

**AGREEMENT BETWEEN THE SEASIDE GROUNDWATER BASIN WATERMASTER AND
DEWEY D EVANS dba "DDEVANS CONSULTING" FOR THE PROFESSIONAL SERVICES
OF
"CHIEF EXECUTIVE OFFICER"**

THIS AGREEMENT is effective as of December 5 2007 by and between SEASIDE GROUNDWATER BASIN WATERMASTER, (WATERMASTER) and DEWEY D EVANS dba DDEVANS CONSULTING, (DDEVANS), an independent contractor, to perform the services set forth herein;

1. **Independent Contractor.** Subject to the terms and conditions of this Agreement, WATERMASTER hereby engages DDEVANS as an independent contractor to perform the services set forth herein, and DDEVANS hereby accepts such engagement, as detailed in this contract.

2. **Term of Agreement.** The term of engagement shall commence on January 1, 2008 and be for the duration of the Court imposed WATERMASTER adjudication as stipulated in the Superior Court Decision of March 27, 2006 Case No. M66343 or until terminated pursuant to section 7 of this Agreement.

a. **General.** As Chief Executive Officer, DDEVANS serves at the pleasure of the WATERMASTER BOARD OF DIRECTORS. No one other than the Board has the authority to alter this arrangement, or to make any agreement contrary to the terms of this agreement. Furthermore, any such agreement or arrangement must be in writing and must be signed by the Chairman of the Board.

b. **Annual Review.** The Board shall arrange for an annual review of work performance by DDEVANS using such procedures as the Board determines appropriate.

3. **Scope of Duties.** During the Term of this Agreement:

a. DDEVANS will perform duties assigned by the Watermaster Board provided that DDEVANS shall not be assigned tasks inconsistent with the position description for the CEO attached hereto as Attachment A. Subject to the direction of the Board the CEO provides day-to-day leadership for the Watermaster and is directly responsible to the Board on all matters pertaining to the administration and operations of the Seaside Groundwater Basin (Basin), pursuant to the provisions of the Judgment. The CEO is responsible for overseeing the operative budget and the other contractor and/or consultants, if any, of the Watermaster. The CEO must keep the Board apprised of all applicable federal, state, regional and local policies regulating Watermaster activities.

b. DDEVANS will devote such time as necessary and use the best efforts, talents, knowledge, and experience to serve as the Watermaster CEO, which may not be unreasonably withheld by the Board.

c. Watermaster recognizes DDEVANS is an independent contractor with other public agency clients. Should a conflict of interest arise for DDEVANS between the Watermaster and any of the other public agency clients of DDEVANS, DDEVANS shall notify the Watermaster Board and DDEVANS shall not participate in any material preparation, discussion or decisions regarding the subject matter of the conflict

d. DDEVANS will perform the duties competently and shall act in conformity with Watermaster's written and oral policies and within the limits, budgets and business plans set by the Board. Except as provided in sub-section 3.c. above DDEVANS shall not engage in consulting work or any trade or business, or for or on behalf of any other person, firm or company that competes, conflicts or interferes with the performance of the duties hereunder in any material way.

e. DDEVANS shall maintain the books, accounts and records of the Seaside Groundwater Basin Watermaster in conformance with the Judgment.

6. **Taxes and Benefits.** WATERMASTER shall not be responsible for withholding taxes with respect to DDEVANS'S compensation hereunder or otherwise for vacation pay, sick leave, retirement benefits, social security, Workers' Compensation, health or disability benefits, unemployment insurance benefits, of any kind. DDEVANS and WATERMASTER specifically agree that DDEVANS is not an employee of the WATERMASTER. DDEVANS shall be liable for and shall indemnify the WATERMASTER against any and all taxes and any other assessments or obligations due with respect to the contractual obligation of DDEVANS and the WATERMASTER.

7. **Termination.** This Agreement may be terminated by either party at any time without cause by giving the other party thirty (30) days written notice in the manner set forth in sub-section 9.a. below.

8. **Conflict of Interest.** DDEVANS represents and warrants to WATERMASTER that the firm presently has no interest, and covenants that the firm will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or interfere with the performance of services required to be performed under this Agreement.

9. **General Provisions.**

a. **Notices.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service personally served, or on the first day after mailing if mailed by Federal Express or a similar overnight delivery services, or on the second day after mailing if mailed by first-class mail, registered or certified, return receipt requested, postage prepaid and properly addressed as follows:

WATERMASTER

Watermaster Board of Directors
C/O City of Seaside
441 Harcourt Street
Seaside, CA 93955

DDEVANS CONSULTING

C/O Dewey D Evans
3110 Hermitage Road
Pebble Beach, CA 93953:

Either party may change their address for the purpose of this section by giving the other party written notice of the new address in the manner set forth in this section.

b. **Waiver.** No waiver of a provision of this Agreement shall constitute a waiver of any other provision whether or not similar. No waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

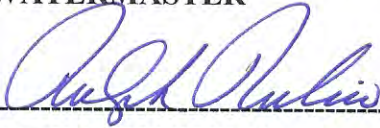
c. **Construction of Terms.** All parts of this Agreement shall in all cases be construed according to their plain meaning and shall not be construed in favor or against either of the parties. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, the remainder of this Agreement shall remain in full force and effect and shall not be affected, impaired or invalidated thereby. In the event of such invalidity, voidness or unenforceability the parties hereto agree to enter into supplement agreements to effectuate the intent of the parties and the purposes of this Agreement.

d. **Controlling Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of California, with venue proper only in Monterey County, California.

e. **Entire Agreement and Amendment.** In conjunction with the matters considered herein this Agreement contains the entire understanding and agreement of the parties; and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, cancelled, superseded or changed by any oral agreement, course of conduct, waiver or estoppel.

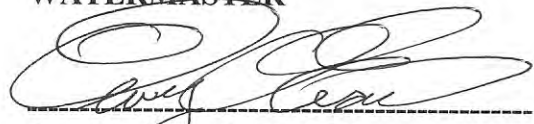
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

SEASIDE GROUNDWATER BASIN
WATERMASTER



By: RALPH RUBIO
CHAIRMAN OF THE WATERMASTER BOARD

SEASIDE GROUNDWATER BASIN
WATERMASTER



By: DEWEY D EVANS
dba DDEVANS CONSULTING
PRINCIPAL

ATTACHMENT "A"

SEASIDE GROUNDWATER BASIN WATERMASTER

"CHIEF EXECUTIVE OFFICER"

(AN INDEPENDENT CONTRACTOR POSITION)

*Class specifications are intended to present a descriptive list of the range of duties performed by incumbent in this position. Specifications are **not** intended to reflect all duties performed within the position.*

DEFINITION

The Chief Executive Officer (CEO) provides day-to-day leadership for the Seaside Groundwater Basin Watermaster (Watermaster)

SUPERVISION RECEIVED AND EXERCISED

The CEO receives direction from, and is responsible to, the Watermaster Board of Directors (Board) on all matters pertaining to the administration and operations of the Seaside Basin.

The CEO is directly responsible for overseeing all other independent contractors and others receiving remuneration from the Watermaster.

ESSENTIAL AND ANCILLARY DUTIES

The following are anticipated typical duties for this position. Incumbent may not perform all of these duties and/or may perform similar related duties not listed here.

The CEO's essential and ancillary duties are as follows:

1. Ensure compliance with the Judgment, the Rules and Regulations established by the Watermaster, the Basin Monitoring and Management Plan, and any other court mandates prescribed.
2. Ensure that Watermaster Board meeting notices and agendas are timely developed and provided to all persons on the Watermaster service list in advance of each Board meeting.
3. Ensure that minutes of each meeting are properly taken, approved by the Watermaster Board and filed.
4. Keep the Board apprised of all applicable federal, state, regional and local issues, events, policies, regulations, laws, etc. that may affect the Seaside Basin or Watermaster activities.

5. Assist in developing the agenda for all Watermaster subcommittee meetings.
6. Solicit, analyze and negotiate agreements for the replenishment of the Seaside Basin either by direct or in lieu means.
7. Remain current and report to the Board on legislative issues that may affect the Seaside Basin or Watermaster activities.
8. Develop and manage the Watermaster budget; understand and explain budgetary issues to the Board, the Seaside Basin Producers, and the public.
9. Build positive and cooperative relationships with the members of Watermaster, the Seaside Basin producers, local governments, and members of the public.
10. Promote good customer service, ensuring that Watermaster accomplishes activities in a safe, efficient, friendly, and courteous manner, resolve complaints quickly and reasonably.