

**AMENDMENT 1 TO**  
**MEMORANDUM OF UNDERSTANDING**

**DATED \_\_\_\_\_, 2008**

THIS AMENDMENT 1 TO MEMORANDUM OF UNDERSTANDING DATED JANUARY 9, 2007 is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 2008 by and between the Antelope Valley-East Kern Water Agency, Palmdale Water District, Quartz Hill Water District, Littlerock Creek Irrigation District, Antelope Valley State Water Contractors Association, (“Association”), City of Palmdale, City of Lancaster, County Sanitation District No. 14 of Los Angeles County, County Sanitation District No. 20 of Los Angeles County, Rosamond Community Services District, and Los Angeles County Waterworks District No. 40, Antelope Valley, (collectively, the “parties”):

**RECITALS**

- A. On or about January 9, 2007, the parties entered into a Memorandum of Understanding for Integrated Regional Water Management Planning and Implementation (“MOU”) under the California Water Code Division 6, Part 2.2, known as the *Integrated Regional Water Management Planning Act of 2002* (the “Act”).
- B. Pursuant to the MOU, the parties have formed a Regional Water Management Group (“RWMG”) and have adopted the Integrated Regional Water Management Plan of 2007 (“Plan”) as authorized by the Act and as shown in the attached resolutions. The Plan has identified actions that can be taken by the parties to enhance the water supply and improve the demand balance in the Antelope Valley subject to compliance with CEQA and NEPA and regulatory permitting.
- C. The parties are willing to continue to function as members of the RWMG and to take further actions to support the implementation of the Plan.
- D. The RWMG has worked closely with parties and others interested in the process and content of the Plan, and intend by this amendment to set forth an interim governance structure that will promote the further implementation of the Plan.

Now, therefore, the parties have reached the following understandings and adopt the following interim governance structure:

1. The interim governance structure shall apply to the following three groups:
  - a) The RWMG. The parties shall be the members of the RWMG.
  - b) The Stakeholder Group. Interested members of the public who participate at public meetings in the updating and implementation of the Plan shall be the members of the Stakeholder Group.
  - c) The Advisory Team The Advisory Team shall be a working group composed of seven members of the Stakeholder Group. Members of the Advisory Team, may, but need not, be members of the RWMG.

2. The composition, roles and responsibilities of the three groups are as follows:

**RWMG**

3. The governance of the RWMG shall be as follows:
  - a) Representation and Voting Requirements for the RWMG:
    - i. Each signatory of the current MOU will continue as members of the RWMG.
    - ii. New entities may join the RWMG by becoming a signatory to the MOU if approved by existing members.
    - iii. Each member of the RWMG shall contribute at least 5% of the approved annual budget for Advisory Team activities through cash or in-kind services.
    - iv. Entities that are not members of the RWMG may contribute funding or in-kind services to support the activities of the Advisory Team without becoming signatories to the MOU.
    - v. Each entity that is a signatory to the MOU shall appoint one representative to serve on the RWMG.
    - vi. RWMG members shall use their best efforts to reach decisions by consensus (meaning that the representatives of the members shall deliberate until each representative either supports the decision or is willing to acquiesce in the decision.)

vii. Each member of the RWMG shall have one vote. The presence of a simple majority of the RWMG members at any meeting of the RWMG shall constitute a quorum for the purposes of conducting business. The affirmative vote of a majority of the RWMG members present at a meeting at which a quorum is present is required for all decisions and recommendations of the RWMG.

4. The role and responsibilities of the RWMG:

- a) The RWMG shall promote regional cooperation among its members to implement the Plan.
- b) The RWMG shall develop proposals for the voluntary funding of cooperative efforts to implement the Plan.
- c) The RWMG shall provide financial oversight for activities funded with contributed funds.
- d) The RWMG shall approve or disapprove recommendations for funding made on behalf of the Stakeholder Group.
- e) The RWMG shall approve or disapprove recommendations made by or on behalf of the Stakeholder Group.
- f) The RWMG shall take action on any matter on which the members of the Stakeholder Group cannot agree.

**Stakeholder Group**

5. The governance of the Stakeholder Group shall be, as follows:

- a) Representation and Voting Requirements for the Stakeholder Group:
- b) The Stakeholder Group shall be composed of interested members of the public who participate in public meetings related to the updating and implementation of the Plan.
- c) The members of the Stakeholder Group must agree to abide by the Stakeholder Group's Code of Conduct.
- d) The Stakeholder Group shall collaborate with the Advisory Team and others to carry out the purpose of implementing the Plan.
- e) The Stakeholder Group shall work with the Advisory Team to develop a list of short-term implementation objectives to be promoted by the Advisory Team.

- f) The Stakeholder Group shall hold public meetings and follow agendas set by the Advisory Team.
- g) Members of the Stakeholder Group shall use their best efforts to make decisions by consensus. If a consensus cannot be reached in a particular matter, a simple majority vote of the members present at a meeting regularly called by the Advisory Team will be sufficient to take action.
- h) The Advisory Team shall schedule and conduct at least six meetings with the Stakeholder Group during calendar year 2008.

### **Advisory Team**

6. The governance of the Advisory Team shall be, as follows:

- a) Representation and Voting Requirements for the Advisory Team:
  - i. The Stakeholder Group shall select seven members according to the following categories for staggered three year terms<sup>1</sup> :
    - 1) Agriculture (2010)
    - 2) Conservation, Environmental, and Water Quality (2011)
    - 3) Industry and Commerce (2009)
    - 4) Municipalities (2010)
    - 5) Mutual Water Companies (2011)
    - 6) Public / Land owners / Rural Town Councils (2009)
    - 7) Urban water suppliers (2010)
  - ii. Nominations for each category can be made by any member of the Stakeholder Group and must be made during a stakeholder meeting
  - iii. If the person nominated is willing to serve on the Advisory Team as described, that person will be considered as a potential member by the Stakeholder Group.

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<sup>1</sup> Members for each category will be reselected in the year shown and every three years thereafter.

- iv. Nominations for each open category will be discussed by the Stakeholder Group during a Stakeholder Group meeting. If more than one qualified nomination is made per category, the Stakeholder Group shall choose one team member per category. Selections will be made by consensus. If a selection cannot be made by consensus, a selection will be made based on simple majority vote of the members at a meeting. Each Stakeholder Group member present may cast one vote per category.
- v. If a Advisory Team position becomes vacant before the regularly-scheduled reselection year, the same selection process described in this section will be used to select a replacement.
- vi. Advisory Team members may not designate an alternate.
- vii. Members of the Advisory Team shall use their best efforts to make decisions by consensus. If a consensus cannot be reached on a particular matter, a simple majority vote of the members present at a meeting at which a quorum is present will be sufficient to take action. A quorum shall be half the number of members plus one.
- viii. If the Stakeholder Group is not satisfied with the performance of one or more Advisory Team members, one or more members of the Stakeholder Group can request that the RWMG conduct a new nomination and selection cycle for the category (or categories) involved.

7. The role and responsibilities of the Advisory Team:

- a) The Advisory Team shall collaborate with the RWMG and Stakeholder Groups and others to carry out the purpose of implementing the Plan.
- b) The Advisory Team shall work with the RWMG and Stakeholder Groups to develop a list of short-term implementation objectives to be promoted by Advisory Team.
- c) The Advisory Team may hold public meetings and meetings of the Stakeholder Group, and set agendas.
- d) The Advisory Team shall schedule and conduct at least six meetings with the Stakeholder Group during calendar year 2008.

- e) The Advisory Team shall prepare and / or deliver quarterly progress reports and updates to the Plan.
- f) The Advisory Team shall initiate actions with the RWMG and Stakeholder Groups to identify, select, and apply for appropriate funding opportunities.
- g) The Advisory Team shall make recommendations to the RWMG Group for the hiring and supervision of any consultants needed to further the Plan.
- h) The Advisory Team shall gather, compile, and manage data, as defined in the Plan, and shall manage any grant-related contracts received to implement the Plan to assist in coordination with the “Association”.
- i) The Advisory Team shall identify and provide needed expertise when appropriate. Should the benefit of the needed expertise inure to one member only (or a small subset of the RWMG/Stakeholder Groups) the Advisory Team may ask that additional funding be provided by the requesting member(s) before the needed expertise is engaged.
- j) The Advisory Team shall prepare an annual budget and present the budget to the Stakeholder Group and the RWMG for approval, per fiscal year July 1<sup>st</sup> thru June 30<sup>th</sup>.
- k) The Advisory Team shall be responsible for the management of operating funds in accordance with the approved budget.
- l) The Advisory Team shall serve as a central point of contact for RWMG and Plan Implementation. The Advisory Team shall select one of its members to serve as a principal point of contact and chairperson for the interim Implementation Governance Structure. This person may or may not be a member of the RWMG.
- m) The Advisory Team shall facilitate the implementation process, of the IRWMP.
- n) The Advisory Team shall coordinate with a legal entity (i.e., “Association”) that is willing to act on behalf of the RWMG Group to:
  - i. Enter into and administer contracts approved by the RWMG and Stakeholder Groups and those of grant funding agencies.
  - ii. Oversee receipt and processing of financial transactions.

- iii. Ensure that no obligation is incurred or payment for services approved for which sufficient funding by the RWMG has not been authorized and deposited to the "Association" on behalf of the RWMG/Stakeholder Groups.
    - iv. Provide annual audited reports of financial transactions according to accepted accounting practices.
  - o) The Advisory Team shall initiate discussions related to long-term governance preferences.
  - p) The Advisory Team may appoint a representative or spokesperson to represent the Stakeholder Group and the RWMG related to implementation of the Plan.
- 8. The Association is willing to administer one or more contracts ("Contracts") to engage one or more third-party consultants ("Consultants") to promote collaboration between members of the RWMG and other stakeholders during implementation of the Plan, including preparation of requests for proposals, evaluation of Consultant proposals, award of Contracts, and general oversight of the Contracts; and
- 9. Each party shall provide and share all necessary and relevant information, data, studies, and/or documentation in its possession to the Advisory Team that are not exempt from disclosure under the California Public Records Act or otherwise privileged and confidential as may be requested, within thirty (30) calendar days of the request by Advisory Team.
- 10. Each party shall review and comment on draft and final versions of technical reports, grant applications, and revisions or addendums to the Plan within twenty-one (21) calendar days from the date of receipt of those documents from the Advisory Team.
- 11. Each party shall present final versions of Plan revisions or addendums to its governing body for consideration and adoption within forty-five (45) calendar days from the date of receipt of the document.
- 12. Additional financial contributions shall be required upon recommendation by the Advisory Team and approval thereof by all members of the RWMG at the end of each calendar year or at the time when additional funds are needed. Each party shall provide written approval for the amount of additional funds within sixty (60) days and, if approved by all members of the RWMG, shall deposit the contribution with the Association within thirty (30) days of receiving an invoice.
- 13. Each party shall work together in a spirit of cooperation, collaboration, and mutual respect, with the overall goal bringing the highest possible benefit for the Antelope Valley as a hydrologic region.

APPROVED AND ADOPTED by:

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Antelope Valley-East Kern Water Agency

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Date

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Palmdale Water District

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Date

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Quartz Hill Water District

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Date

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Littlerock Creek Irrigation District

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Date

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Antelope Valley State Water Contractors  
Association

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Date

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City of Palmdale

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Date

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City of Lancaster

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Date



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County Sanitation District No. 14  
of Los Angeles County

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Date

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County Sanitation District No. 20  
of Los Angeles County

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Date

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Rosamond Community Services District

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Los Angeles County Waterworks District No. 40,  
Antelope Valley

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Date

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