

MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding is made this ____ day of _____, by and between MONTEREY ONE WATER, a Joint Power Agency (hereinafter "Agency"), and _____, a _____ organized under the laws of the State of California (hereinafter "Member Entity").

RECITALS

WHEREAS, Member Entity desires to collect local sewer use fees ("Local Fees") imposed on parcels of real property receiving the services and facilities within its service areas on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from general taxes pursuant to sections 5471 *et seq.* of the Health & Safety Code;

WHEREAS, Agency is willing to work with the Member Entity to assist it placing the Local Fees on the Monterey County tax roll;

NOW, THEREFORE, the Parties commit to undertake the following actions with respect to preparing the report required by Section 5473 *et seq.* of the Health & Safety Code and noticing the public hearing(s) required by Section 5473 *et seq.* of the Health & Safety Code:

1. For each year Member Entity decides to pursue placing the Local Fees on the tax roll, Agency will work with Member Entity to place said fees on the tax roll.
2. In order to meet the deadline set forth in Section 5473.4 of the Health & Safety Code , each year, Member Entity shall endeavor to comply with the following deadlines:
 - a. **On or before the 31st of May** each year, Member Entity shall provide Agency with a description of each parcel of real property receiving the services and facilities and the amount of the Local Fees for each parcel for the respective year, computed in conformance with the ordinance or resolution adopting the fees, to be including the Annual Report;
 - b. **On or before July 1st of each year, Member Entity** shall provide Agency with a copy of the adopted resolution or ordinance approving the final Annual Report and the Local Fees by category to be in effect for the fiscal year, adopted by 2/3 vote of legislative body of the Member Entity in compliance with the requirements of Sections 5473.1 *et seq.* of the Health & Safety Code;

- c. **On or before July 15th of each year, Member Entity** shall provide Agency with a copy of the final Annual Report, along with a statement endorsed on the report that the report has been finally adopted by the legislative body of the Member Entity to be filed with the County Auditor of the County of Monterey on or before August 10 of each in compliance with the requirements of Section 5473.4 of the Health & Safety Code.
3. If requested by the Member Entity, Agency Staff will assist the Member Entity prepare the annual written report containing a description of each parcel of real property receiving services and the amount of the charge to be assessed to each parcel for the fiscal year computed in conformance with the ordinance or resolution adopting the fees.
4. If requested by the Member Entity, Agency Staff will assist the Secretary of the Member Entity with mailing the notice required by Section 5473.1 of the Health & Safety Code to the owners of the parcels described in the initial annual report. The notice must be mailed to the address shown on the last equalized assessment roll available on the date the report is prepared, or as known to the Secretary.
5. If requested by the Member Entity, Agency Staff will assist the Secretary of the Member Entity to file the report and cause a notice of the public hearing to be published in accordance with California Government Code section 6066 in a newspaper published once a week or oftener as required by Section 5473 et seq. of the Health & Safety Code (publication must be prior to the public hearing, once a week for two successive weeks, with at least five days intervening between the respective publication dates).
6. If requested by the Member Entity, Agency Staff will assist the Secretary of the Member Entity to prepare for and hold the public hearing required by Section 5473.2 *et seq.* of the Health & Safety Code, including assisting with the preparation of staff report(s) and related resolutions or ordinances for consideration by the legislative body of the Member Entity.
7. If requested by the Member Entity, Agency Staff will assist the Secretary of the Member Entity file a copy of the adopted final Report, along with a statement endorsed on the report that the report has been finally adopted by the legislative body of the Member Entity, on or before August 1st 0 of each year, with the County Auditor of the County of Monterey.

As consideration for these services noted above, Member Entity agrees to pay Agency \$83,785 each Fiscal Year (the total paid in Fiscal Year 2022-23), adjusted annually for the change in the Bay Area Consumer Price Index as of February of each year. This amount will be reduced by the 0.25% fee assessed by the County for collection of the Local Fees for Member Entity. This fee may be adjusted in future years based upon the costs of services provided to Member Entity.

In connection with the Report required by Section 5473 *et seq.* of the Health & Safety Code, Member Entity will, before a building permit is issued by the Member Entity for residential or commercial projects, provided Agency with either a copy of the permit or waiver for the residential or commercial project. On at least a quarterly basis, Member Agency will provide the Chief Financial Officer at the Agency with a report containing all issued and final building permits for the previous month, including their Parcel Number, Address and description of the project.

This MOU shall be effective upon the signature of both Parties. It shall be in force and effect from the date of execution until terminated by either Party upon Thirty (30) days written notice to the other Party.

Signatures and dates

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| Dated: | Dated: |
| Member Agency | Monterey One Water |
| By: _____ Name: _____ Title: _____ | By: _____ Paul Sciuto General Manager |