

## PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“Agreement”) is effective as of November 24, 2025 (“Effective Date”) by and between SEASIDE GROUNDWATER BASIN WATERMASTER (“WATERMASTER”) and TONI GIBBS of [TONI GIBBS] (“TONI GIBBS”). WATERMASTER and TONI GIBBS shall be referred to individually as “Party” and collectively as the “Parties.”

### RECITALS

**WHEREAS**, WATERMASTER seeks to engage with a contractor to performance and provide administrative support services aimed at maintaining and regulating water supplies within a specified region.

**WHEREAS**, TONI GIBBS has extensive expertise in maintaining and regulating water supplies.

**WHEREAS**, WATERMASTER seeks to engage with TONI GIBBS to perform a certain scope of work identified herein, and TONI GIBBS agrees to provide such scope of work to WATERMASTER pursuant to the terms and conditions of this Agreement.

**WHEREAS**, TONI GIBBS represents that TONI GIBBS is engaged in an independent calling and has complied with all local, state, and federal laws regarding business permits and licenses that may be required to carry out that independent calling and to perform the services under this Agreement.

**NOW, THEREFORE**, in light of the Recitals set forth above and in consideration of the various covenants and agreements hereinafter set forth, the Parties agrees as follows:

1. **Relationship.** It is the express intention of the Parties that TONI GIBBS render services to WATERMASTER as an independent contractor and not as the agent, employee, partner, or legal representative of WATERMASTER. TONI GIBBS is under the control of WATERMASTER as to the result of TONI GIBBS’ services only and not as to the means by which said result is accomplished. TONI GIBBS is being retained by WATERMASTER only to the extent set forward in this Agreement. In this regard, TONI GIBBS will devote only such time to the performance of TONI GIBBS’ services under this Agreement as is reasonably necessary for the performance of such services to the level of quality and care required by WATERMASTER.

TONI GIBBS acknowledges, understands, and agrees that it is TONI GIBBS’ sole responsibility to adhere to and ensure that all services performed and/or provided by TONI GIBBS pursuant to this Agreement meet all WATERMASTER’s intended goals regarding the same. Similarly, TONI GIBBS acknowledges, understands, and agrees that it is TONI GIBBS’ sole responsibility to adhere to and ensure that all services performed and/or provided shall comply with this Agreement.

a. **No Employer/Employee Relationship.** Nothing in this Agreement shall be interpreted or construed as creating or establishing a relationship of employer and employee between WATERMASTER and TONI GIBBS or any employee or agent of TONI GIBBS.

2. **Term of Agreement.** The term of engagement shall commence on Effective Date and be for the duration of the Court imposed WATERMASTER adjudication as stipulated in the Superior Court Decision of March 27, 2006 Case Number M66343 ("Judgment") or until terminated pursuant to section 7 of this Agreement.

a. **General.** TONI GIBBS serves at the direction of the WATERMASTER Board of Directors ("Board"). 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 TONI GIBBS using such procedures as the Board determines appropriate.

c. **Compensation Increase.** Following the annual performance review, and at the Board's sole discretion, the Board may approve an hourly salary increase. Any increase shall not exceed the maximum hourly rate of \$150.00 (One hundred fifty dollars and Zero cents), and any adjustments must be documented in writing and incorporated into this Agreement through an amendment.

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

a. TONI GIBBS will perform duties assigned by the Board provided that TONI GIBBS shall not be assigned tasks inconsistent with the position description for the day-to-day leadership for the WATERMASTER, attached hereto and incorporated herein as Attachment A, and is directly responsible to the Board on all matters pertaining to the administration of the Seaside Groundwater and is directly responsible to the Board on all matters pertaining to the administration of the Seaside Groundwater Basin, pursuant to the provision of the Judgment. TONI GIBBS shall be responsible for overseeing the administrative budget and the other administrative contractors and/or consultants, if any, of the WATERMASTER. TONI GIBBS will assist the Board with staying apprised of all applicable federal, state, regional and local policies regulating WATERMASTER activities.

b. TONI GIBBS will devote such time as necessary and use the best efforts, talents, knowledge, and experience to provide services to the WATERMASTER.

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

d. TONI GIBBS 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 TONI GIBBS 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. TONI GIBBS shall maintain the books, accounts, and records of WATERMASTER in conformance with the Judgment.

f. TONI GIBBS shall house the books, accounts, and records of the WATERMASTER in a space in TONI GIBBS' home office dedicated solely to WATERMASTER business with a mailing address of 695 Hamilton Avenue, Seaside, CA.

4. **Hours of Work.** Hours of work will vary depending upon the duties to be performed.

5. **Compensation.** WATERMASTER shall pay TONI GIBBS and TONI GIBBS shall accept from WATERMASTER as full compensation for services and WATERMASTER office space hereunder, a wage of \$135.00 (One hundred thirty-five dollars and Zero cents) for each hour worked during each week of TONI GIBBS' engagement with WATERMASTER. On the first day of each month TONI GIBBS shall submit an invoice of the amount of time worked during the previous month TONI GIBBS shall submit an invoice of the amount of time worked during the previous month and the amount owed. WATERMASTER, through its fiscal agent, City of Seaside, shall pay the invoice on or before the fifteenth day of each month.

TONI GIBBS is solely responsible for any travel or other costs or expenses incurred by TONI GIBBS in connection with the performance of the services, and in no event shall WATERMASTER reimburse TONI GIBBS for any such costs or expenses.

6. **Taxes and Benefits.** WATERMASTER shall not be responsible for withholding taxes with respect to TONI GIBBS 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. TONI GIBBS and WATERMASTER specifically agree that TONI GIBBS is not an employee of the WATERMASTER. TONI GIBBS 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 TONI GIBBS and the WATERMASTER.

WATERMASTER will not provide TONI GIBBS or any of its subcontractors, contractors, representatives, agents, and/or employees with worker's compensation insurance, disability insurance, Social Security or unemployment compensation coverage nor any other statutory benefits. It will be TONI GIBBS' responsibility to comply, at its expense, with respect to those persons in its employ or otherwise performing services for it, with all applicable provisions of the worker's compensation laws, federal Social Security law, Fair Labor Standards Act, federal, state, and local income tax laws, and all other applicable federal, state, and local laws, regulations, and codes relating to terms and conditions of employment required to be fulfilled by employers or independent contractors.

7. **Indemnification of Liability.** TONI GIBBS shall indemnify, defend, and hold harmless WATERMASTER and its officers, directors, shareholders, employees, and affiliates from and against any and all liability imposed or claims, including attorney's fees and other legal expenses, arising directly or indirectly from any act or failure of TONI GIBBS and TONI GIBBS' assistants, subcontractors, contractors, representatives, agents, and/or employees in any way related to the services provided by TONI GIBBS to WATERMASTER, excluding any claims or

liabilities arising out of the sole negligence or willful misconduct of WATERMASTER or its employees.

8. **Termination.** This Agreement may be terminated by either Party at any time for any reason by giving the other Party thirty (30) days written notice in the manner set forth in section 10(a) below.

9. **Conflict of Interest.** TONI GIBBS represents and warrants to WATERMASTER that TONI GIBBS presently has no interest, and covenants that TONI GIBBS 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.

10. **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  
440 Harcourt Avenue  
Seaside, CA 93955

BUSINESS: Toni Gibbs  
695 Hamilton Avenue  
Seaside, CA 93955

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.** The failure of either party hereto at any time to enforce performance by the other Party of any provision of this Agreement shall in no way affect such Party's rights thereafter to enforce the same, nor shall the waiver by either Party of any breach of any provision hereof be deemed to be waiver by such Party of any other breach of the same or any other provision hereof.

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. **Attorney's Fees.** Each Party shall bear its own attorney's fees and costs incurred in any legal or equitable action necessary to enforce or interpret the terms of this Agreement.

f. **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 Effective Date.

**SEASIDE GROUNDWATER  
BASIN WATERMASTER**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: Chairman of the Watermaster Board

**TONI GIBBS OF TONI GIBBS**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_