KERN GROUNDWATER AUTHORITY

1800 30th Street Ste #390, Bakersfield
Regular Meeting of Board of Directors
May 22, 2024 8:00 a.m.

The public may attend the meeting via zoom platform. Public comment will be taken in person at the location above or on the zoom platform at the link below:

Zoom
https://us02web.zoom.us/j/83408159280?pwd=dDJFaDNXdldJaUtVU01jU3NrekJLZz09
Meeting ID: 834 0815 9280
Passcode: 628620

Kern Groundwater Authority Board of Directors Agenda

This meeting is held in accordance with the Brown Act pursuant to Section 54956 of the California Government Code and the Kern Groundwater Authority Joint Powers Agreement.

1. **Roll Call - Quorum Determination**
   In the absence of a quorum the Board will handle only those items not needing a quorum.

2. **Flag Salute**

3. **Public Input**
   This portion of the meeting is set aside to provide the public an opportunity to bring to the attention of the Board matters of which the Board may not be aware and which are not on the current agenda. No action can be taken on any matter raised during this portion of the meeting; however, a Board member may request that the matter be placed on any future agenda for further review and possible action. Members of the public may directly address the Board of Directors on any item of interest within the Board's subject matter jurisdiction, before or during the Board's consideration of the item. The President may limit the time allowed for comment.

4. **Approval of Minutes**
   a. April Regular Board Meeting Minutes*

5. **Financial Report**
   a. Financial Report & Accounts Payable – April *

6. **Attorney Report**
   a. Update on State Board Probationary Process
   b. Update on Groundwater Legislation
   c. DWR Forum on AEM studies

7. **DWR Grant**
   a. Update on DWR Grant.

- Denotes Action Item

8. Revised Joint Powers Authority

a. Update and discussion on Joint Powers Authority.

9. Revised Coordination Agreement

a. Update and discussion on Coordination Agreement.

10. Revised KGA Groundwater Sustainability Plan

a. Update and discussion on KGA GSP revisions.

11. New Business

This Portion of the Meeting is set aside to provide each Board member an opportunity to bring to the attention of other Board members and the public matters which have come to their attention and/or which may be appropriate for future consideration. No action can be taken on any matter raised during this portion of the meeting; however, a Board member may request that the matter be placed on any future agenda for further review and possible action.

12. Correspondence

a. None

13. Closed Session

a. Conference with Legal Counsel – Potential Litigation: Closed Session pursuant to Government Code Section 54956.9(d)(2), (e)(2) (one matter)

14. Adjournment

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the Authority provide disability-related modification or accommodation in order to participate in any public meeting of the Authority. Such assistance includes appropriate alternative formats for the agendas and agenda packets. Requests should be made in person, by telephone, facsimile and/or written correspondence to the Authority office, at least 48 hours before a public Authority meeting. Written materials related to an item on this agenda to be considered in open session that are public documents and that are distributed to board members after the posting of the agenda, will be made available for public inspection when they are so distribution at the office of the Authority located at 1800 30th Street, Ste #280, Bakersfield, California during normal business hours. Documents that are public documents provided by others during a meeting will be available at the same location during business hours after the meeting.

- Denotes Action Item

JPA Regular Board Meeting Minutes
Kern Groundwater Authority
April 24, 2024 8:00 a.m.
Participation by Teleconference/ZOOM

JPA DISTRICT REPRESENTATIVES AND ALTERNATES PRESENT
Royce Fast, Kern County Water Agency
Kim Brown, Kern Water Bank Authority
Dan Waterhouse, Semitropic WSD
Gary Morris, West Kern WD
Rob Goff, Westside District Water Authority

JPA DISTRICT REPRESENTATIVES ABSENT
Andrew Pandol, Kern-Tulare WD
Chad Hathaway, Eastside Water Management Area (non-voting member)

OTHERS PRESENT/PARTICIPATING
Valerie Kincaid, Paris Kincaid Wasiewski LLP

1. **Roll Call - Quorum Determination** – Chairman Waterhouse called the meeting to order at 8:05 a.m. after it was confirmed there was a quorum. The Board met the threshold for a quorum under the JPA and operated under it.

2. **Flag Salute** – Completed.

3. **Public Input** – None.

4. **Approval of Minutes**
   a. February Regular Board Meeting Minutes*
   A motion was made by Director Goff and seconded by Director Brown to approve the February 2024 Regular Board Meeting Minutes as presented. The motion was unanimously carried.

5. **Treasurer's Report**
   a. Financial Report & Accounts Payable – February*
   b. Financial Report & Accounts Payable – March*
   Ms. Kincaid presented the Accountant's Report for February and March 2024 and requested approval for the disbursement of accounts payable in the amount of $187,764.03 as presented in Exhibit E for February and $15,966.66 for the month of March. She highlighted deposits, disbursements, and receivables in Exhibits A, B, and C and grant balances in Exhibit D. An inquiry was made on the status of the pending check from the DWR that KGA has been expecting receipt of in order to satisfy payment of various pending invoices. Ms. Kincaid confirmed that the check had not been received

and that a follow-up would be made to the DWR on the check's status. A motion was made by Director Goff and seconded by Director Brown to approve the financial reports and disbursement of payments as advised by Ms. Kincaid. The motion was unanimously carried.

6. **Attorneys Report**

a. Update on State Water Resources Control Board Probationary Process for Tulare Lake

Ms. Kincaid provided an update on the Tulare Lake Subbasin being placed on probationary status and discussed public comments following SWRCB's decision. She advised that some things worth noting to those who extract surface water, it is not clear whether stored surface water is specifically exempt from fees and reporting requirements. Additionally, she discussed the potential overreach of authority by the State Board in several areas.

She also noted that discussions were held on the fee-setting process and how the fees would be utilized. She stated that SWRCB staff plans to develop a FAQ to help address concerns related to the intervention process.

b. Groundwater Legislation

Ms. Kincaid provided an overview of new legislation (828) that would exempt disadvantaged communities and wetlands from SGMA regulation by GSAs.

Bennett bill – AB 2079. Limitation on large diameter wells, which requires permitting agencies to make several findings related to the location, existing conditions, and other information from GSAs.
1563 – Requires permitting agencies to evaluate new well impacts on subsidence and existing well impact prior to approving. She stressed that DWR is committing great efforts to addressing subsidence and incomplete determinations.

7. **DWR Grant**

a. Update on DWR Grant

Mr. Gianquinto indicated that construction was progressing smoothly and advised that he would be working on the next pay request.

b. Action to facilitate grant submission and/or payment distribution. *

No action taken. Item to be discussed at a later date.

8. **Authorize new DWR point of contact for DWR Grant.**

a. Action authorizing Jason Gianquinto to communicate with DWR and sign behalf of KGA for administration of DWR contracts. *

Ms. Kincaid confirmed that an email had been sent to the DWR indicating that Jason Gianquinto would be replacing Patty Poire as the point of contact for the grant. The Board opted not to vote on this item as Ms. Kincaid noted the DWR had already

acknowledged the transition.

9. **Revised Joint Powers Authority**

   a. Review and potentially consider action on Revised KGA JPA. *

   Ms. Kincaid noted that this item had been discussed previously at the coordination committee and requested the Board's feedback to relay back to the committee. Dan Waterhouse requested that more representation for white area interests be integrated into the revised JPA. The KGA will not be signing the JPA, but it is the document that forms the Agency. Therefore, no action was taken, but the existing KGA supports the restatement and reformation.

10. **Revised KGA Groundwater Sustainability Plan**

   a. Update and discussion on KGA GSP revisions.

   Stephanie Hearn highlighted unaccounted GSA boundaries and discussed the need for revisions to KGA's Groundwater Sustainability Plan. She recommended that a new package of maps be submitted as one single set to formalize the recent data that best captures KGA's current territory.

11. **New Business** – None.

12. **Correspondence** – Received and filed.

   a. Kern County Water Agency Letter dated 4.12.24.

13. **Closed Session** – No reportable action out of closed session.

14. **Adjournment** – 9:45 a.m.

ANDREA R. HILL, CPA
An Accountancy Corporation

May 15, 2024

TO: Kern Groundwater Authority Members

FROM: Andrea R. Hill CPA, AAC

SUBJECT: April 2024 Accountant's Report

DISCUSSION

Exhibit A is the Accountant's Report for the Authority's financial activities from April 1, 2024, through April 30, 2024. There were no deposits during the month. There were $15,966.66 of disbursements issued during the month. The cash balance at April 30, 2024, is $110,313.72. There were no subsequent deposits as shown on **Exhibit B**.

The Accounts Receivable balance from Members on April 30, 2024, was $10,192.27 as shown on **Exhibit C**. Receivable from Grants on April 30, 2024, totaled $46,533.37 as detailed on **Exhibit D.** The combined total of Receivables on April 30, 2024, was $56,724.64.

Exhibit E is the detail of Accounts Payable for the month of April 30, 2024, reflecting total payables on April 30, 2024, of $193,347.17. At this time, invoices totaling $15,156.50 are being requested for payment approval and disbursement.

Exhibit F is the Authority's unaudited financial statements on April 30, 2024. They include a Statement of Net Position as of April 30, 2024 and a Statement of Revenues and Expenses for the four months ended April 30, 2024. We believe both statements fairly present the financial position and results of the Authority's activities for the general JPA membership and each specific Special Activity Agreements at this time.

Exhibit A
Kern Groundwater Authority
Accountant's Report - through April 30, 2024

CURRENT ACTIVITY

Cash Balance, Prior Report March 31, 2024)				**$ 126,280.38**
Deposits	**Date**	**Purpose**	**Amount**	
Total Deposits				**0.00**
Disbursements	**Date**	**Ck #**	**Amount**	
Andrea R. Hill CPA, AAC	4/22/2024	3126	1,015.00	
Kern County Farm Bureau	4/22/2024	3127	250.00	
Kern County Farm Bureau	4/22/2024	3128	250.00	
Paris Kincaid Wasiewski LLP	4/22/2024	3129	9,344.00	
Paris Kincaid Wasiewski LLP	4/22/2024	3130	3,613.50	
Provost & Pritchard Consulting Group	4/22/2024	3131	1,108.76	
Provost & Pritchard Consulting Group	4/22/2024	3132	385.40	
Total Disbursements				15,966.66
Cash Balance, Current Report (April 30, 2024)				**110,313.72**
Accounts Receivable				
Receivables from Members - Exhibit C			10,192.27	
Grant Receivables:				
DMS Grant - 10% retention Req #1		8,984.24		
DMS Grant - 10% retention Req #2		4,206.06		
DMS Grant - 10% retention Req #3		1,732.83		
DMS Grant - 10% retention Req #4		13,568.24		
DMS Grant - Req #5		2,102.04		
DMS Grant - Req #6		6,291.31		
DMS Grant - Req #7		9,648.65		
Grant Receivable - see Exhibit D			46,533.37	
Total Receivables				**56,725.64**
Accounts Payable				
See Attached A/P Detail - Exhibit E				15,156.50
Less March payables submitted for payment				-
Accrued Payables - DMS grant - Exhibit E				46,533.37
Accrued Payables - SGMA Planning grant - Exhibit E				131,657.30
Total Accounts Payable and Accrued Payables				**193,347.17**
Net Assets, April 30, 2024				**$ (26,307.81)**

Exhibit B

Kern Groundwater Authority

Accountant's Report - Subsequent Deposits through May 15, 2024

	Dep Date	Amount
Deposits - Other		-
Total Deposits (thru 5/14/24)		**$ -**

Exhibit C

Kern Groundwater Authority

Accountant's Report - Accounts Receivable detail as of April 30, 2024

Customer	Description	Invoice #	Invoice Date	Invoice Amount
Southern San Joaquin Municipal Utility	2024 Intitial Cash Call	KG202513	12/18/2023	5,096.15
Westside District Water Auth	2024 Intitial Cash Call	KG202515	12/18/2023	5,096.12
	TOTAL RECEIVABLES from MEMBERS @ 04/30/24			**$ 10,192.27**

Exhibit D

Kern Groundwater Authority

Accountant's Report - Grant Detail as of April 30, 2024

Agency	Description	Date of Submittal	Invoice Amount	Amount Received	Date Received	Rem. Balance Due	Retention %
DWR	DMS Grant Draw#1: (Inv#10)	8/25/2021	89,842.43	80,858.19	12/9/2021	8,984.24	10%
DWR	DMS Grant Draw#2: (Inv#11)	11/29/2021	42,060.63	37,854.57	3/15/2022	4,206.06	10%
DWR	DMS Grant Draw#3: (Inv#12)	2/28/2022	17,328.32	15,595.49	7/5/2022	1,732.83	10%
DWR	DMS Grant Draw#4: (Inv#13)	5/27/2022	135,682.43	122,114.19	11/29/2022	13,568.24	10%
DWR	DMS Grant Draw#5: (Inv#14)	8/26/2022	21,020.36	18,918.32	5/9/2023	2,102.04	10%
DWR	DMS Grant Draw#6: (Inv#15)	11/30/2022	62,913.11	56,621.80	7/10/2023	6,291.31	10%
DWR	DMS Grant Draw#7 (Inv#16)	2/28/2023	96,486.51	86,837.86	11/17/2023	9,648.65	10%
		DMS GRANTS OUTSTANDING as of 4/30/24				46,533.37	
		TOTAL GRANTS OUTSTANDING as of 04/30/2024				**46,533.37**	

Exhibit E

Kern Groundwater Authority

Accountant's Report - Accounts Payable detail as of April 30, 2024 and subsequent payables through 5/14/24

Vendor	Description	Invoice #	Invoice Date	Invoice Amount	
Andrea R. Hill CPA, AAC	February and March Services	33705	4/30/2024	$ 1,000.00	
Kern County Farm Bureau	May conference room rent	CR0524	4/26/2024	$ 250.00	
Paris Kincaid Wasiewski	April Services	2503	4/30/2024	$ 13,906.50	
	TOTAL PAYABLES REQUEST at this Meeting			**$ 15,156.50**	
INVOICES ON HOLD:					
DMS Grant (Pending Grant Proceeds):					
GEI Consultants	Kern Subbasin DMS Program	3090794	6/4/2021	$ 3,382.92	10% grant retention-Draw #1-Inv10
	Kern Subbasin DMS Program	3094374	8/12/2021	5,601.32	10% grant retention-Draw #1-Inv10
	Kern Subbasin DMS Program	3098501	10/21/2021	4,206.06	10% grant retention-Draw #2-Inv11
	Kern Subbasin DMS Program	3100303	11/22/2021	355.53	10% grant retention-Draw #3-Inv12
	Kern Subbasin DMS Program	3101973	12/23/2021	1,377.30	10% grant retention-Draw #3-Inv12
	Kern Subbasin DMS Program	3094492	8/13/2021	3,786.94	10% grant retention- Draw #4-Inv13
	Kern Subbasin DMS Program	3102874	1/17/2022	278.80	10% grant retention- Draw #4-Inv13
	Kern Subbasin DMS Program	3105117	2/21/2022	848.11	10% grant retention- Draw #4-Inv13
	Kern Subbasin DMS Program	3107022	3/25/2022	6,465.17	10% grant retention- Draw #4-Inv13
	Kern Subbasin DMS Program	3108998	5/9/2022	2,189.22	10% grant retention- Draw #4-Inv13
	Kern Subbasin DMS Program	3110073	5/23/2022	1,294.35	10% grant retention- Draw #5-Inv14
	Kern Subbasin DMS Program	3111068	6/9/2022	670.62	10% grant retention- Draw #5-Inv14
	Kern Subbasin DMS Program	3113595	7/18/2022	137.07	10% grant retention- Draw #5-Inv14
	Kern Subbasin DMS Program	3114995	8/15/2022	208.48	10% grant retention-Draw #6-Inv15
	Kern Subbasin DMS Program	3119205	10/25/2022	6,082.83	10% grant retention-Draw #6-Inv15
	Kern Subbasin DMS Program	3120753	11/18/2022	3,042.83	10% grant;pending receipt #7-Inv16
	Kern Subbasin DMS Program	3122932	12/27/2022	3,797.04	10% grant;pending receipt #7-Inv16
	Kern Subbasin DMS Program-Dec22	3124804	1/26/2023	2,808.78	10% grant;pending receipt #7-Inv16
				46,533.37	25,014.52 Accrued Payables
SGMA Planning Grant (Pending Grant Submittal/Proceeds):					
Provost & Pritchard	SGMA Implementation Grant	104944	11/14/2023	2,635.50	100% grant; to be submitted
	SGMA Implementation Grant	106148	12/20/2023	534.00	100% grant; to be submitted
	SGMA Implementation Grant	106879	1/23/2024	660.80	100% grant; to be submitted
	SGMA Implementation Grant	107371	2/20/2024	2,019.60	100% grant; to be submitted
	SGMA Implementation Grant	104944	3/13/2024	1,276.00	100% grant; to be submitted
	SGMA Implementation Grant	109261	4/23/2024	603.40	100% grant; to be submitted
U.S. Geological Survey	SGMA Implementation Grant	91134291	1/25/2024	123,928.00	100% grant; to be submitted
				131,657.30	
	PAYABLES/INVOICES ON HOLD pending Grant Proceeds			**$ 178,190.67**	
	TOTAL PAYABLES Outstanding at 05/14/24			**$ 193,347.17**	
	LESS MAY PAYABLE SUBMITTED FOR PAYMENT			**-**	
	TOTAL PAYABLES Outstanding at 04/30/24			**$ 193,347.17**	

Exhibit F

Kern Groundwater Authority
Statement of Net Position
As of April 30, 2024

Assets

Current Assets		
Cash		$ 110,314
Accounts Receivable-Members		10,192
Accounts Receivable-Grants		46,533
Total Current Assets		167,039
Total Assets		$ 167,039

Liabilities and Net Position

Current Liabilities		
Accounts Payable/Accrued Payables		$ 193,347
Total Current Liabilities		193,347
Net Position		
KGA JPA - #100		
Current Earnings	$ (176,810)	
Net Position - Prior Year (as originally presented)	103,959	(72,851)
Evapotranspiration Study - SAA 1 - #110		
Current Earnings	-	
Net Position - Prior Year	(13,626)	(13,626)
Kern River GSA Groundwater Model - #130-133 (combined)		
Current Earnings	-	
Net Position - Prior Year	45	45
KGA GSP - SAA 4 - #140		
Current Earnings	-	
Net Position - Prior Year	60,124	60,124
Total Net Position		(26,308)
Total Liabilities and Net Position		$ 167,039

Kern Groundwater Authority
Statement of Revenues and Expenses
4 Months Ended April 30, 2024

	Current Month								Year to Date - 2024							
	KGA JPA Dept. 100	ET Study SAA #1 Dept. 110	Phase 1 - RMC Peer Review - Dept. 131	Phase 2 - RMC Peer Review - Dept. 133	TODD GW MODELING Dept. 132	KGA GSA SAA #3 Dept. 120	KGA GSP SAA #4 Dept. 140	Combined	KGA JPA Dept. 100	ET Study SAA #1 Dept. 110	Phase 1 - RMC Peer Review - Dept. 131	Phase 2 - RMC Peer Review - Dept. 133	TODD GW MODELING Dept. 132	KGA GSA SAA #3 Dept. 120	KGA GSP SAA #4 Dept. 140	Combined
Member Contributions (Refunds)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Grant Revenue (Member Refunds)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounting	1,000	-	-	-	-	-	-	1,000	3,292	-	-	-	-	-	-	3,292
Engineering	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal	13,907	-	-	-	-	-	-	13,907	39,202	-	-	-	-	-	-	39,202
Fees	-							-	-							-
Office Supplies / Bank Charges	-	-	-	-	-	-	-	-	160	-	-	-	-	-	-	160
Other Outside Services	1,103	-	-	-	-	-	-	1,103	134,156	-	-	-	-	-	-	134,156
Total Expenses	16,010	-	-	-	-	-	-	16,010	176,810	-	-	-	-	-	-	176,810
Change in Net Position - Current Earnings	$ (16,010)	$ -	$ -	$ -	$ -	$ -	$ -	$ (16,010)	$ (176,810)	$ -	$ -	$ -	$ -	$ -	$ -	$ (176,810)

Andrea R. Hill, CPA, AAC

5000 California Ave., Ste 209
Bakersfield, CA 93309
661-323-2555

Kern Groundwater Authority
1800 30th Street, Suite 280
Bakersfield, CA 93301

Invoice No. *33705*
Date *04/30/2024*
Client No. *10481*

Services provided through April 30, 2024:

Accounting and Consulting Services and Support.

February and March bookkeeping

	Current Amount Due	$ 1,000.00
Prior Balance as of 04/01/2024		1,015.00
04/29/2024 Payment		(1,015.00)
	Total Amount Due	$ 1,000.00

0 - 30	31- 60	61 - 90	91 - 120	Over 120	Balance
1,000.00	0.00	0.00	0.00	0.00	1,000.00

Please direct all billing questions directly to billing@arhillcpa.com Thank you for your trust in us to provide you with your tax, accounting and bookkeeping services.

Payments can be made by cash, check or credit card.

All invoices are due to be paid within 30 days of receipt, a 1.5% monthly late fee will be added to all overdue balances until paid in full and we reserve the right to stop work on accounts with a past due balance.

KERN COUNTY FARM BUREAU

Kern County Farm Bureau
1800 30th St, Ste 390, Bakersfield, CA 93301
Phone: (661)397-9635 **Email:** kcfb@kerncfb.com

INVOICE

BILL TO

Kern Groundwater Authority
1800 30th St, Ste 280
Bakersfield, CA 93301

INVOICE DETAILS

Invoice #: CR0524
Invoice Date: 04/26/2024
Contact: Valerie Kincaid
Due Date: Net 30

DESCRIPTION	QTY	UNIT PRICE	TOTAL
Conference Room Rental (May 2024)	1	$250.00	$250.00

SUBTOTAL	$250.00
SALES TAX	$0.00
TOTAL	**$250.00**

Make all checks payable to:
Kern County Farm Bureau, 1800 30th Street, Ste 390, Bakersfield, CA 93301

THANK YOU FOR YOUR SUPPORT!

THIRD AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

KERN NON-DISTRICTED LAND AUTHORITY

THIS THIRD AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT (**Agreement**) is made and effective on the last date executed (**Effective Date**) pursuant to the California Joint Exercise of Powers Act (Govt. Code, §§ 6500 *et seq.*) by and among the public agencies listed on the attached **Exhibit A** (each, a **Member** and collectively, **Members**) providing for the Kern Non-Districted Land Authority (**Authority**) and setting the terms pursuant to which the Authority will operate.

RECITALS

A. Some of the Members previously entered into a Joint Exercise of Powers Agreement to form the Kern Groundwater Authority under the California Joint Exercise of Powers Act (Govt. Code, §§ 6500 *et seq.*). The member agencies of the Kern Groundwater Authority, as they existed from time to time, have twice amended and restated their Joint Exercise of Powers Agreement. The Members now want to again amend and restate that agreement by this Agreement for the purposes described below as well as change the name of the joint powers authority to more accurately reflect its singular purpose.

B. Each of the General Members is a local agency, as defined by the Sustainable Groundwater Management Act of 2014 (**SGMA**), duly organized and existing under and by virtue of the laws of the State of California, or an approved groundwater sustainability agency under SGMA, able to exercise powers related to groundwater management within its boundaries.

C. The Members, individually and collectively, have the goal of cost-effective, sustainable groundwater management in the Kern County Subbasin considering the interests and concerns of the Members and other stakeholders. As used in this Agreement, "**Kern County Subbasin**" means that basin as defined in Department of Water Resources Bulletin 118, as its boundaries may be modified from time to time through the procedures described in California Water Code section 10722. The Kern County Subbasin is designated as a high-priority basin by the Department of Water Resources (**DWR**).

D. Water Code section 10735.2(a)(2) provides that the State Water Resources Control Board (**State Board**) may designate the Kern County Subbasin as a probationary basin if after January 31, 2020 none of the following have occurred:

1. A groundwater sustainability agency (**GSA**) has adopted a groundwater sustainability plan (**GSP**) for the entire Kern County Subbasin;

2. A collection of local agencies has adopted GSPs that collectively serve as a GSP for the entire Kern County Subbasin; or

3. DWR has approved an alternative pursuant to Water Code section 10733.6.

E. No GSA within the Kern County Subbasin has adopted a GSP for the entire Kern County Subbasin nor has DWR approved an alternative pursuant to Water Code section 10733.6. However, the Members have, either individually or with others, adopted GSPs collectively serving as a GSP for the entire Kern County Subbasin.

F. Water Code section 10724(a) provides that, "[i]n the event that there is an area within a high- or medium-priority basin that is not within the management area of a [GSA], the county within which that unmanaged area lies will be presumed to be the [GSA] for that area." The County of Kern declined to serve as the GSA for the unmanaged areas within the Kern County Subbasin.

G. The Kern County Water Agency (**KCWA**), having water management and supply responsibilities within the entire Kern County Subbasin, has previously agreed to provide the Authority, then known as the Kern Groundwater Authority (**KGA**), with KCWA's jurisdictional authority over the Kern County Subbasin for the unmanaged areas lying outside the boundaries of any public agency with the required water management and supply responsibilities (**Non-districted Land**). The KGA or, in some cases, the County of Kern then entered into agreements with certain Members to enable those Members to include some Non-districted Land within their GSP or GSP chapter, as the case may be (**Outside Member Land**).

H. The intent of the Members is that the Authority will offer GSP coverage for Non-districted Land and, in some cases, offer regulatory authority to certain Members for Outside Member Land, through a grant of jurisdiction from KCWA, to maintain GSA and GSP coverage of the entire Kern County Subbasin and to avoid a probationary determination for the Kern County Subbasin by the State Board due to an adverse finding under Water Code section 10735.2(a)(2). The Members expressly intend that the Authority will *not* have the authority to limit or interfere with a Member's rights and authorities under its GSP, what lands are included in a Member's GSA or GSP, or over a Member's own internal matters, including, but not limited to, a Member's surface water supplies, groundwater supplies, projects, facilities, operations, and water management.

THEREFORE, in consideration of the mutual promises, covenants and conditions herein set forth, the Members agree as follows:

ARTICLE 1
DEFINITIONS

1.1 "Associate Members" means those Members of the Authority identified on the attached

Exhibit A as an Associate Member or later admitted as an Associate Member in accordance with the terms and provisions of this Agreement and consistent with SGMA that are not General Members. The Board of Directors may from time to time admit Associate Members on terms and conditions consistent with SGMA and as determined by the Board. Representatives of Associate Members may not serve on the Board and/or Board Committees. Likewise, while the Board of Directors welcomes their input, the representatives of Associate Members shall be non-voting, their presence shall not be counted in determining whether a quorum is present, and they shall not be permitted in closed sessions of the Board of Directors, unless directed otherwise by the Board of Directors.

1.2 "Board of Directors" or "Board" means the governing body of the Authority as established by Section 3.01 below.

1.3 "General Member" means those Members of the Authority identified as General Members on the attached **Exhibit A** or later admitted as a General Member in accordance with the terms and provisions of this Agreement. A local agency as defined by SGMA may participate as a General Member on its own behalf or join with one or more agencies as a single General Member. Multiple agencies which elect to coordinate their representation as one General Member shall, for purposes of this Agreement, be treated as one General Member.

1.4 "Jurisdictional Member" means the Kern County Water Agency. The Jurisdictional Member is not a General Member or an Associate Member of the Authority. The sole purpose of the Jurisdictional Member within the Authority is to provide the Authority with regulatory authority under SGMA for Non-districted Land, including Outside Member Land. The Jurisdictional Member will not have any obligation to fund the Authority or otherwise pay money to the Authority under Article 5 of this Agreement. The Jurisdictional Member has no seat or voting rights on the Board of Directors, no responsibility to draft a GSP or GSP chapter covering any Non-districted Land or Outside Member Land, or any other responsibility under this Agreement unless otherwise agreed in writing by the Jurisdictional Member.

1.5 "Members" means the General Members, Associate Members, and Jurisdictional Member.

1.6 "Special Activities" means activities that are consistent with the purpose of this Agreement, but undertaken by all or fewer than all the Members in the name of the Authority pursuant to Section 4.9 below.

ARTICLE 2
CREATION OF AUTHORITY

2.1 **Creation of Authority.** There is hereby created under the provisions of Government Code sections 6500 *et seq.,* a joint powers authority, which will be a public entity separate from the Members and shall be known as the Kern Non-Districted Land Authority. Within 30 days after the

Effective Date and after any amendment, the Authority shall cause a notice of this Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by Government Code section 6503.5. Within 70 days after the Effective Date, the Authority shall cause a statement of the information concerning the Authority required by Government Code section 53051 to be filed with the office of the California Secretary of State and with the County Clerk for the County of Kern setting forth the facts required to be stated under Government Code section 53051(a).

2.2 Purpose of the Authority. The Authority intends, among other things, to adopt and implement a GSP or GSP chapter for Non-districted Land, and enter into agreements, as necessary and requested, with General Members to provide them with the required regulatory authority to include Outside Member Land in a General Member's GSP or GSP chapter. The sole purpose of the Authority is to provide regulatory authority for Non-districted Land so those lands are able to be regulated under a GSP as required by SGMA.

2.3 Term. This Agreement will become effective upon execution by all of the Members and will remain in effect for a period of two years following the Effective Date ~~or until~~unless earlier terminated by agreement of a 75 percent majority of then participating Members. Unless and until terminated, this Agreement shall remain in effect and be binding upon the Members, and upon all future Members, except as to any party which ~~withdraws or~~ is terminated from its participation in the Authority in accordance with this Agreement. The Members are committed to transitioning, prior to the termination of this Agreement, SGMA implementation over Non-districted Land to the owners of those lands who have historically extracted groundwater for use on those lands, the County of Kern, or another appropriate agency. Notwithstanding the foregoing, this Agreement will terminate upon ~~either (a)~~ the County of Kern becoming the GSA for all Non-districted Land. ~~or (b)~~ In the event the State Board ~~designation of~~designates the Kern Subbasin as a probationary basin ~~by the State Water Resources Control Board~~, this Agreement will remain in effect for the remainder of its term, but all actions of the Authority related to the Authority's purpose, as described in Section 2.2 above, following that probationary designation must be taken as Special Activities.

ARTICLE 3

POWERS

The Authority shall possess the power in its own name to exercise any and all common powers of its General Members reasonably related to the purpose of the Authority, including (1) making and entering into contracts with the Jurisdictional Member, General Member(s), Associate Member(s), and others as necessary to accomplish the Authority's purpose, (2) serving as a GSA, as well as developing, adopting and implementing a GSP or GSP chapter, for Non-districted Land, except Outside Member Land for which a General Member serves as a GSA, and (3) such other powers as are expressly set forth in the Joint Exercise of Powers

Act (Govt. Code, §§ 6500 *et seq*.), and may be exercised consistent with the purpose of the Authority. In the development and adoption of a GSP or GSP chapter, the Authority must reasonably consider the interests of owners of Non-districted Land who have historically extracted groundwater for use on those lands. The Authority will not oppose the inclusion of any Non-districted Lands in the GSA/GSP of any Member, as may be agreed upon a Member and Non-districted Landowner. For purposes of Government Code section 6509, and unless the Authority has adopted applicable rules, regulations, policies, bylaws and procedures, the powers of the Authority shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on Cawelo Water District or, if Cawelo Water District ceases to be a General Member, another California water district that is a General Member of the Authority.

ARTICLE 4
INTERNAL ORGANIZATION

4.1 Governing Body. The Authority will be governed by a Board of Directors which is hereby established, and which shall be initially composed of representatives for each of the General Members and two representatives for owners of Non-districted Land. The Non-districted Land representatives will be appointed by the Board following recommendations(s) from Members or owners of Non-districted Land. There will not be a representative for any Associate Member on the Board of Directors, although a person affiliated with an Associate Member may be appointed to serve on the Board as a representative for owners of Non-districted Land. Without amending this Agreement, the Board of Directors composition will be altered from time to time to reflect the termination and/or admission of any new General Members.

4.2 Directors. Each General Member's governing board shall select a representative to serve as its representative on the Board. A Member may designate a representative to serve as its alternate Director. The role of each alternate Director is to assume the duties of the Director appointed by his/her Member agency in the event of the absence or unavailability of such Director, including the Director's duties as a member of any Committee established pursuant to Section 4.4 below. A Director and any alternate Director so named will continue to serve until his or her respective successor is appointed.

4.3 Officers. The Board shall select a Chair from among the Board of Directors who shall be the presiding officer of the Board meetings. The Board shall also select a Vice Chair from among the Board of Directors who shall serve as the presiding officer in the absence of the Chair. The Board shall also select a Secretary, who need not be a member of the Board of Directors. The terms of such Officers shall be established by the Board of Directors from time to time and as necessary.

4.4 Committees. The Board of Directors may from time to time appoint one or more ad hoc or standing committees to assist in carrying out the purposes and objectives of the Authority. The Board shall determine the purpose and need for such committees. No

committee or participant on such committee will have any authority to act on behalf of the Authority.

4.5 Quorum. Directors holding two-thirds of the voting power on the entire Board of Directors on a matter shall constitute a quorum for the transaction of Authority business, including any committee meetings. Any Board member abstaining from a vote shall be counted for purposes of determining the existence of a quorum, but shall not be deemed to be voting.

4.6 Voting. Voting by the Board of Directors shall be made on the basis of one vote for each Director. A Director may vote on all matters of Authority business unless disqualified because of a conflict of interest pursuant to California law or the local conflict of interest code adopted by the Board of Directors. A Director (including a Director serving as a member of a committee) may vote on any matter or action even if (a) that would affect the Member represented by such Director, or (b) that would impact any land or landowners within the boundaries of the Member represented by such Director or Outside Member Land managed in whole or in part by such Member.

4.7 Affirmative Decisions of the Board of Directors. Except as otherwise provided in this Agreement, all decisions of the Board of Directors require the affirmative vote of 75 percent of the total number of Directors on the Board present and voting. Notwithstanding the foregoing, any approval or amendment to the Authority's GSP shall require the affirmative vote of 100 percent of the Directors on the Board.

4.8 Meetings. Meetings of the Board of Directors and any committee (to the extent applicable) shall be conducted in accordance with the Ralph M. Brown Act (Govt. Code, §§ 54950, *et seq.*)

4.9 Special Activities. With the prior approval of 100 percent of the Board of Directors, Members may undertake Special Activities in the name of the Authority. All Members shall be given the opportunity to participate in each Special Activity of the Authority. Prior to undertaking a Special Activity, the Members electing to participate in the Special Activity shall enter into an activity agreement. Such activity agreement shall provide that (a) no Special Activity undertaken pursuant to such agreement shall conflict with the terms of this Agreement and (B) the Members to the activity agreement shall indemnify, defend and hold the Authority, and the Authority's other Members, harmless from and against any liabilities, costs or expenses of any kind arising as a result of the Special Activity described in the activity agreement. All assets, rights, benefits, debts, liabilities and obligations attributable to a Special Activity shall be assets, rights, benefits debts, liabilities and obligations solely of the Members that have entered into the activity agreement for that Special Activity, in accordance with the terms of the activity agreement, and shall not be the assets, rights, benefits, debts, liabilities and obligations of those Members that have not executed the activity agreement. Members not electing to participate in the Special Activity shall have no rights, benefits, debts, liabilities, or obligations attributable to such Special Activity.

(a) Continued Administration of Existing Grants. As a first Special

Activity, which will not be subject to approval by the Board of Directors, the Members agree the Authority may continue to administer grants awarded to the Authority prior to the Effective Date in the same fashion as those grants have historically been administered by the Authority. However, this agreed Special Activity for administration of existing grants may not serve as a precedent for administration by the Authority of any future grants as those must be the subject of an additional Special Activity and Board approval.

4.10 Admission~~, Withdrawal~~ and Termination of Members.

(a) Additional parties may join in this Agreement and become Members or Associate Members upon the approval of the entire Board of Directors, subject to terms and conditions as may be established by the Board of Directors. Prior to being admitted as a new Member, an entity shall execute an agreement to be bound by the terms of this Agreement and any other terms and conditions established by the Board of Directors.

(b) A Member may be terminated by a 75 percent vote of the Directors representing Members not subject to the termination vote if such Member is then in breach of this Agreement and the breach is identified in the vote of the Board of Directors. Upon termination, the breaching Member shall no longer be a Member of the Authority; provided, that such termination shall become effective no earlier than 90 days after such vote of the Board of Directors and shall only be effective if the breach identified in the vote of the Board of Directors has not been cured by the effective date for the termination.

(c) The terminated Member will also be entitled to copies of all non-confidential documents, information, and material developed by the Authority and paid for in whole or in part by the Member prior to the Member's ~~withdrawal or~~ termination.

ARTICLE 5
FINANCIAL PROVISIONS

5.1 Fiscal Year. The fiscal year of the Authority shall be from January 1 through December 31 of each calendar year (**Fiscal Year**).

5.2 Funds; Accounts. An outside certified public accountant shall serve as the fiscal agent and Treasurer of the Authority unless otherwise determined by the entire Board. The fiscal agent shall be responsible for all money of the Authority from whatever source. The Board may compensate the fiscal agent for services rendered.

(a) All funds of the Authority shall be strictly and separately accounted for and regular reports shall be rendered of all receipts and disbursements at least quarterly during the Fiscal Year. The books and records of the Authority shall be open to inspection by the Members.

(b) The Authority shall contract with a certified public accountant to make an audit or review of the accounts and records of the Authority which shall be conducted in compliance with Section 6505 of the California Government Code. All costs associated with this Audit will be the full responsibility of the Authority.

5.3 Property; Bonds. The Board of Directors shall from time to time designate the officers and persons, in addition to those specified in Section 5.3 above, who shall have charge of, handle, or have access to any property of the Authority. Each such officer and person shall file a bond in an amount designated by the Board of Directors.

5.4 Budget. By a date set by the Board of Directors each Fiscal Year, the Board of Directors shall adopt a budget for the Authority for the ensuing Fiscal Year; provided, that except as provided in Section 5.5 below, the Authority shall not impose assessments or other charges on Members. Notwithstanding the foregoing, by its execution of this Agreement, each Member confirms that it has authorized its Director and any alternate Director to approve or disapprove actions and expenditures by the Authority over and above the approved annual budget of the Authority for a Fiscal Year that do not create a fiscal obligation greater than $5,000 on such Member without further action of such Member.

5.5 Payments to the Authority.

(a) Except as otherwise provided, all fees, costs and expenses incurred by the Authority for general administrative services, such as legal, preparation of audits, and other general administrative functions, and activities related to development and implementation of a GSP for Non-districted Land covered by the Authority's GSP or GSP chapter shall be funded (i) from permissible contributions from or charges to third parties, including landowners within the Non-districted Land covered by the Authority's GSP or GSP chapter and (ii) assessments on the Members and Associate Members, levied from time to time by the Board of Directors to carry out the activities of the Authority generally applicable to all General Members and Associate Members, as shown on the attached **Exhibit A**. Members that were not Members of the Authority prior to the Effective Date (i.e., Members joining the Authority through execution of this Agreement) shall not be obligated to pay assessments to the Authority for any of the debts, liabilities or obligations of the Authority incurred prior to the Effective Date, unless expressly assumed in writing.

(b) No Member or Associate Member shall be bound, financially or otherwise, by any obligation, contract or activity undertaken by the Authority unless and except to the extent agreed upon by the Member, except that each Member shall be obligated to fund its then current annual share of the annual budget (i.e., general administrative services, such as legal, preparation of audits, and other general administrative functions) of the Authority, provided such budgets are otherwise approved as provided herein. Funding of other matters shall be through Special Activity agreements or as otherwise agreed to by the Members in writing.

5.6 Liability For Debts. The Members do not intend to be obligated either jointly or severally for the debts, liabilities or obligations of the Authority, except as may be specifically provided for in under Government Code section 895.2, as amended or supplemented. Provided, however, if any Member(s) of the Authority are, under such applicable law, held liable for the acts or omissions of the Authority caused by negligent or wrongful act or omission occurring in the performance of this Agreement, such parties shall be entitled to contribution from the other Members so that after said contributions each Member shall bear an equal share of such liability, as shown on the then-current attached **Exhibit A**.

5.7 SGMA-Related Expenses Incurred by Members. Expenses incurred by a Member or Associate Member, or group of Members, for SGMA implementation within its or their boundaries shall be borne solely by that Member, Associate Member, or group of Members. Neither the Authority nor its other Members shall be liable for those expenses.

5.8 Separate Entity; Property. In accordance with Government Code sections 6506 and 6507, the Authority shall be a public entity separate and apart from the parties to this Agreement. Unless, and to the extent otherwise agreed herein, the debts, liabilities and obligations of the Authority shall not be debts, liabilities or obligations of the Member entities. The Authority shall own and hold title to all funds, property and works acquired by it during the term of this Agreement.

5.9 Disposition of Property Upon Termination or Determination by Board of Directors of Surplus.

(a) Upon termination of this Agreement or upon determination by the Board of Directors that any surplus funds on hand, such surplus money shall be returned to the payors of the subject surplus funds. The distribution of said surplus to Members and Associate Members shall be proportionate to the current year percentages as shown in the attached **Exhibit A**, or as modified after the inclusion of new Members.

(b) The Board of Directors shall first offer any surplus properties, works,

rights and interests of the Authority for sale to the Members and the sale shall be at the Authority's actual cost unless otherwise required by law. If no such sale is consummated, then the Board of Directors shall offer the surplus properties, works, rights and interests of the Authority for sale in accordance with applicable law to any governmental agency, private entity or persons for good and adequate consideration.

ARTICLE 6
MANAGEMENT

The Authority may, by contract, hire for management services to the Authority. In lieu of that hiring, the Authority may engage one or more staff members from the Members, with the consent of that Member, to manage any or all of the business of the Authority on terms and conditions acceptable to the Board of Directors. Any staff member so engaged shall remain the employee of the Member employing him or her, and that Member shall be solely responsible for the staff member's compensation.

ARTICLE 7
MISCELLANEOUS PROVISIONS

7.1 Amendment. This Agreement may be amended from time to time by the concurrence of 75 percent of the General Members. To provide non-concurring parties an opportunity to withdraw from the Authority, an amendment shall be binding on all parties 60 days after the required concurrence has been obtained. Any amendment to extend the term of this Agreement shall provide a non-concurring party a 90 day period to withdraw with no continuing financial obligation required.

7.2 Severability and Validity of Agreement. If the participation of any party to this Agreement, or any part, term or provision of this Agreement is decided by a Court or the Legislature to be illegal, in excess of that party's authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each party hereby agrees it would have entered into this Agreement upon the remaining terms and provisions.

7.3 Assignment. Except as otherwise provided in this Agreement, the rights and duties of the parties to this Agreement may not be assigned or delegated without the advance written consent of the Authority (as evidenced by a majority vote of the Board of Directors), and any attempt to assign or delegate such rights or duties in contravention of this section shall be null and void. Any assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of any contracts, resolutions or indentures of the Authority then in effect, including any Special Activity agreement to which the assigning or delegating Member is a party. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the

parties hereto. This section does not prohibit a party from entering into an independent agreement with another agency regarding the financing of that party's contributions to the Authority or the disposition of proceeds which that party receives under this Agreement so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the parties under this Agreement.

7.4 Execution in Parts or Counterparts. This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the parties hereto. Facsimile or electronic signatures shall be binding.

7.5 Notices. Notices authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the addresses set forth for each of the parties hereto on the attached **Exhibit A**, or to such other changed addresses communicated to the Authority and the Members in writing, and to such other entities that become Members.

7.6 Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof. All understandings and agreements heretofore had between the parties respecting this transaction, including without limitation, any offers, counteroffers or letters of intent, are merged in this Agreement, which fully and completely expresses the agreement of the parties. There are no representations, warranties, covenants or agreements except as specifically and expressly set forth herein and in the exhibits annexed hereto.

7.7 Interpretation. The words and phrases defined in Article 1 will, in addition to the definitions contained in the Preamble and Recitals as indicated with bold font, govern interpretation of this Agreement. When a reference is made in this Agreement to Articles, sections, or Exhibits, such reference shall be to an Article, section of or exhibit to this Agreement unless otherwise indicated. All attached exhibits are incorporated herein by reference. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes," and "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." No provision of this Agreement shall be construed to require any person to take any action that would violate any applicable law, rule, or regulation.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year set forth on the attached **Exhibit A**.

Second Amended Kern County Subbasin Coordination Agreement

This Second Amended Kern County Subbasin Coordination Agreement (the "Agreement") is made effective as of _____ by and among the Groundwater Sustainability Agencies ("GSA") within the Kern County Subbasin that are developing multiple Groundwater Sustainability Plans ("GSPs") (each a "Party" and collectively the "Parties"), each of which is identified in Appendix 1 and is made with reference to the following facts:

WHEREAS, on September 16, 2014, Governor Jerry Brown signed into law Senate Bills 1168 and 1319 and Assembly Bill 1739, known collectively as the Sustainable Groundwater Management Act ("SGMA"); and

WHEREAS, SGMA requires all groundwater basins designated as high or medium priority by the Department of Water Resources ("DWR") to manage groundwater in a sustainable manner; and

WHEREAS, the Kern County Subbasin (Basin Number 5-22. 14, DWR Bulletin 118) ("Subbasin") which lies within the San Joaquin Valley Groundwater Basin, has been designated as a high-priority basin by DWR; and

WHEREAS, the Subbasin includes twenty-one (21) GSAs that are managing the Subbasin through multiple GSPs; and

WHEREAS, SGMA allows local agencies to engage in the sustainable management of groundwater, but requires GSAs intending to develop and implement multiple GSPs within a subbasin to enter into a coordination agreement; and

WHEREAS, the Agreement does not prevent any Party from providing comments on a GSP, or otherwise coordinating among parties with regard to specific items in a GSP outside this Agreement, on issues including but not limited to specific border conditions between GSPs and/or the timing and/or effect of projects and management actions contained within another GSP; and

WHEREAS, nothing in this Agreement represents or should be construed as the determination of any claim or assertion of a groundwater right; specifically, the coordinated water budget information or data does not amount to an allocation, or otherwise represent a determination, validation, or denial of any claimed or asserted groundwater right;

WHEREAS, this Agreement shall supersede and replace all prior agreements, promises, and understandings, oral or written, related to the coordination of GSPs in the Subbasin, including the Coordination Agreement effective January 20, 2020, and First Amended Coordination Agreement effective July 22, 2022.

THEREFORE, in consideration of the facts recited above and of the covenants, terms and conditions set forth herein, the Parties agree as follows:

Section 1 Purpose

The purpose of this Agreement is to comply with SGMA coordination agreement requirements and ensure that the multiple GSPs within the Subbasin are developed and implemented utilizing the same data and methodologies as required under SGMA and Title 23 of the California Code of Regulations ("CCR"), and that the elements of the GSPs are appropriately coordinated to support sustainable management.

The Parties intend for this Agreement to describe how the Parties will work together to ensure coordinated implementation of the multiple GSPs covering the Subbasin to satisfy the requirements of SGMA. In particular, it documents the Parties' agreement to rely upon or otherwise include identical language, content, and form for the GSP Chapters described in Attachment 2 of the Agreement, and to require any future amendment to those GSP Chapters be approved by unanimous consent of the Parties, unless a change is specific to an individual GSA's data or information and required to comply with SGMA regulations and would not otherwise impact the language, content, and form of the collective GSPs approved through the governance process described in Section 3 herein. This Agreement shall be incorporated into each of the GSPs that is adopted to cover a portion of the Subbasin.

Section 2 General Guidelines

Responsibilities of the Parties

The Parties shall work collaboratively to comply with SGMA and this Agreement. Each Party to this Agreement is a GSA and acknowledges it is bound by the terms of the Agreement. This Agreement does not otherwise affect each Party's responsibility to implement the terms of theGSP it has adopted pursuant to SGMA. Rather, this Agreement is the mechanism through which the Parties will coordinate portions of the multiple GSPs to ensure such GSP coordination complies with SGMA.

No Adjudication or Alternative Plans in the Subbasin

As of the date of this Agreement, there are no portions of the Subbasin that have been adjudicated or have submitted for DWR approval an alternative to a GSP pursuant to Water Code section 10733.6.

Section 3 Governance

Subbasin Coordination Committee

The Subbasin Coordination Committee will oversee Coordination Activities (defined below). The Subbasin Coordination Committee will consist of one representative appointed from each GSA.

Each Subbasin Coordination Committee member's compensation for service on the Subbasin Coordination Committee, if any, is the responsibility of the appointing Party.

Each Subbasin Coordination Committee member shall serve at the pleasure of the appointing GSA and may be removed or substituted from the Subbasin Coordination Committee by the appointing GSA at any time.

3..1 The Subbasin Coordination Committee will meet periodically as it deems necessary to carry out the activities described in this Agreement.

3..2 The Subbasin Coordination Committee may suggest subcommittees, workgroups, or otherwise request staff and/or consultants of the Parties develop technical data, supporting information and/or recommendations.

The purposes of the Subbasin Coordination Committee are to (1) recommend to the Parties the appointment of a Plan Manager who will act in accordance with this Agreement, and (2) provide a forum wherein the Parties may discuss Subbasin coordination activities, which may include the development, planning, financing, environmental review, permitting, implementation, and long-term monitoring of the multiple GSPs in the Subbasin, pursuant to SGMA requirements ("Coordination Activities").

Plan Manager

The Plan Manager shall be appointed by unanimous agreement by the Parties for a term of one calendar year, and annually thereafter, and may be removed by unanimous agreement of the Parties with or without cause. The Plan Manager shall serve as the point of contact for DWR, as specified in 23 CCR § 357.4, subd. (b)(1), and State Water Resources Control Board (SWRCB), as appropriate. The Plan Manager shall submit or assist with the submittal of all GSPs, plan amendments, supporting information, monitoring data and other pertinent information, Annual Reports, and periodic evaluations to DWR or SWRCB when required. The Plan Manager has no authority to take any action or represent the Subbasin Coordination Committee or a particular Party without the specific direction and authority of the Subbasin Coordination Committee or the particular Party, respectively. The Plan Manager is obligated to immediately disclose all communications he/she receives in his/her capacity as Plan Manager to the Subbasin Coordination Committee and the GSA(s) particularly affected, as appropriate under the circumstances.

Section 4 Exchange of Data and Information

Procedure for Exchange of Information

4..1 The Parties may exchange information through collaboration and/or informal requests made at the Subbasin Coordination Committee level or through subcommittees suggested by the Subbasin Coordination Committee. However, to the extent it is necessary to make a written request for information to another Party, each Party shall designate a representative to respond to information requests and provide the name and contact information of the designee to the Subbasin Coordination Committee. Requests may be communicated in writing and transmitted in person or by mail, facsimile machine or other electronic means to the appropriate representative as named in this Agreement.

4..2 Nothing in this Agreement shall be construed to prohibit any Party from voluntarily exchanging information with any other Party by any other mechanism separate from the Subbasin Coordination Committee.

Non-Disclosure of Confidential Information

Pursuant to Section 4.1 of this Agreement, a Party may provide one or more of the other Parties with confidential information. To ensure the protection of such confidential information and

in consideration of the agreement to exchange said information, appropriate arrangements may be made to restrict or prevent further disclosure.

SECTION 5 GSP Methodologies

Pursuant to Water Code section 10727.6 and 23 CCR § 357.4, the Parties have agreed to the same data and methodologies used in their respective GSPs for the following : 1) groundwater elevation data; 2) groundwater extraction data; 3) surface water supply; 4) total water use; 5) change in groundwater storage; 6) water budget; and 7) sustainable yield, and that such methodologies will continue to be used in the future development and implementation of such GSPs, except to the extent modified by the Parties in the future in compliance with SGMA regulations and the GSP Chapters described in Attachment 2.

Coordinated Monitoring Networks

The Parties agree to rely upon the Subbasin Monitoring Networks and Subbasin Monitoring Networks Objectives, developed in compliance with 23 CCR §§ 354.32 - 354.40, for all of the areas within the boundaries of the defined Subbasin. The Parties further agree that such methodologies will continue to be used in the development and implementation of the GSPs that cover the Subbasin in the future, except to the extent the Parties mutually agree to modifications in compliance with SGMA regulations and GSP Chapter 16 described in Attachment 2. The infrastructure (wells, extensometers, etc.) that comprises the Monitoring Network was strategically selected to represent baseline groundwater conditions and potential impacts of SGMA implementation.

The Parties agree to rely upon the methodology applied to identify specific infrastructure for the Subbasin Monitoring Networks and the objectives that were developed in compliance with 23 CCR, §§ 354.32 - 354.40 for all management areas within the boundaries of the defined Subbasin. As such, future changes to the Monitoring Networks must employ the same methodologies applied to selecting infrastructure and establishing Sustainable Management Criteria, except to the extent the Parties mutually agree to modifications in the future in compliance with SGMA regulations and the protocols in GSP Chapter 16 described in Attachment 2.

Monitoring Networks Protocols

The Parties agree to rely upon the Monitoring Networks Protocols, developed in compliance with 23 CCR §§ 354.32 - 354.40, for all of the areas within the boundaries of the defined Subbasin. The Parties further agree that such methodologies will continue to be used development and implementation of GSPs that cover the Subbasin in the future, except to the extent the Parties mutually agree to modifications in the future in compliance with SGMA regulations and the protocols in GSP Chapter 16 described in Attachment 2.

Party Changes to Subbasin Monitoring Networks

Should changes to the Subbasin Monitoring Networks be necessary, the Parties agree to comply with the protocols established in the GSP Chapter 16 and as follows.

To initiate a change to the Subbasin Monitoring Networks, a Party shall submit a request to the Plan Manager and notify the Subbasin Coordination Committee. The request shall contain the

necessary details and data as described in Chapter 16 and as required by DWR. At a minimum, the a request should provide following information:

1. Reason for change (i.e., collapsed well, dedicated monitoring station constructed, additional monitoring to represent recently constructed project, etc.).
2. Type of monitoring point, construction information (i.e., well depth, use type, etc.), description of conditions being represented and documentation of how the monitoring point is representative of those conditions, and latitude/longitude coordinates.
3. Applicable sustainability indicators (groundwater levels, water quality, subsidence, groundwater in storage), SMCs and documentation of data and methodology used to establish each SMC.

The Plan Manager shall prepare a coordinated request memorandum for Subbasin Monitoring Networks Changes biannually on June 1st and January 1st for submittal to the Subbasin Coordination Committee and DWR. The Plan Manager shall report receipt of DWR confirmation and/or collect additional data or information as requested by DWR following submittal of the request. Following DWR processes, the Plan Manager shall confirm the changes with the individual Party(ies) and Subbasin Coordination Committee, in compliance with SGMA and SGMA regulations.

Coordinated Water Budgets

The Parties agree to rely on the coordinated Water Budgets, developed in compliance with 23 CCR § 357.4 subd. (b), for all of the areas within the boundaries of the defined Subbasin. The Parties further agree that such methodologies will continue to be used in the development and implementation of GSPs that cover the Subbasin in the future, except to the extent the Parties mutually agree to modifications in compliance with SGMA regulations and GSP Chapter 8 described in Attachment 2.

Coordinated Data Management System

The Parties have developed and will maintain a data management system that is capable of storing and reporting information relevant to the development and/or implementation of the GSPs and Monitoring Network of the Subbasin as required by SGMA and SGMA regulations.

Adoption and Use of the Coordination Agreement

Cooperative Implementation of GSPs

The Parties intend that their individual GSPs will be implemented together in order to satisfy the requirements of SGMA. To facilitate cooperative and coordinated plan implementation, the Parties have agreed to utilize the same groundwater models, descriptions of the physical setting and characteristics of the separate aquifer systems within the Subbasin, methodologies as specified in Water Code section 10727.6, definitions of undesirable results, minimum thresholds, measurable objectives, and monitoring protocols that together provide a description of the sustainable yield of the entire Subbasin and how it will be sustainably managed.

GSP and Coordination Agreement Submission

The Parties shall submit their respective GSPs to DWR or SWRCB through the Plan Manager in accordance with SGMA and SGMA Regulations. The Parties intend for this Agreement to demonstrate compliance with the requirements of providing an explanation of how the GSPs implemented together satisfy Water Code sections 10727.2, 10727.4 and 10727.6 for the entire Subbasin.

Reporting Coordination

Annual Reports

The Parties intend to submit their collective report to DWR through the Plan Manager on April 1 annually. The annual report shall contain information about the Subbasin managed in the GSPs to satisfy the requirements under Water Code section 10728 and SGMA regulations, including: (a) groundwater elevation data, (b) annual aggregated data identifying groundwater extraction for the preceding water year, (c) surface water supply used for or available for use for groundwater recharge or in-lieu use, (d) total water use, (e) change in groundwater storage.

Annual Data Collection and Reporting

The Parties intend to submit their collective data for Representative Monitoring Wells, as described in the Monitoring Network detailed in GSP Chapter 16, to DWR through the Plan Manager to satisfy SGMA regulations, as described in Section 5 Monitoring Networks and Protocols. Each Party shall provide groundwater level data for their Representative Monitoring Wells in the Subbasin Monitoring Network as follows:

- Collection of data between the approved timeframes only
- Spring Measurements: January 15th to March 30th
- Fall Measurements: September 15th to November 15th.

The Plan Manager shall submit the collective data to DWR after obtaining data from each Party within the Subbasin as follows:

- Spring Measurements: July 1st
- Fall Measurements: January 1st

In Event Entire Subbasin Not Covered by GSP

In the event it appears that the entire Subbasin may not be covered by one or more GSPs as of January 31, 2020, each Party may take such action as deemed necessary or appropriate by such Party with respect to filing its GSP and/or other documents with DWR.

Duration of Coordination Agreement

This Coordination Agreement shall be reopened for amendment at the at the submission of the next round of GSPs covering the Subbasin (no later than 5 years from January 31, 2020). Unless amended at that time, the Coordination Agreement shall be automatically renewed every 5 years. This Agreement may be amended at any time by unanimous agreement of the Parties.

Modification and Termination of the Agreement

Modification

This Agreement shall be reviewed as part of each five-year GSP assessment as specified in 23 CCR § 356.4 and may be supplemented, amended, or modified only by the written agreement of all the Parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by all Parties.

Withdrawal, Termination, Adding Parties

A Party may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon 30 days' notice to the other Parties.

A new GSA or group of GSAs may be added as a Party to this Agreement if such entity or entities is submitting a GSP that will cover a portion of the Subbasin.

This Agreement may be terminated by unanimous written consent of all the Parties. Nothing in this Agreement shall prevent the Parties from entering into another coordination agreement.

Dispute Resolution

Procedures for Resolving Conflicts

In the event that any dispute arises among the Parties relating to the rights and obligations arising from this Agreement, the aggrieved Party or Parties shall provide written notice to the other Parties of the dispute. Within thirty {30} days after such written notice, the Parties shall attempt in good faith to resolve the dispute through informal means. If the Parties cannot agree upon a resolution of the dispute within thirty (30} days from the providing of written notice specified above, the dispute will be elevated to the Subbasin Coordination Committee for consideration, along with the notice of dispute and any other relevant supporting documentation produced and shared by the disputing parties pursuant to their informal meet and confer process. The Subbasin Coordination Committee may issue a recommendation concerning resolution of the dispute. If the Parties cannot agree upon a resolution of the dispute following the input of the Subbasin Coordination Committee, the disputing Parties will meet and confer to determine if other alternative dispute resolution methods are agreeable, including voluntary non-binding mediation, which may include the DWR or SWRCB dispute resolution process, arbitration, or appointment of a panel of technical experts prior to commencement of any legal action. The cost of alternative dispute resolution shall be paid in equal proportion among the Parties to the dispute, otherwise the Parties shall bear their own costs. Upon completion of alternative dispute resolution, if any, and if the controversy has not been resolved, any Party may exercise any and all rights to bring a legal action relating to the dispute.

Litigation

In the event a dispute or claim is not resolved by a mutually agreeable settlement through informal negotiation or voluntary mediation, the aggrieved Party may file suit in a County Superior Court with jurisdiction to provide a binding decision on the matter.

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Appendix 1

[Insert All GSAs]

Appendix 2

[Insert GSP common chapters]

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