

IN THE BOARD OF SUPERVISORS

County of San Luis Obispo, State of California

Tuesday, June 6, 2023

PRESENT: Supervisors Bruce S. Gibson, Dawn Ortiz-Legg, Jimmy Paulding, Debbie Arnold
and Chairperson John Peschong

ABSENT: None

RESOLUTION NO. 2023-142

RESOLUTION WITHDRAWING FROM SERVING AS THE GROUNDWATER SUSTAINABILITY AGENCY (GSA) WITHIN THE ESTRELLA-EL POMAR-CRESTON WATER DISTRICT (EPCWD) SERVICE AREA THROUGH MODIFICATION OF THE BOUNDARIES OF THE "PASO BASIN – COUNTY OF SAN LUIS OBISPO GROUNDWATER SUSTAINABILITY AGENCY" AND ACCEPTANCE AND APPROVAL OF THE ADDITION OF PARTY TO MEMORANDUM OF AGREEMENT REGARDING PREPARATION OF A GROUNDWATER SUSTAINABILITY PLAN FOR THE PASO ROBLES GROUNDWATER BASIN SIGNED BY THE EPCWD; AUTHORIZING THE DIRECTOR OF GROUNDWATER SUSTAINABILITY TO TAKE ACTIONS TO EFFECTUATE THE GSA BOUNDARY MODIFICATION; AND FINDING THAT THE PROJECT IS EXEMPT FROM SECTION 21000 *ET SEQ.* OF THE CALIFORNIA PUBLIC RESOURCES CODE (CEQA)

The following Resolution is hereby offered and read:

WHEREAS, on May 16, 2017, the County Board of Supervisors (Board) held a public hearing and adopted Resolution 2017-134 (Formation Resolution) forming the Paso Basin – County of San Luis Obispo GSA and acknowledging the possibility of the formation of a new eligible local agency (i.e. the Estrella-El Pomar-Creston Water District (EPCWD)) within the boundaries of the GSA after the GSA formation deadline under the Sustainable Groundwater Management Act (SGMA), as well as the ability of the Board through future action to subsequently withdraw from serving as the GSA within that agency's service area; and

WHEREAS, pursuant to the authorization contained within Section 3 of the Formation Resolution and the requirements of Water Code Section 10723.8, County staff submitted a notification (Notice) to the State Department of Water Resources (DWR) of the Board's decision to become the GSA which included, among other things, a copy of the Formation Resolution; and

WHEREAS, also pursuant to the requirements of Water Code Section 10723.8, DWR posted the Notice on its internet website; and

WHEREAS, on November 19, 2019, the Board held a public hearing and adopted Resolution 2019-320 modifying the service area boundaries of the Paso Basin – County of San Luis Obispo GSA to align with the revised DWR boundary for the Paso Robles Groundwater Basin (Paso Basin) and the revised Shandon-San Juan Water District boundary; and

WHEREAS, the GSAs that formed prior to the statutory deadline within the Paso Basin executed a Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin (MOA) for purposes of establishing the process by which the GSAs would collaboratively prepare a groundwater sustainability plan; and

WHEREAS, each GSA adopted the Paso Robles Subbasin Groundwater Sustainability Plan (GSP) developed under the MOA in or around January 2020 and an update thereto in or around July 2022 (collectively, GSP); and

WHEREAS, in or around January 2020, the GSAs also entered into Amendment No. 1 to the MOA noting that the Heritage Ranch Community Services District had withdrawn from the MOA and stating that the MOA may also serve as the basis for continued cooperation among the GSAs in the management of the Paso Basin during the period between adoption of the GSP and development of a long-term governance structure for implementation of the GSP; and

WHEREAS, a copy of the MOA as amended is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the MOA permits the EPCWD to become a party to the MOA if and only if its Board of Directors decides to become the GSA within its service area and the EPCWD signs the Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin attached to the MOA as Exhibit A (Addition) and the Board decides to withdraw from serving as the GSA within said area and accepts and approves the Addition; and

WHEREAS, on December 8, 2017, the San Luis Obispo Local Agency Formation Commission (LAFCO) filed a certificate of completion for the formation of the EPCWD; and

WHEREAS, on January 4, 2018, the EPCWD Board of Directors held a public hearing during which it decided to become the GSA over the portions of the Paso Basin within its service area, accepted and approved the Addition and requested that the County withdraw from serving as the GSA within the EPCWD service area; and

WHEREAS, on March 6, 2018, the Board passed a motion declining to withdraw from serving as the GSA within the EPCWD service area; and

WHEREAS, on February 8, 2023, the EPCWD Board of Directors voted unanimously to again request that the County withdraw from serving as the GSA within the EPCWD service area, and on May 10, 2023 held another public hearing during which it again decided to become the GSA over the portions of the Paso Basin within its service area, accepted and approved the Addition (a signed copy of which is attached hereto

as Exhibit B and incorporated herein by this reference) and authorized the President of its Board of Directors to designate appointees or staff to participate in the implementation of the GSP; and

WHEREAS, based on the actions taken by the EPCWD Board of Directors on May 10, 2023, it is anticipated that the EPCWD Board of Directors will formally adopt the GSP after becoming a GSA and holding a future public hearing pursuant to Water Code Section 10728.4; and

WHEREAS, withdrawal from the EPCWD's service area and acceptance and approval of the Addition is consistent with the County's SGMA Strategy and Resolution 2017-134; and

WHEREAS, in order to preserve its status as an exclusive GSA within the Paso Basin, the County likely needs to determine that the actions contemplated herein do not constitute a material change to the information contained within the posted Notice; and

WHEREAS, the County of San Luis Obispo published a notice of public hearing consistent with the requirements contained within Water Code Section 10723(b); and

WHEREAS, the Board conducted such a public hearing on June 6, 2023.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California, that:

Section 1: The foregoing recitals are true and correct and are incorporated herein by reference.

Section 2: The Board hereby decides to withdraw from serving as the groundwater sustainability agency within the service area of the EPCWD as it exists as of the date of this Resolution through modification of the boundaries of the "Paso Basin – County of San Luis Obispo Groundwater Sustainability Agency" established by the Board of Supervisors on May 16, 2017 by Resolution 2017-134 and on November 19, 2019 by Resolution 2019-320 as depicted in the map attached hereto as Exhibit C and incorporated herein by this reference and by accepting and approving the Addition.

Section 3: The Board hereby authorizes the Chairperson to sign the Addition.

Section 4: The Director of Groundwater Sustainability or his/her designee is hereby authorized and directed to submit the notice of adoption of this Resolution and of the Board's determination that said action does not constitute a material change to the information contained within the Notice for the reasons set forth in the recitals to this Resolution, in addition to all other information required by SGMA to DWR as necessary to effectuate the withdrawal and GSA boundary modification described herein.

Section 5: The Board finds that the adoption of this Resolution is exempt from the requirements of the California Environmental Quality Act (Public Resources Code 21000 §§ *et seq.*) (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines.

Section 6: The Environmental Coordinator of the County of San Luis Obispo is hereby directed to file a Notice of Exemption in accordance with the provisions of CEQA.

Upon motion of Supervisor Gibson, seconded by Supervisor Ortiz-Legg, and on the following roll call vote, to wit:

AYES: Supervisors Ortiz-Legg, Gibson and Paulding
NOES: Supervisor Arnold and Chairperson Peschong
ABSENT: None
ABSTAINING: None

the foregoing Resolution is hereby adopted on the 6th day of June, 2023.



John Peschong
Chairperson of the Board of Supervisors

ATTEST:

JOHN NILON
Interim Ex-Officio Clerk of the Board of Supervisors

By: Sandy Currens
Deputy Clerk

[SEAL]

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: /s/ Erica Stuckey
Deputy County Counsel

Dated: May 22, 2023

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO) ss.

I, **JOHN NILON**, Ex-Officio Clerk of the Board of Supervisors thereof, do hereby certify the foregoing to be a full, true and correct copy of an order entered in the minutes of said Board of Supervisors, and now remaining of record in my office.

Witness, my hand and seal of said Board of Supervisors on June 15, 2023.

JOHN NILON

Interim County Administrative Office and
Ex-Officio Clerk of the Board of Supervisors

By: Sandy Currens
Deputy Clerk

EXHIBIT A

AMENDMENT NO. 1 TO MEMORANDUM OF AGREEMENT REGARDING PREPARATION OF A GROUNDWATER SUSTAINABILITY PLAN FOR THE PASO ROBLES GROUNDWATER BASIN

This Amendment No. 1 to Memorandum of Agreement Regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin ("Amendment") is entered into by and between the City of El Paso de Robles, the San Miguel Community Services District, the County of San Luis Obispo and the Shandon-San Juan Water District (collectively, "Parties").

WHEREAS, on or about September 20, 2017, the Parties and the Heritage Ranch Community Services District ("HRCSD") entered into a Memorandum of Agreement Regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin ("MOA"), a copy of which is attached hereto as Attachment 1 and incorporated herein by this reference, for purposes of establishing a framework for preparing a single groundwater sustainability plan for the Paso Robles Area Subbasin ("GSP") and for continued cooperation among the Parties; and

WHEREAS, the HRCSD provided written notice of its withdrawal from the MOA pursuant to Section 9.1 on or around January 18, 2019 and its withdrawal became effective shortly thereafter; and

WHEREAS, the Parties desire to continue cooperating on the GSP pursuant to the framework established by the MOA on an interim basis regardless of the date of any approval of the GSP by the California Department of Water Resources.

NOW, THEREFORE, the PARTIES agree with the above recitals, and hereby further agree as follows:

1. Section 1 (Purpose) of the MOA shall hereafter be and read as follows:

The purpose of this MOA is to establish a committee to develop a single GSP that will be considered by each individual Party and subsequently submitted to DWR for approval. This MOA may also serve as the basis for continued cooperation among the Parties in the management of the Basin during the period between adoption of the GSP by each Party and development of a long-term governance structure for implementation of the GSP.

WHEN FULLY EXECUTED PLEASE RETURN TO
COUNTY ADMINISTRATIVE OFFICE
ATTN: CLERK OF THE BOARD
1055 Monterey Street Ste. D430
San Luis Obispo, CA 93408 Item No. 33

2. Section 2 (Term) of the MOA shall hereafter be and read as follows:

This MOA shall become effective on the date that the last of the five (5) Parties signs ("Effective Date") and shall remain in effect until terminated in accordance with Section 9.2 below.

3. Section 4.9 of the MOA shall hereafter be and read as follows:

The creation of the Cooperative Committee shall not be construed as a delegation of any powers or authorities, and all powers and authorities of each individual Party, including, without limitation, the power to implement the GSP within its jurisdictional boundaries, shall reside with that Party.

4. Section 12.2 of the MOA is hereby deleted in its entirety.

5. Except as expressly modified by this Amendment, all terms and provisions of the MOA shall remain in full force and effect.

6. This Amendment shall be effective as of the date that it has been signed by all Parties.

IN WITNESS THEREOF, the Parties hereto have executed this Amendment on the dates shown below.

CITY OF EL PASO DE ROBLES

By: _____

Tom Frutchey

Its: City Manager

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

SHANDON SAN JUAN WATER DISTRICT

By: _____

Willy Cunha

Its: President, Board of Directors

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

2. Section 2 (Term) of the MOA shall hereafter be and read as follows:

This MOA shall become effective on the date that the last of the five (5) Parties signs ("Effective Date") and shall remain in effect until terminated in accordance with Section 9.2 below.

3. Section 4.9 of the MOA shall hereafter be and read as follows:

The creation of the Cooperative Committee shall not be construed as a delegation of any powers or authorities, and all powers and authorities of each individual Party, including, without limitation, the power to implement the GSP within its jurisdictional boundaries, shall reside with that Party.

4. Section 12.2 of the MOA is hereby deleted in its entirety.
5. Except as expressly modified by this Amendment, all terms and provisions of the MOA shall remain in full force and effect.
6. This Amendment shall be effective as of the date that it has been signed by all Parties.

IN WITNESS THEREOF, the Parties hereto have executed this Amendment on the dates shown below.

CITY OF EL PASO DE ROBLES

By: TOM FRUTCHY
Tom Frutchey

Its: City Manager

Date: 1-8-20

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: K. J. Stodd
Its: Interior City Attorney
Date: 1/7/2020

SHANDON SAN JUAN WATER DISTRICT

By: _____
Willy Cunha

Its: President, Board of Directors

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____
Its: _____
Date: _____

2. Section 2 (Term) of the MOA shall hereafter be and read as follows:

This MOA shall become effective on the date that the last of the five (5) Parties signs ("Effective Date") and shall remain in effect until terminated in accordance with Section 9.2 below.

3. Section 4.9 of the MOA shall hereafter be and read as follows:

The creation of the Cooperative Committee shall not be construed as a delegation of any powers or authorities, and all powers and authorities of each individual Party, including, without limitation, the power to implement the GSP within its jurisdictional boundaries, shall reside with that Party.

4. Section 12.2 of the MOA is hereby deleted in its entirety.
5. Except as expressly modified by this Amendment, all terms and provisions of the MOA shall remain in full force and effect.
6. This Amendment shall be effective as of the date that it has been signed by all Parties.

IN WITNESS THEREOF, the Parties hereto have executed this Amendment on the dates shown below.

CITY OF EL PASO DE ROBLES

By: _____
Tom Frutchey

Its: City Manager

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

SHANDON, SAN JUAN WATER DISTRICT

By: _____
Willy Cunha

Its: President, Board of Directors

Date: November 21, 2019

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

COUNTY OF SAN LUIS OBISPO

By: _____
Debbie Arnold

Its: Chairperson, Board of Supervisors

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

SAN MIGUEL COMMUNITY
SERVICES DISTRICT

By: 
Rob Roberson

Its: General Manager

Date: 3/2/2020

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: 

Its: Douglas White

Date: 3-13-20

COUNTY OF SAN LUIS OBISPO

By: Debbie Arnold
Debbie Arnold

Its: Chairperson, Board of Supervisors

Date: December 17, 2019

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: [Signature]

Its: Debbie Arnold

Date: 12/13/19

SAN MIGUEL COMMUNITY
SERVICES DISTRICT

By: _____
Rob Roberson

Its: General Manager

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

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ATTEST:

Wade Horton, County Clerk of the Board and
Ex-Officio Clerk of the Board of Supervisors

By: Kiana N. Christensen
Deputy Clerk

The undersigned Deputy Clerk of the Board of Supervisors
certifies that, pursuant to Section 25103 of the
Government Code, delivery of this document has been
made on December 27, 2019

WADE HORTON
County Clerk of the Board and Ex-Officio Clerk
of the Board of Supervisors

By: Kiana N. Christensen
Deputy Clerk

Attachment 1

MEMORANDUM OF AGREEMENT REGARDING PREPARATION OF A GROUNDWATER SUSTAINABILITY PLAN FOR THE PASE ROBLES GROUNDWATER BASIN

This Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin ("MOA") is entered into by and between the City of El Paso de Robles ("City"), the San Miguel Community Services District ("SMCSD"), the Heritage Ranch Community Services District ("HRCSD"), the County of San Luis Obispo ("County") and the Shandon-San Juan Water District ("SSJWD") (each referred to individually as a "Party" and collectively as the "Parties") for purposes of preparing a groundwater sustainability plan for the Paso Robles Area Subbasin.

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 (Water Code §§ 10720 *et seq.*) ("SGMA"), which became effective on January 1, 2015 and which have been and may continue to be amended from time to time; and

WHEREAS, SGMA requires the establishment of a groundwater sustainability agency ("GSA") or agencies for all basins designated as medium or high priority by the California Department of Water Resources ("DWR") on or before June 30, 2017; and

WHEREAS, SGMA further requires the adoption of a groundwater sustainability plan ("GSP") or coordinated GSPs for all basins designated by DWR as high or medium priority and subject to critical conditions of overdraft on or before January 31, 2020; and

WHEREAS, DWR has designated the Paso Robles Area Subbasin (Basin No. 3-004.06) ("Basin") as a high priority basin subject to critical conditions of overdraft; and

WHEREAS, each of the Parties has decided to become the GSA within its respective service area overlying the Basin and has informed DWR of its decision and intent to undertake sustainable groundwater management therein; and

WHEREAS, each of the Parties desires to collectively develop and implement a single GSP to sustainably manage the portions of the Basin underlying their combined service areas (*i.e.* all portions of the Basin located within the County of San Luis Obispo); and

WHEREAS, the Parties share the common goal of cost effective, sustainable groundwater management that considers the interests and concerns of all beneficial uses and users of groundwater within the Basin; and

WHEREAS, on April 6, 2017, the San Luis Obispo Local Agency Formation Commission conditionally approved the formation of the Estrella-El Pomar-Creston Water District ("EPCWD"), subject to, among other things, a successful vote on the formation pursuant to Water Code Section 34500, for purposes of serving as a GSA within its service area; and

WHEREAS, the EPCWD, if formed, will not be formed until after the June 30, 2017 deadline, and the County included the potential service area of the EPCWD within the Paso Basin – County of San Luis Obispo Groundwater Sustainability Agency that the County formed on May 16, 2017 by Resolution 2017-134; and

WHEREAS, the Parties acknowledge the cooperative efforts of the working group, including representatives of each Party and the applicant and several petitioners desiring to form the EPCWD, that commenced meeting in August 2016 and that culminated in this MOA; and

WHEREAS, this MOA provides for the future addition of EPCWD as a Party to this MOA provided that certain conditions are satisfied, including, but not limited to, a successful vote on the formation of the EPCWD pursuant to Water Code Section 34500 and the County Board of Supervisors decides to withdraw from serving as the GSA for the EPCWD service area; and

WHEREAS, the active involvement and cooperation of all users of groundwater within the Basin is highly valued by the Parties and their continued willing cooperation in SGMA implementation is deemed critical for successful sustainable management of the Basin.

NOW, THEREFORE, it is mutually understood and agreed as follows:

Section 1 **Purpose**

The purpose of this MOA is to establish a committee to develop a single GSP that will be considered for adoption by each individual Party and subsequently submitted to DWR for approval. This MOA may also serve as the basis for continued cooperation among the Parties in the management of the Basin during the period between adoption of the GSP by each Party and approval of the GSP by DWR. As more specifically set forth in Section 12.2 below, this MOA shall automatically terminate upon DWR's approval of the GSP for the Basin.

Section 2 **Term**

This MOA shall become effective on the date that the last of the five (5) Parties signs ("Effective Date") and shall remain in effect until terminated in accordance with Section 9.2 or Section 12.2 below.

Section 3

EPCWD

If and only if the EPCWD is formed and its Board of Directors decides to become the GSA within its service area and the County Board of Supervisors decides to withdraw from serving as the GSA within said area, the EPCWD may become a Party to this Agreement by signing the Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin in the form attached hereto as Exhibit A ("Addition") provided that the County Board of Supervisors has accepted the Addition as part of its decision to withdraw.

Section 4

Paso Basin Cooperative Committee

4.1 The Parties hereby establish the Paso Basin Cooperative Committee ("Cooperative Committee") which shall be composed of a member and alternate member from each of the five (5) Parties.

4.2 The governing body of each Party shall promptly appoint a member and alternate member to the Cooperative Committee. Each Cooperative Committee member and alternate member shall serve at the pleasure of the appointing Party, and may be removed from the Cooperative Committee by the appointing Party at any time. Each Cooperative Committee member's compensation, if any, for his or her service on the Cooperative Committee shall be the responsibility of the appointing Party.

4.3 If and only if the EPCWD becomes a Party to this MOA in accordance with Section 3 of this MOA, the Cooperative Committee shall also include a member and alternate member from the EPCWD appointed by the EPCWD.

4.4 The Cooperative Committee shall conduct activities related to GSP development and SGMA implementation at the pleasure and under the guidance of the Parties, including, but not limited to:

- A. Development of a GSP that achieves the goals and objectives outlined in SGMA;
- B. Review and participation in the selection of consultants related to Cooperative Committee efforts, as more specifically set forth in Section 6 below;
- C. Development of recommended annual budgets and additional funding needs for consideration and approval of the Parties and development of a record of expenditures, in accordance with and subject to Section 5 below. Consistent with Section 7 below, it is expected that each of the Parties will contribute in-kind staff support; therefore, recommended annual budgets

shall generally not include the staff or overhead costs of any Party associated with participation in this MOA;

- D. Development of a plan that describes the anticipated tasks to be performed under this MOA and a schedule for performing said tasks;
- E. Implementation of the actions and/or policies undertaken pursuant to this MOA and resolution of any issues related to these actions and/or policies;
- F. Development of measures that may be implemented in the event insufficient or unsatisfactory progress is being made in development of the GSP;
- G. Development of a stakeholder participation plan that includes public outreach and education programs and workshops as appropriate and that involves the interested stakeholders in developing and implementing the GSP (e.g. workshops at key milestones); if determined necessary by the Cooperative Committee and supported by the Parties, the Cooperative Committee may lead implementation of the stakeholder participation plan or other stakeholder engagement activities;
- H. Establishment from time to time of one or more standing or *ad hoc* committees to assist in carrying out the purposes and objectives of the Cooperative Committee as may be necessary;
- I. Recommendation that each individual Party adopt the GSP developed under this MOA;
- J. Resolution of differences among the Parties;
- K. Coordination with neighboring GSAs in the Salinas Valley Groundwater Basin and with neighboring GSPs as may be required and/or to ensure no adverse effects.

4.5 The Cooperative Committee shall meet at least quarterly to carry out the activities described above. The Cooperative Committee shall prepare and maintain minutes of its meetings, and all meetings of the Cooperative Committee shall be conducted in accordance with the Ralph M. Brown Act (Government Code §§ 54950 *et seq.*). A majority of the members of the Cooperative Committee shall constitute a quorum for purposes of transacting business, except that less than a quorum may vote to adjourn the meeting. Attendance at all Cooperative Committee meetings may be augmented to include Parties' staff or consultants to ensure that the appropriate expertise is available.

4.6 Subject to Section 4.7 below, on all matters considered by the Cooperative Committee, the vote of each member shall be weighted in accordance with the following percentages:

City Member	15%
SMCSD Member	3%
HRCSD Member	1%

SSJWD Member	20%
County Member	61%

4.7 If and only if the EPCWD becomes a Party to this MOA in accordance with Section 3 of this MOA, the voting percentages set forth in Section 4.6 shall be modified as follows:

City Member	15%
SMCSD Member	3%
HRCSD Member	1%
SSJWD Member	20%
County Member	32%
EPCWD Member	29%

4.8 Any action or recommendation considered by the Cooperative Committee shall require the affirmative vote of 67 percent based on the percentages set forth in Section 4.6 or 4.7 above, as applicable. Notwithstanding the foregoing, the following shall require the affirmative vote of 100 percent based on the percentages set forth in Section 4.6 or 4.7 above, as applicable: (A) a recommendation that each of the Parties adopt the GSP or adopt any amendment thereto prepared in response to comments from DWR and (B) a recommendation that the Parties amend this MOA. For purposes of determining whether the requisite voting threshold has been met, the voting percentage of each member must be included in the calculation with the following limited exception: in the event that a member recuses himself or herself (A) said member's voting percentage shall be allocated *pro rata* to the other members for purposes of determining whether the 67 percent threshold has been met and (B) said members' affirmative vote shall not be required to reach the 100 percent threshold (i.e. all members who have not recused themselves must vote in the affirmative). Without limiting the foregoing, an absence by any member(s) shall not result in any *pro rata* distribution for purposes of determining whether the 67 percent threshold has been met or result in elimination of the requirement that said member vote in the affirmative for purposes of determining whether the 100 percent threshold has been met.

4.9 The creation of the Cooperative Committee shall not be construed as a delegation of any powers or authorities, and all powers and authorities of each individual Party shall reside with that Party.

Section 5 Funding

5.1 The Fiscal Year of the Cooperative Committee shall be July 1 through June 30.

5.2 For Fiscal Years 2017 – 2018, 2018 – 2019 and 2019 – 2020, the Cooperative Committee shall develop a recommended budget for consideration by each Party. Subject to each Party's approval of the budget for the relevant Fiscal Year, each Party shall be responsible

for funding a portion of said budgeted costs in accordance with the percentages set forth in Section 4.6 or Section 4.7 above, as applicable. Neither the Cooperative Committee nor any Party on behalf of the Cooperative Committee shall make any financial expenditures or incur any financial obligations or liabilities pursuant to this MOA for Fiscal Years 2017 – 2018, 2018 – 2019 or 2019 – 2020 prior to approval of the budget for the relevant Fiscal Year by each Party.

5.3 For Fiscal Year 2020 – 2021 and following, the Cooperative Committee shall develop a recommended budget and recommended contribution percentages for consideration by each Party. Subject to each Party's approval of the budget and its contribution percentage, each Party shall be responsible for funding a portion of said budgeted costs in accordance with the percentages approved by each Party. Neither the Cooperative Committee nor any Party on behalf of the Cooperative Committee shall make any financial expenditures or incur any financial obligations or liabilities pursuant to this MOA for Fiscal Year 2020 – 2021 and following prior to approval of the budget and contribution percentages for the relevant Fiscal Year by each Party.

5.4 It is anticipated that the vast majority of budgeted costs will involve costs for consultant services. Consequently, most contributions shall be paid to the City in the manner described in Section 6.6 below. For budgeted costs that do not involve consultant services (if any), the Cooperative Committee shall determine the manner in which such contributions shall be paid consistent with Section 5.2 and Section 5.3 above.

5.5 The Cooperative Committee shall make recommendations related to any additional non-budgeted funding needs, but shall have no authority to require any Party to contribute funds over and above those included in the budgets approved by each Party.

5.6 On an annual basis, the Cooperative Committee and/or contracting agent shall provide the Parties with a record of expenditures from the previous Fiscal Year related to this MOA.

Section 6

Engagement of Consultants

6.1 It is anticipated that the Cooperative Committee will desire to retain the services of one or more consultants in conducting the activities identified in Section 4.4 above, including, but not necessarily limited to, its development of the GSP.

6.2 The City agrees to act as the contracting agent on behalf of the Cooperative Committee and shall follow its own procurement policies in the engagement of such consultant(s) subject to Section 6.3 below.

6.3 The City agrees that the Parties and the Cooperative Committee shall be included in the selection of any consultant retained by the City on behalf of the Cooperative Committee.

More specifically, staff representatives from each of the Parties shall be given an opportunity to review and approve all requests for proposals prior to their release and to participate in the various stages of the selection process, including, but not limited to, review of proposals and participation on interview panels. In addition, the City shall not issue a notice to proceed to any selected consultant until the Cooperative Committee has confirmed the consultant and related contract.

6.4 The Cooperative Committee may request that the City terminate a consultant contract entered into on behalf of the Cooperative Committee subject to and in accordance with the terms specified in the contract.

6.5 All consultant contracts entered into by the City on behalf of the Cooperative Committee shall include the following: (A) a provision that the consultant shall not commence work until a notice to proceed is issued and acknowledgement that a notice to proceed will not be issued until the Cooperative Committee confirms the consultant and contract; (B) a provision requiring that the consultant name each Party, its employees, officers and agents as an additional insured; and (C) an expected spend plan estimating the amount of the not to exceed contract amount that the consultant expects to invoice the City each month.

6.6 Upon receipt of each invoice from a consultant retained on behalf of the Cooperative Committee, the City shall calculate each Party's payment obligation based on the percentages set forth in Section 4.6 or Section 4.7, as applicable, or on the percentages approved by each Party as set forth in Section 5.3, depending on the Fiscal Year. The City shall submit an invoice to each Party showing the foregoing calculation, and each Party shall remit payment to the City within thirty (30) days.

Section 7

Roles and Responsibilities of the Parties

In addition to performance of the roles and responsibilities set forth above related to, among other things, appointment of members and alternate members to the Cooperative Committee, consideration of annual budgets and cost contributions and participation in the selection of consultants, the Parties shall:

- A. Work to jointly to meet the objectives of this MOA through, among other things, coordination of all activities related to fulfillment of said objectives;
- B. Internally or jointly designate a staff person(s) to provide expertise and existing information in a timely manner and to participate in the development of the GSP and/or related technical studies and/or other materials or actions being considered by the Cooperative Committee;
- C. Upon recommendation of the Cooperative Committee, consider adoption of the GSP and, as defined in the GSP once approved, implement the GSP within its respective GSA service area. Notwithstanding the foregoing, nothing contained

in this MOA shall be construed as obligating any Party to adopt the GSP developed under this MOA, or as preventing any Party from adopting the GSP developed under this MOA in the event that the Cooperative Committee fails to recommend approval or another Party (or Parties) elects not to adopt the GSP developed under this MOA;

- D. Bring any dispute over any of the activities discussed in this MOA to the Cooperative Committee in order to provide the Cooperative Committee with an opportunity to resolve the dispute.

Section 8

Interagency Communication and Providing Proper Notice

8.1 In order to provide for consistent and effective communication among the Parties, each Party agrees to designate a representative as its central point of contact on all matters relating to this MOA and the GSP. Additional representatives from the community or staff may be appointed to serve as points of contact on specific actions or issues.

8.2 All notices, statements or payments related to implementing the objectives of this MOA shall be deemed to have been duly given if given in writing and delivered electronically, personally or mailed by first-class, registered, or certified mail to the Parties at the addresses set forth in Exhibit B. Notwithstanding any other provision of this MOA, the Parties may update Exhibit B from time to time without formally amending this MOA.

Section 9

Withdrawal and Termination

9.1 Any Party may unilaterally withdraw from this MOA without causing or requiring termination of this MOA. Withdrawal shall become effective upon thirty (30) days written notice to the remaining Parties' designated addresses as listed in Exhibit B. Nothing contained in this Section 9 shall be construed as prohibiting a Party that has withdrawn from this MOA from developing its own GSP for its service area within the Basin. A Party that has withdrawn from this MOA shall remain obligated to pay its percentage cost share of expenses and obligations as outlined in the current budget incurred, accrued or encumbered up to the date the Party provided notice of withdrawal, including, but not limited to, its cost share obligation under any existing consultant contract for which the City has issued a notice to proceed. If a Party withdraws, the Cooperative Committee shall reassess the contributions of each remaining Party to fund the current budget and determine if the Cooperative Committee needs to request the contribution of additional funding from the governing board of each Party.

9.2 This MOA may be terminated upon unanimous written consent of all current Parties.

Section 10 Amendments

This MOA may be amended only by unanimous written consent of all current Parties. Approval from a Party is valid only after that Party's governing body approves the amendment at a public meeting. Neither individual Cooperative Committee members nor individual members of the Parties' governing boards have the authority, express or implied, to amend, modify, waive or in any way alter this MOA or the terms and conditions hereof.

Section 11 Indemnification

No Party, nor any officer or employee of a Party, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by another Party under or in connection with this MOA. The Parties further agree, pursuant to Government Code Section 895.4, that each Party shall fully indemnify and hold harmless each other Party and its agents, officers, employees and contractors from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney fees, arising out of, resulting from, or in connection with any work delegated to or action taken or omitted to be taken by such Party under this MOA.

Section 12 Miscellaneous

12.1 Execution in Counterparts. This MOA may be executed in counterparts.

12.2 Automatic Termination of MOA. This MOA shall automatically terminate upon DWR's approval of the adopted GSP. Depending on the content of the GSP, the Parties may decide to enter into a new agreement to coordinate GSP implementation.

12.3 Choice of Law. This MOA is made in the State of California, under the Constitution and laws of said State and is to be so construed.

12.4 Severability. If any provision of this MOA is determined to be invalid or unenforceable, the remaining provisions shall remain in force and unaffected to the fullest extent permitted by law and regulation.

12.5 Entire Agreement. This MOA constitutes the sole, entire, integrated and exclusive agreement between the Parties regarding the contents herein. Any other contracts, agreements, terms, understandings, promises, representations not expressly set forth or referenced in this writing are null and void and of no force and effect.

12.6 Construction and Interpretation. The Parties agree and acknowledge that this MOA has been developed through negotiation, and that each Party has had a full and fair

opportunity to revise the terms of this MOA. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this MOA.

IN WITNESS WHEREOF, the Parties have executed this MOA on the dates shown below.

CITY OF EL PASO DE ROBLES

SHANDON SAN JUAN WATER DISTRICT

By: _____
Tom Frutchey

By: _____
Willy Cunha

Its: City Manager

Its: President, Board of Directors

Date: _____

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

COUNTY OF SAN LUIS OBISPO

HERITAGE RANCH COMMUNITY SERVICES
DISTRICT

By: _____
John Peschong

By: _____
Scott Duffield

Its: Chair, Board of Supervisors

Its: General Manager

Date: 8/22/2017

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

By: _____

Its: _____

Its: _____

Date: 2/10/2017

Date: _____

ATTEST:

Tommy Gong, County Clerk-Recorder and
Ex-Officio Clerk of the Board of Supervisors

By: _____
Deputy Clerk

opportunity to revise the terms of this MOA. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this MOA.

IN WITNESS WHEREOF, the Parties have executed this MOA on the dates shown below.

CITY OF EL PASO DE ROBLES

SHANDON SAN JUAN WATER DISTRICT

By: THOMAS FRUTCHET
Tom Frutchey *TF*

By: _____
Willy Cunha

Its: City Manager

Its: President, Board of Directors

Date: 9-20-17

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: J. P. Yap
Its: City Attorney
Date: 9/20/17

By: _____
Its: _____
Date: _____

COUNTY OF SAN LUIS OBISPO

HERITAGE RANCH COMMUNITY SERVICES
DISTRICT

By: _____
John Peschong

By: _____
Scott Duffield

Its: Chair, Board of Supervisors

Its: General Manager

Date: _____

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

opportunity to revise the terms of this MOA. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this MOA.

IN WITNESS WHEREOF, the Parties have executed this MOA on the dates shown below.

CITY OF EL PASO DE ROBLES

By: _____
Tom Frutchey

Its: City Manager

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

COUNTY OF SAN LUIS OBISPO

By: _____
John Peschong

Its: Chair, Board of Supervisors

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

SHANDON SAN JUAN WATER DISTRICT

By: Willy Cunha
Willy Cunha

Its: President, Board of Directors

Date: 7-26-2017

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: Young Woodbridge, LLP
Its: District Counsel

Date: 7/26/17

HERITAGE RANCH COMMUNITY SERVICES
DISTRICT

By: _____
Scott Duffield

Its: General Manager

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

Its: _____

Date: _____

opportunity to revise the terms of this MOA. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this MOA.

IN WITNESS WHEREOF, the Parties have executed this MOA on the dates shown below.

CITY OF EL PASO DE ROBLES

SHANDON SAN JUAN WATER DISTRICT

By: _____
Tom Frutchey

By: _____
Willy Cunha

Its: City Manager

Its: President, Board of Directors

Date: _____

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

COUNTY OF SAN LUIS OBISPO

HERITAGE RANCH COMMUNITY SERVICES
DISTRICT

By: _____
John Peschong

By: Scott Duffield
Scott Duffield

Its: Chair, Board of Supervisors

Its: General Manager

Date: _____

Date: 07/31/2017

APPROVED AS TO FORM AND
LEGAL EFFECT:

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: _____

By: District Council

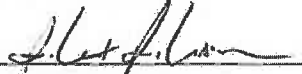
Its: _____

Its: 2/26/17

Date: _____

Date: _____

SAN MIGUEL COMMUNITY
SERVICES DISTRICT

By: 
Rob Roberson

Its: Interim General Manager

Date: 8/29/2017

APPROVED AS TO FORM AND
LEGAL EFFECT:

By: 

Its: Douglas White

Date: 9/6/17

EXHIBIT B

Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin

WHEREAS, certain local agencies that each decided to become the groundwater sustainability agency within their respective service areas overlying the Paso Robles Area Subbasin (Basin No. 3-004.06) have entered into an agreement entitled "Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin" ("Agreement"); and

WHEREAS, the Estrella-El Pomar-Creston Water District ("EPCWD") could not be an original signatory to the Agreement, because it had not yet been formed; and

WHEREAS, Section 3 of the Agreement sets forth the process by which the EPCWD can become a party to the Agreement provided that certain conditions are met; and

WHEREAS, the EPCWD has received and reviewed a copy of the Agreement; and

WHEREAS, on May 10, 2023, the EPCWD Board of Directors held a public hearing and by Resolution 23-0020 decided to become the groundwater sustainability agency within its service area and a signatory to the Agreement; and

WHEREAS, on June 6, 2023, the County of San Luis Obispo Board of Supervisors held a public hearing and by Resolution 2023-142 decided to withdraw from serving as the groundwater sustainability agency within the EPCWD's service area and to accept the signature below.

NOW, THEREFORE, acknowledging that the recitals above are correct and are part of this agreement, the EPCWD, upon acceptance by signature below by the County of San Luis Obispo Board of Supervisors, shall become a party to the Agreement effective immediately. The EPCWD shall bear the benefits and enjoy the burdens of the Agreement as though the EPCWD had originally executed said Agreement as it now exists or may be amended in the future, and for so long as the Agreement remains in effect or for so long as the EPCWD is a party to the Agreement.

ACCEPTED AND APPROVED BY THE ESTRELLA-EL POMAR-CRESTON WATER DISTRICT BOARD OF DIRECTORS:

By: [Signature]

Date: 5-10-23

Its: PRESIDENT

APPROVED AS TO FORM AND LEGAL EFFECT:

By: [Signature]

Date: 5/12/2023

Its: Counsel

Address for purposes of Exhibit B to the Agreement:

Estrella-El Pomer-Creston Water District

P.O. Box 1494

PASADENA, CA 92447

Attention: DISTRICT ADMINISTRATOR

ACCEPTED AND APPROVED BY
THE COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS IN ACCORDANCE WITH
THE AGREEMENT:

By: [Signature]

Date: 6/12/2023

Its: Chairperson, Board of Supervisors
County of San Luis Obispo, State of California

APPROVED AS TO FORM AND LEGAL EFFECT:

By: [Signature]

Date: May 22, 2023

Its: Deputy County Counsel

ATTEST: John Nilon,
Interim County Administrative Officer and
Ex-Officio Clerk of the Board of Supervisors

By: Sandy Currens
Deputy Clerk



EXHIBIT C

