

MARK WARDLAW DIRECTOR

PLANNING & DEVELOPMENT SERVICES
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KATHLEEN A. FLANNERY
ASSISTANT DIRECTOR

January 23, 2019

Mark Nordberg Senior Engineering Geologist Department of Water Resources 901 P Street, Room 213A Post Office Box 942836 Sacramento, CA 94236 Delivery via E-Mail (Mark.Nordberg@water.ca.gov)

Withdrawal from Managing the San Luis Rey Valley Groundwater Basin as a Groundwater Sustainability Agency

Dear Mr. Nordberg:

In accordance with California Water Code Section 10723.8(e), the County of San Diego (County) hereby provides written notice to the California Department of Water Resources (DWR) of the County's intent to withdraw from managing the San Luis Rey Valley Groundwater Basin (Basin) as a Groundwater Sustainability Agency (GSA) effective January 31, 2019.

Pursuant to County Board of Supervisors (Board) direction on November 14, 2018, County staff notified the remaining members of the Pauma Valley GSA of the County's intent to withdraw as a GSA and withdraw from the *Memorandum of Understanding Development of a Groundwater Sustainability Plan for the San Luis Rey Valley Groundwater Basin* (MOU). As stated in Section X of the MOU (Attached), the County's withdrawal does not affect the status of the MOU for the remaining members (Pauma Valley Community Services District, Upper San Luis Rey Resource Conservation District, and Yuima Municipal Water District).

County staff will continue to participate as a non-GSA member of the established working group and the Board has authorized the County to contribute up to \$150,000 for the purpose of developing the Groundwater Sustainability Plan for the Basin for the benefit of the region and community.

Should you have any questions or need additional information, I can be reached at 858-694-3820 or imm.bennett@sdcounty.ca.gov.

San Luis Rey GSA Withdrawal January 23, 2019 Page 2

Sincerely,

JIM BENNETT, Water Resources Manager Planning & Development Services

Attachment:

Memorandum of Understanding Development of a Groundwater Sustainability Plan for the San Luis Rey Valley Groundwater Basin

CC.

Matt Zimmerman, DWR Matthew.Zimmerman@water.ca.gov

Sam Logan, President Board of Directors Pauma Valley Community Services District 33129 Cole Grade Road Pauma Valley, CA 92061

Jesse Hutchings, President Board of Directors Upper San Luis Rey Resource Conservation District P.O. Box 921 Pauma Valley, CA 92061

Richard S. Williamson General Manager Yuima Municipal Water District P.O. Box 177 Pauma Valley, CA 92061

Steven Anderson Best Best & Krieger LLP 3390 University Ave., 5th Floor Riverside, CA 92501 Oggie Watson Upper San Luis Rey Resource Conservation District P.O. Box 921 Pauma Valley, CA 92061

Jeffrey G. Scott Law Offices of Scott & Jackson 16935 West Bernardo Drive, Suite 170 San Diego, CA 92127

San Diego County Administrative Officer San Diego County 1600 Pacific Highway San Diego, CA 92101

Justin Crumley, Senior Deputy Office of County Counsel San Diego County 1600 Pacific Highway, Rm 355 San Diego, CA 92101

MEMORANDUM OF UNDERSTANDING DEVELOPMENT OF A GROUNDWATER SUSTAINABILITY PLAN FOR THE SAN LUIS REY VALLEY GROUNDWATER BASIN

This Memorandum of Understanding for the Development of a Groundwater Sustainability Plan ("Plan") for the San Luis Rey Valley Groundwater Basin ("MOU") is entered into and effective this <u>27</u> day of <u>June</u>, 2017 by and between the Pauma Valley Community Services District ("Pauma Valley CSD"), Upper San Luis Rey Resource Conservation District ("USLRRCD"), Yuima Municipal Water District ("Yuima MWD") and the County of San Diego ("County"). The Pauma Valley CSD, USLRRCD, Yuima MWD and the County are each referred to herein as a "Party" and are collectively referred to herein as the "Parties".

RECITALS

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") found at California Water Code Section 10720, *et seq*; and

WHEREAS, SGMA went into effect on January 1, 2015; and

WHEREAS, SGMA seeks to provide sustainable management of groundwater basins, enhance local management of groundwater, establish minimum standards for sustainable groundwater management, and provide local groundwater agencies the authority and the technical and financial assistance necessary to sustainably manage groundwater; and

WHEREAS, the Parties have each declared to be a Groundwater Sustainability Agency ("GSA"), per Section 10723.8 of SGMA, overlying portions of the Pauma Valley Subbasin of the San Luis Rey Valley Groundwater Basin ("SLR Basin") [Figure 1], identified as Basin Number 9-7, a Bulletin 118 designated medium-priority basin; and

WHEREAS, Section 10720.7 of SGMA requires all basins designated as high- or medium-priority basins designated in Bulletin 118 be managed under a Plan or coordinated Plans pursuant to SGMA; and

WHEREAS, Section 10720.7 of SGMA requires all high- and medium-priority basins be managed under a Plan by January 31, 2022; and

WHEREAS, the California Department of Water Resources ("DWR") has identified the SLR Basin as medium priority; and

WHEREAS, each Party has statutory authorities that are important to groundwater management and SGMA compliance and are all local agencies who are eligible to serve as a GSA within their respective service areas; and

WHEREAS, Section 10720.3 of SGMA provides that a federally recognized Indian tribe may voluntarily agree to participate in the preparation or administration of a groundwater sustainability plan; and

WHEREAS, the Parties wish to use the authorities granted to them pursuant to SGMA and utilize this MOU to memorialize the roles and responsibilities for developing the Plan; and

WHEREAS, it is the intent of the Parties to eliminate any overlap by forming a multi-agency GSA, via this MOU (and per Section 10723.8(c) of SGMA), within the Pauma Valley Subbasin of the SLR Basin and collectively developing and implementing a single Plan to sustainably manage the Pauma Valley Subbasin in the SLR Basin; and

WHEREAS, the Parties recognize that this MOU does not confer additional powers or authorities to a Party outside of that Party's jurisdictional boundaries, as shown on Figure 2; and

WHEREAS, it is further the intent of the Parties to cooperate in the successful implementation of the Plan not later than the date as required by SGMA for the SLR Basin; and

WHEREAS, the Parties wish to memorialize their mutual understandings by means of this MOU; and

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, the Pauma Valley CSD, USLRRCD, Yuima MWD and the County hereby agree as follows:

I. Purposes and Authorities

1. Purpose:

- a. This MOU is entered into by the Parties for the purpose of establishing and operating as a multi-agency GSA and cooperating to develop a single Plan for the SLR Basin (Figure 1) pursuant to Section 10727 *et seq.* of SGMA.
- b. The Parties intend to develop and implement a single Plan as expeditiously as possible to sustainably manage the Pauma Valley Subbasin of the SLR Basin that complies with the requirements set forth in SGMA and its associated implementing regulations.
- c. It is the intent of the Parties to operate as a single, multi-agency GSA to develop the Plan in accordance with Section IV of the MOU. The Parties intend to further refine and memorialize roles and responsibilities for Plan implementation during preparation of the Plan. Future amendments to this MOU may include considerations of long-term funding and alternative GSA governance structure(s) by mutual agreement of the Parties.
- 2. Authorities: The Parties recognize that the authorities afforded to a GSA pursuant to Section 10725 *et seq.* of SGMA are in addition to and separate from the statutory authorities afforded to each Party individually.

II. Definitions.

As used in this MOU, unless context requires otherwise, the meanings of the terms set forth below shall be as follows:

- 1. "Consensus" as used in this MOU shall mean the concurrence of each Party of the Executive Team on any given decision.
- 2. "Cost Recovery Plan" refers to an evaluation of fee recovery options and proposed fee recovery alternative(s) that may, assuming all legal prerequisites are first

- satisfied, be available to GSAs pursuant to Sections 10730 and 10730.2 of SGMA. Cost Recovery Plan, as used in this MOU can include a no-fee recovery option.
- 3. "County" refers to the County of San Diego, a Party to this MOU.
- 4. "County Board" refers to the San Diego County Board of Supervisors, the County's governing body.
- 5. "County Team" refers to the County staff responsible for carrying out the terms of this MOU for the County.
- 6. "DWR" refers to the California Department of Water Resources.
- 7. "Emergency Regulations" refer to the Emergency Regulations for Groundwater Sustainability Plans and Alternatives that were adopted by the California Water Commission on May 18, 2016 (California Code of Regulations Title 23. Division 2. Chapter 1.5. Subchapter 2. Groundwater Sustainability Plans), and any amendments thereto.
- 8. "Executive Team" refers to the working group created in Section III.3 of this MOU.
- 9. "Governing Body" means the decision making body of each Party.
- 10. "Groundwater Sustainability Plan" or "Plan" is the basin groundwater management plan for the SLR Basin that the Parties to this MOU are seeking to develop and implement pursuant to SGMA.
- 11. "GSA" means Groundwater Sustainability Agency under SGMA.
- 12. "Memorandum of Understanding" or "MOU" refers to this agreement.
- 13. "Mootamai MWD" refers to the Mootamai Municipal Water District, a member of the Executive Team.
- 14. "Party" refers to [each of] the Pauma Valley Community Services District, Upper San Luis Rey Resource Conservation District, Yuima Municipal Water District and/or the County of San Diego (collectively "Parties").
- 15. "Pauma MWD" refers to the Pauma Municipal Water District, a member of the Executive Team.
- 16. "Pauma Valley CSD" refers to the Pauma Valley Community Services District, a Party to this MOU and member of the Executive Team.
- 17. "Pauma Valley Subbasin" refers to the portion of the San Luis Rey Groundwater Basin (Bulletin 118 Basin Number 9-7) upstream of Frey Creek.
- 18. "Plan Schedule" includes all the tasks necessary to complete the Plan and the date scheduled for completion.
- 19. "SGMA" refers to the Sustainable Groundwater Management Act, Water Code Section 10720 *et seq.*, and any amendments thereto.
- 20. "Stakeholder Engagement Plan" means the plan developed pursuant to Section IV.3.c of this MOU.
- 21. "State" means the State of California.

- 22. "SWRCB" refers to the State Water Resources Control Board.
- 23. "USLRRCD" refers to the Upper San Luis Rey Resource Conservation District, a Party to this MOU and member of the Executive Team.
- 24. "Yuima MWD" refers to the Yuima Municipal Water District, a Party to this MOU and member of the Executive Team.

III. Agreement.

The Parties to this MOU agree that:

- 1. The Parties will work in good faith and coordinate all activities, both as individual and independent agencies and as Parties under this MOU, to meet the objectives of this MOU. The Parties shall cooperate with one another and work as efficiently as possible in the pursuit of all activities and decisions described in this MOU.
- 2. The County shall act as the primary contact for the SWRCB and DWR and the lead Party under this MOU performing GSA actions and responsibilities on behalf of, and in close consultation with, the Parties via, among other things, the Parties' participation on the Executive Team, for the purposes of development and adoption of the Plan.
 - a. The Parties agree that the County shall consult with, and after full consideration of the recommendations of the Executive Team, act under the terms of the MOU to develop and adopt a Plan that complies with SGMA and the Emergency Regulations. The County may validate the Plan pursuant to Section 10726.6 of SGMA upon completion, if necessary.
 - b. The Parties agree to abide by applicable monitoring and implementation measures in the Plan to the best of the individual capacities and resources and to the extent required by SGMA, or other applicable law or authority.
 - c. After review and consultation with the Executive Team, the County Team shall submit the Plan to the County Board of Supervisors ("County Board") for adoption prior to submitting to DWR.
 - d. The Parties agree that the County, after obtaining input from the Executive Team, shall be the sole agency among the Parties to adopt the Plan for the SLR Basin as depicted in Figure 1.
 - e. The County has designated the Director, Planning & Development Services, or his/her designee(s), as the County department representative to carry out the terms of this MOU for the County.
 - f. The Parties agree that while the County will act on behalf of the Parties for the purposes outlined in this MOU, to facilitate local implementation of the Plan, alternative GSA governance structure(s) shall be considered by mutual agreement of the Parties and in consultation and collaboration with the Executive Team. Further development of roles and responsibilities of each Party for implementation of the Plan will occur during Plan development with deference to local implementation consistent with local agencies' authorities and responsibilities.

- i. An amendment to this MOU will be considered in conjunction with consideration of the Plan adoption (or Plan amendment) by the County Board, as provided in Section X.1 of this MOU, below.
- ii. Any amendment(s) to this MOU will be presented to each Party's Governing Body for approval prior to consideration of approval by the County Board.
- 3. The Parties hereby create an Executive Team to work on Plan development.
 - a. The Executive Team shall consist of members from each of the following agencies: Mootamai MWD, Pauma MWD, Pauma Valley CSD, USLRRCD, and Yuima MWD. Each of these agencies shall appoint two members, at least one of which must be from within its agency's organization, to the Executive Team. The Members shall have authority from the appointing agency's Governing Body to act on behalf of that agency. The members should be knowledgeable about SGMA and/or groundwater management in the San Luis Rey Valley Groundwater Basin.
 - b. Additional agencies, entities and/or individuals with specific knowledge about SGMA or groundwater management may be asked, and any public agencies with jurisdiction that overlie the Pauma Valley Subbasin will be asked, to participate in Executive Team meetings.
 - c. Each Executive Team member shall serve at the pleasure of the appointing agency, and may be removed from the Executive Team by the appointing agency at any time.
 - d. Each Executive Team member's compensation for service on the Executive Team, if any, will be the responsibility of the appointing agency.
 - e. The Executive Team will meet periodically as needed to carry out the activities described in this MOU and in particular, Section IV, below.
 - f. It is intended that the interests of mutual water companies and private pumpers be represented through the agencies that are members of the Executive Team.
 - g. Tribes, mutual water companies and private pumpers will also have additional opportunities for involvement with the Plan development process through the Stakeholder Engagement Plan.
 - h. A representative of the County Team shall coordinate meetings and proceedings of the Executive Team.
- 4. The County hereby establishes the County Team to coordinate activities among the Parties and to develop the Plan.
 - a. The County Team shall consist of staff representatives from the County. County Team members may be removed/changed by the County at any time.
 - b. The County Team's service will be provided by the County.
 - c. A member from the County Team shall serve as the single representative to communicate actions conducted under this MOU to DWR.

- 5. The Parties agree that each Party will bear its own staff costs to participate in the activities under this MOU and in the development of the Plan. The Parties will provide support to the Executive Team and County Team by contributing staff time, information and facilities (where available) within available resources.
- 6. Each Party agrees that it will endeavor to devote sufficient staff time and other resources to ensure its active participation in the Executive Team for the development of the Plan for the SLR Basin, as set forth in this MOU.
- 7. Each Party agrees not to assess fees during Plan preparation, pursuant to Section 10730 of SGMA, to fund the Plan unless all Parties otherwise agree in writing.
- 8. Each of the Parties will provide expertise, guidance, and readily available data on those matters for which it has specific expertise, resource capacity or statutory authority, as is reasonably needed to carry out the objectives of this MOU.
- 9. Each Party is free to retain other consultants at its own cost to review and provide comment on the Plan and Plan components during Plan preparation. The Parties collectively agree to the creation of one Plan, and to not separately hire a consultant to develop a duplicative or conflicting Plan or components therein.
- 10. In an effort to promote trust and ensure collaboration amongst the Parties and to establish sustainability goals and an understanding regarding fundamental elements of the Plan, the Parties agree to facilitate the exchange of technical information between Parties throughout Plan preparation. The Parties shall keep this information confidential to the extent allowed by law.
- 11. County Team and Executive Team Meetings.
 - a. The County Team will establish a meeting schedule and location(s) between the County Team and Executive Team to discuss Plan development and implementation activities, assignments, milestones and ongoing work progress.
 - b. Attendance at all Executive Team meetings may be augmented to include staff or consultants to ensure that the appropriate expertise is available.

IV. Roles and Responsibilities

- 1. <u>County</u>: The County's primary responsibility is to act as the coordinator of the GSA on behalf of the Parties for the purposes of development and adoption of the Plan:
 - a. The County shall hire the consultant(s) to complete required components of the Plan. The contracting shall be subject to the County's competitive bid process, as applicable, and be subject to auditing by the County's Auditor and Controller.
 - b. The County shall fund the costs for the consultant(s) to complete the Plan.
 - c. The County Board, on behalf of the Parties, after receiving input and recommendations from the Executive Team, will be the sole approval body amongst the Parties for the Plan for the SLR Basin. The County shall submit the Plan to DWR pursuant to SGMA.

- 2. <u>Executive Team</u>: The Executive Team's primary responsibility is to consult with and advise the County Team on issues of importance and on the activities described in the MOU.
 - a. Each member of the Executive Team shall be responsible for keeping his/her respective management and governing board informed of the progress towards the development of the Plan and for obtaining any necessary approvals from management/governing board in its participation in the Plan process.
 - b. The Executive Team will provide readily available information and data to the County Team regarding the development of a Plan that achieves the goals and objectives outlined in SGMA.
 - c. The Executive Team will provide input and recommendations on matters including but not limited to:
 - i. Water budget;
 - ii. Projects/Management actions (including any proposed enforcement actions and curtailments); and
 - iii. Plan implementation measures:
 - A. Fee assessment and financing options; and
 - B. Governance structure and future agreements for implementation of SGMA.
- 3. <u>County Team</u>: The County Team's primary responsibility is to direct and coordinate Plan activities and to develop a coordinated Plan that complies with SGMA and the Emergency Regulations.
 - a. The Plan shall include, but not be limited to enforcement measures, a detailed breakdown of each Party's agreed upon responsibilities for Plan implementation, anticipated costs of implementing the Plan, and environmental review.
 - b. In conjunction with Plan preparation, a Cost Recovery Plan shall also be prepared, if necessary and in compliance with all applicable laws.
 - c. The County Team shall:
 - i. Develop and implement a Stakeholder Engagement Plan, with input from the Executive Team, which shall consider the interests of all beneficial uses and users of groundwater as listed in Section 10723.2 of SGMA.
 - ii. Establish a schedule, and coordinate and participate in regular meetings of the Executive Team to discuss Plan development, tasks, milestones, ongoing work progress, and future implementation activities. This is intended to provide for consistent and effective communication between Parties.
 - iii. Develop a timeline that describes the anticipated tasks to be performed under this MOU and dates to complete each task ("Plan

Schedule"). The Plan Schedule will allow for the preparation of a legally defensible Plan and includes allowances for public review and comment, and input by the Executive Team prior to deadlines established by SGMA.

- iv. Develop a scope of work, budget, and Cost Recovery Plan, for the work to be undertaken pursuant to this MOU. The Cost Recovery Plan, if approved, may include cost recovery options to fund a Party's implementation costs, to the extent authorized by law.
- v. Keep the Executive Team informed of the progress toward the development of the Plan.
- vi. Seek input and recommendations from the Executive Team to ensure development of the Plan is a collaborative effort amongst all Parties.
- d. The County Team, in partnership with the Executive Team or independently, may pursue grants, services and other funding opportunities to benefit the Parties and the Plan. County Team responsibilities may also therefore include grant administration on behalf of the Parties.

V. <u>Decision Making</u>

- 1. During Plan development, the Executive Team shall provide a series of group recommendations to the County Team on various key issues including, but not limited to, items referenced in Section IV.2.c during Plan development.
- 2. The Executive Team shall work in a manner that seeks to achieve Consensus for the group recommendations to the County Team.
- 3. The County Team will provide the Executive Team adequate time (30 days) in which to make recommendations on major issues as described in Section IV.2. If Consensus cannot be reached on a particular issue the County Team will then make a final decision concerning the issue.
- 4. If the Executive Team provides a Consensus recommendation that the County Team disagrees with, the County Team must provide a detailed description and justification of the reason(s), supported by the requirements of SGMA, why the County Team proposes not to include the Executive Team's recommendation. Such required justification shall be provided to the Executive Team within a reasonable period of time.

VI. <u>Indemnification</u>.

1. Claims Arising From Concurrent Acts or Omissions.

To the extent authorized by California law, and notwithstanding Government Code Section 895.2, each Party hereby agrees to defend itself from any claim, action, or proceeding arising out of the concurrent acts or omissions of the Parties. In such cases, Parties agree to retain their own legal counsel, clear their own defense costs, and waive their right to seek reimbursement of such costs.

2. Joint Defense

In cases where Parties agree in writing to a joint defense, Parties may appoint joint defense counsel to defend the claim, action or proceeding arising out of the concurrent acts or omissions of Parties. Joint defense counsel shall be selected by mutual agreement of Parties. Parties agree to share the costs of such joint defense and any agreed settlement in equal amounts. Parties further agree that no party may bind another to a settlement agreement without the written consent of all Parties.

3. Reimbursement and/or Reallocation

Where a trial verdict or arbitration award allocates or determines the comparative fault of the Parties, Parties may seek reimbursement and/or reallocation of defense costs, settlement payments, judgement and awards, consistent with such comparative fault.

VII. <u>Litigation</u>.

In the event that any lawsuit is brought against any Party based upon or arising out of the terms or obligations imposed by this MOU, or the development of a Plan, by a person or entity who is not a Party to this MOU, the Parties shall cooperate in the defense of the action. Each Party shall bear its own legal costs, if any, associated with such litigation, though the County as the Party to the GSA preparing and adopting the Plan for the SLR Basin, shall be responsible for defending the Plan throughout preparation, adoptions by the County Board, and validation pursuant to Section 10726.6 of SGMA, where validation is necessary, however, each Party shall still bear its own legal costs, if any, in any such litigation.

VIII. Books and Records.

Each Party shall have access to and the right to examine any of the other Parties' pertinent books, documents, papers or other records (including, without limitation, records contained on electronic media) relating to the performance of that Party's obligations pursuant to this Agreement, providing that nothing in this paragraph shall be construed to operate as a waiver of any applicable privilege. Each Party shall keep this information confidential to the extent allowed by law.

IX. Notice.

All notices required by this Agreement will be deemed to have been given when made in writing and delivered or mailed to the respective representatives of the Parties at their respective addresses as follows:

For the Pauma Valley CSD:

With a copy to:

Pauma Valley Community Services

District

33129 Cole Grade Road Pauma Valley, CA 92061 Steven Anderson Best Best & Krieger LLP

3390 University Ave., 5th Floor

Riverside, CA 92501

For USLRRCD:

With a copy to:

Upper San Luis Rey Resource

Conservation District

P.O. Box 921

Pauma Valley, CA 92061

Oggie Watson

Upper San Luis Rey Resource

Conservation District

P.O. Box 921

Pauma Valley, CA 92061

For Yuima MWD:

With a copy to:

Richard S. Williamson

General Manager Yuima Municipal Water District

P.O. Box 177

Pauma Valley, CA 92061

Jeffrey G. Scott

Law Offices of Scott & Jackson

16935 West Bernardo Drive, Suite 170

San Diego, CA 92127

For the County:

With a copy to:

San Diego County Administrative Officer San Diego County 1600 Pacific Highway

San Diego, CA 92101

Justin Crumley, Senior Deputy Office of County Counsel 1600 Pacific Highway, Rm 355

San Diego, CA 92101

Any Party may change the address or facsimile number to which such communications are to be given by providing the other Parties with written notice of such change at least fifteen (15) calendar days prior to the effective date of the change.

All notices will be effective upon receipt and will be deemed received through delivery if personally served or served using facsimile machines, or on the fifth (5th) day following deposit in the mail if sent by first class mail.

X. Miscellaneous.

- 1. <u>Term and Duration of Agreement</u>. Except as provided in this Section, this MOU shall remain in full force and effect until the date upon which the Parties, except those Parties no longer participating in the MOU due to withdrawal or otherwise, have all executed a document terminating or modifying the provisions of this MOU.
 - a. Planned Reevaluation of Agreement. The Parties agree to evaluate, and in good

- faith negotiate, whether to replace this MOU with a different legal agreement, to potentially include the creation of a joint powers authority, on or before the submission of a Plan to DWR. Future amendments to this MOU may include considerations of alternative GSA governance structure(s) by mutual agreement of the Parties, including additional GSA-eligible entities.
- b. Withdrawal from MOU. Any Party may withdraw from this MOU by delivery of written notice to withdraw to all of the other Parties at least 60 days prior to the date of proposed withdrawal. Such withdrawal shall not affect the legally binding status of the MOU or otherwise change the legal rights or obligations of any other Party to this Agreement. Prior to its date of proposed withdrawal from this MOU, a Party is required to withdraw, per Section 10723.8(e) of SGMA, its GSA notification from DWR, or that Party's withdrawal from the MOU will not be effective. That Party or any assignee may choose to continue participating in Executive Team meetings.
- c. <u>Dissolution or Change in Status.</u> If a Party dissolves or has a change in status as a local agency, pursuant to Section 10721(n) of SGMA, such withdrawal shall not affect the legally binding status of the MOU or otherwise change the legal rights or obligations of any other Party. That Party may choose to continue participating in Executive Team meetings.
- 2. <u>No Third Party Beneficiaries</u>. This Agreement is not intended to, and will not be construed to, confer a benefit or create any right on a third party, or the power or right to bring an action to enforce any of its terms.
- 3. <u>Amendments</u>. This Agreement may be amended only by written instrument duly signed and executed by all Parties.
- 4. <u>Compliance with Law</u>. In performing their respective obligations under this MOU, the Parties shall comply with and conform to all applicable laws, rules, regulations and ordinances.
- 5. <u>Jurisdiction and Venue</u>. This MOU shall be governed by and construed in accordance with the laws of the State of California, except for its conflicts of law rules. Any suit, action, or proceeding brought under the scope of this MOU shall be brought and maintained to the extent allowed by law in the County of San Diego, California.
- 6. <u>Waiver</u>. The waiver by any Party or any of its officers, agents or employees, or the failure of any Party or its officers, agents or employees to take action with respect to any right conferred by, or any breach of any obligation or responsibility of this Agreement, will not be deemed to be a waiver of such obligation or responsibility, or subsequent breach of same, or of any terms, covenants or conditions of this Agreement, unless such waiver is expressly set forth in writing in a document signed and executed by the appropriate authority of the Parties.
- 7. <u>Authorized Representatives</u>. The persons executing this Agreement on behalf of the Parties hereto affirmatively represent that each has the requisite legal authority to enter into this Agreement on behalf of their respective Party and to bind their respective Party to the terms and conditions of this Agreement. The persons

- executing this Agreement on behalf of their respective Party understand that the Parties are relying on these representations in entering into this Agreement.
- 8. <u>Successors in Interest</u>. The terms of this Agreement will be binding on all successors in interest of each Party.
- 9. Severability. The provisions of this Agreement are severable, the adjudicated invalidity of any provision or portion of this Agreement shall not in and of itself affect the validity of any other provision or portion of this Agreement, and the remaining provisions of the Agreement shall remain in full force and effect, except to the extent that the invalidity of the severed provisions would result in a failure of consideration or would materially adversely affect any Party's benefit of its bargain. If a court of competent jurisdiction were to determine that a provision of this Agreement is invalid or unenforceable and results in a failure of consideration or materially adversely affects any Party's benefit of its bargain, the Parties agree to promptly use good faith efforts to amend this Agreement to reflect the original intent of the Parties in the changed circumstances.

10. Entire Agreement.

- a. This Agreement constitutes the entire agreement between the Parties and supersedes all prior negotiations, representations, or other agreements, whether written or oral.
- b. In the event of a dispute between the Parties as to the language of this Agreement or the construction or meaning of any term hereof, this Agreement will be deemed to have been drafted by the Parties in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against any Party to this Agreement.
- 11. <u>Counterparts</u>. This MOU may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
- 12. <u>Recitals</u>. The recitals stated at the beginning of this MOU shall be conclusive proof of the truthfulness thereof and the terms and conditions of the recitals shall be deemed binding terms and conditions of this MOU.

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

By: Pichard Wolan Richard Nolan President, Board of Directors	7
UPPER SAN LUIS REY RESOURCE CO	NSERVATION DISTRICT
By:	T
By: Bill Knutson President, Board of Directors COUNTY OF SAN DIEGO A political subdivision of the State of California	
By:	
	APPROVED AS TO FORM AND LEGALITY BY COUNTY COUNSEL
	By: Senior Deputy

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

By:	
Richard Nolan President, Board of Directors	
UPPER SAN LUIS REY RESOURCE CO	NSERVATION DISTRICT
By: Jesse Hutchings President, Board of Directors	
YUIMA MUNICIPAL WATER DISTRIC	Т
_	
By:Bill Knutson President, Board of Directors	
COUNTY OF SAN DIEGO A political subdivision of the State of California	
By: Clerk of the Board of Supervisors	
	APPROVED AS TO FORM AND LEGALITY BY COUNTY COUNSEL
	By: Senior Deputy

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

Ву:	
Richard Nolan President, Board of Directors	
UPPER SAN LUIS REY RESOURCE CO	NSERVATION DISTRICT
Ву:	
Jesse Hutchings President, Board of Directors	
YUIMA MUNICIPAL WATER DISTRIC	T
By: Bill Knutsen President, Board of Directors	
COUNTY OF SAN DIEGO A political subdivision of the State of California	
By:	
	APPROVED AS TO FORM AND LEGALITY BY COUNTY COUNSEL
	Ву:
	Senior Deputy

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

By:
Richard Nolan President, Board of Directors
UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT
By:
Jesse Hutchings
President, Board of Directors
YUIMA MUNICIPAL WATER DISTRICT
Rv.

COUNTY OF SAN DIEGO A political subdivision of the State of California

President, Board of Directors

Bill Knutson

Clerk of the Board of Supervisors

DATE: 6/27/17

Approved and/or authorized by the Board of Supervisors of the County of San Diego.

Meeting Date: U2117 Minute Order No.

By: Date: U2117 Date: U2117 Deputy Clerk of the Board Supervisors

APPROVED AS TO FORM AND LEGALITY BY COUNTY COUNSEL

Senior Deput



