, or via the software interface if that option is available)
- Unless required for a business need (and possibly subject to additional review), disable any unnecessary services such as FTP, SMTP, IPP, Novell PServer/RPrinter or any other services that are exposed to the network. Where required by business need, utilizing secured versions of these services (FTPS, SMTPS) should be used where possible.
- Configure the device to automatically receive Operating System and Application security updates from the appropriate source. This will require interfacing with the vendor for configuration instructions and methods.
- Appropriate DNS entries should be created in order to provide correct device identification in relation to its network traffic.
- The device listed in this request has the additional data security/encryption components included. The device should be configured with the Job Erase functionality enabled, at a minimum, to protect documents sent and queued on the device. Use of other data security functions available with this part is encouraged.
- A network scanning module is included with the standard configuration of the Bizhub 454e. Security measures including, but not limited to, limited user access, encryption of data, removal of stored scan data in a timely manner, role-based user authentication, and any other additional security measures should be reviewed and implemented should this functionality be used.
- Refer to the current County of Monterey Information Security Standards document (particularly, standard 1.6), for additional requirements for network-connected devices

Additional recommendations may be required once the device is attached to the County network infrastructure and a thorough vulnerability scan is performed on the device utilizing the County's designated technical vulnerability scanning tools. These scans are performed on a regular basis to ensure the integrity of all devices connected to the County network infrastructure.

Exhibit A

COUNTY OF MONTEREY, **INC 0052542**
 CONTRACTS/PURCHASING DIVISION



168 W. Alisal Street 3rd Floor, Salinas CA 93901
 Phone (831) 755-4990

PRINTER/COPIER/MULTIFUNCTION MACHINE QUOTE FORM

Date: 5/24/16	Sales Rep Name: Nic Trudeau
Company Name: MBS Business Systems	Sales Rep Phone: 831.206.5355
Company Address: 325 Victor Street Salinas, CA 93907	Sales Rep Signature: <i>Nic Trudeau</i>

*NETWORKED: Yes No

The following equipment shall be provided on a; 36 month term 24 month term 12 month term
 Term begins on: (enter date) 7/01/16

Copier Model:	Konica Minolta Bizhub C654e	\$ 583.93/month	Note: Do not list standard features as Add-ons. Security Note: The County requires full hard disk encryption and data overwrite capabilities. If these are standard features do not list them as add-ons. However, if add-ons are required to meet these requirements, please list those.
Finisher Model:	Finisher -100 Sheet Stapling FS535	\$ Inc. /month	
Add-on:	Z-Folding Unit	\$ Inc. /month	
Add-on:	External Keyboard	\$ Inc. /month	
Add-on:	2/3 Hole Punch Kit	\$ Inc. /month	
Add-on:	Large Capacity Tray	\$ Inc. /month	
Add-on:	Working Table	\$ Inc. /month	
Add-on:	Post Inserter	\$ Inc. /month	
Security Add-on:	Keyboard Holder	\$ Inc. /month	
Security Add-on:	Saddle Stitcher Kit	\$ Inc. /month	
Other:		\$ /month	
Total Monthly Rental:		\$ 583.93/month	

Monthly Copies Included (if any): NONE /month
 Cost-Per-Copy: \$.0055 /copy Black and White
 \$.049/Color Copy

- All maintenance and repair costs shall be included in pricing above, including drums & rollers
- All delivery, installation, and machine pick-up shall be included in pricing above
- Toner included as needed (no limitations) Staples included as needed (no limitations)

Ship To: Water Resources Administration
893 Blanco Circle
Salinas, CA 93901

Bill To: County of Monterey Water Resources
P.O. Box 930
Salinas, CA 93902

Equip Contact (name & phone): Reico Cruz 755-4820 Billing Contact (name & phone): SAME

***IF THIS DEVICE WILL BE CONNECTED TO THE COUNTY NETWORK AND USED AS A SHARED PRINTING DEVICE, ITD REVIEW AND APPROVAL IS REQUIRED. PLEASE ROUTE THIS FORM TO "IT SUPPORT SERVICES" TO FACILITATE IT APPROVAL AND ASSURE TIMELY ASSISTANCE FOR INSTALLATION.**

ITD Technical and Security Review Approved by: Stephen Lucas Date: 6-22-2016
 (Security review summary shall be attached to this form if machine is networked)

ITD Management Approval: [Signature] Date: 6-22-16
 ITD Manager, County of Monterey Information Technology Department

Exhibit A

Monterey County Information Security & Privacy Team Security Analysis Document

Target: Konica Bizhub 654e multi-function copier (ref: INC0052542)
Date: June 22, 2016

The following steps should be executed on the Konica Bizhub 654e device in order to decrease its risk to the County's network environment:

- The default administrative password to the device should be changed to meet complexity standards and the password should be securely maintained at all times.
- Disable the SNMP service on the device.
- The USB interface on the device must be disabled (either physically, or via the software interface if that option is available)
- Unless required for a business need (and possibly subject to additional review), disable any unnecessary services such as FTP, SMTP, IPP, Novell PServer/RPrinter or any other services that are exposed to the network. Where required by business need, utilizing secured versions of these services (FTPS, SMTPS) should be used where possible.
- Configure the device to automatically receive Operating System and Application security updates from the appropriate source. This will require interfacing with the vendor for configuration instructions and methods.
- Appropriate DNS entries should be created in order to provide correct device identification in relation to its network traffic.
- The device listed in this request has the additional data security/encryption components included. The device should be configured with the Job Erase functionality enabled, at a minimum, to protect documents sent and queued on the device. Use of other data security functions available with this part is encouraged.
- A network scanning module is included with the standard configuration of the Bizhub 654e. Security measures including, but not limited to, limited user access, encryption of data, removal of stored scan data in a timely manner, role-based user authentication, and any other additional security measures should be reviewed and implemented should this functionality be used.
- Refer to the current County of Monterey Information Security Standards document (particularly, standard 1.6), for additional requirements for network-connected devices

Additional recommendations may be required once the device is attached to the County network infrastructure and a thorough vulnerability scan is performed on the device utilizing the County's designated technical vulnerability scanning tools. These scans are performed on a regular basis to ensure the integrity of all devices connected to the County network infrastructure.

