

**MEMORANDUM OF UNDERSTANDING
REGARDING COSTS AND IMPLEMENTATION OF
THE DELTA-MENDOTA SUBBASIN WELL MITIGATION PROGRAM
WITHIN THE CENTRAL DELTA-MENDOTA GSA**

This Memorandum of Understanding (this “MOU”) is made effective as of the date of the last signature below (the “Effective Date”), by and among Eagle Field Water District, Fresno Slough Water District, Mercy Springs Water District, Pacheco Water District, Panoche Water District, San Luis Water District, Santa Nella County Water District, Tranquillity Irrigation District, the County of Fresno, and the County of Merced, who are all members of the Central Delta-Mendota Groundwater Sustainability Agency (“CD-M GSA”), and each may be referred to herein as a “GSA Member.” GSA Members may be referred to herein individually as a “Party,” or collectively as the “Parties.”

RECITALS

A. **WHEREAS**, effective August 28, 2019, the GSA Members formed a joint power authority known as the CD-M GSA; and

B. **WHEREAS**, the CD-M GSA replaced the multi-agency GSAs formed pursuant to a prior memorandum of agreement amongst the same Parties; and

C. **WHEREAS**, the CD-M GSA, Widren Water District (“Widren”), and Oro Loma Water District (“Oro Loma”) share one seat as a “GSA Group” on the Delta-Mendota Subbasin (the “Subbasin”) Coordination Committee; and

D. **WHEREAS**, the Coordination Committee for the Subbasin developed a Domestic Well Mitigation Policy (the “Policy”) and corresponding funding structure, including a prudent reserve for mitigation activities, which was approved by all of the GSAs in the Subbasin as part of the adoption of a single Groundwater Sustainability Plan (“GSP”); and

E. **WHEREAS**, the purpose of the Policy is to mitigate the effects that may be felt by domestic water users whose wells have gone dry or are in imminent threat of going dry due to groundwater levels dropping as a result of groundwater management in the Subbasin; and

F. **WHEREAS**, the Policy is intended to serve as a last line of defense to protect domestic groundwater users in the unlikely event that the Subbasin GSAs’ efforts fail to maintain those Minimum Threshold (“MT”) groundwater levels set in the single GSP; and

G. **WHEREAS**, the San Luis & Delta-Mendota Water Authority (the “Authority”), the GSA Members, Widren, and Oro Loma have executed that certain Central Delta-Mendota Region Sustainable Groundwater Management Act (“SGMA”) Services Activity Agreement (“Activity Agreement”), made effective as of February 15, 2017, that certain First Amendment, made effective as of November 17, 2017 (the “First Amendment”), that certain Second Amendment, made effective November 1, 2018 (the “Second Amendment”), that certain Third Amendment, made effective August 30, 2021 (the “Third Amendment”), and that certain Fourth Amendment, made effective July 14, 2025 (the “Fourth Amendment”); and

H. **WHEREAS**, the Fourth Amendment to the Activity Agreement established the authority to create a Joint Cost Sharing Account to fund the Policy; and

I. **WHEREAS**, the Parties are also signatories to that certain Memorandum of Agreement Among the Delta-Mendota Subbasin Groundwater Sustainability Agencies; and

J. **WHEREAS**, the GSA Members desire to enter into this MOU to outline the terms and procedures for cost sharing and implementing the Policy amongst the GSA Members of the CD-M GSA.

AGREEMENT

1. **Purpose and Scope.** This MOU governs the cost sharing and implementation of the Policy within the boundaries of the CD-M GSA in the Subbasin.

2. **Public Outreach.** Each GSA Member will conduct public education and outreach, at its own cost, to notify landowners about how and where to apply for assistance, and the information that the GSA will require to evaluate the mitigation application.

3. **Service Area and Initial Costs.** Pursuant to and in compliance with the terms of the Policy, each GSA Member will fund the investigation and mitigation of wells within their jurisdictional boundaries (the “Service Area”) upon determining whether or not “Mitigation Measures” defined in the Policy are appropriate and justified. All responsibility for conducting investigations and costs to mitigate claimed impacts at a well site will be initially allocated to the applicable GSA Member where the well is located.

4. **Field Investigation and Assessment.** Each GSA Member will be responsible for payment of and conducting any field investigations, as identified in the Policy, within their Service Area. A GSA Member may contract with a consultant who also works with the CD-M GSA, but such work must be done at that GSA Member’s sole cost and expense.

5. **Short-Term Emergency Water Supplies.** Each GSA Member shall provide short-term emergency water supplies at the location of the de-watered well. The GSA Member shall be responsible for providing the short-term emergency water supplies and the costs for the investigation of wells within its Service Area, in compliance with the Policy.

6. **Adaptive Management Framework.** If it is determined that over-pumping is the result of another GSA, that Party and any other GSA or GSA Member will follow the Adaptive Management Framework process regarding cost sharing. Inter-basin or intra-basin disputes or disagreements over mitigation responsibility shall follow the Adaptive Management Framework.

7. **Prudent Reserve and Joint Cost Sharing Account.**

7.1 A Joint Cost Sharing Account (the “Reserve”) was created and is currently maintained by the Authority. The Reserve will total \$300,000 and be funded over three fiscal years (beginning March 1, 2025), with \$100,000 contributed annually. The Reserve will be contributed to equally by the seven GSA Groups of the Coordination Committee based on a one-seventh (1/7) cost split. As such, the CD-M GSA, Widren and Oro Loma each contribute their

proportionate share of the 1/7th cost, pursuant to their Activity Agreements or SS-MOA documents with the Authority.

7.2 This MOU is meant to address, among other things, the cost sharing between the GSA Members for any required investigations or mitigation that occur pursuant to the Policy. Although a GSA Member may pull from the Reserve, it must repay said Reserve for the costs of such Mitigation Measures (as defined by the Policy) within its Service Area within one year. This shall be the direct responsibility of the GSA Member and not of the CD-M GSA as a whole.

7.3 All other associated costs (e.g., preliminary reviews, professional well assessment reports, field investigations, emergency water deliveries) are the sole responsibility of the GSA Member with the Service Area where the well is located.

8. This MOU is not meant to change any provision of the Policy, but only to identify responsibilities of implementation and cost sharing as a result of the Policy by and among the GSA Members within the CD-M GSA.

9. Authority of Signers. The individuals executing this MOU represent and warrant that they have the authority to enter into this MOU and to legally bind the Party for whom they are signing to the terms and conditions of this MOU.

10. Governing Law. The validity and interpretation of this MOU will be governed by the laws of the State of California without giving effect to the principles of conflict of laws, with venue for all purposes to be proper only in the County of Fresno, California.

11. Severability. If any term, provision, covenant, or condition of this MOU is determined to be unenforceable by a court of competent jurisdiction, it is the Parties' intent that the remaining provisions of this MOU will remain in full force and effect and will not be affected, impaired, or invalidated by such a determination.

12. Counterparts. This MOU may be executed in any number of counterparts, each of which will be an original, but all of which will constitute one and the same agreement.

13. Good Faith. The Parties agree to exercise their best efforts and utmost good faith to effectuate all the terms and conditions of this MOU and to execute such further instruments and documents as are reasonably necessary, appropriate, expedient, or proper to carry out the intent and purposes of this MOU.

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14. Amendment. Any provision of this MOU may be amended only through a writing signed by all Parties.

IN WITNESS WHEREOF, the Parties have executed this MOU as of the Effective Date, which shall be last of the dates appearing next to the Parties' respective signature lines.

Agency Name: **EAGLE FIELD WATER DISTRICT**

BY: _____

Name: _____

Title: _____

Date: _____

Agency Name: **FRESNO SLOUGH WATER DISTRICT**

BY: _____

Name: _____

Title: _____

Date: _____

Agency Name: **MERCY SPRINGS WATER DISTRICT**

BY: _____

Name: _____

Title: _____

Date: _____

Agency Name: **PACHECO WATER DISTRICT**

BY: _____

Name: _____

Title: _____

Date: _____

Agency Name: **PANOCHE WATER DISTRICT**

BY: _____

Name: _____

Title: _____

Date: _____

Agency Name: **SAN LUIS WATER DISTRICT**

BY: _____

Name: _____

Title: _____

Date: _____

Agency Name: **TRANQUILLITY IRRIGATION DISTRICT**

BY: _____

Name: _____

Title: _____

Date: _____

Agency Name: **SANTA NELLA COUNTY WATER DISTRICT**

BY: _____

Name: _____

Title: _____

Date: _____

Agency Name: **COUNTY OF FRESNO**

APPROVED AS TO LEGAL FORM
Douglas Sloan, County Counsel

BY: Ernest Buddy Mendes BY: Jack Adams

Name: Ernest "Buddy" Mendes Deputy

Title: Chairman of the Board of Supervisors
of the County of Fresno

ATTEST:
BERNICE E. SEIDEL
Clerk of the Board of Supervisors
County of Fresno, State of California

Date: 10-21-2025

By Hanane Deputy

Agency Name: **COUNTY OF MERCED**

APPROVED AS TO FORM

BY: _____

BY: _____

Name: _____

Title: _____

Date: _____