

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

FINANCE COMMITTEE

COMMITTEE MEMBERS

Claude Hoover, Chair
Ken Ekelund

David Hart
John Huerta

TIME: 10:00 a.m.
DATE: Friday, April 10, 2015
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 February 13, 2015.**
The Committee will consider approval of the minutes of the above-mentioned meeting (Page 3).
4. **Consider receiving the February 2015 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 February 2015 Financials for all Agency Funds.**
Cathy Paladini, Finance Manager, will review the December 2014 Financials for all Agency Funds (Page 17).
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 35).
7. **Consider receiving the report and recommending to the Monterey County Board of Directors a 2.5% COLA increase on the assessment rate charges for Zones 2B, 2Y and 2Z for Fiscal Year 2015-2016, the Castroville Seawater Intrusion Project (CSIP)**

and the Salinas Valley Reclamation Project (SVRP), with no changes to the water service charge of \$5.63 and delivery charge of \$67.82

Cathy Paladini, Finance Manager, will review the report (Page 37).

8. **Consider receiving the report and recommending that the Monterey County Board of Directors approve a 2.5% COLA increase to benefit assessment charges for Fiscal Year 2015-2016 in Zones 1, 1A, 8, 9, 12 and 17**

Cathy Paladini, Finance Manager, will review the report (Page 43).

9. **Consider receiving the report and recommending that the Monterey County Board of Directors approve a 2.5% COLA increase in Zone 2C assessment charges for Fiscal Year 2015-2016**

Cathy Paladini, Finance Manager, will review the report (Page 53).

10. **Consider receiving the report and recommending that the Monterey County Water Resources Agency Board of Directors approve Budget Amendment No. 3 authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2014-15 Adopted Budget to transfer funds to cover the second annual SVWP Bond Debt Service payment in the total amount of \$2,137,863;**
 - a) **Authorize the Auditor-Controller to amend the FY 2014-15 WRA Adopted Budget, Dept. 9300, Unit 8267, Fund 133 (SVWP Revenue Fund), Appropriation Unit WRA027, Account 6811, to increase appropriations by \$32,000 financed by available unassigned fund balance account 3101.**

Cathy Paladini, Finance Manager, will review the report (Page 59).

11. **Consider receiving the report and recommending that the Monterey County Water Resources Agency Board of Directors approve an Agreement for Services with Tom Shepherd in the amount of \$25,000 to provide liaison services for Agency Grazing leases and related property management services; and, authorizing the General Manager's to execute the Agreement.**

Brent Buche, Deputy General Manager, will review the report (Page 63)

12. **Set next meeting date and discuss future agenda items.**

The Committee will discuss and determine details for its next meeting.

13. **Adjournment**

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

Claude Hoover (Chair)
David Hart

Ken Ekelund
John Huerta

TIME: 10:00 a.m.
DATE: Friday, February 13, 2015
PLACE: Monterey County Water Resources Agency
893 Blanco Circle
Salinas, CA 93901

MINUTES

1. **Call Meeting to Order @ 10:10 a.m. by Committee Chair, Claude Hoover**
Members Present: Ken Ekelund, Claude Hoover, John Huerta and David Hart
Members Absent: None

A quorum was established.

2. **Public Comment**
John Baillie reiterated that cloud seeding needs to be seriously considered and that funding needs to be available in case there is an opportunity to activate that program.
3. **Approve the Minutes of the Finance Committee Meeting held on October 10, 2014 and December 12, 2014.**

Committee Action:

Committee Member David Hart pointed out that Mr. John Baillie's name was misspelled in the Minutes. The error was noted. Upon Motion made by Committee Member John Huerta and seconded by Committee Member David Hart the Committee approved the Minutes.

4. **Consider receiving the July through November 2014 Financials for the Castroville Seawater Intrusion Project/Salinas Valley Reclamation Project, and the Salinas River Diversion Facility.**
Cathy Paladini, Finance Manager reviewed the Financials for the CSIP/SVRP/SRDF.

Committee Action:

Upon Motion made by Committee Member David Hart and seconded by Committee Member Ken Ekelund the Committee received the report.

5. **Consider receiving the December 2014 Financials for all Agency Funds.**
Cathy Paladini, Finance Manager, reviewed the December 2014 Financials for all Agency Funds. She noted that the year-to-date revenue is \$12,491,247 and year-to-date expenditures are \$8,119,324.

Committee Action:

Upon Motion made by Committee Member Ken Ekelund and seconded by Committee Member John Huerta the Committee received the December 2014 Financials for all Agency Funds.

6. **Consider approving Purchase Orders/Contracts/Credit Card Purchases in excess of \$500.**

Cathy Paladini, Finance Manager, reviewed purchase orders/contracts/credit card purchases in excess of \$500.

Committee Action:

Upon Motion made by Committee Member John Huerta and seconded by Committee Member David Hart the Committee approved the Purchase Orders/Credit Card Purchases in excess of \$500.

7. **Consider receiving a report and recommending that the full Board approve an agreement with The Nature Conservancy for an expenditure of up to \$75,000 to complete the necessary Two-Dimensional Flood Model for Phase 2 of the Salinas River Stream Maintenance Program.**

Shaunna Juarez, Associate Water Resources Engineer, reviewed the proposed agreement. She noted that the Stream Maintenance Program (SMP) was approved in July 2014 and will be implemented in phases. The SMP follows a consensus-based process for design and implementation that includes identification of willing participants and potential River Management Units (RMUs), a Technical and Design Committee and a Permitting Committee. Phase 2 of the SMP should begin in March 2015 and end in October 2015 with applications being submitted to the regulatory agencies.

Public Comment:

John Baillie commented that The Nature Conservancy does good work. He expressed concern that vegetation was being cut in a way that the levees would not hold together and asked if there was a strategy to replace vegetation to hold the levees together.

Shaunna Juarez indicated that a full report will be forthcoming this month which will include information regarding vegetation.

Committee Action:

Upon Motion made by Committee Member Ken Ekelund and seconded by Committee Member Dave Hart the Committee received the report and recommended that the full Board approve an agreement with The Nature Conservancy for an expenditure of up to \$75,000 to complete the necessary Two-Dimensional Flood Model for Phase 2 of the Salinas River Stream Maintenance Program.

8. **Consider receiving the Water Resources Agency's FY 2014-15 Three-Year Forecast; and, recommending that the full Board approve its inclusion in Monterey County's Countywide Three-Year Forecast FY 2014-15 through FY 2017-18 Report.**

Cathy Paladini, Finance Manager, presented this item to the Committee. She noted that this report is one section of the annually published Countywide Three-Year Forecast FY 2014-15 through FY 2017-18. The Agency's forecasted numbers are a consolidation of all Funds and include Beginning Fund Balance, Revenues, Expenditures, and Ending Fund Balance. In addition, the Agency report includes Fund 313 Castroville Seawater Intrusion Project/Salinas Valley Reclamation Project Joint Powers Authority Debt Service Fund. It does not reflect direction from the Agency's Board of Directors Budget workshop meeting that will be held on March 23, 2015.

Committee Action:

Upon Motion made by Committee Member Ken Ekelund and seconded by Committee Member Dave Hart the Committee received the report.

9. **Consider receiving a report on the status of the proposed Zone 2B, 2Y and 2Z Water Delivery/Service charges for the Water Resources Agency Castroville Seawater Intrusion Project (CSIP – Fund 131), Salinas Valley Reclamation Project (SVRP – Fund 132) and the Salinas River Diversion Facility (SRDF – Fund 134) FY 2015-16 Budgets as established by Ordinances 3635, 3636, and 3789 through the adoption of Clarification Resolution 00-172; and, recommending that the full Board authorize the Agency to levy such proposed charges effective July 2015.**

Cathy Paladini, Finance Manager, presented this item to the Committee. She noted that the Agency proposes to use the methodology in the 2007 Engineer's Report for the SRDF to determine the necessary annual water service/delivery charges for CSIP/SVRP/SRDF whether the SRDF is operational or not. The CSIP/SVRP cost increases when the SRDF is not operating. FY 2014-15 is the first year the SRDF became inoperable due to drought conditions.

Adoption of the proposed methodology for water delivery/service charges will enable the Agency to maintain a steady revenue stream to account for maintenance and operations costs of CSIP/SVRP/SRDF even when the SRDF is off-line.

Committee Action:

Upon Motion made by Committee Member Ken Ekelund and seconded by Committee Member John Huerta the Committee received the report.

10. **Set next meeting date and discuss future agenda items.**

The next meeting will be held on March 13, 2015 at 10:00 a.m. The Committee will would like to discuss cloud seeding.

11. **ADJOURNMENT**

The Committee adjourned at 11:13 a.m.

Submitted by: Alice Henault

Approved on:

**FY 2014-2015
SUMMARY OF CSIP, SVRP AND SRDF
OPERATIONS AND MAINTENANCE
EXPENDITURE REPORTS**

**FROM JULY 1, 2014 THROUGH FEBRUARY 28, 2015
8 MONTHS = 67% OF THE BUDGET CYCLE**

	TOTAL EXPENDITURES AND COMMITMENTS	FY 14-15 Budget	% USED
CSIP			
MCWRA	315,805	1,341,154	24%
MRWPCA	829,215	1,311,674	63%
Total	1,145,020	2,652,828	43%
SVRP			
MCWRA	-	250	0%
MRWPCA	1,308,024	2,175,779	60%
Total	1,308,024	2,176,029	60%
SRDF			
MCWRA	723,438	1,097,592	66%
MRWPCA	55,809	263,564	21%
Total	779,246	1,361,156	57%

			Budget	% Used
CSIP Supplemental Well Water Produced this FY	3,837	acre-feet	5,532	69%
SVRP Recycled Water Produced this Fiscal Year	8,412	acre-feet	16,023	52%
SRDF River Water Produced this Fiscal Year	0	acre-feet	2,150	0%
Total Water Production	12,249	acre-feet	23,705	52%

FUND 131

**Castroville Seawater Intrusion Project (CSIP) O&M Expenditure Report
FY 2014 - 2015**

FROM JULY 1, 2014 THROUGH FEBRUARY 28, 2015

Description	February, 2015 Current Period Expenditures	Year-to-Date Expenditures	Year-to-Date Encumbered	Total Year-to-Date Expenditures & Commitments	FY 2013 - 2014(a) Expenditures & Commitments thru February, 2014	Approved FY 2014-2015 Budgeted Amount	FY 2014-2015 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	17,153	0	17,153	18,172	45,430	38%
2.2 Project Insurance	0	0	0	0	0	195,000	0%
3 Insurance reimbursement from MRWPCA	0	(75,000)	0	(75,000)	0	(75,000)	100%
4.1 Maintenance Svc. & Suppl. External	40	134	866	1,000	3,000	3,060	33%
4.2 Maintenance Svc. & Suppl. Internal	0	0	0	0	0	0	n/a
5 Equipment Maintenance	0	0	0	0	36	510	0%
6 Memberships/Publications	0	215	0	215	215	265	81%
7 Non-Capital Equipment	0	0	0	0	951	1,530	0%
8 Miscellaneous Services	0	1,996	0	1,996	0	0	n/a
9 Miscellaneous Supplies	0	409	0	409	130	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	0	626	0	626	0	0	n/a
13 Outside Legal Counsel	(1,107)	0	0	0	0	0	n/a
14 County Counsel	1,236	1,236	0	1,236	440	1,061	116%
15 Consultants/Contractors	(27,414)	18,750	88,302	107,052	139,977	495,068	22%
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	250	n/a
18 Equipment Rental	536	536	0	536	0	0	n/a
19 MCWRA Labor Charges	18,112	233,168	0	233,168	229,634	373,980	62%
20 Equipment	27,414	27,414	0	27,414	0	0	n/a
20 Infrastructure	0	0	0	0	0	300,000	0%
21 TOTAL O&M CSIP (MCWRA)	18,816	226,636	89,168	315,805	392,555	1,341,154	24%
MRWPCA O&M							
22 MRWPCA Salaries/Benefits	34,544	300,148	0	300,148	305,670	501,054	60%
23 Office Expense	0	1,677	0	1,677	1,923	1,750	96%
24 Outside Professional Services	57	3,664	393	4,057	6,324	24,500	17%
25 Operating Supplies	1,059	8,110	104	8,214	8,434	10,650	77%
26 Contract Services - Lab Services, Equip Rent	1,115	11,882	12,142	24,025	25,934	41,900	57%
27 Chemicals	0	0	0	0	0	0	n/a
28 Utilities	35,916	412,293	0	412,293	269,415	568,450	73%
29 PM/Repairs	884	21,713	1,755	23,468	22,400	43,500	54%
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	20,000	0%
33 Indirect	5,562	55,334	0	55,334	46,796	99,870	55%
34 TOTAL O&M CSIP (MRWPCA)	79,136	814,822	14,394	829,215	686,896	1,311,674	63%
35 CSIP PCA Capital Outlay (from Reserves)	24,330	49,555	0	49,555	0	70,000	70.8%
36 TOTAL CSIP O&M	122,282	1,091,013	103,562	1,194,575	1,079,451	2,722,828	44%

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

FUND 132

**Salinas Valley Reclamation Project (SVRP) O&M Expenditure Report
FY 2014-2015**

FROM JULY 1, 2014 THROUGH FEBRUARY 28, 2015

Description	February, 2015 Current Period Expenditures	Year-to-Date Expenditures	Year-to-Date Encumbered	Total Year-to-Date Expenditures & Commitments	FY 2013 - 2014(a) Expenditures & Commitments thru February, 2014	Approved FY 2014-2015 Budgeted Amount	FY 2014-2015 Percent of Budget Used
A	B	C	D	E	F	G	H
MCWRA O&M							
1 Publications & Legal Notices	0	0	0	0	0	250	0%
2 TOTAL O&M SVRP (MCWRA)	0	0	0	0	0	250	n/a
MRWPCA O&M							
3 MRWPCA Salaries/Benefits	50,584	356,451	63	356,514	389,604	522,442	68%
4 Office Expense	78	647	0	647	574	1,000	65%
5 Contractors	0	20,318	250	20,568	66,262	34,000	60%
6 Operating Supplies	1,825	19,996	363	20,359	11,737	20,000	102%
7 Contract Services - Rodent Control, Equip Rent	343	16,969	0	16,969	22,369	27,800	61%
8 Chemicals	20,306	257,870	0	257,870	157,594	467,000	55%
9 Utilities	20,798	282,519	0	282,519	244,725	397,875	71%
10 PM/Repairs	18,431	216,862	45,989	262,851	267,482	270,500	97%
11 Contingency	0	0	0	0	0	0	n/a
12 Equipment Replacement Funds	0	0	0	0	0	0	n/a
13 Indirect Costs	9,181	89,727	0	89,727	81,276	162,162	55%
14 TOTAL O&M SVRP (MRWPCA)	121,546	1,261,359	46,665	1,308,024	1,241,623	1,902,779	69%
15 SVRP Capital Outlay (Trasferred from reserves)	11,006	177,077	0	177,077	193,530	273,000	n/a
16 TOTAL SVRP O&M	132,552	1,438,436	46,665	1,485,101	1,435,153	2,176,029	68%

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

FUND 134
Salinas River Diversion Facility (SRDF) O&M Expenditure Report
FY 2014 - 2015

FROM JULY 1, 2014 THROUGH FEBRUARY 28, 2015

Preliminary Description	February, 2015 Current Period Expenditures	Year-to-Date Expenditures	Year-to-Date Encumbered	Total Year-to-Date Expenditures & Commitments	FY 2013 - 2014(a) Expenditures & Commitments thru February, 2014	Approved FY 2014-2015 Budgeted Amount	FY 2014-2015 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	77	123	877	1,000	4,500	122,000	1%
4 Maintenance Svc. & Suppl. Internal	0	0	0	0	6,156	2,000	0%
5 Equipment Maintenance	0	822	0	822	0	6,000	14%
6 Non-Capital Equipment	0	0	0	0	0	3,500	0%
7 Miscellaneous Services	0	0	0	0	0	0	n/a
8.1 Miscellaneous Supplies	0	0	0	0	0	2,040	0%
8.2 Books & Periodicals	0	0	0	0	0	0	n/a
9 Minor Equip. & Furnishings	0	1,289	0	1,289	0	0	n/a
10 Postage and Shipping	0	49	0	49	0	0	n/a
11 Outside Legal Counsel	10,114	114,025	185,975	300,000	17,473	320,959	93%
12 County Counsel	3,134	20,084	0	20,084	8,142	3,000	669%
13 Contractors/Consultants	0	0	0	0	0	180,000	n/a
14 Equipment Rental	0	0	0	0	0	0	n/a
15 MCWRA Labor Charges	14,482	158,254	0	158,254	285,346	306,608	52%
16 Water Rights & Dam Fees	0	0	0	0	0	1,485	0%
15b Claims, Judgements & Damages	0	241,940	0	241,940	0	150,000	161%
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)	27,807	536,586	186,852	723,438	321,616	1,097,592	66%
MRWPCA O&M							
20 MRWPCA Salaries/Benefits	2,124	24,375	0	24,375	41,436	55,615	44%
21 Office Expense	0	22	0	22	350	650	3%
22 Contractors/Consultants	0	0	1,600	1,600	1,825	10,000	16%
23 Operating Supplies	0	0	0	0	4,309	4,950	0%
24 Contract Services - Lab Services, Equip Rent	21	209	6,620	6,829	10,712	13,300	51%
25 Chemicals (chlorine)	0	0	0	0	19,360	15,000	0%
26 Utilities	13,376	16,009	0	16,009	160,988	113,950	14%
27 PM/Repairs	0	0	3,713	3,713	6,747	30,000	12%
28 Equipment Replacement	0	0	0	0	0	0	n/a
29 Sludge Disposal Costs	0	0	0	0	50,000	500	0%
30 Contingency	0	0	0	0	0	1,500	0%
31 Indirect Costs	883	3,261	0	3,261	14,841	18,099	18%
32 TOTAL O&M SRDF (MRWPCA)	16,405	43,876	11,933	55,809	310,569	263,564	21%
33 TOTAL SRDF O&M	44,212	580,462	198,785	779,246	632,185	1,361,156	57%

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

Utility Cost Summary

FROM JULY 1, 2014 THROUGH FEBRUARY 28, 2015
8 MONTHS = 67% OF THE BUDGET CYCLE

FY 2014-2015 - Utility Budgets

	Fiscal Year Budget Amount	Water Budget (Acre-Feet)	Calculated Unit Cost (\$ / Ac-Ft)
CSIP	\$ 568,450	5,532	\$ 102.76
SVRP	\$ 397,875	16,023	\$ 24.83
SRDF	\$ 113,950	2,150	\$ 53.00
		<u>23,705</u>	

FY 2014-2015 - Actual Utility Expenditures

	Utility Expenditures Thru January, 2015	Delivered Water (Acre-Feet)	Calculated Unit Cost (\$ / Ac-Ft)	Percent Budget Expended
CSIP	\$ 412,293	3,837	\$ 107.45	73%
SVRP	\$ 282,519	8,412	\$ 33.59	71%
SRDF	\$ 16,009	0	\$ -	14%
		<u>12,249</u>		

Comparison with Prior Fiscal Year (2013-2014)

	Utility Expenditures Thru January, 2014	Delivered Water (Acre-Feet)	Calculated Unit Cost (\$ / Ac-Ft)
CSIP	\$ 269,415	2,029	\$ 132.78
SVRP	\$ 244,725	9,366	\$ 26.13
SRDF	\$ 160,988	3,150	\$ 51.11
		<u>14,545</u>	

MONTEREY COUNTY WATER RESOURCES AGENCY
FISCAL YEAR 2014-2015
FUND 111 ADMINISTRATION - MONTHLY BUDGET REVIEW
THROUGH FEBRUARY, 2015

67%

	Account	Current Year Approved Budget	Current Year Adopted Budget	Current Month Expenditures	Current Year PO Balances	Current Year YTD Expenditures	Total YTD Obligations	Prior year YTD Expenditures	Current Year vs. Prior year Expenditures	
	Salaries and Benefits									
1	Regular Employees 6111	3,907,950	3,907,950	267,840	0	2,234,715	2,234,715	2,281,298	(46,583)	1
2	County Temporary Employees 6112	0	0	0	0	2,418	2,418	1,345	1,073	2
3	Emergency Overtime 6113	10,000	10,000	993	0	5,225	5,225	12,686	(7,461)	3
4	Pers 6121	488,417	488,417	29,639	0	261,239	261,239	294,011	(32,771)	4
5	Other Post Retirement Benefits 6122	29,963	29,963	4,300	0	17,201	17,201	21,536	(4,335)	5
6	Social Security - FICA 6131	96,099	96,099	6,884	0	54,121	54,121	43,237	10,884	6
7	Social Security - Medicare 6132	57,125	57,125	3,520	0	31,301	31,301	32,260	(959)	7
8	Life Insurance 6142	4,419	4,419	278	0	2,031	2,031	2,123	(92)	8
9	Long Term/Short Term Disability Insurance 6143/44	6,659	6,659	308	0	2,812	2,812	4,096	(1,285)	9
10	Unemployment Insurance 6148	4,896	4,896	816	0	3,264	3,264	6,182	(2,918)	10
11	Workers Compensation Insurance 6161	62,870	62,870	5,239	0	41,913	41,913	42,622	(709)	11
12	Employee Assistance Program 6171	1,205	1,205	57	0	476	476	517	(41)	12
13	Special Benefits 6174	38,248	38,248	2,684	0	21,099	21,099	20,075	1,024	13
14	Wellness Plan 6175	3,489	3,489	0	0	921	921	894	27	14
	6141/45/47 & 6173									
15	Flex Benefit:(Medical, Dental, Vision)	668,838	668,838	52,607	0	403,700	403,700	416,487	(12,787)	15
16	Salaries and Benefits TOTAL	5,380,178	5,380,178	375,166	0	3,082,435	3,082,435	3,179,368	(96,933)	16
	Services and Supplies									
17	Uniforms & Safety Equipment 6222	1,020	1,020	0	0	423	423	0	423	17
18	Communication Charges - External 6231	7,140	7,140	466	250	3,101	3,351	3,399	(298)	18
19	Communication Charges - Internal 6232	45,000	45,000	0	0	13,246	13,246	13,920	(674)	19
20	Food Refreshments 6241	3,329	3,329	112	225	1,392	1,617	2,147	(756)	20
21	Janitorial Supplies & Services 6251	15,834	15,834	2,182	7,701	8,391	16,092	10,391	(2,000)	21
22	Laundry Supplies and Service 6252	3,121	3,121	85	330	545	875	533	11	22
23	General Liability Insurance 6261/62	458,244	458,244	38,187	0	305,496	305,496	79,706	225,790	23
24	Property Insurance 6266	4,536	4,536	0	0	1,731	1,731	1,814	(83)	24
25	Insurance Unit Allocation 6268	2,938	2,938	490	0	1,958	1,958	2,015	(56)	25
26	Benefits Indirect Costs Allocation 6268	1,723	1,723	0	0	0	0	0	0	26
27	Bldg & Improvements Maint - External 6311	24,480	24,480	1,173	10,024	13,805	23,829	2,398	11,407	27
28	Bldg & Improvements Maint - Internal 6312	0	0	0	0	0	0	0	0	25a
29	Equipment Maintenance 6321	30,172	30,172	763	14,897	13,913	28,809	15,389	(1,476)	29
30	Membership Fees 6351	6,320	6,320	1,315	0	1,355	1,355	700	655	30
31	Non-Capital Equipment 6361	9,180	9,180	0	0	0	0	0	0	31
32	Advertising 6381	1,020	1,020	0	0	0	0	320	(320)	32
33	Miscellaneous Services 6383	510	510	0	0	19	19	0	19	33
34	Miscellaneous Supplies 6384	510	510	0	0	414	414	140	274	34
35	Books and Periodicals 6401	2,448	2,448	0	0	0	0	64	(64)	35
36	Bottled Water 6402	1,377	1,377	0	839	486	1,325	623	(137)	36
37	Courier Service & Mail - External 6404	3,060	3,060	0	4,460	540	5,000	1,951	(1,411)	37
38	Courier Service & Mail - Internal 6405/06	7,827	7,827	1,098	0	5,223	5,223	5,455	(232)	38
39	Minor Computer Hardware 6407	8,400	8,400	0	0	173	173	8,818	(8,646)	39
40	Minor Computer Software 6408	22,600	22,600	0	2,714	21,226	23,940	22,424	(1,197)	40
41	Minor Equipment and Furnishings 6409	5,100	5,100	0	0	2,736	2,736	119	2,617	41
42	Office Supplies 6410	25,500	25,500	36	9,293	6,362	15,655	7,441	(1,079)	42
43	Postage and Shipping 6411	9,180	9,180	183	0	4,647	4,647	4,785	(138)	43
44	Printing, Graphics & Binding - External 6412	1,326	1,326	0	0	441	441	338	103	44

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MONTEREY COUNTY WATER RESOURCES AGENCY
FISCAL YEAR 2014-2015
FUND 111 ADMINISTRATION - MONTHLY BUDGET REVIEW
THROUGH FEBRUARY, 2015

67%

	Account	Current Year Approved Budget	Current Year Adopted Budget	Current Month Expenditures	Current Year PO Balances	Current Year YTD Expenditures	Total YTD Obligations	Prior year YTD Expenditures	Current Year vs. Prior year Expenditures		
45	Printing, Graphics & Binding - Internal	6413	0	0	0	0	0	0	0	45	
46	Other Office Expense	6414	1,020	1,020	11	0	11	11	22	(11)	46
47	County Records Retention Charge	6415	522	522	43	0	299	299	299	0	47
48	County Accounting & Auditing charges	6601	13,370	13,370	0	0	0	5,108	(5,108)	48	
49	Data Processing Charges - Internal	6603	200,333	200,333	11,424	0	93,301	93,301	79,557	13,744	49
50	Legal Services - External	6606	250,000	250,000	0	0	90	90	30,625	(30,535)	50
51	Legal Services - Internal	6607	66,100	66,100	10,657	0	34,534	34,534	50,740	(16,206)	51
52	Other Medical Services	6608	510	510	0	0	185	185	0	185	52
53	Other Personnel Costs (Recruitment)	6609	0	0	0	0	0	24,250	(24,250)	53	
54	Temporary Help Services	6612	5,100	5,100	0	0	0	0	0	0	54
55	Other Prof & Spec Svcs - Consultants	6613	7,500	7,500	568	10,022	18,345	28,366	4,895	13,450	55
55	Other Prof & Spec Svcs - GM	6613	0	0	0	0	0	0	0	0	55
56	Other Prof & Spec Services-BOD Fees, etc.	6613	24,378	24,378	1,450	0	9,650	9,650	12,143	(2,493)	56
57	Publications and Legal Notices	6801	1,530	1,530	0	0	3,295	3,295	0	3,295	57
58	Rents & Leases - Buildings	6811	266,966	266,966	22,291	0	178,935	178,935	173,979	4,956	58
59	Rents & Leases-Equip- Data Processing	6821	13,731	13,731	0	5,150	7,210	12,360	8,240	(1,030)	59
60	Rents & Leases-Equip- Copy machines	6821	24,000	24,000	2,732	10,082	13,918	24,000	10,782	3,136	60
61	Rents & Leases - Equip - General	6821	1,000	1,000	0	0	5,236	5,236	1,485	3,751	61
62	Other Special Dept Expense	6835	3,839	3,839	50	0	636	636	215	421	62
63	Conference/Lodging/Meals/Travel	6861/62	12,240	12,240	(64)	0	1,569	1,569	7,560	(5,990)	63
64	Employee Training	6861/11	10,610	10,610	0	0	0	0	1,709	(1,709)	64
65	County Training Charge	6611	5,386	5,386	1,305	0	5,570	5,570	3,520	2,050	65
66	Employee moving expense	6863	0	0	0	0	0	0	10,000	(10,000)	66
67	Fleet Service Charge (Fuel & misc maint)	6864	101,312	101,312	16,128	0	38,258	38,258	47,012	(8,754)	67
68	Vehicle Maint - Outside Vendor	6866	53,226	53,226	794	27,201	18,129	45,330	26,711	(8,582)	68
69	Utilities	6881	6,500	6,500	0	234	5,318	5,552	3,427	1,891	69
70	Canyon Del Rey Master Drainage Plan	7013	0	0	0	0	35,270	35,270	0	35,270	70
71	Other Debt Retirement (Capital Leases)	7051	33,512	33,512	4,362	5,915	22,542	28,456	0	22,542	71
72	Interest (Capital Leases)	7071	6,268	6,268	1,006	972	3,116	4,088	0	3,116	72
73	Rights of Way	7101	3,250	3,250	0	0	0	0	3,250	(3,250)	73
74	Taxes & Assessments	7121	571	571	0	0	611	611	560	51	74
75	Cost Plan Charges (Adjusted Budget)	7301	375,000	375,000	0	0	59,108	59,108	33,110	25,998	75
76	Balance still in budget for higher Cost Plan amount	6835	0	0	0	0	0	0	0	0	76
77	Services & Supplies	TOTAL	2,189,669	2,189,669	118,847	110,308	962,760	1,073,067	724,086	238,674	77
	Fixed Assets										
72	Equipment	7531	0	0	0	31,134	0	31,134	19,418	(19,418)	72
73	Capital Leases - Equipment	7561	0	0	0	0	0	0	42,026	(42,026)	73
74	Fixed Assets	TOTAL	0	0	0	31,134	0	31,134	61,445	(61,445)	74
75	Operating Transfers Out	7614	550,000	550,000	0	0	550,000	550,000	810,805	(260,805)	75
76	GRAND TOTAL EXPENSES		8,119,847	8,119,847	494,013	141,441	4,595,194	4,736,636	4,775,703	(180,509)	76

(Before inter-fund expense reimbursement)

**Monterey County Water Resources Agency
February, 2015 Fiscal YTD
Actual vs Budget**

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Ad Valorem taxes	\$1,944,798	\$1,944,798
Assessments	13,246,551	13,246,551
Development & Other fees	424,694	424,694
Annexation Fees	0	0
Water Delivery Revenue	991,041	991,041
Royalties	174,514	174,514
Grants	0	0
Reimbursement from County	0	0
Hydroelectric Revenue	400,000	400,000
Settlement Revenue	0	0
Cal-Am Reimbursement	0	0
Insurance reimbursement	\$563,258	\$563,258
Interest, Rent, & Other	2,315,133	2,315,133
Inter-fund transfer revenue	550,000	550,000
Total Revenue	\$20,609,989	\$20,609,989

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$1,197,238	\$747,560	\$1,944,798	\$1,289,433	\$0	\$747,560	Taxes are received Dec & Apr
8,761,110	4,485,441	13,246,551	8,720,340	0	4,485,441	Assessments are received Dec & Apr
274,944	149,750	424,694	319,688	0	149,750	
0	0	0	0	0	0	
1,122,054	(131,013)	991,041	931,051	0	(131,013)	
0	174,514	174,514	0	0	174,514	
26,017	(26,017)	0	1,201,878	0	(26,017)	
236,849	(236,849)	0	306	0	(236,849)	
45,102	354,898	400,000	8,691	0	354,898	
	0	0	0	0	0	
0	0	0	0	0	0	
1,013,849	(450,591)	563,258	144,207	0	(450,591)	
2,323,990	(8,857)	2,315,133	2,373,668	0	(8,857)	
550,000	0	550,000	810,805	0	0	
\$15,551,153	\$5,058,836	\$20,609,989	\$15,800,068	\$0	\$5,058,836	

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Monterey County Water Resources Agency
February, 2015 Fiscal YTD
Actual vs Budget

<u>Expenses & Encumbrance Balances</u>	<u>FY 2014-15 Approved Budget</u>	<u>FY 2014-15 Adopted Budget</u>	<u>YTD PO Balances</u>	<u>YTD Expenses</u>	<u>Estimated Remaining Expenses</u>	<u>Total Estimated Expenses</u>	<u>Prior Year YTD Expenses</u>	<u>Appr Budget vs Total Estimated Expenses</u>	<u>Variance Approved Budget vs YTD Expenses</u>	<u>Remarks</u>
Salaries & Benefits	\$5,380,178	\$5,380,178	\$0	\$3,082,435	\$2,297,743	\$5,380,178	\$3,179,368	\$0	\$2,297,743	
Consultants	5,306,225	6,729,761	513,629	4,428,662	2,301,099	6,729,761	2,569,239	(1,423,536)	877,563	
Services & Supplies	3,184,952	3,186,952	196,911	1,642,185	1,544,767	3,186,952	1,262,922	(2,000)	1,542,767	
Fixed Assets	528,780	528,780	38,020	53,072	475,708	528,780	1,273,272	0	475,708	
Debt payments	7,953,932	7,953,932		4,801,615	3,152,317	7,953,932	4,801,803	0	3,152,317	
Settlement costs	66,621	66,621		66,621	(0)	66,621	66,621	0	(0)	
Inter-fund transfer expenditures	550,000	550,000		550,000	0	550,000	810,805	0	0	
Labor cost charges from Fund 111 & ALERT charges from Fund 113 charged to various funds	7,577,128	7,577,128		4,269,523	3,307,605	7,577,128	4,385,795	0	3,307,605	
Inter-fund reimbursement of expenses in Fund 111 & fund 113	(7,577,128)	(7,577,128)		(4,303,235)	(3,273,893)	(7,577,128)	(4,385,795)	0	(3,273,893)	
Total Expenses & encumbrance balances	\$22,970,688	\$24,396,224	\$748,560	\$14,590,877	\$9,805,347	\$24,396,224	\$13,964,030	(\$1,425,536)	\$8,379,811	
Revenue less Expenses	(\$2,360,699)	(\$3,786,235)		\$960,276	(\$4,746,511)	(\$3,786,235)	\$1,836,038	\$1,425,536	(\$3,320,975)	
Beginning Fund Balance 7/1/14	13,114,073	16,501,890		\$16,501,890		\$16,501,890				
Ending Fund Balance	10,753,374	12,715,655		\$16,741,020		\$12,715,655				

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Monterey County Water Resources Agency
Fund 313 - Monterey County Financing Authority - Appropriation Unit WRA026
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Interest, Rent, & Other	2,137,863	2,137,863
Total Revenue	\$2,137,863	\$2,137,863

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
2,107,237	30,626	2,137,863	2,137,957	0	30,626	
\$2,107,237	\$30,626	\$2,137,863	\$2,137,957	\$0	\$30,626	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Consultants	0	0	0	0	0	0	0	0	0	
Debt Payments	2,137,863	2,137,863	0	2,137,863	1	2,137,863	2,137,963	0	1	
Total Expenses & encumbrance balances	\$2,137,863	\$2,137,863	\$0	\$2,137,863	\$1	\$2,137,863	\$2,137,963	\$0	\$1	

Revenue less Expenses	\$0	\$0	(\$30,626)	\$30,626	\$0	(\$5)	\$0	\$30,626
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Monterey County Water Resources Agency
Administration Fund 111 - Appropriation Unit WRA001
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Reimbursement From County	\$0	\$0
Interest, Rent, & Other	0	0
Total Revenue	\$0	\$0

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$38,192	(\$38,192)	\$0	\$306	\$0	(\$38,192)	
2,337	(\$2,337)		(1,514)	0	(2,337)	
\$40,528	(\$40,528)	\$0	(\$1,208)	\$0	(\$40,528)	

<u>Expenses & Encumbrance Balances</u>	Approved FY 2014-15 Budget	Estimate FY 2014-15	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Salaries & Benefits	\$5,380,178	\$5,380,178		\$3,082,435	\$2,297,743	\$5,380,178	\$3,179,368	\$0	\$2,297,743	
Consultants	257,500	437,992	10,022	18,435	\$419,557	\$437,992	59,770	(180,492)	239,065	
Services & Supplies	1,892,389	1,892,389	93,399	918,667	\$973,722	\$1,892,389	664,315	0	973,722	
Fixed Assets	39,780	39,780	38,020	25,658	\$14,122	\$39,780	61,445	0	14,122	
Sub-total before charges to Funds	7,569,847	7,750,339	141,441	4,045,194	3,705,145	7,750,339	3,964,898	(180,492)	3,524,653	
Labor cost charges from other funds	(\$7,326,592)	(\$7,326,592)		(4,205,183)	(3,121,409)	(7,326,592)	(4,316,469)	0	(3,121,409)	
Transfer from hydro stabilization reserve	\$550,000	\$550,000		550,000	0	550,000	810,805	0	0	
Net Total Expenses & encumbrance balances	\$793,255	\$973,747	\$141,441	\$390,011	\$583,736	\$973,747	\$459,234	(\$180,492)	\$403,244	
Revenue less Expenses	(\$793,255)	(\$973,747)		(\$349,483)	(\$624,264)	(\$973,747)	(\$460,442)	\$180,492	(\$443,772)	

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Monterey County Water Resources Agency
Fund 112 - Zones 1 & 1A - Pajaro Levee - Appropriation Unit WRA002
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Approved Budget
Ad Valorem taxes	\$14,996	\$14,996
Assessments	388,151	388,151
Grants	0	0
Cal-Am Reimbursement	0	0
Interest, Rent, & Other	1,127	1,127
Total Revenue	\$404,274	\$404,274

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$8,429	\$6,567	\$14,996	\$36,121	\$0	\$6,567	Taxes are received Dec & Apr
278,073	110,078	388,151	287,329	0	110,078	Assessments are received Dec & Apr
0	0	0	1,126,856	0	0	
0	0	0	0	0	0	
43	1,084	1,127	(500)	0	1,084	
\$286,545	\$117,729	\$404,274	\$1,449,807	\$0	\$117,729	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Approved Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD	Remarks
Labor cost charges from Fund 111	\$441,848	\$441,848		\$288,063	\$153,785	\$441,848	\$158,580	\$0	\$153,785	
Consultants	0	0	0	0	0	0	0	0	0	
Services & Supplies	35,900	35,900	585	12,626	23,274	35,900	10,945	0	23,274	
Fixed Assets	0	0	0	0	0	0	1,199,756	0	0	
Debt payments	67,000	67,000		0	67,000	67,000	0	0	67,000	
Total Expenses & encumbrance balances	\$544,748	\$544,748	\$585	\$300,689	\$244,059	\$544,748	\$1,369,281	\$0	\$244,059	

Revenue less Expenses
August 2014 Fiscal YTD

(\$140,474) **(\$140,474)**

(\$14,144) **(\$126,330)** **(\$140,474)** **\$80,526** **\$0** **(\$126,330)**

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Monterey County Water Resources Agency
Fund 113 - Countywide - Appropriation Unit WRA003
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Ad Valorem taxes	\$106,458	\$106,458
Development & Other fees	347,616	347,616
Grants	0	0
Hydroelectric Revenue	0	0
Interest, Rent, & Other	3,000	3,000
Cal-Am Reimbursement	0	0
Insurance Reimbursement	100,000	100,000
Inter-fund transfer revenue	210,282	210,282
Total Revenue	\$767,356	\$767,356

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$288,307	(\$181,849)	\$106,458	\$203,680	\$0	(\$181,849)	
249,981	97,635	347,616	289,536	0	97,635	
26,017	(26,017)	0	75,022	0	(26,017)	
0	0	0	0	0	0	
683	2,317	3,000	10	0	2,317	
0	0	0	0	0	0	
0	100,000	100,000	0	0	100,000	
210,282	0	210,282	0	0	0	
\$775,270	(\$7,914)	\$767,356	\$568,248	\$0	(\$7,914)	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Labor cost charges from Fund 111	\$933,247	\$933,247		\$476,922	\$456,325	\$933,247	\$680,121	\$0	\$456,325	
Consultants	10,200	18,779	2,590	7,890	10,889	18,779	54,458	(8,579)	2,310	
Services & Supplies	65,025	65,025	0	23,664	41,361	65,025	39,757	0	41,361	
ALERT charges from Fund 113	(250,536)	(250,536)		(98,052)	(152,484)	(250,536)	(69,326)	0	(152,484)	Additional ALERT transfer to be made in April
Total Expenses & encumbrance balances	\$757,936	\$766,515	\$2,590	\$410,424	\$356,091	\$766,515	\$705,011	(\$8,579)	\$347,512	
August 2014 Fiscal YTD Revenue less Expenses	\$9,420	\$841		\$364,846	(\$364,005)	\$841	(\$136,762)	\$8,579	(\$355,426)	

Monterey County Water Resources Agency
Fund 114 - Zone 2 - Nacimiento Non-O&M - Appropriation Unit WRA004
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Ad Valorem taxes	\$233,653	\$233,653
Development & Other fees	45,078	45,078
Hydroelectric Revenue	0	0
Interest, Rent, & Other	47,665	47,665
Insurance Reimbursement	100,000	100,000
Interfund Transfer Revenue	237,980	237,980
Total Revenue	\$664,376	\$664,376

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$328,105	(\$94,452)	\$233,653	\$242,158	\$0	(\$94,452)	Taxes are received Dec & Apr
8,885	36,193	45,078	9,710	0	36,193	
0	0	0	0	0	0	
67,381	(19,716)	47,665	58,206	0	(19,716)	
0	100,000	100,000	0	0	100,000	
237,980	0	237,980	0	0	0	
\$642,351	\$22,025	\$664,376	\$310,074	\$0	\$22,025	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Labor cost charges from Fund 111	\$587,459	\$587,459		\$259,369	\$328,090	\$587,459	\$253,409	\$0	\$328,090	
Consultants	0	0		0	0	0	0	0	0	
Services & Supplies	62,630	62,630	0	26,143	36,487	62,630	26,247	0	36,487	
Operating Transfers Out	0	0		0	0	0	0	0	0	
Total Expenses & encumbrance balances	\$650,089	\$650,089	\$0	\$285,511	\$364,578	\$650,089	\$279,656	\$0	\$364,578	

Revenue less Expenses
August 2014 Fiscal YTD

\$14,287	\$14,287	\$356,840	(\$342,553)	\$14,287	\$30,418	\$0	(\$342,553)
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Monterey County Water Resources Agency
Fund 115 - Zone 2A - San Antonio Non-O&M - Appropriation Unit WRA005
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Ad Valorem taxes	\$199,889	\$199,889
Development & Other fees	32,000	32,000
Royalties	174,514	174,514
Hydroelectric Revenue	0	0
Interest, Rent, & Other	66,575	66,575
Inter-fund transfer revenue	101,738	101,738
Insurance Reimbursement	100,000	100,000
Total Revenue	\$674,716	\$674,716

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$139,417	\$60,472	\$199,889	\$89,905	\$0	\$60,472	Taxes are received Dec & Apr
16,078	15,922	\$32,000	20,442	0	15,922	
0	174,514	\$174,514	0	0	174,514	Royalties to be received in April
0	0	\$0	0	0	0	
27,894	38,681	\$66,575	59,972	0	38,681	
101,738	0	\$101,738	0	0	0	
0	100,000	\$100,000	0	0	100,000	
\$285,127	\$389,589	\$674,716	\$170,319	\$0	\$389,589	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Labor cost charges from Fund 111	\$633,559	\$633,559		\$295,166	\$338,393	\$633,559	\$215,069	\$0	\$338,393	
Consultants	20,000	20,000	0	0	20,000	20,000	75,926	0	20,000	
Services & Supplies	12,300	12,300	0	1,580	10,720	12,300	6,284	0	10,720	
Operating Transfers Out	0	0		0	0	0	0	0	0	
Total Expenses & encumbrance balances	\$665,859	\$665,859	\$0	\$296,746	\$369,113	\$665,859	\$297,279	\$0	\$369,113	

August 2014 Fiscal YTD	\$8,857	\$8,857		(\$11,619)	\$20,476	\$8,857	(\$126,960)	\$0	\$20,476
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Monterey County Water Resources Agency
Fund 116-OPTN - Zone 2C - Dam Operations - Appropriation Unit WRA006
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Assessments	\$2,873,998	\$2,873,998
Annexation Fes	0	0
Grants	0	0
Reimbursement from County	0	0
Cal-Am Reimbursement	0	0
Interest, Rent, & Other	4,500	4,500
Inter-fund transfer revenue	0	0
Total Revenue	\$2,878,498	\$2,878,498

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$2,026,107	\$847,891	\$2,873,998	\$2,011,680	\$0	\$847,891	Assessments are received Dec & Apr
0	0	0	0	0	0	
0	0	0	0	0	0	
198,657	(198,657)	0	0	0	(198,657)	
0	0	0	0	0	0	
1,187	3,313	4,500	658	0	3,313	
0	0	0	0	0	0	
\$2,225,950	\$652,548	\$2,878,498	\$2,012,337	\$0	\$652,548	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Labor cost charges from Fund 111	\$1,881,936	\$1,881,936		\$1,443,072	\$438,864	\$1,881,936	\$1,241,171	\$0	\$438,864	
Consultants	421,008	448,062	176,608	416,488	31,574	448,062	220,767	(27,054)	4,520	
Services & Supplies	313,057	313,057	11,229	177,648	135,409	313,057	159,618	0	135,409	
ALERT charges from Fund 113	213,100	213,100		83,401	129,699	213,100	58,966	0	129,699	
Fixed Assets	270,000	270,000	0	0	270,000	270,000	0	0	270,000	
Operating Transfers Out	0	0		0	0	0	0	0	0	
August 2014 Fiscal YTD	\$3,099,101	\$3,126,155	\$187,837	\$2,120,609	\$1,005,546	\$3,126,155	\$1,680,523	(\$27,054)	\$978,492	
Revenue less Expenses	(\$220,603)	(\$247,657)		\$105,342	(\$352,999)	(\$247,657)	\$331,814	\$27,054	(\$325,945)	

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Monterey County Water Resources Agency
Fund 116-ADMN - Zone 2C Administration - Appropriation Unit WRA006
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Assessments	\$338,780	\$338,780
Cal-Am Reimbursement	0	0
Total Revenue	\$338,780	\$338,780

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$234,876	\$103,905	\$338,780	\$237,439	\$0	\$103,905	Assessments are received Dec & Apr
0	0	0	0	0	0	
\$234,876	\$103,905	\$338,780	\$237,439	\$0	\$103,905	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Labor cost charges from Fund 111	\$119,670	\$119,670		\$88,319	\$31,351	\$119,670	\$95,431	\$0	\$31,351	
Consultants	150,000	150,000	0	0	150,000	150,000	10,408	0	150,000	
Services & Supplies	5,000	5,000	0	497	4,503	5,000	3,574	0	4,503	
Settlement costs	66,621	66,621		66,621	(0)	66,621	66,621	0	(0)	
Total Expenses & encumbrance balances	\$341,291	\$341,291	\$0	\$155,436	\$185,855	\$341,291	\$176,034	\$0	\$185,855	

Revenue less Expenses	(\$2,511)	(\$2,511)		\$79,439	(\$81,950)	(\$2,511)	\$61,405	\$0	(\$81,950)	
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Monterey County Water Resources Agency
Fund 122 - Zone 9 - Reclamation Ditch - Appropriation Unit WRA012
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Ad Valorem taxes	\$285,616	\$285,616
Assessments	1,038,090	1,038,090
Impact fee	0	0
Interest, Rent, & Other	6,000	6,000
Cal-Am Reimbursement	0	0
Total Revenue	\$1,329,706	\$1,329,706

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$173,969	\$111,647	\$285,616	\$186,395	\$0	\$111,647	Taxes are received Dec & Apr
666,646	371,444	1,038,090	660,244	0	371,444	Assessments are received Dec & Apr
0	0	0	0	0	0	
2,238	3,762	6,000	2,659	0	3,762	
0	0	0	0	0	0	
\$842,854	\$486,852	\$1,329,706	\$849,297	\$0	\$486,852	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Labor cost charges from Fund 111	\$1,250,938	\$1,250,938		\$716,216	\$534,722	\$1,250,938	\$628,813	\$0	\$534,722	
Consultants	118,000	230,469	17,610	32,627	197,842	230,469	38,929	(112,469)	85,373	
Services & Supplies	323,628	323,628	82,561	186,008	137,620	323,628	105,899	0	137,620	
ALERT charges from Fund 113	8,639	8,639		3,381	5,258	8,639	2,391	0	5,258	
Fixed Assets	49,000	49,000	0	0	49,000	49,000	0	0	49,000	
Total Expenses & encumbrance balances	\$1,750,205	\$1,862,674	\$100,171	\$938,232	\$924,442	\$1,862,674	\$776,032	(\$112,469)	\$811,973	

Revenue less Expenses	(\$420,499)	(\$532,968)	(\$95,378)	(\$437,590)	(\$532,968)	\$73,265	\$112,469	(\$325,121)
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Monterey County Water Resources Agency
Fund 130 - Hydroelectric Plant O&M - Appropriation Unit WRA022
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Hydroelectric Revenue	\$400,000	\$400,000
Interest, Rent, & Other	1,000	1,000
Operating Transfers In	0	0
Insurance Reimbursement	263,258	263,258
Total Revenue	\$664,258	\$664,258

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$24,089	\$375,911	\$400,000	\$0	\$0	\$375,911	
1,621	(621)	1,000	894	0	(621)	
0	0	0	810,805	0	0	Budget amendment \$810,805 transfer from Fund 111 reserve. Entry made in September
394,713	(131,455)	263,258	124,563	0	(131,455)	
\$420,423	\$243,835	\$664,258	\$936,262	\$0	\$243,835	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	
Labor cost charges from Fund 111	\$302,838	\$302,838		\$40,595	\$262,243	\$302,838	\$418,218	\$0	\$262,243	
Consultants	30,000	150,000	31,023	6,657	143,343	150,000	686,706	(120,000)	23,343	
Services & Supplies	70,515	70,515	7,392	37,033	33,482	70,515	194,387	0	33,482	
Fixed Assets	40,000	40,000	0	0	40,000	40,000	12,071	0	40,000	
Total Expenses & encumbrance balances	\$443,353	\$563,353	\$38,415	\$84,285	\$479,068	\$563,353	\$1,311,382	(\$120,000)	\$359,068	
Revenue less Expenses	\$220,905	\$100,905		\$336,138	(\$235,233)	\$100,905	(\$375,120)	\$120,000	(\$115,233)	

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Monterey County Water Resources Agency
Fund 133 - Salinas Valley Water Project Debt Revenue Fund - Appropriation Unit WRA027
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Ad Valorem taxes	\$925,548	\$925,548
Assessments	1,107,985	1,107,985
Hydroelectric Revenue	0	0
Interest, Rent, & Other	11,200	11,200
Total Revenue	\$2,044,733	\$2,044,733

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$155,067	\$770,481	\$925,548	\$419,475	\$0	\$770,481	Taxes are received Dec & Apr
764,441	343,544	1,107,985	777,565	0	343,544	Assessments are received Dec & Apr
21,013	(21,013)	0	8,691	0	(21,013)	
97,023	(85,823)	11,200	100,840	0	(85,823)	
\$1,037,544	\$1,007,189	\$2,044,733	\$1,306,572	\$0	\$1,007,189	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	
Services & Supplies	\$4,500	\$4,500		\$3,902	\$598	\$4,500	\$3,902	\$0	\$598	
Debt payments	2,031,662	2,031,662		2,031,662	0	2,031,662	2,031,750	0	0	Transfer of funds to JPA for SVWP bond pmt
Total Expenses & encumbrance balances	\$2,036,162	\$2,036,162	\$0	\$2,035,564	\$598	\$2,036,162	\$2,035,652	\$0	\$598	

Revenue less Expenses	\$8,571	\$8,571		(\$998,020)	\$1,006,591	\$8,571	(\$729,080)	\$0	\$1,006,591
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Monterey County Water Resources Agency
Fund 134 - Salinas River Diversion Facility O&M - Appropriation Unit WRA028
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Water Delivery Revenue	\$661,584	\$661,584
Grants	0	0
Interest, Rent, & Other	0	0
Operating Transfers In	0	0
Cal-Am Reimbursement	0	0
Total Revenue	\$661,584	\$661,584

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$864,273	(\$202,689)	\$661,584	\$874,909	\$0	(\$202,689)	Now being received by WRA. - 1st quarter reconciliation received by MRWPCA and awaiting payment
0	0	0	0	0	0	
3,867	(3,867)	0	1,767	0	(3,867)	
0	0	0	0	0	0	
0	0	0	0	0	0	
\$868,140	(\$206,556)	\$661,584	\$876,676	\$0	(\$206,556)	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Labor cost charges from Fund 111	\$306,608	\$306,608		\$158,254	\$148,354	\$306,608	\$285,038	\$0	\$148,354	
Consultants	283,564	914,523	185,975	713,363	201,160	914,523	16,514	(630,959)	(429,799)	
Services & Supplies	140,025	140,025	877	264,307	(124,282)	140,025	14,606	0	(124,282)	
Fixed Assets	0	0		0	0	0	0	0	0	
Total Expenses & encumbrance balances	\$730,197	\$1,361,156	\$186,852	\$1,135,924	\$225,232	\$1,361,156	\$316,157	(\$630,959)	(\$405,727)	

Revenue less Expenses	(\$68,613)	(\$699,572)	(\$267,783)	(\$431,789)	(\$699,572)	\$560,518	\$630,959	\$199,170
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Monterey County Water Resources Agency
Funds 119, 131,132 & 303 - Zones 2B, 2Y & 2Z - Combined CSIP/SVRP Funds
February, 2015 Fiscal YTD
Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Ad Valorem taxes	\$0	\$0
Assessments	7,309,733	7,309,733
Water Delivery Revenue	329,457	329,457
Cal-Am Reimbursement	0	0
Interest, Rent, & Other	32,380	32,380
Settlement revenue	0	0
Insurance reimbursement	0	0
Total Revenue	\$7,671,570	\$7,671,570

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD Revenue	Remarks
\$0	\$0	\$0	\$12,435	\$0	\$0	
4,669,250	2,640,483	7,309,733	4,629,939	0	2,640,483	Assessments are received Dec & Apr Now being received by WRA. - 1st quarter reconciliation not received by MRWPCA
257,780	71,677	329,457	56,143	0	71,677	
0	0	0	0	0	0	
10,314	22,066	32,380	9,206	0	22,066	
0	0	0	0	0	0	
619,136	(619,136)	0	19,644	0	(619,136)	
\$5,556,481	\$2,115,089	\$7,671,570	\$4,727,366	\$0	\$2,115,089	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD Expenses	Remarks
Labor cost charges from Fund 111	\$520,197	\$520,197		\$252,289	\$267,908	\$520,197	\$258,561	\$0	\$267,908	
Consultants	3,879,453	4,222,521	88,302	3,233,203	\$989,318	4,222,521	1,400,082	(343,068)	646,250	
Services & Supplies	175,456	175,456	866	(52,696)	\$228,152	175,456	19,944	0	228,152	
Fixed Assets	130,000	130,000	0	27,414	\$102,586	130,000	0	0	102,586	
Debt payments	3,717,407	3,717,407		632,090	\$3,085,317	3,717,407	632,090	0	3,085,317	USBR loan payments will be paid in March
Operating Transfers Out	0	0		0	\$0	0	0	0	0	
August 2014 Fiscal YTD	\$8,422,513	\$8,765,581	\$89,168	\$4,092,301	\$4,673,280	\$8,765,581	\$2,310,677	(\$343,068)	\$4,330,212	
Revenue less Expenses	(\$750,943)	(\$1,094,011)		\$1,464,180	(\$2,558,191)	(\$1,094,011)	\$2,416,689	\$343,068	(\$2,215,123)	

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Monterey County Water Resources Agency
 Total Minor Funds
 February, 2015 Fiscal YTD
 Actual vs Budget

<u>Revenue</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget
Ad Valorem taxes	\$178,638	\$178,638
Assessments	189,814	189,814
Interest, Rent, & Other	3,823	3,823
Interfund transfer	0	0
Cal-Am Reimbursement	0	0
Total Revenue	\$372,275	\$372,275

YTD Revenue	Estimated Remaining Revenue	Total Estimated Revenue	Prior Year YTD Revenue	Appr Budget vs Total Estimated Revenue	Variance Approved Budget vs YTD	Remarks
\$103,944	\$74,694	\$178,638	\$99,264	\$0	\$74,694	Taxes are received Dec & Apr
121,707	68,107	189,814	116,145	0	68,107	Assessments are received Dec & Apr
2,176	1,647	3,823	3,513	0	1,647	
0	0	0	0	0		
0	0	0	0	0	0	
\$227,828	\$144,447	\$372,275	\$218,921	\$0	\$144,447	

<u>Expenses & Encumbrance Balances</u>	FY 2014-15 Approved Budget	FY 2014-15 Adopted Budget	YTD PO Balances	YTD Expenses	Estimated Remaining Expenses	Total Estimated Expenses	Prior Year YTD Expenses	Appr Budget vs Total Estimated Expenses	Variance Approved Budget vs YTD	Remarks
Labor cost charges from Fund 111	\$348,292	\$348,292		\$153,207	\$195,085	\$348,292	\$82,057	\$0	\$195,085	
Consultants	136,500	137,415	1,500	0	137,415	137,415	5,678	(915)	136,500	
Services & Supplies	84,527	86,527	0	42,806	43,721	86,527	13,475	(2,000)	41,721	
ALERT charges from Fund 113	28,797	28,797		11,270	17,527	28,797	7,969	0	17,527	
Fixed Assets	0	0	0	0	0	0	0	0	0	
Total Expenses & encumbrance balances	\$598,116	\$601,031	\$1,500	\$207,283	\$393,748	\$601,031	\$109,179	(\$2,915)	\$390,833	
Revenue less Expenses	(\$225,841)	(\$228,756)		\$20,545	(\$249,301)	(\$228,756)	\$109,742	\$2,915	(\$246,386)	

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**Purchase Orders/Contracts in Excess of \$500.00
opened for the month of March 2015
and credit card purchases over \$500.00 in March 2015**

CONSENT

Vendor Description	PO/Contract	Zone	Amount
Coastal Conservation and Research			
Planting 640 willow cuttings at the Salinas River and for site evaluation services	DO0000008568	SRDF	6,000.00
SHI International Corporation			
For the purchase of 1 Cold Fusion Standard Software License upgrade	PO0000007011	ADM	741.00
CREDIT CARD PURCHASES for March 2015			
Hidden Power Cycle For the maintenance and repair of Agency quads		ADM	1,007.41
HP Homestore For the purchase of toner cartridges		ADM	528.09
Quinn Rental Service Equipment rental for work at the Pajaro Levee		1	2,338.53
Salisburyonline.com Purchase of safety equipment for the Hydroplant		HY	1,515.33
Quinn Credit Maintenance and repair for the backhoe		ADM	1,402.83
A&G Pumping For water hauling service at San Antonio		2C	500.00
Salinas Valley Ford Maintenance on 08 Ford Truck		ADM	6,856.02
Salinas Valley Ford Replacement of hood on the Ford 500		ADM	1,860.40
California Marine Sanctuary For the project coordination services of the GMCIRWM		ADM	1,000.00
Total Purchases		11	23,749.61

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

MEETING DATE:	April 10, 2015	AGENDA ITEM:	
AGENDA TITLE:	Consider recommending approval to the Water Resources Agency Board of Directors a 2.5% COLA increase on the assessment rate charges for Zones 2B, 2Y, and 2Z for Fiscal year 2015-2016, the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), with no changes to the water service charge of \$5.63 and delivery charge of \$67.82.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY:	Cathy Paladini	PREPARED BY:	Cathy Paladini
PHONE:	(831) 755-4861	PHONE:	(831)755-4861
DEADLINE FOR BOARD ACTION:		April 10, 2015	

RECOMMENDED BOARD ACTION:

Consider recommending approval to the Water Resources Agency Board of Directors a 2.5% COLA increase on the assessment rate charges for Zones 2B, 2Y, and 2Z, the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), with no changes to the water service charge of \$5.63 and delivery charge of \$67.82.

SUMMARY/DISCUSSION:

On March 23, 2015 The Water Resources Board of Directors approved the FY 2015-16 Budget which included an estimated 2.4% COLA increase for Zones 2B, 2Y, and 2Z. The annual CPI index was published after the FY 2015-2016 Budget was approved by the Board of Directors. This report reflects the recently published 2015 CPI of 2.5% for Zones 2B, 2Y and 2Z, the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), as shown in Attachment 1 - Map. The water service charge of \$5.63 and the water delivery charge of \$67.82 will remain unchanged.

Zones 2B, 2Y, and 2Z were established to provide revenue to construct, operate and maintain the CSIP and the SVRP, which includes debt service for the municipal bonds, a State Revolving Fund loan, and a Small Reclamation Projects loan from the U.S. Bureau of Reclamation that funded the construction of the projects. The operation of the CSIP and SVRP is assisting in the reduction of seawater intrusion in the groundwater aquifers in the Salinas Valley by providing an alternative source of irrigation water in the form of recycled water. This will reduce the reliance on groundwater pumping in the northern portion of the Salinas Valley.

The MCWRA Act and Ordinances 3635 and 3636 require the adoption of annual resolutions by the Agency Board of Supervisors to continue the assessments, water delivery, and water service charges for the CSIP and SVRP. The Agency will schedule with the Board of Supervisors a public hearing in June 2015 establishing assessment rates, water delivery charges and water service charges for Fiscal Year 2015-2016.

OTHER AGENCY INVOLVEMENT:

No other agencies were involved with this report.

FINANCING:

Total revenues for these Zones are anticipated to be \$7,492,476. The 2.5% COLA increases revenue by \$182,743 compared to FY 2014-15 revenues.

MCWRA Assessment Revenue

	FY 14-15	FY 15-16
	<u>Estimate</u>	<u>Preliminary Budget</u>
<u>CSIP/SVRP Zones 2B, 2Y, 2Z</u>		
Zone 6 (2b) CSIP - Fund 119	\$3,265,096	\$3,346,723
CSIP O&M (2y) - Fund 131	998,362	1,023,321
SVRP O&M (2z) - Fund 132	3,046,275	3,122,432
Total CSIP/SVRP	\$7,309,733	\$7,492,476

FINANCIAL IMPACT:	YES (X)	NO ()
FUNDING SOURCE:	(Fund 119, 131, 132)	
COMMITTEE REVIEW AND RECOMMENDATION:		
ATTACHMENTS:	1. Board Order 2. 2B, 2Y, 2Z Maps	
APPROVED:		
	_____ General Manager	_____ Date



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

BOARD ORDER No. _____

APPROVES A **2.5% COLA INCREASE ON THE ASSESSMENT RATE**)
CHARGES FOR ZONES 2B, 2Y, AND 2Z FOR FISCAL YEAR)
2015 – 2016, THE CASTROVILLE SEAWATER INTRUSION PROJECT)
(CSIP) AND THE SALINAS VALLEY RECLAMATION PROJECT)
(SVRP), WITH NO CHANGES TO THE WATER SERVICE CHARGE OF)
\$5.63 AND DELIVERY CHARGE OF \$67.82.)

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

1. Approves a 2.5% COLA increase on the assessment rate charges for Zones 2B, 2Y, and 2Z for Fiscal Year 2015 – 2016, the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP), with no changes to the water service charge of \$5.63 and delivery charge of \$67.82.

PASSED AND ADOPTED on this 27 day of April 2015, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Claude Hoover, Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager



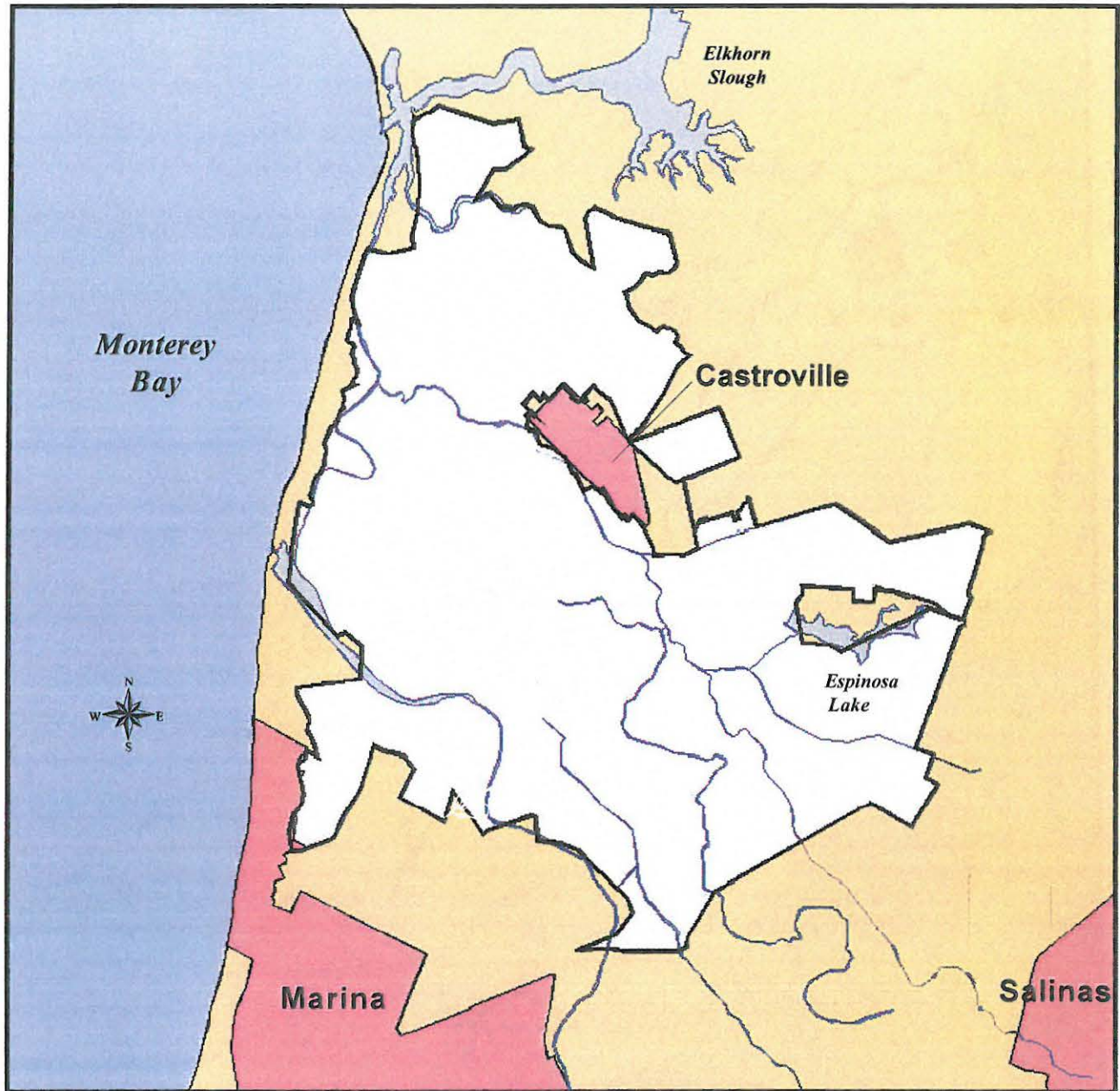
ZONES 2Y/2Z

Monterey County Water Resources Agency

893 Blanco Circle, Salinas, CA 93901

(831)755-4860 / Fax: (831)424-7935

<http://www.mcwra.co.monterey.ca.us>



ZONE 2B

Monterey County Water Resources Agency

893 Blanco Circle, Salinas, CA 93901

(831)755-4860 / Fax: (831)424-7935

<http://www.mcwra.co.monterey.ca.us>

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

MEETING DATE:	April 10, 2015	AGENDA ITEM:	
AGENDA TITLE:	Consider recommending approval to the Monterey County Water Resources Agency Board of Directors a 2.5% COLA increase to benefit assessment charges for Fiscal Year 2015-2016 in Zones 1, 1A, 8, 9, 12 and 17.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY:	Cathy Paladini	PREPARED BY:	Cathy Paladini
PHONE:	(831) 755-4861	PHONE:	(831) 755-4861
DEADLINE FOR BOARD ACTION:		April 10, 2015	

RECOMMENDED BOARD ACTION:

Consider recommending approval to the Monterey County Water Resources Agency Board of Directors a 2.5% COLA increase to benefit assessment charges for Fiscal Year 2015-2016 in Zones 1, 1A, 8, 9, 12 and 17.

SUMMARY/DISCUSSION:

On March 23, 2015 the Monterey County Water Resources Agency Board of Directors approved the Agency's FY 2015-16 Budget which included an estimated 2.4% COLA increase on Zones 1, 1A, 8, 8, 12, and 17. The annual CPI index was published after the FY 2015-16 Budget was approved by the Board of Directors. This report reflects the recently published 2015 CPI of 2.5% for the following Zone 1- Pajaro, Zone 1A – Pajaro River, Zone 8 – Soledad Storm Drain, Zone 9- Reclamation Ditch, Zone 12-San Lorenzo Creek, and Zone 17 – Moro Cojo Slough as shown in Attachment 2. The Ordinances governing these Agency flood zones are as follows: 2626, 2974, 3878, and 3881; and were created for the main purpose to protect life, property, and reduce the suffering that could be caused by flooding.

The Agency will schedule with the Board of Supervisors a public hearing in June 2015 establishing assessment rates for Fiscal Year 2015-2016.

OTHER AGENCY INVOLVEMENT:

No other Agencies were involved with this report.

FINANCING:

Total revenues for these Zones are anticipated to be \$1,656,456. The 2.5% COLA increases revenue by \$40,401 compared to FY 2014-15.

<u>MCWRA Assessment Revenue</u>		
	FY 14-15	FY 15-16
	<u>Estimate</u>	<u>Preliminary Budget</u>
<u>Zone 2C</u>		
Zone 1 - Pajaro - Fund 112	\$240,942	\$246,966
Zone 1A - Pajaro - Fund 112	147,209	150,889
Zone 8 - Soledad-Bryant Canyon - Fund 121	58,720	60,188
Zone 9 - Reclamation Ditch - Fund 122	1,038,090	1,064,042
Zone 12 - San Lorenzo Creek - Fund 124	27,971	28,670
Zone 17 - Moro Cojo Slough - Fund 127	103,123	105,701
Total Other Zones	\$1,616,055	\$1,656,456

FINANCIAL IMPACT:	YES (X)	NO ()
FUNDING SOURCE:	(Funds: 112, 121, 122, 124, 127)	
COMMITTEE REVIEW AND RECOMMENDATION:		
ATTACHMENTS:	1. Board Order 2. Zone 2B, 2Y, and 2Z Maps	
APPROVED:		
	_____ General Manager	_____ Date



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

BOARD ORDER No.14-

APPROVE A 2.4% COLA INCREASE IN BENEFIT ASSESSMENT)
CHARGES FOR FISCAL YEAR 2015-2016 FOR ZONES 1, 1A,)
8, 9, 12 & 17)

Upon motion of Director _____ seconded by Director _____, and carried by the vote of the Board, the Board hereby takes the following action:

1. Approves a 2.4% COLA increase in Benefit Assessment Charges for Fiscal Year 2014-15 for Zones 1, 1A, 8, 9, 12 and 17; and,
2. Recommends adoption to the Monterey County Water Resources Agency Board of Supervisors.

PASSED AND ADOPTED this 27th day of April 2015, by the following vote, to wit:

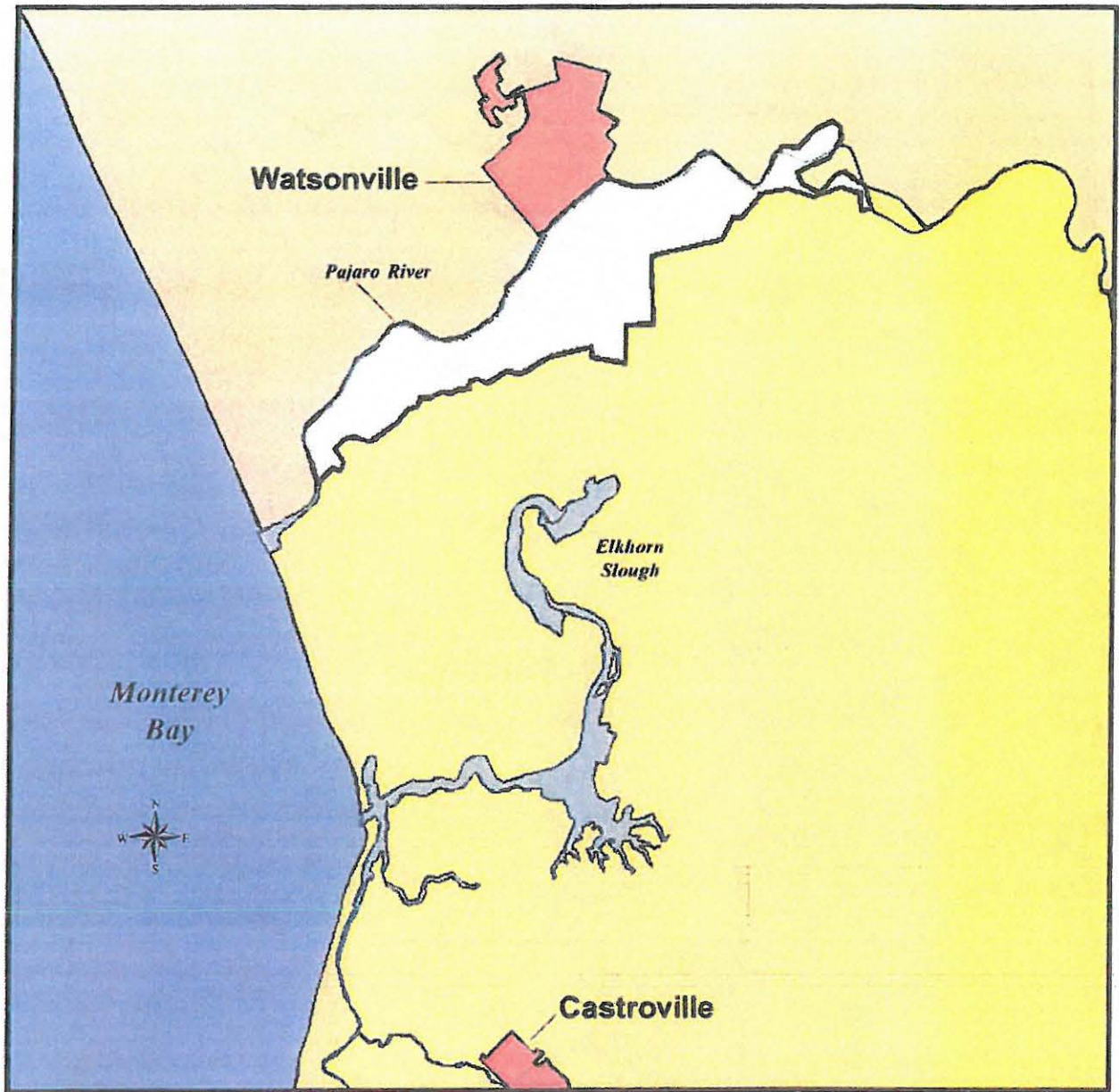
AYES:

NOES:

ABSENT:

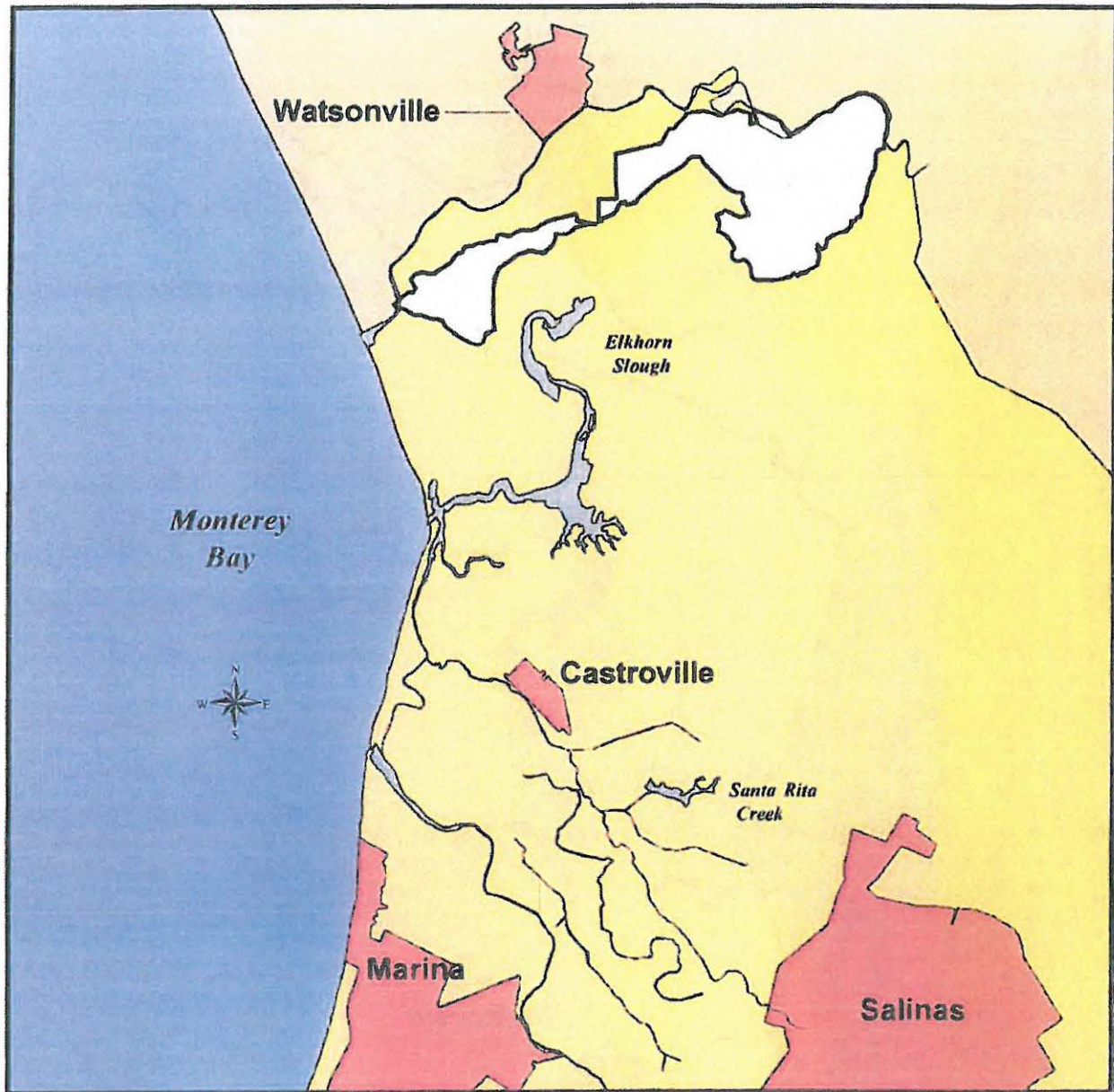
BY: Richard Ortiz, Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager



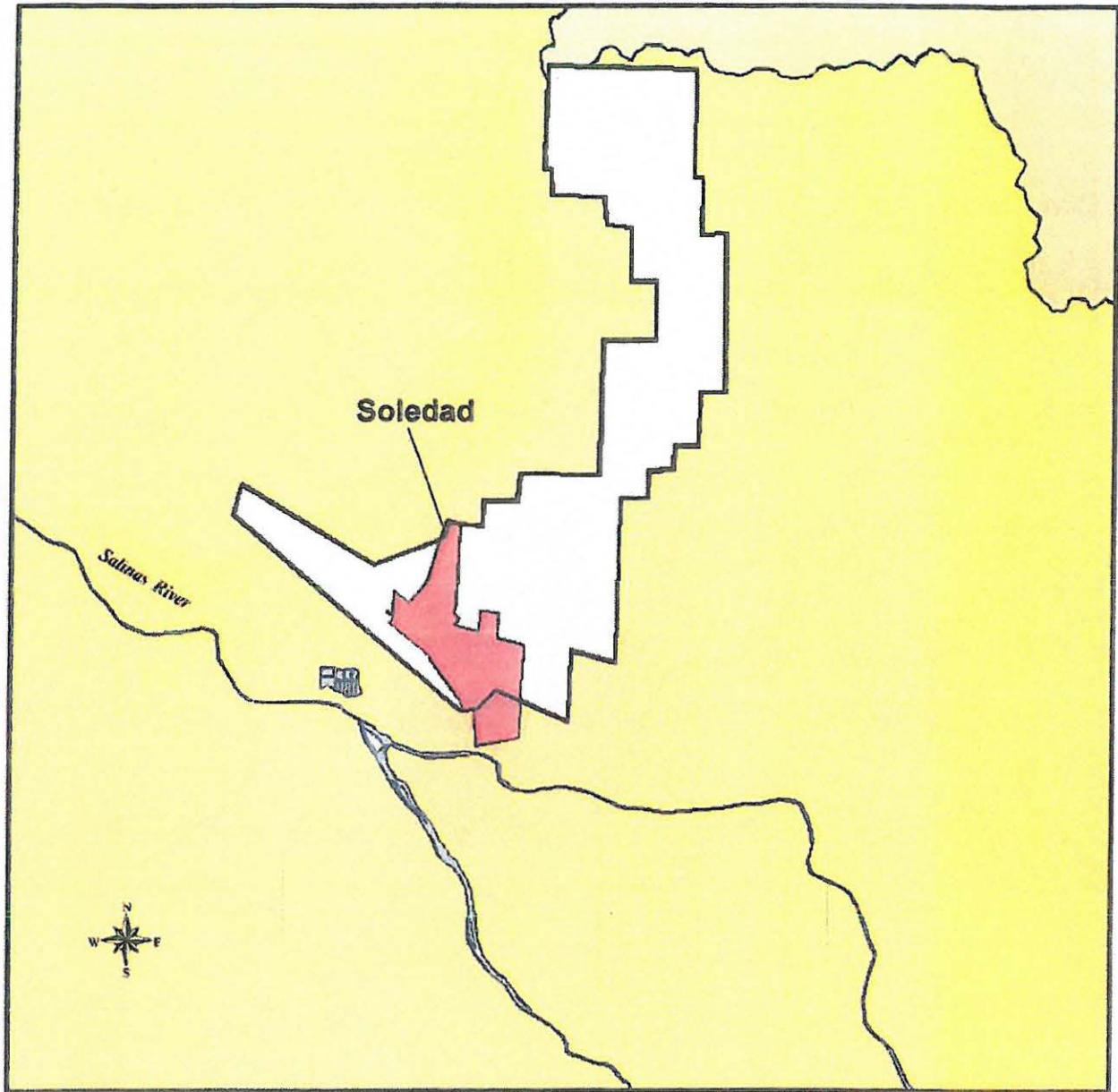
ZONE 1

Monterey County Water Resources Agency
893 Blanco Circle, Salinas, CA 93901
(831)755-4860 / Fax: (831)424-7935
<http://www.mcwra.co.monterey.ca.us>



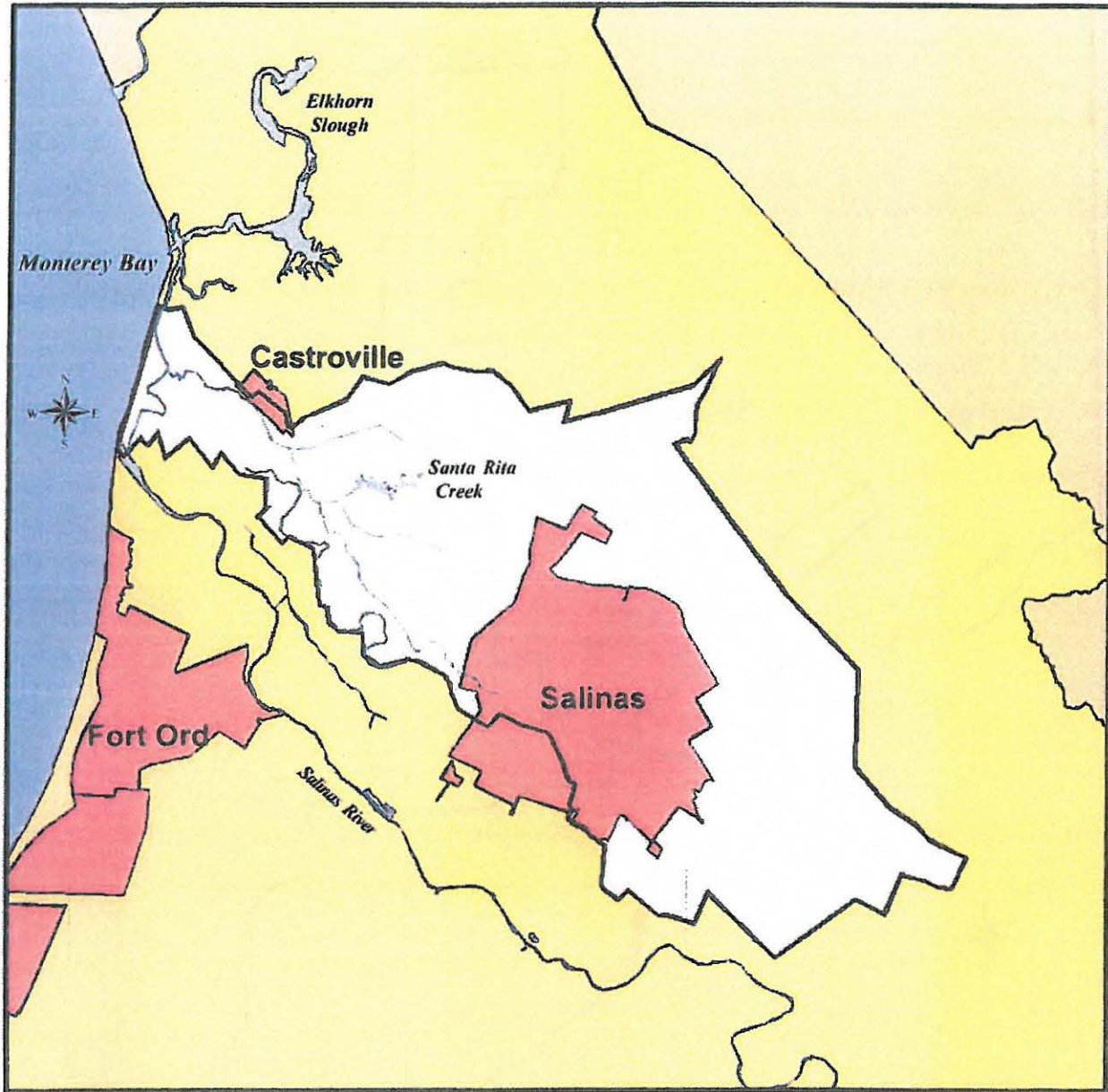
ZONE 1A

Monterey County Water Resources Agency
893 Blanco Circle, Salinas, CA 93901
(831)755-4860 / Fax: (831)424-7935
<http://www.mcwra.co.monterey.ca.us>



ZONE 8

Monterey County Water Resources Agency
893 Blanco Circle, Salinas, CA 93901
(831)755-4860 / Fax: (831)424-7935
<http://www.mcwra.co.monterey.ca.us>



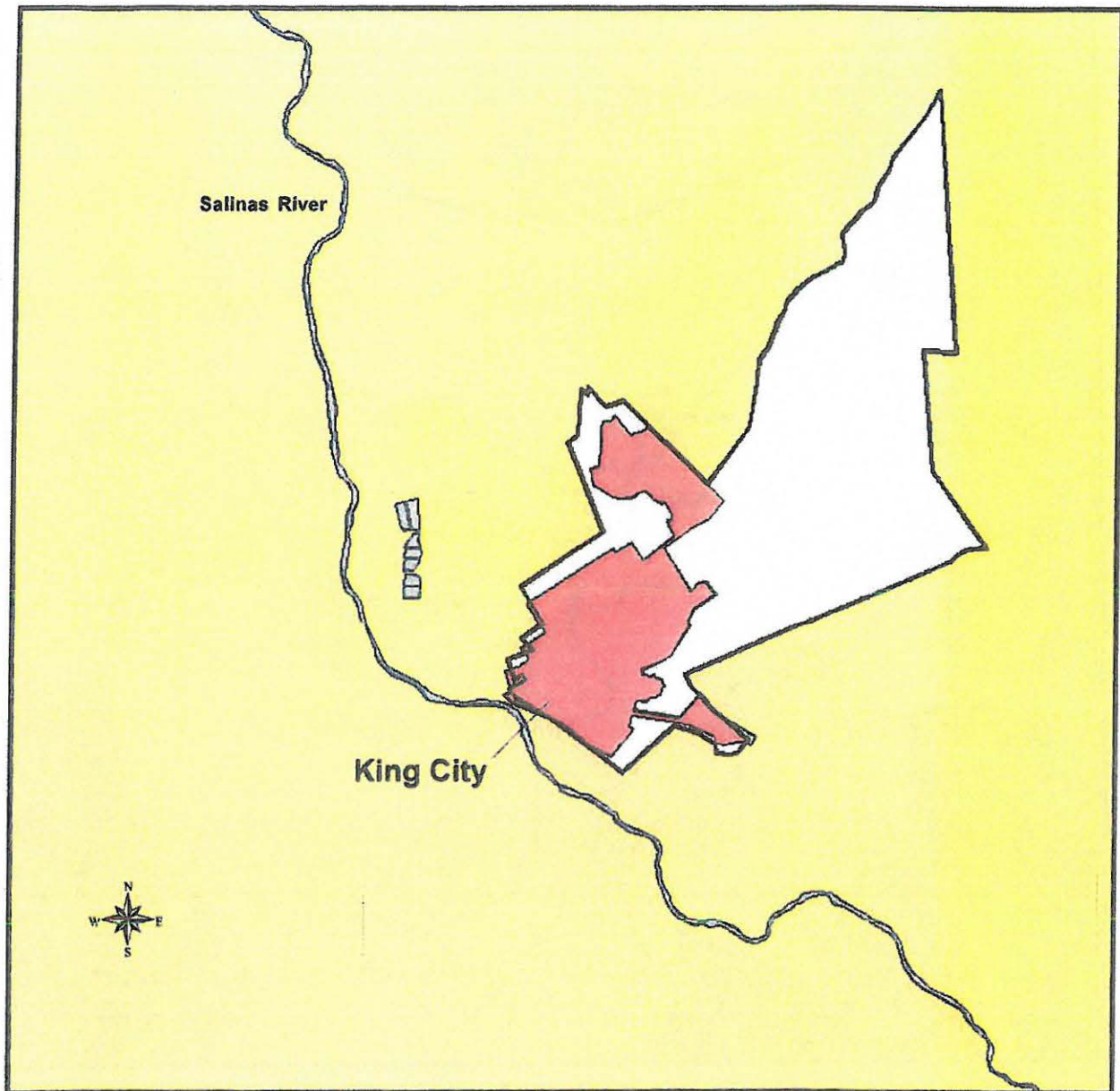
ZONE 9

Monterey County Water Resources Agency

893 Blanco Circle, Salinas, CA 93901

(831)755-4860 / Fax: (831)424-7935

<http://www.mcwra.co.monterey.ca.us>



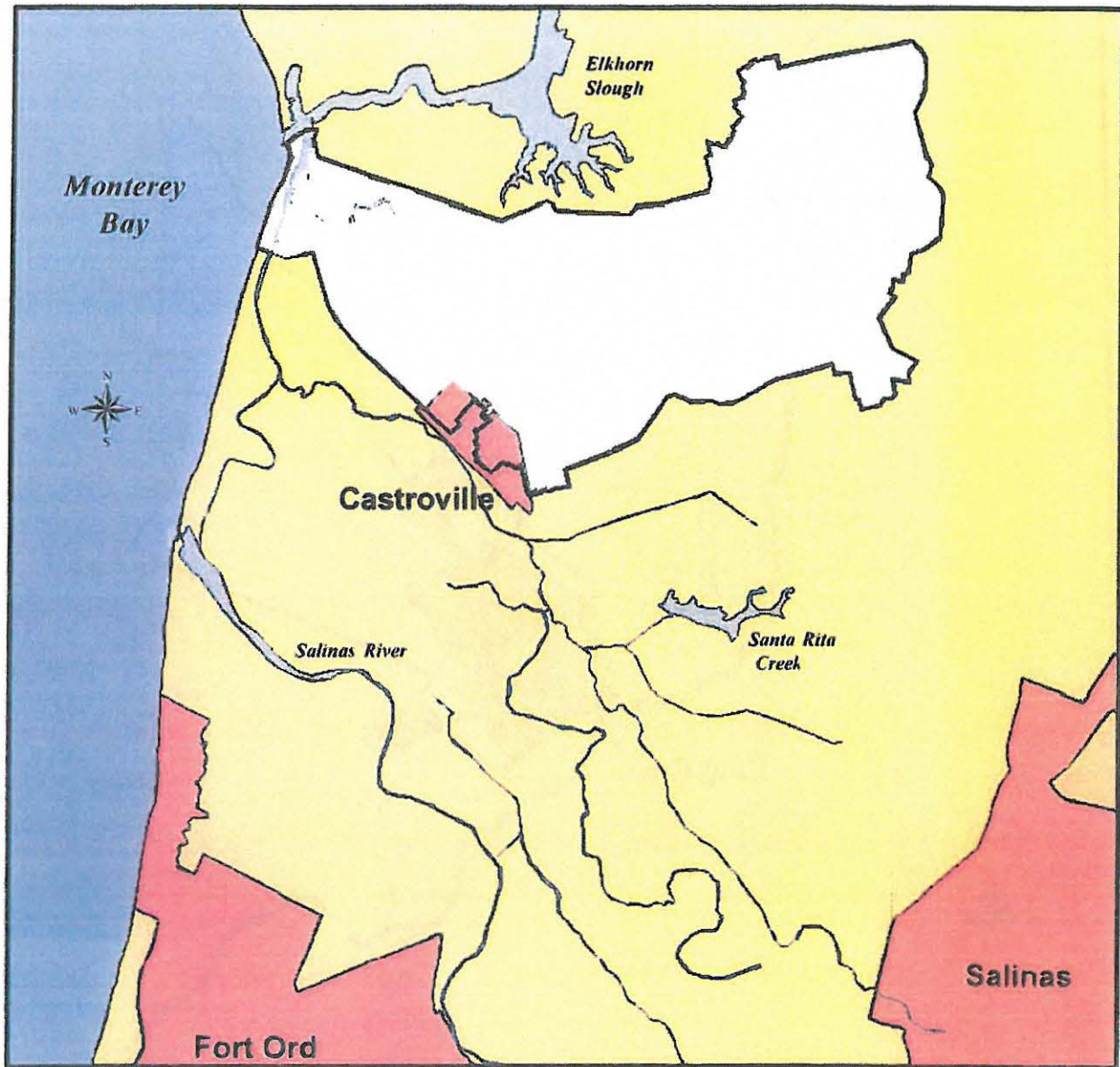
ZONE 12

Monterey County Water Resources Agency

893 Blanco Circle, Salinas, CA 93901

(831)755-4860 / Fax: (831)424-7935

<http://www.mcwra.co.monterey.ca.us>



ZONE 17

Monterey County Water Resources Agency

893 Blanco Circle, Salinas, CA 93901

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<http://www.mcwra.co.monterey.ca.us>

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

MEETING DATE:	April 10, 2015	AGENDA ITEM:	
AGENDA TITLE:	Consider recommending for approval to the Monterey County Water Resources Agency Board of Directors a 2.5% COLA increase for Zone 2C assessment charges for FY 2015-16.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY:	Cathy Paladini	PREPARED BY:	Cathy Paladini
PHONE:	(831) 755-4861	PHONE:	(831) 755-4861
DEADLINE FOR BOARD ACTION:	April 10, 2015		

RECOMMENDED BOARD ACTION:

Consider recommending for approval to the Monterey County Water Resources Agency Board of Directors a 2.5% COLA increase in Zone 2C assessment charges for FY 2015-16.

SUMMARY/DISCUSSION:

On March 23, 2015 the Monterey County Water Resources Agency Board of Directors approved the Agency's FY 2015-16 Budget which included an estimated 2.4% COLA increase for Zone 2C Operations and Maintenance and Administration only. The annual CPI index was published after the FY 2015-16 Budget was approved by the Board of Directors. This report reflects the recently published 2015 CPI of 2.5% for Zone 2C Operations and Maintenance and Administration only as shown in the Zone Map Attachment 1. Ordinance No. 4203 governs Zone 2C assessments which the electorate of the Agency's Zone 2C approved for the Salinas Valley Water Project (SVWP).

The Agency will schedule with the Board of Supervisors a public hearing in June 2015 establishing assessment rates for Fiscal Year 2015-2016.

OTHER AGENCY INVOLVEMENT:

No other Agencies were involved with this report.

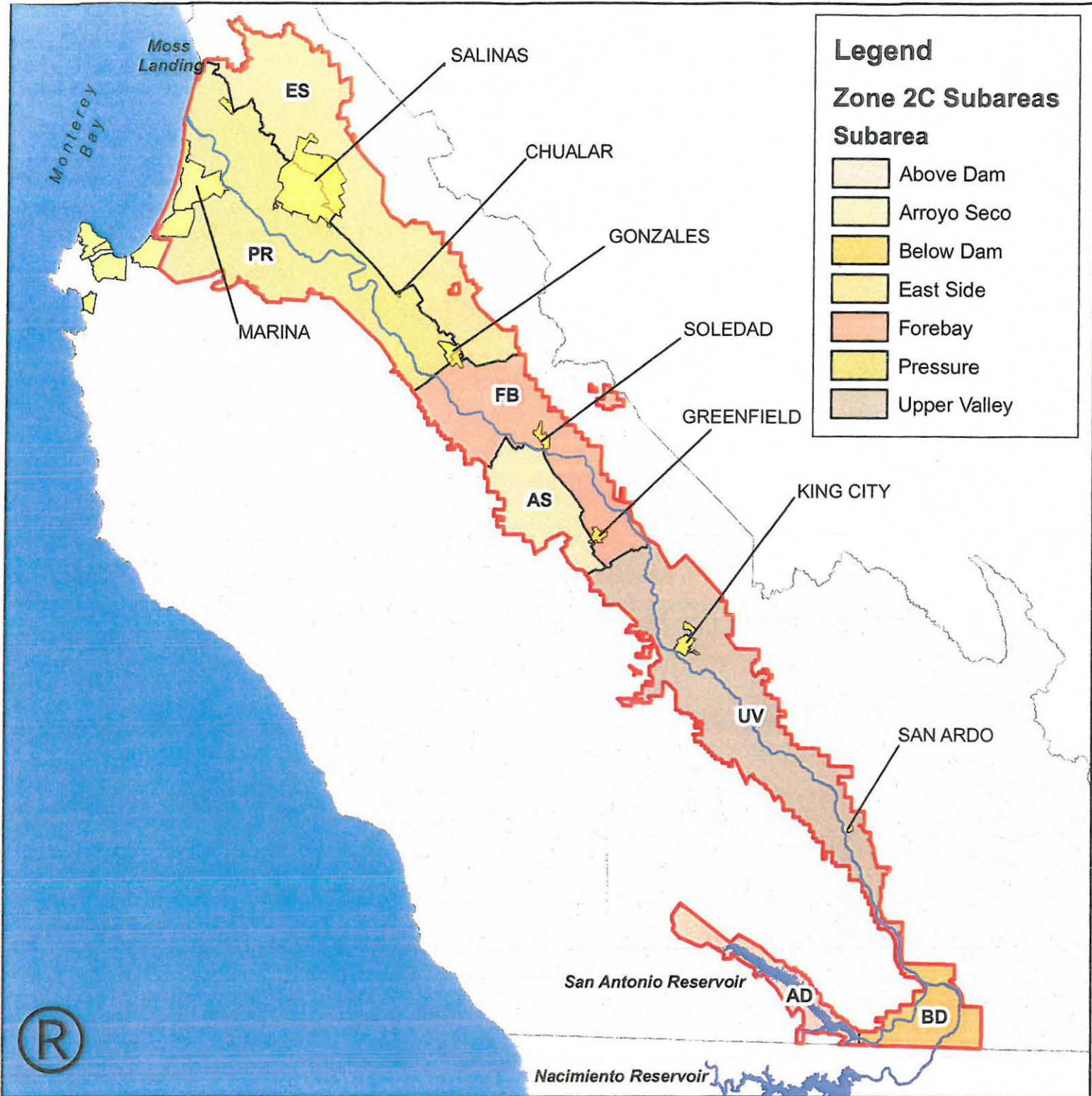
FINANCING:

Total revenues for these Zones are anticipated to be \$4,401,082. The 2.5% COLA increases revenue by \$80,319 compared to FY 2014-15.

MCWRA Assessment Revenue

	FY 14-15	FY 15-16	
	<u>Estimate</u>	<u>Preliminary Budget</u>	
<u>Zone 2C</u>			
Dams O&M - Fund 116 O&M	\$2,873,998	\$2,945,848	
Spillway Modification Construction- Fund 133	443,406	443,406	No COLA
Diversion Facility Construction - Fund 133	664,579	664,579	No COLA
Zone 2C Administration - Fund 116 Admin	338,780	347,250	
Total 2C	\$4,320,763	\$4,401,082	

FINANCIAL IMPACT:	YES (X)	NO ()
FUNDING SOURCE:	(Funds 116, 116ADMIN)	
COMMITTEE REVIEW AND RECOMMENDATION:		
ATTACHMENTS:	<ol style="list-style-type: none"> 1. Attachment 1 Maps 2. O&M Subarea charges by Factor 	
APPROVED:		
	<hr style="width: 100%;"/> General Manager	<hr style="width: 100%;"/> Date



Legend

Zone 2C Subareas

Subarea

- Above Dam
- Arroyo Seco
- Below Dam
- East Side
- Forebay
- Pressure
- Upper Valley

Zone 2C

Monterey County Water Resources Agency
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ZONE 2C



Operations and Maintenance of Nacimiento and San Antonio Dams

Purpose: To operate and maintain Nacimiento and San Antonio Dams to reduce flooding impacts on the Salinas River and provide water conservation with consideration given to recreation.

ZONE 2C Funding Sources O&M of Nacimiento and San Antonio Dams

Fiscal Year	2014-2015	2015-2016
Benefit Assessments	\$2,873,998	\$2,931,478
Fuel Spill Admin Charge	0	0
Annexation Fees	0	0
Interest	4,500	4,500
Total Revenue	\$2,878,498	\$2,935,978
Beginning Fund Balance (Carryover)	265,327	274,943
Total Available Funds	\$3,143,825	\$3,210,921

ZONE 2C Benefit Assessments O&M of Nacimiento and San Antonio Dams

Fiscal Year	2015-2016						
	Ext. Upper Valley Above Dam	Ext. Upper Valley Below Dam	Upper Valley	Forebay	Pressure	East Side	Arroyo Seco
Factor							
A	\$9.04	\$9.69	\$8.69	\$9.02	\$19.05	\$10.34	\$3.33
C	\$0.90	\$0.97	\$0.87	\$0.90	\$1.91	\$1.03	\$0.33
D	\$0.09	\$0.10	\$0.09	\$0.09	\$0.19	\$0.10	\$0.03
I	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

A = Irrigated Agriculture
 C = Dry Farming, Grazing, Vacant Lot
 D = River Channels and Lands with Frequent Flooding
 I = Land receiving no charge

As of March 2015

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

MEETING DATE:	April 10, 2015	AGENDA ITEM:	
AGENDA TITLE:	Consider approving and recommending that the Monterey County Water Resources Agency Board of Directors approve Budget Amendment No. 3 authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2014-15 Adopted Budget to transfer funds to cover the second annual SVWP Bond Debt Service payment in the total amount of \$2,137,863; a) Authorize the Auditor-Controller to amend the FY 2014-15 WRA Adopted Budget, Dept. 9300, Unit 8267, Fund 133 (SVWP Revenue Fund), Appropriation Unit WRA027, Account 6811, to increase appropriations by \$32,000 financed by available unassigned fund balance account 3101.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY:	Cathy Paladini	PREPARED BY:	Cathy Paladini
PHONE:	(831) 755-4861	PHONE:	(831) 755-4861
DEADLINE FOR BOARD ACTION:		April 10, 2015	

RECOMMENDED BOARD ACTION:

Consider approving and recommending that the Monterey County Water Resources Agency Board of Directors approve Budget Amendment No. 3 authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2014-15 Adopted Budget to transfer funds to cover the second annual SVWP Bond Debt Service payment in the total amount of \$2,137,863;

- a) Authorize the Auditor-Controller to amend the FY 2014-15 WRA Adopted Budget, Dept. 9300, Unit 8267, Fund 133 (SVWP Revenue Fund), Appropriation Unit WRA027, Account 6811, to increase appropriations by \$32,000 financed by available unassigned fund balance account 3101.

SUMMARY/DISCUSSION:

When the Monterey County Financing Authority Series A Revenue Bonds ("Salinas Valley Water Project") were issued in 2008, the financing structure required that a reserve fund be set aside from issuance proceeds equivalent to the highest annual debt service required during the 30 year term of those bonds. That amount, \$2,189,250 is held by the custodian/trustee MUFG Union Bank, N. A. (formerly "Union Bank of California, N. A.") in the principal amount of \$2,189,250. Bond indentures prescribe that those funds be held for payment of the final debt service in 2037-38.

On August 7, 2008, a bidding auction for investment of those proceeds was orchestrated by BLX (formerly "Bond Logistics, Inc."), a subsidiary of Orrick, Herrington, and Sutcliffe LLP who served as bond counsel for the issuance. Rabobank won the Guaranteed Investment Contract ("GIC") with a bid of 4.851% over the term of the bonds. The interest received semi-annually from the GIC provided revenue to WRA which decreased debt service payments since that time. Bond indentures specified allowable investments of reserve fund proceeds to comply with IRS

regulations regarding tax exempt bonds. Those restrictions disallowed investments with maturities in excess of 5 years; therefore the immediately liquid nature of a GIC provided the best return available on those funds. Investment providers are limited to banks with ratings at or above AA- by Standard and Poor's (and other similar ratings from Moody's and Fitch). On November 5, 2014, S&P lowered the Rabobank rating to A+ which triggered the remedy provisions detailed at Section 5.1 of the GIC. Those remedies, which were at the providers' (Rabobank) discretion included transfer to another adequately, rated institution, collateralization of the investment, or liquidation of the investment. Because interest rates are at historical lows, no institutions would accept a transfer to pay 4.851% when they can obtain funds at 0.25% or lower, so that was not an option. Rabobank was unwilling to put up 125% of the balance in collateral for the same reason. Therefore, the GIC was terminated and the funds returned to the custodian whom placed the balance in Money Market Funds earning very little interest - .01%. This reduction in earnings has negatively impacted the budget for debt service of WRA. The interest rate decrease from 4.85% to .01% results in an annual loss of \$105,981.59. Ron Holly, Chief Deputy Auditor-Controller of Debt Management is currently investigating other investment opportunities that yield a higher rate of return.

OTHER AGENCY INVOLVEMENT:

The information for this report was provided by Ron Holly, Chief Deputy Auditor-Controller – Debt Management – see attached Memorandum dated April 3, 2015.

FINANCING:

The Agency's SVWP Revenue Fund 133 has sufficient unassigned fund balance to cover this transfer.

FINANCIAL IMPACT:	YES (X)	NO ()
FUNDING SOURCE:	(Fund 133 SVWP Revenue)	
ATTACHMENTS:	1. Auditor-Controller Debt Management Memorandum	
APPROVED:	<hr/> General Manager Date	



MEMORANDUM

MONTEREY COUNTY
Auditor-Controller

April 1, 2015

To: Water Resources Agency

From: Ron Holly, Chief Deputy Auditor-Controller – Debt Management

Subject: Guaranteed Investment Contract Cancellation and Reinvestment Alternatives

When the Monterey County Financing Authority Series A Revenue Bonds (“Salinas Valley Water Project”) were issued in 2008, the financing structure required that a reserve fund be set aside from issuance proceeds equivalent to the highest annual debt service required during the 30 year term of those bonds. That amount, \$2,189,250 is held by the custodian/trustee MUFG Union Bank, N. A. (formerly “UnionBank of California, N. A.”) in the principal amount of \$2,189,250. Bond indentures prescribe that those funds will be held for payment of the final debt service in 2037-38.

On August 7, 2008, a bidding auction for investment of those proceeds was orchestrated by BLX (formerly “Bond Logistics, Inc.”), a subsidiary of Orrick, Herrington, and Sutcliffe LLP who served as bond counsel for the issuance. Rabobank won the Guaranteed Investment Contract (“GIC”) with a bid of 4.851% over the term of the bonds. The interest received semi-annually from the GIC provided revenue to WRA which decreased debt service payments since that time.

Bond indentures specified allowable investments of reserve fund proceeds to comply with IRS regulations regarding tax exempt bonds. Those restrictions disallowed investments with maturities in excess of 5 years, therefore the immediately liquid nature of a GIC provided the best return available on those funds. Investment providers are limited to banks with ratings at or above AA- by Standard and Poors (and other similar ratings from Moody’s and Fitch). On November 5, 2014, S&P lowered the Rabobank rating to A+ which triggered the remedy provisions detailed at Section 5.1 of the GIC. Those remedies, which were at the providers’ (Rabobank) discretion included transfer to another adequately rated institution, collateralization of the investment, or liquidation of the investment. Because interest rates are at historical lows, no institutions would accept a transfer to pay 4.851% when they can obtain funds at 0.25% or lower, so that was not an option. Rabobank was unwilling to put up 125% of the balance in collateral for the same reason. Therefore, the GIC was terminated and the funds returned to the custodian who place the balance in Money Market Funds earning very little interest. This reduction in earnings has negatively impacted the budget for debt service of WRA.

Research reveals that no institutions are issuing GICs at rates above prevailing MMF rates. Investment options available, pursuant to investment restrictions, limit the options to Treasury and Federal National Mortgage Agency Notes maturing in less than 5 years. As of last Friday, those investments had coupons of 1.25% and 1.65% which yield 1.55% and 1.67% respectively. Fees to purchase and sell those investments range between \$60 and \$80 per transaction. There is risk involved in those investments not applicable to the current sweep money funds. Should interest rates rise (more accurately "WHEN" they rise), any sale of those notes would be at a discount reflective of the interest rates at the date of the sale which would reduce principal and require WRA to come up with the difference to maintain the required reserve. (Why would someone buy a Note paying 1.65% if interest rates had risen to 3 or 4% unless the purchase price were discounted to yield the then current prevailing rate). In addition, those investments would have to be reinvested every 5 years through maturity.

While WRA could realize a minor increase in reserve fund interest earnings by investing in one of those two options today, investment professionals believe that rates will increase significantly within the next year which would produce much more interest earnings in the future. However, that rate increase cannot be guaranteed nor can the timing of such be accurately predicted. Therefore, it is up to the board of WRA to make a recommendation to the Board of Supervisors as to the investment of the reserve fund.

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

MEETING DATE:	April 10, 2015	AGENDA ITEM:	
AGENDA TITLE:	Consider receiving a report and recommending that the Monterey County Water Resources Agency Board of Directors approve an Agreement for Services with Tom Shepherd in the amount of \$25,000 to provide liaison services for Agency Grazing leases and related property management activities; and, authorizing the General Manager to execute the Agreement.		
Consent (X)		Action ()	
Information ()			
SUBMITTED BY:	Brent Buche	PREPARED BY:	Brent Buche
PHONE:	755-4860	PHONE:	755-4860
DEADLINE FOR BOARD ACTION:		April 10, 2015	

RECOMMENDED BOARD ACTION:

Receive a report and recommend that the Monterey County Water Resources Agency Board of Directors approve an Agreement for Services with Tom Shepherd in the amount of \$25,000 to provide liaison services for Agency Grazing leases and related property management activities; and, authorize the General Manager to execute the Agreement.

SUMMARY:

The Monterey County Water Resources Agency is responsible for all Agency Grazing Leases and related property management services within the County of Monterey. There are approximately 9 Agency leases that will expire in October 2017. The Agency needs to update these lease agreements and reformulate the existing language that provides credits to tenants for land improvements. In addition, there are several outstanding property management activities that need immediate attention to prevent risk of liability and to protect existing lease revenue that may be impacted by continued drought conditions.

DISCUSSION:

Tom Shepherd has a high degree of knowledge regarding Agency Property in Monterey County and has spent over 20 years of experience as a Monterey County Deputy Chief Ranger/Parks Operations Manager. Over the years, he has worked closely with MCWRA on property management issues and the Agency and County Park lease agreement. He understands the needs and restrictions of these agreements and offers great insight into some of the outstanding lease issue. In addition, he brings with him opportunities on how to improve the management of Agency grazing leases as we move through severe drought conditions.

OTHER AGENCY INVOLVEMENT:

County Counsel will review this contract for any additional requirements before execution of the



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

BOARD ORDER No. _____

**APPROVE AN AGREEMENT FOR SERVICES WITH TOM SHEPHERD)
IN THE AMOUNT OF \$25,000 TO PROVIDE LIAISON SERVICES FOR)
AGENCY GRAZING LEASES AND RELATED PROPERTY MANAGEMENT)
ACTIVITIES; 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 an Agreement for Services with Tom Shepherd in the amount of \$25,000 to provide liaison services for Agency Grazing leases and related property management activities; and,
2. Authorizes the General Manage to execute the Agreement.

PASSED AND ADOPTED on this 27th day of April 2015, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: _____
Claude Hoover, Chair
Board of Directors

ATTEST: _____
David E. Chardavoyne
General Manager

MONTEREY COUNTY WATER RESOURCES AGENCY
AND TOM SHEPHERD
AGREEMENT FOR SERVICES

This is a multi-year agreement between the Monterey County Water Resources Agency, hereinafter called "Agency," and Tom Shepherd,
a n individual _____,
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:

To work as the Liaison, on behalf of the Agency, on Grazing Lease Agreements and property management issues as described in the attached Exhibit A.

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 July 2017 _____, 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 _____
(\$25,000 _____).

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 Contactor'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

Tom Shepherd

Agency's designated administrator of this Agreement shall be

Brent Buche

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: Brent Buche

Address:

893 Blanco Circle

Telephone: 831-755-4860

Fax: 831-424-7935

E-Mail: bucheB@co.monterey.ca.us

TO CONTRACTOR

Name: Tom Shepherd

Address:

P O BOX 24

Telephone: 805-610-2164

Fax:

E-Mail: sanbartolome@aol.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

Exhibit B -

Exhibit C -

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 TOM SHEPHERD
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: _____
Title: _____

Date:

Date:

BY:

Type Name: _____
Title: _____

Date:



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

(_____)
Agreement/Amendment No # (_____)

Approved as to form ¹:

Approved as to fiscal provisions:

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



EXHIBIT A
SCOPE OF WORK
THOMAS SHEPHERD

1. Provide grazing lease review and recommendations for both Nacimiento and San Antonio Reservoirs. Including, but not limited to, incorporating NaciTone Watershed Management Plan, re-establishing lease boundaries, identifying proper amount of grazing units per lease area, etc.
2. Provide visible presence on MCWRA lands, grazing leases, unleased property, easements, etc. Act as liaison between tenants, adjacent landowners, regulatory agencies, and law enforcement.
3. Look for sources of potential revenue generation for MCWRA lands and provide suggestions on how these lands could potentially be used to provide more access to public and generate additional revenues.
4. Assist MCWRA with land issues that may arise from capital projects/improvements and/or maintenance activities. This shall include work at, but not be limited to, Nacimiento Dam and Reservoir, San Antonio Dam and Reservoir, and for the Interlake Tunnel Project.
5. Assist MCWRA on work projects performed by contractors on grazing leases.
6. Identify potential exposure to liability to the MCWRA. Assist resolving the following outstanding property issues: Tri-County, Deitel, Cal Shasta, Heritage Ranch, Dragon Dock, S.A. Lease #2 & #3, and potential Interlake Tunnel Project impacts to lakes and leases.
7. Identify potential water quality and environmental concerns to the reservoirs and MCWRA lands.
8. Attend Personnel and Administration Committee and Board of Directors meetings, as needed.

**EXHIBIT B
PAYMENTS TO CONTRACTOR
TOM SHEPHERD**

1. Services will be provided to MCWRA at a rate of \$60.00 per hour.
2. All travel and accommodations shall be authorized by MCWRA and will follow the current County Travel Business Expense Policy.

EXHIBIT C
TOM SHEPHERD
INSURANCE EXEMPTION JUSTIFICATION

Professional Liability Insurance

MCWRA is requesting an exemption to Professional Liability Insurance. The services being performed are to liaison with Agency lease tenants, field observations of activities on Agency land, and report preparation related to overseeing Agency lease and property management services. The type of services and the contract's dollar amount (\$25,000) does not warrant professional liability insurance, MCWRA understands that it will accept all liabilities that might occur in the course and scope of this contract.

Commercial General Liability Insurance

MCWRA is requesting an exemption to Commercial General Liability Insurance. The services being performed are to liaison with Agency lease tenants, field observation of activities on Agency land, and report preparation related to overseeing Agency lease and property management services. MCWRA understands that it will accept all liabilities that might occur in the course and scope of this contract.

Worker's Compensation Insurance

All work performed by Tom Shepherd s done by a single individual; therefore no Workers Compensation Insurance is required. Should additional employees be hired in the future, Worker's Compensation Insurance will be required. MCWRA understands that it will accept all liabilities that might occur in the course and scope of this contract.

ISO Forms

MCWRA is requesting an exemption from submission of ISO forms. These forms are not appropriate for this type of Agreement. Our scope of work with Tom Shepherd identifies him as a Liaison, reporting directly to Executive Management. MCWRA understands that it will accept all liabilities that might occur in the course and scope of this contract.