

**MEMORANDUM OF UNDERSTANDING
BETWEEN CONSOLIDATED IRRIGATION DISTRICT AND
THE COUNTY OF FRESNO
WITH RESPECT TO IMPLEMENTATION OF
THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

THIS MEMORANDUM OF UNDERSTANDING (this "MOU") is made effective as of February 8, 2017 (the "Effective Date"), by and between CONSOLIDATED IRRIGATION DISTRICT, a California irrigation district ("CID"), and the COUNTY OF FRESNO (the "County"). CID and the County may be collectively referred to herein as the "Parties," or singularly as a "Party."

RECITALS

- A. WHEREAS, on September 16, 2014, the Governor of the State of California signed into law Senate Bills 1168 and 1319, and Assembly Bill 1739 collectively, the Sustainable Groundwater Management Act ("SGMA"), which is codified at Water Code Sections 10720 *et seq.*; and
- B. WHEREAS, SGMA requires that California groundwater basins and subbasins be managed by a Groundwater Sustainability Agency ("GSA") or multiple GSAs, and that such management be implemented pursuant to an approved Groundwater Sustainability Plan ("GSP") or multiple coordinated GSPs; and
- C. WHEREAS, CID intends to elect to serve as a GSA for its service area as well as for those areas within the County's boundaries, but outside of CID's service area (the "white areas"), if any, within a portion of the Kings Subbasin of the San Joaquin Valley Groundwater Basin (Basin No. 5-22.07 in the Department of Water Resources' CASGEM system), and such GSA shall be known as the "Central Kings GSA" shown by Exhibit 'A'; and
- D. WHEREAS, CID's service area includes a portion with the County; and
- E. WHEREAS, California Water Code Section 10723.8, subdivision (c), prohibits the recognition of any entity as an exclusive GSA if the entity's proposed GSA management area overlaps the proposed GSA management area of another entity, subject to certain procedural requirements; and
- F. WHEREAS, the County has not elected to serve as a GSA for the portion of the Kings Subbasin within CID's service area, and CID and the County desire to avoid creating an overlap within CID's proposed GSA boundaries; and
- G. WHEREAS, pursuant to the terms of this MOU, the County agrees not to elect to serve as GSA within CID's proposed GSA boundaries, and will thereby avoid creating an overlap with CID.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein and these Recitals, which are hereby incorporated herein by this reference, it is agreed by and among the Parties hereto as follows:

1. **Objectives.** The objectives of the Parties in entering into this MOU are as follows:

(a) To achieve sustainable groundwater management pursuant to SGMA in that portion of the Kings Subbasin that is identified in the attached **Exhibit "A"**, which is incorporated herein by this reference (the "Management Area").

(b) To have CID be the exclusive GSA for the Management Area identified in Exhibit "A".

(c) To work cooperatively with adjacent GSAs to achieve sustainable groundwater management in the Kings Subbasin.

(d) To work together to establish a GSP that covers the white areas through the County's land use planning authority.

(e) To establish a process to ensure there are no conflicts between CID's GSP and the County's exercise of its land use planning authority and police powers.

2. **Precedence of County's Land Use Planning Authority.** CID agrees that its operations as the Central Kings GSA, and any GSP adopted by the Central Kings GSA, will not abrogate the County's general plans or conflict with the County's exercise of its land use planning authority; provided, that the County's general plans and the County's exercise of its land use planning authority comply with all applicable laws, statutes, and regulations.

3. **Coordination Framework.** CID agrees, in developing and implementing the Central Kings GSA's GSP, to consider the interests of the County, specifically including the County's general plan. In order to prevent conflicts between the GSP and the County's general plan and between CID's operations as the Central Kings GSA and the County's exercise of its land use planning authority, the County shall have opportunities to provide, and CID shall consider, advisory input in the development and implementation of Central Kings GSA's GSP. The County shall designate a contact person ("Designated Contact Person") to whom CID shall provide written notices of opportunities to participate in SGMA implementation.

No fewer than 90 days before adopting or modifying the GSP or policies or procedures for the exercise of GSA powers, CID shall provide written notice to the Designated Contact Person. Within 30 days of receiving such notice, the Designated Contact Person may request consultation with CID's representative. Prior to the adoption or modification of the GSP or policies or procedures for the exercise of GSA powers, CID shall consider any comments or recommendations provided by the Designated Contact Person for the County, to achieve the goals of this MOU.

No fewer than 90 days prior to issuing, adopting, modifying, or approving any ordinance, policy, plan, or permit, or taking any other action related to groundwater resources within the Kings Subbasin, the County shall provide written notice to CID. Within 30 days of receiving such notice, CID may request a mandatory consultation with the County. Prior to taking any groundwater-related action, the County shall consider any comments or recommendations provided by CID.

4. **Finances.** Each of the Parties to this MOU shall bear its own costs of implementing SGMA, except as follows:

(a) The County shall provide such assistance and support as it is able to provide at current staffing levels in applying for grant funding related to SGMA implementation when so requested by the Central Kings GSA. The ability of the County to provide such assistance and support shall be determined exclusively by the County.

(b) The County shall not oppose or obstruct the CID's imposition of fees and assessments for developing or implementing a GSP, or otherwise implementing SGMA, on lands within the portion of the Management Area that lies solely within the boundaries of a County.

5. **Notices.** All notices required or permitted by this MOU or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified, or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by electronic transmission (email) and shall be deemed sufficiently given if served in a manner specified in this Section 6. The addresses and addressees noted below are that Party's designated address and addressee for delivery or mailing of notices.

To CID: Consolidated Irrigation District
c/o General Manager
2255 Chandler Street
Selma, California 93662
Telephone: (559) 596-1661

To County of Fresno: County of Fresno
Department of Public Works and Planning
c/o Director
2220 Tulare St. 6th Floor
Fresno, CA 93721
Telephone: (559) 600-4500

Either Party may, by written notice to the other, specify a different address for notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, three (3) days after the postmark date. If sent by regular mail, the notice shall be deemed given forty-eight (48) hours after it is addressed as required in this section and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given twenty-four (24) hours after delivery to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means (including email) shall be deemed delivered upon telephone or similar confirmation of delivery (confirmation report from fax machine is sufficient), provided a copy is also delivered via personal delivery or mail. If notice is received after 4:00 p.m. or on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

6. **Indemnification.** As the County does not vote on the actions of the Central Kings GSA, CID shall hold harmless and indemnify the County from and against any liability,

claims, actions, costs, damages or losses of any kind, including but not limited to death or injury to any person and/or damage to property, arising out of the activities of CID, acting on behalf of the Central Kings GSA. CID shall not be obligated to indemnify the County where any loss, damage, injury, liability, or claim is a result of the sole negligence or willful misconduct of the County. The foregoing indemnification obligation shall continue beyond the term of this MOU as to any acts or omissions occurring before or under this MOU or any extension of this MOU.

7. **Compliance with Laws.** In any action taken pursuant to this MOU, CID and the County shall comply with all applicable statutes, laws, and regulations, specifically including, but not limited to, SGMA and its implementing regulations, as they now exist or as they may be amended or promulgated from time to time.

To the extent that this MOU conflicts with or does not accurately reflect any applicable statutes, laws, or regulations now existing or as amended or promulgated from time to time, the laws, statutes, and regulations shall govern.

To the extent that any applicable statutes, laws, or regulations are amended or newly promulgated in such a manner that causes this MOU to conflict with or no longer accurately reflect such statutes, laws, or regulations, this MOU shall be modified, in writing, by all Parties, in order to comport with the newly amended or promulgated statutes, laws, or regulations.

8. **Entire Agreement.** This MOU and items incorporated herein contain all of the agreements of the Parties with respect to the matters contained herein, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.

9. **Amendments.** No provisions of this MOU may be amended or modified in any manner whatsoever except by an agreement in writing duly authorized by representatives of all Parties.

10. **No Assignment.** The rights and obligations of the Parties to this MOU may not be assigned or delegated, and any attempt to assign or delegate such rights or duties in contravention of this section shall be null and void.

11. **Binding Effect.** This MOU shall apply to and bind successors, assignees, contractors, subcontractors, transferees, agents, employees, and representatives of the respective Parties hereto.

12. **Governing Law.** This MOU and all documents provided for herein and the rights and obligations of the Parties hereto shall be governed in all respects, including validity, interpretation and effect, by the laws of the State of California (without giving effect to any choice of law principles).

13. **Waiver.** The failure of any Party to insist on strict compliance with any provision of this MOU shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by any Party of either performance or payment shall not be considered to be a waiver of any preceding breach of the MOU by any other Party.

14. **Severability.** If any term or provision of this MOU is, to any extent, held invalid or unenforceable, the remainder of this MOU shall not be affected.

15. **Headings.** The subject headings of the sections of this MOU are included for purposes of convenience only and shall not affect the construction or interpretation of any of the provisions herein.

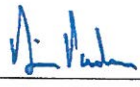
16. **Counterparts.** This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this MOU as of the day and year first above written.

CONSOLIDATED IRRIGATION
DISTRICT, a California irrigation district

COUNTY OF FRESNO

By: 
Name: Larry S. Cruff
Title: President

By: 
Brian Pacheco, Chairman
Board of Supervisors

APPROVED AS TO LEGAL FORM

Daniel C. Cederborg

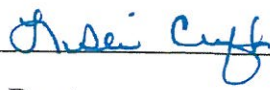
County Counsel

By: 
Deputy

ATTEST:

Bernice E. Seidel, Clerk

Board of Supervisors

By: 
Deputy