

EXHIBIT 4-B



Denise Duffy & Associates, Inc.

PLANNING AND ENVIRONMENTAL CONSULTING

January 16, 2012

Larry Hampson, P.E.
District Engineer
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93942-0085

SUBJECT: Consultant Services for the Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management Plan

Dear Mr. Hampson,

Thank you for contacting us to provide services related to the 2012 update to the Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management Plan (IRWMP) for the Monterey Peninsula Water Management District (MPWMD). We have reviewed the scope of services, the proposed budget, and have met with you to discuss the anticipated scope of work. We are excited for the opportunity to assist the District on this important project.

Based upon the information that we have received to date, we can provide the services requested, with some exceptions (including economic analysis). We plan to review the relevant information and continue to coordinate with you and others as needed to discuss the scope of work and budget. In particular, we are interested in getting clarification about our responsibilities and use of MPWMD expertise for preparation of specific sections and analysis needed for the plan update. Specific areas of clarification include the following, at a minimum:

- climate change and greenhouse gas analysis and plan section preparation,
- development of methodologies for comparing costs and benefits of projects (i.e., economic analysis requirements),
- establishing quantitative and qualitative targets toward meeting priorities,
- developing scoring criteria for review of projects, and
- level of effort for community outreach and related tasks.

Denise Duffy & Associates (DD&A) is qualified to complete the requested services based upon our 25 year history of providing water supply, environmental, and land use planning services in the IRWMP area. We have capable and experienced staff available to meet the schedule expectations. We propose to utilize the following staff members on this project:

- *Denise Duffy, Principal.* Ms. Duffy will provide project management oversight toward meeting the budget and schedule constraints, stakeholder outreach, meeting and group facilitation, and quality assurance and quality control for document preparation and meetings. Ms. Duffy is founder and president of the company, and has extensive experience in public involvement, water supply planning, environmental analysis, project management, entitlement processing,

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and interagency coordination. Ms. Duffy is a leader in the field of land use planning and environmental and public policy in the Central Coast area. She brings over 32 years of experience in water resources planning, CEQA and NEPA processing, public involvement, and project management for major infrastructure studies.

- *Alison Imamura, AICP, Senior Engineering/Regulatory Specialist.* Ms. Imamura will act as the Project Manager for the IRWMP services contract and will manage the preparation of updates to the IRWMP, including taking the lead on completion of key analyses in the areas of IRWMP. Ms. Imamura is a professional water resource and environmental planner with over 15 years of experience managing and preparing major environmental and planning documents for public agencies. She has been involved in dozens of water-related projects in the plan area. Ms. Imamura has a technical background in environmental/civil engineering (specialist in air and water resources), and provides project management and CEQA/NEPA expertise on a wide range of projects. She is intimately familiar with the Monterey Bay area, State and federal issues, policies, and regulations regarding water resources (coastal issues, storm water/flooding, hydrogeology and groundwater, watershed analysis, wastewater/water supply infrastructure). She is also a specialist in air quality and climate change.
- *Bryce Ternet, Associate Planner.* Mr. Ternet will conduct analysis and prepare IRWMP sections. Mr. Ternet has nine years of experience in multiple phases of project and program development activities. He has been involved with environmental assessment, environmental document preparation, permitting, and mitigation implementation for numerous large-scale water and wastewater projects in Monterey County. Mr. Ternet's graduate work in environmental policy also offers valuable insight into policy consistency analysis associated with similar planning studies, including climate change issues.
- *Michael Gonzales, Assistant Planner.* Mr. Gonzales will conduct analysis and prepare IRWMP sections. He has diverse experience working in the water resources and environmental field, including resource planning, water and energy efficiency, statistical analysis and modeling, green buildings and business practices, CO2 reductions, program management, public outreach, water/soil sampling, GPS data collection, and GIS analysis.

Our current rate sheet is attached. We look forward to clarifying our roles and scope of work and are excited for the opportunity to work with you on the IRWMP. Thank you for your interest in DD&A.

Sincerely,

A handwritten signature in cursive script, appearing to read "Alison M. Imamura" with "for" written below it.

Denise Duffy
Denise Duffy & Associates, Inc.

Enclosures

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2012 SCHEDULE OF RATES

HOURLY PERSONNEL RATES

Principal	\$205.00
Senior Project Manager/Engineering Specialist	\$168.00
Senior Project Manager	\$135.00
Senior Environmental Scientist/Botanist	\$134.00
Senior Planner II	\$131.00
Project Manager	\$125.00
Assistant Project Manager	\$105.00
Environmental Biologist	\$100.00
Associate Planner/Scientist	\$ 95.00
Assistant Planner/Scientist	\$ 85.00
GIS/Computer Specialist	\$ 90.00
Administrative Manager	\$ 74.00
Database/Designer/Graphics	\$ 68.00
Field Technician	\$ 60.00
Administrative Assistant	\$ 55.00

Direct reimbursable expenses are charged at DD&A cost, plus 15%.

These expenses may include, but are not limited to: subconsultants, reproduction, courier, postage, long-distance phone, fax and cellular, mileage and field supplies.

Mileage will be charged at the current IRS mileage rate.

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