

A M E N D M E N T 1 T O
M E M O R A N D U M O F U N D E R S T A N D I N G
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THIS AMENDMENT 1 TO MEMORANDUM OF UNDERSTANDING (MOU) DATED JANUARY 9, 2007, made and entered into on this ____ day of _____ 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, hereinafter referred to as "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, hereinafter referred to as "DISTRICT," and in the aggregate hereinafter referred to as "parties":

W I T N E S S E T H

WHEREAS, the parties are designated as a "Regional Water Management Group" (hereinafter referred to as "RWMG") under the California Water Code Division 6, Part 2.2, known as the *Integrated Regional Water Management Planning Act of 2002*, hereinafter referred to as "ACT"; and

WHEREAS, all parties have ADOPTED the INTEGRATED REGIONAL WATER MANAGEMENT PLAN OF 2007 "PLAN", as evidenced by the attached resolutions; and

WHEREAS, all parties are willing to continue operating as the RWMG such as to support one or more member agencies to take actions needed to implement the PLAN and thereby to enhance the water supply / demand balance for all in the Antelope Valley, subject to all required CEQA / NEPA review and regulatory permits; and

WHEREAS, the RWMG has worked closely with participants interested in the process and content of the PLAN to identify an interim governance structure (hereinafter referred to as "GOVERNANCE") to continue working together to implement the PLAN; and

WHEREAS, the GOVERNANCE shall include three groups:

- a) REGIONAL WATER MANAGEMENT GROUP – as defined above

- b) LEADERSHIP TEAM – a working group comprised of seven people nominated and elected from the STAKEHOLDER GROUP to provide focused initiative and effort to accomplish the short-term implementation objectives for the governance structure. Members of the LEADERSHIP TEAM may or may not be members of the RWMG.
- c) STAKEHOLDER GROUP – an open group of interested people that participate in public meetings related to the update and implementation of the Antelope Valley Integrated Regional Water Management Plan. Anyone may participate as part of the STAKEHOLDER GROUP if they are willing to abide by the group's Code of Conduct.

WHEREAS, the REGIONAL WATER MANAGEMENT GROUP shall serve the following roles:

- a) Promote regional cooperation among their respective agencies or organizations focused on implementing the PLAN
- b) Provide funding to support cooperative efforts focused on implementing the PLAN
- c) Provide financial oversight for efforts using shared funds
- d) Approve (or deny) recommendations for use of shared funds made by the LEADERSHIP TEAM on behalf of the STAKEHOLDER GROUP
- e) Provide a decision mechanism (by majority vote where each party's representative has a single vote) in instances where facilitated broad agreement within the STAKEHOLDER GROUP cannot be reached
- f) Empower the LEADERSHIP TEAM to fulfill the roles outlined below
- g) May provide a stipend to members of the LEADERSHIP TEAM if the stipend can encourage involvement by representatives that are not employed by member agencies of the RWMG

WHEREAS, the LEADERSHIP TEAM shall serve the following roles:

- a) Collaborate with the STAKEHOLDER GROUP and others

- b) Work with the STAKEHOLDER GROUP and develop a list of short-term implementation objectives to be promoted by LEADERSHIP TEAM
- c) Call public / stakeholder meetings, set agendas, and lead meetings
- d) Schedule and conduct at least six meetings with the STAKEHOLDER GROUP during calendar year 2008
- e) Provide quarterly progress reports and updates to the IRWM Plan
- f) Initiate actions with the STAKEHOLDER GROUP to identify, select, and apply for appropriate funding opportunities
- g) Recommend to the STAKEHOLDER GROUP, hire, and manage consultants as needed
- h) Gather, compile and manage data as defined in IRWM Plan and any grant related contracts received to implement the IRWM Plan
- i) Identify and provide needed expertise when appropriate
- j) Prepare an annual budget each year and present to the STAKEHOLDER GROUP and RWMG for approval
- k) Manage operating funds as provided by the approved budget
- l) Serve as central point of contact for RWMG and PLAN Implementation. The LEADERSHIP TEAM will select one person to serve as the designated point of contact on behalf of the interim Implementation Governance Structure. This person may or may not be a member of the RMWG.
- m) Provide facilitation for and during the implementation process
- n) Identify and coordinate with staff dedicated to supporting the roles of the LEADERSHIP TEAM
- o) Coordinate with a legal entity (e.g., "ASSOCIATION") willing to act on behalf of the STAKEHOLDER GROUP to:
 - i. Execute and manage contracts as approved by the RWMG and STAKEHOLDER GROUP
 - ii. Oversee receipt and processing of financial transactions

- ii. Provide annual audited reports of financial transactions according to accepted accounting practices
- p) Initiate discussions related to long-term governance preferences
- q) Provide a spokesperson or advocate to represent the STAKEHOLDER GROUP and RWMG related to implementation of the PLAN

WHEREAS, representation and decision making by the RWMG shall be conducted as follows:

a) For the REGIONAL WATER MANAGEMENT GROUP:

- i. Each signatory of the current RWMG 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 will contribute at least 5% of annual budget for LEADERSHIP TEAM functions 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 LEADERSHIP TEAM without becoming signatories to the MOU
- v. Each organization that is a signatory to the MOU will appoint one representative to serve on the RWMG
- vi. RWMG members will attempt to make decisions by broad agreement (meaning all members dialogue until each member either supports the decision or can live with it)
- vii. Each member organization of the RWMG will have one vote
- viii. If broad agreement cannot be reached, actions may be taken by the RWMG based on a simple majority vote

b) For the LEADERSHIP TEAM:

- i. The STAKEHOLDER GROUP will select seven members according to the following categories for staggered three year terms¹ :
 - a. Agriculture (2010)
 - b. Conservation, Environmental, and Water Quality (2011)
 - c. Industry and Commerce (2009)
 - d. Municipalities (2010)
 - e. Mutual Water Companies (2011)
 - f. Public / Land owners / Rural Town Councils (2009)
 - g. Urban water suppliers (2010)
- ii. Nominations for each category can be made by any member of the STAKEHOLDER GROUP and will be made during a stakeholder meeting
- iii. If the person nominated is willing to serve on the LEADERSHIP TEAM as described, that person will be considered as a potential member by the STAKEHOLDER GROUP
- iv. Nominations for each open category will be discussed by the STAKEHOLDER GROUP during a stakeholder meeting. If more than one qualified nomination is made per category, the STAKEHOLDER GROUP will choose one team member per category. Selections will be made using broad agreement. If a selection cannot be made using broad agreement, a selection will be made based on simple majority vote. Each STAKEHOLDER GROUP member present may cast one vote per category.
- v. If a LEADERSHIP 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. LEADERSHIP TEAM members may not designate an alternate.

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

- vii. Members of the LEADERSHIP TEAM will strive to make decisions based on broad agreement. If broad agreement cannot be reached on a particular matter, a simple majority vote can be used to move forward.
- viii. If the STAKEHOLDER GROUP is not satisfied with the performance of one or more LEADERSHIP 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) not being served satisfactorily.

WHEREAS, the ASSOCIATION is willing to administer one or more contracts ("CONTRACT(S)") to engage one or more third-party consultants ("CONSULTANT(S)") to support collaboration between members of the RWMG and other stakeholders during implementation of the PLAN, including preparation of a request for proposals, evaluation of CONSULTANT proposals, award of CONTRACT(S), and general oversight of the CONTRACT(S); and

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the parties and of the promises herein contained, it is hereby agreed as follows:

- a) Each party shall provide and share all necessary and relevant information, data, studies, and/or documentation in its possession to the LEADERSHIP TEAM, as may be requested, within thirty (30) calendar days of the request by LEADERSHIP TEAM.
- b) Each party shall review and comment on draft and final versions of technical reports, grant applications, and revisions/addendums to the PLAN within twenty-one (21) calendar days from the date of receipt of said documents from the LEADERSHIP TEAM.
- c) Each party shall present final versions of revisions/addendums to its governing body for consideration and adoption within forty-five (45) calendar days from the date of receipt of the document.
- d) Each party shall provide a financial contribution of \$5,000.00 for calendar year 2008 toward all costs collectively shared by the LEADERSHIP TEAM, REGIONAL WATER MANAGEMENT GROUP, AND STAKEHOLDER GROUP in the performance of duties enumerated in this Amendment.
- e) Each party shall deposit the contribution in the amount of \$5,000.00 with the ASSOCIATION within thirty (30) calendar days of execution of this Amendment.

- f) Successive financial contributions shall be recommended by the LEADERSHIP TEAM to the REGIONAL WATER MANAGEMENT GROUP for approval at the end of each calendar year or at such time when additional funds are needed. Each party shall provide written approval for the amount of additional funds within ten (10) days and, if approved by all members of the REGIONAL WATER MANAGEMENT GROUP, shall deposit the contribution with the ASSOCIATION within thirty (30) days of receiving an invoice.
- g) 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:

Antelope Valley-East Kern Water Agency	Date
Palmdale Water District	Date
Quartz Hill Water District	Date
Littlerock Creek Irrigation District	Date
Antelope Valley State Water Contractors Association	Date
City of Palmdale	Date

City of Lancaster

Date

County Sanitation District No. 14
of Los Angeles County

Date

County Sanitation District No. 20
of Los Angeles County

Date

Rosamond Community Services District

Date

Los Angeles County Waterworks District No. 40,
Antelope Valley

Date