

**DELTA-MENDOTA SUBBASIN GSAS
JOINT POWERS AUTHORITY AGREEMENT**

This **DELTA-MENDOTA SUBBASIN GSAS JOINT POWERS AUTHORITY AGREEMENT** (this “Agreement”) is made and entered into on this 1st day of December, 2025 (the “Effective Date”) pursuant to Title 1, Division 7, Chapter 5 (Section 6500 *et seq.*) of the California Government Code relating to the joint exercise of powers, by and among the groundwater sustainability agencies within the Delta-Mendota Subbasin listed in Exhibit “A” (each a “Member” and in the plural or collectively, as the “Members”).

RECITALS

A. **WHEREAS**, in September 2014 the Governor of the State of California signed legislation creating the Sustainable Groundwater Management Act (or “SGMA,” as that term is defined in section 1.14, below) “to provide local groundwater agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater.” (Wat. Code, § 10720.1(d)); and

B. **WHEREAS**, SGMA provides that each affected groundwater basin may be regulated separately by one or more groundwater sustainability agencies (a “GSA” or “GSAs”, respectively). Any local agency or combination of local agencies overlying a groundwater basin may decide to become a GSA for that basin within its boundaries. (Wat. Code, § 10723(a).); and

C. **WHEREAS**, groundwater sustainability under SGMA is to be achieved through groundwater sustainability plans (or “GSPs,” as the term “GSP” is defined in section 1.10, below), which can be a single plan developed by one or more GSAs, or multiple coordinated plans within a basin or subbasin (Wat. Code, § 10727); and

D. **WHEREAS**, the Members overlie portions of the Delta-Mendota Subbasin number 5-22.07 of the San Joaquin Valley Groundwater Basin identified in the California Department of Water Resources (“DWR”) Bulletin 118 (the “Subbasin”), as its boundaries may be modified from time to time as provided by law; and

E. **WHEREAS**, DWR has designated the entire Subbasin as critically overdrafted. Under SGMA, GSAs in critically overdrafted subbasins were required to assume their regulatory roles by June 30, 2017, and to submit one or more GSPs covering the basin to DWR by January 31, 2020; and

F. **WHEREAS**, the Members are all public agencies as defined by Government Code section 6500 and Water Code section 10723(a). All Members are authorized to contract with the State or Federal governments and agencies, and to exercise powers related to groundwater management, land use, or both, within their jurisdictional boundaries. Each Member qualifies individually to serve as a GSA under SGMA; and

G. **WHEREAS**, the Members initially managed the Subbasin pursuant to SGMA through the development and implementation of six different coordinated GSPs; and

H. **WHEREAS**, in 2024, the Members adopted a single GSP to cover the entire Subbasin to comply with SGMA; and

I. **WHEREAS**, the Members formed a “Coordination Committee” pursuant to that certain “Memorandum of Agreement Among the Delta-Mendota Subbasin Groundwater Sustainability Agencies” (the “MOA”) to, among other things, make recommendations, approve budgets and authorize entering into contracts on behalf of the Subbasin; and

J. **WHEREAS**, the Members previously contracted with San Luis & Delta-Mendota Water Authority (“SLDMWA”) to assist in coordinating administrative, financial and technical management of the multiple GSAs in the Subbasin; and

K. **WHEREAS**, the Members now desire to enter into this Agreement to form the Delta-Mendota Subbasin GSAs Joint Powers Authority (the “Authority”) for the purpose of coordinating the administrative, financial, and technical management of the multiple GSAs in the Subbasin and replace the previously existing Coordination Committee with the Board of Directors of the Authority.

NOW, THEREFORE, in consideration of the true and correct facts recited above, which are hereby incorporated herein, and of the covenants, terms and conditions set forth herein, the Members hereto agree as follows:

ARTICLE I DEFINITIONS

As used in this Agreement, unless the context requires otherwise, the meaning of the terms hereinafter set forth shall be as follows:

1.1 **“Act”** means the Joint Exercise of Powers Act codified at Government Code sections 6500, *et seq.*

1.2 **“Agreement”** means this Delta-Mendota Subbasin GSAs Joint Powers Authority Agreement.

1.3 **“Authority”** means the Delta-Mendota Subbasin GSAs Joint Powers Authority.

1.4 **“Coordinated Plan Expenses”** are those Subbasin-wide Activities expenses incurred by the Authority, the Secretary, and the Plan Manager, at the direction of the Board of Directors, within approved annual cost estimates for purposes described in this Agreement and in implementing the DM Subbasin MOA, including actual expenses incurred in executing obligations under the DM Subbasin MOA for intrabasin and interbasin coordination, which are shared equally amongst the seven representative seats of the Board of Directors, in accordance with the Participation Percentages.

1.5 “**Board of Directors**” means the governing body of the Authority established pursuant to Article 6 of this Agreement.

1.6 “**Director**” means a designated representative who holds a seat on the Authority’s seven-member Board of Directors.

1.7 “**GSA**” shall mean a groundwater sustainability agency established in accordance with SGMA and its associated regulations, and “**GSAs**” shall mean more than one such groundwater sustainability agency. Each Member is a GSA.

1.8 “**GSA Group Representative**” shall refer to the representative of a group of GSAs that share a single seat on the Board of Directors, as established in Article 6.1 of this Agreement.

1.9 “**GSA Representative**” shall refer to the representative of a single GSA who holds a single seat on the Board of Directors, as established in Article 6.1 of this Agreement.

1.10 “**GSP**” means a groundwater sustainability plan, as defined by section 10721(k) of the Water Code.

1.11 “**Fiscal Year**” means each period beginning on March 1 and ending on the last day in February the following year.

1.12 “**MOA**” shall mean the “Memorandum of Agreement Among the Delta-Mendota Subbasin Groundwater Sustainability Agencies,” as amended, describing the Members’ responsibilities for the Subbasin-wide monitoring network, coordinated data management system, and adaptive management framework.

1.13 “**Participation Percentages**” shall mean that percentage of Coordinated Plan Expenses allocated to each representative seat on the Board of Directors as described in Exhibit “B” to this Agreement, which is attached hereto and incorporated by reference herein, as updated from time to time by action of the Board of Directors, but not more frequently than annually.

1.14 “**Plan Manager**” shall mean an entity or individual appointed at the pleasure of the Board of Directors to perform the role of the Plan Manager for the Subbasin and to serve as the point of contact to DWR and/or the State Water Board.

1.15 “**SGMA**” means the California Sustainable Groundwater Management Act, which is codified in Part 2.74 (commencing with section 10720) of Division 6 of the Water Code, and all state regulations adopted under that Part, including but not limited to DWR’s SGMA regulations (commencing at 23 Cal. Code Regs., §§ 350, *et seq.*).

1.16 “**State Water Board**” shall mean the California State Water Resources Control Board.

1.17 “**Subbasin**” means the Delta-Mendota Subbasin of the San Joaquin Valley Groundwater Basin, subbasin number 5-22.07, as identified in Bulletin 118 prepared by the DWR, as may be amended and updated from time to time pursuant to law.

1.18 “**Subbasin-wide Activities**” shall mean those activities or actions that affect the Subbasin as a whole or are otherwise required by SGMA to be determined at the Subbasin level and as defined by a unanimous vote of the Board of Directors of the Authority.

1.19 “**Special Project Agreement**” means an agreement between the Authority and any of its Members, or multiple Members, for the purpose of facilitating a separate project or management action for which only those Member(s) who are a party to the agreement are obligated to pay or have liability.

1.20 “**Water Year**” shall mean the period from October 1 through the following September 30.

ARTICLE II CREATION OF THE JPA

2.1 Creation. Upon the Effective Date and pursuant to the Act, the Members hereby create a public entity separate and independent from the Members to be known as the “Delta-Mendota Subbasin GSAs Joint Powers Authority”.

2.2 Boundaries. The jurisdictional area of the Authority is intended to generally consist of all areas within the boundaries of the Subbasin, as identified by DWR.

2.3 Notices. The Authority shall timely file the notices required by Government Code sections 6503.5, 6503.6, and 53051.

ARTICLE III TERM

3.1 Term. This Agreement is effective as of the Effective Date and continues in full force and effect until terminated under Article 10.

ARTICLE IV PURPOSE OF THE JPA

4.1 Purpose of Agreement. The purpose of this Agreement is to create a joint powers authority separate from its Members to accomplish the purposes described below. The Members have worked together in mutual cooperation to develop a single GSP in compliance with SGMA, for the sustainable management of the Subbasin. Each Member hereto has adopted the GSP and will implement its terms and conditions within their respective GSA territories.

4.2 Purpose of Authority. The purpose of the Authority is to act as a separate and independent public agency to perform the tasks and functions articulated in Section 6.7.

4.3 Limitations.

- (a) Nothing in this Agreement is intended to confer upon the Authority, any Member, or upon any third party outside this Agreement the authority to limit or interfere with the other respective Member’s rights and authorities

over its own internal matters, including but not limited to, such Member's surface water supplies, groundwater supplies, facilities, billing and collection procedures, GSA powers and implementation or exercise of such powers, and operations and water management. Nothing in this Agreement is intended to modify or limit a Member's police powers, land use authorities, or any other authority, including the authority to pursue a comprehensive groundwater adjudication or other alternative SGMA compliance strategy, should the Member deem it to be in its best interest to do so.

- (b) The Authority shall not possess the authority to impose, levy, or collect fees, charges, assessments, or other impositions upon lands or landowners within its boundaries. The Authority's ability to collect, hold, and spend funds shall be limited by the budget procedures described here.
- (c) Nothing in this Agreement prevents the Members from entering into other joint powers agreements.

ARTICLE V POWERS OF THE JPA

5.1 Powers. The Authority is authorized, in its own name, to do all acts necessary for carrying out the purpose of this Agreement, including, but not limited to, any and all of the powers identified in this Article 5 and those powers identified in Government Code section 6508. Specifically, the Authority is authorized, in its own name and subject to the Board of Directors' approval as described herein, to do any or all of the following:

- (a) To make and enter into contracts;
- (b) To employ consultants, agents and employees;
- (c) To acquire, lease, own, construct, manage, maintain, operate, and dispose of any building, works or improvements;
- (d) To acquire, hold or dispose of real or personal property;
- (e) To incur debts, liabilities, or obligations;
- (f) To sue and be sued in its own name;
- (g) To undertake, on behalf of the Members, administrative or ministerial actions required by DWR and the State Water Board under SGMA;
- (h) To conduct research and investigations and compile appropriate reports for implementing the single GSP for the Subbasin, as it may be amended or revised from time to time;

- (i) To cooperate, act in conjunction with, and contract with the United States, the State of California or any agency thereof, Counties, Cities, and other local agencies;
- (j) To enter into grant agreements consistent with the purposes of the Authority described herein;
- (k) To enter into Special Project Agreements with a Member or Members for the benefit of implementing the SGMA in the Subbasin;
- (l) To participate, on behalf of one or more GSAs, in groundwater sustainability projects and management actions related to SGMA; and
- (m) To create committees and sub-committees.

5.2 Common Powers. The Authority may exercise the common powers of the Members.

5.3 Restrictions on the Exercise of Powers. Pursuant to Government Code section 6509, *et seq.*, the powers of the Authority shall be exercised and restricted in the same manner as those imposed upon Patterson Irrigation District, a California irrigation district. The Authority shall have the power of eminent domain. If Patterson Irrigation District withdraws as a Member, the remaining Members shall amend this Agreement pursuant to section 14.1.

5.4 Limitation on Authority Powers. The Authority is not a GSA and may not exercise certain powers granted to GSAs, including the authorities provided in Water Code section 10726.2 (groundwater extraction), and Chapter 8 (commencing with section 10730) (fee authorities) of SGMA. The individual Members of the Authority each hold GSA powers and each Member expressly reserves the right to (a) exercise all rights afforded to a GSA within their respective boundaries, and (b) defend, with legal counsel of its own choosing, any challenge to the adoption or implementation of the adopted GSP. When the terms of this Agreement or applicable law require the approval of a GSA (such as approval of the GSP), that approval shall be required and evidenced (as provided in Article 6.9) by the Members.

5.5 Obligations of the Authority. No debt, liability, or obligation of the Authority shall constitute a debt, liability or obligation of any of the Members, appointed representatives on the Board of Directors, or committee members. No debt, liability, or obligation of any Member shall constitute a debt, liability or obligation of the Authority.

5.6 Water Rights. Nothing contained in this Agreement grants to the Authority any power to alter any water right, contract right, or any similar right held by any of the Members, or to amend a Member's water delivery practice, course of dealing, or conduct without the express written consent of that Member.

ARTICLE VI
BOARD OF DIRECTORS

6.1 Board of Directors. The Authority shall be administered by a seven (7)-member Board of Directors (the “Board of Directors”), composed of Directors and alternate Directors as described herein, to serve at the pleasure of their appointing governing body. All voting power of the Authority shall reside in the Board of Directors.

- (a) The Board of Directors will consist of a total of seven (7) voting members and shall be comprised of the representative of a Member GSA (“GSA Representative”) or a group of GSAs (a “GSA Group Representative”), as identified on Exhibit “B.” Each GSA Representative or GSA Group Representative shall have one Alternate Representative authorized to vote in the absence of the GSA Representative or GSA Group Representative, as applicable. Each GSA Representative, GSA Group Representative, and applicable Alternates, must be (i) an elected or appointed member of the governing body of a Member, or (ii) on the staff or a consultant of a Member.
- (b) Individuals serving on the Board of Directors as a GSA Representative or GSA Group Representative shall be selected by each respective GSA or GSA Group at the discretion of that particular GSA or GSA Group, and such appointments shall be effective upon providing written notice to the Authority’s Secretary.
- (c) Each Member understands its participation in actions of the Authority is based on representation on the Board of Directors. It is the responsibility and obligation of each Member to develop its manner of selecting its respective Representative and Alternate Representative. For purposes of this Agreement, it is assumed that each Director and Alternate Director has been authorized by the members in their respective GSA or GSA Group to participate as described herein.
- (d) The Board of Directors will recognize each GSA Representative or GSA Group Representative and their applicable Alternate Representatives until such time as the Authority’s Secretary is provided written notice of removal and replacement of said representative.

6.2 Removal. Directors and Alternate Directors may be removed or replaced as follows:

- (a) Directors and Alternate Directors may be removed or replaced at any time by the respective GSA or the GSA Group, as applicable, with reasonable written notice provided to the Authority’s Secretary of any such removal or replacement; and
- (b) A Director or Alternate Director shall be deemed automatically removed from the Board of Directors if that Director is no longer: (i) an elected or

appointed member of the governing body of the Member, or (ii) on the staff or a consultant of a Member entity that qualified such Director to serve on the Board of Directors.

6.3 Compensation. Directors shall not be compensated by the Authority for participation on the Board of Directors. The Authority shall develop a policy for reimbursement associated with direct expenses.

6.4 Legal Requirements. Each Director shall comply with all legal requirements, including disclosure and ethics requirements, applicable to directors of a California Joint Powers Authority.

6.5 Closed Session. Each Director and Alternate Director is eligible to participate in closed session of the Authority's Board of Directors.

6.6 Voting. Each Director on the Board of Directors shall be entitled to one (1) vote at the Board of Directors meetings. Except as expressly set forth in Article 6.8 below, the vote of a simple majority of Directors (i.e. at least four (4) Directors must vote in favor), at a regular or special meeting, of the Board of Directors shall be required for all other matters on which the Board of Directors is authorized to act.

6.7 Board of Directors Authorized Actions. The Board of Directors is authorized to act upon the following enumerated items:

- (a) By a simple majority vote of Directors (i.e. at least four (4) Directors must vote in favor), at a regular or special meeting, the Board of Directors shall review and approve:
 - (i) recommendation(s) to the GSAs for approving any technical analyses;
 - (ii) updating of technical analyses as needed;
 - (iii) developing budgets for Subbasin-wide Activities;
 - (iv) providing assistance with grants and with coordinated projects and programs;
 - (v) appointing ad hoc or standing committees and workgroups;
 - (vi) assigning work to committees and workgroups as needed, providing guidance and feedback, and ensuring that committees and workgroups prepare work products in a timely manner; and
 - (vii) providing direction to its officers concerning other administrative and ministerial issues necessary for the fulfillment of the above-enumerated tasks; and

- (viii) entering into Special Project Agreements with Members.
- (b) By a unanimous vote of all Directors (i.e. all seven (7) Directors must vote in favor), at a regular or special meeting, the Board of Directors shall review and approve:
 - (i) a determination of Subbasin-wide Activities, which may be modified by the Board of Directors from time to time;
 - (ii) submittal of annual reports;
 - (iii) a representative monitoring network;
 - (iv) final budgets and amendments to final budgets;
 - (v) submittal of five-year updates;
 - (vi) revisions to this Agreement;
 - (vii) adding new Members to this Agreement;
 - (viii) annual estimates of Coordinated Plan Expenses and any updates to such estimates, in accordance with the budgetary requirements of the respective Members; provided, that such estimates or updates with supporting documentation shall be circulated to all Members for comment at least thirty (30) days in advance of the meeting at which the Board of Directors will consider approval of the annual estimate;
 - (ix) directing the Plan Manager in the performance of its duties under SGMA; and
 - (x) the hiring of consultants for Subbasin-wide Activities, providing direction to and supervision over consultants engaged to assist in acquiring and processing technical data, conducting monitoring and reporting, and all other activities in support of Subbasin-wide Activities; and
 - (xi) exercising the powers of eminent domain.

6.8 Voting Procedures to Address Lack of Unanimity. When it appears likely that the Board of Directors will not be able to come to a unanimous decision on any matter for which a unanimous decision is required, upon a majority vote of a quorum of the Board of Directors, the matter may be subjected to any or all of the following additional procedures:

- (a) Straw Polls. Straw poll votes may be taken for the purpose of refining ideas and providing guidance to the Board of Directors, committees, or both.

- (b) Provisional Voting. Provisional votes may occur prior to final votes. This will be done when an initial vote is needed to refine a proposal, but the Directors wish to consult with their respective GSA or GSA Group(s) before making a final vote.
- (c) Alternative Actions. A vote shall be delayed if any Director declares his/her/their intention to propose an alternative or modified recommended action, to be proposed at the next meeting, or as soon thereafter as the Director can obtain any further information or clarifying direction from its GSA Group or governing body, or both, as needed to propose its alternative or modified recommended action.
- (d) Further Review. If the process outlined in Article 6.8(a)-(c) fails to result in a unanimous vote of the Directors, any GSA Representative or GSA Group Representative not voting in favor of the recommended action may request that the vote be delayed so that the Board of Directors can obtain further information on the recommended action (for example, by directing a committee established under this Agreement), so the Director(s) can obtain clarifying direction from its GSA Group or governing body, or both, as needed.
- (e) Good Faith. Each Member acknowledges that time is of the essence with respect to SGMA compliance and GSP implementation and agrees to make its best efforts to cooperate through the Board of Directors in coming to a unanimous vote of representatives at a regular or special meeting.

6.9 Approval by Individual Members. Where law or this Agreement require separate written approval by each of or a group of the Members, such approval shall be evidenced in writing by providing the adopted resolution or minutes of the respective Member's Board of Directors meeting to the Secretary of the Authority.

ARTICLE VII OFFICERS AND ADMINISTRATION

7.1 Officers. The Officers of the Board of Directors will include a Chair, Vice Chair, the Secretary, and the Treasurer. The Chair and Vice Chair shall be selected at the initial meeting of the Board of Directors or as soon thereafter as reasonably can be accomplished. The Secretary, and Treasurer may be the same person, persons, entity, or entities.

- (a) Chair and Vice Chair. Any Director may serve as the Chair. The Vice Chair, who shall also be a Director, shall serve in the absence of the Chair. In the absence of both the Chair and Vice Chair, a meeting may be led by an Acting Chair, selected on an ad hoc basis, who is a Director or Alternate Director of the Board of Directors.

The positions of Chair and Vice Chair shall rotate among the GSA Representative and GSA Group Representatives listed in Exhibit "B" on the Board of Directors on an annual basis according to alphabetical order,

by name of the GSA or GSA Group, with the first rotation beginning on the date the first Chair is selected. The schedule for annual rotation of Chair and Vice Chair will be set at the first meeting after the Chair is appointed and reviewed and rotated annually at the first meeting of the Fiscal Year. Any GSA Representative or GSA Group Representative may waive designation as Chair. In such a case, the office of Chair would rotate to the next designated GSA Representative or GSA Group Representative.

- (b) Secretary. Pursuant to Article 6.7(b) above, by unanimous vote of Board of Directors (i.e. all seven (7) Directors), the Board of Directors shall select a Secretary to carry out the functions described in this Article 7.1(b), to serve at the pleasure of the Board of Directors. The Secretary may, but need not, be a Member of the Authority.

With approval of the appointee through a simple majority vote of the Board of Directors (i.e. at least four (4) Directors), the Secretary may select an appointee (who may be staff or a consultant contracting with the Authority) to implement the Secretary's responsibilities under this Agreement, for example, to coordinate meetings; prepare agendas; circulate notices and agendas; provide written notice to all Members that the Board of Directors has made a recommendation requiring approval by the Members; prepare and maintain minutes of meetings of the Board of Directors; receive notices on behalf of the Board of Directors and call to the Board of Directors' attention the need for responding; and provide such other assistance in coordination as may be appropriate.

The Secretary shall assume primary responsibility for Ralph M. Brown Act compliance, including without limitation, the responsibility to prepare agendas and notices, publicly post and distribute agendas to all Directors and Alternate Directors, the Members, and any other person who requests, in writing, such notices. The agenda shall be of adequate detail to inform the public and the Members of the meeting and the matters to be transacted or discussed and shall be posted in a public location and distributed to each of the Members to this Agreement in compliance with the noticing requirements of the Ralph M. Brown Act.

- (c) Treasurer. Pursuant to Article 6.7(b) above, by unanimous vote of Board of Directors (i.e. all seven (7) Directors), the Board of Directors shall select a Treasurer to carry out the functions described in this Article 7.1(c), to serve at the pleasure of the Board of Directors. The Treasurer may, but need not, be a Member of the Authority. If the Treasurer is a Member of the Authority, said Member may be reimbursed for the cost services performed as Treasurer. The Treasurer shall have custody of all of the money of the Authority from whatever source, and shall have the duties and obligations of the Treasurer as set forth in Government Code sections 6505 and 6505.5. The Treasurer shall be authorized to expend funds upon authorization of the Board of Directors as described in this Agreement. The Treasurer shall be

responsible for receiving quarterly reports from the Secretary and verifying the balance of this report with respect to the balance as identified in the audited financial statements. The Treasurer shall be responsible for providing the financial report at each Board of Directors meeting.

In addition, the Treasurer shall be responsible for financial management services to the Authority, including but not limited to holding financial contributions made in accordance with the Participation Percentages, accounting for funds, reports as requested by the Board of Directors concerning funds held, and disbursing said funds for authorized purposes. The Treasurer shall bill the GSAs or GSA Groups, as applicable, for all Coordinated Plan Expenses based upon their respective Participation Percentages.

The Treasurer shall maintain a strict accountability of all funds contributed pursuant to this Agreement. The Treasurer shall establish and maintain such accounts to provide for segregation of funds as may be required by good accounting practices. The books and records of the Treasurer pertaining to funds held and expended pursuant to this Agreement shall be open to inspection at reasonable times by any Member that has made a contribution. The Treasurer shall provide an unaudited report of all financial activities for each Fiscal Year to each Member that has made a contribution during that Fiscal Year within sixty (60) days after the close of each Fiscal Year.

7.2 Officers in Charge of Records; Funds; and Accounts. Pursuant to Government Code section 6505.1, the Treasurer shall initially have charge of, handle and have access to all accounts, funds and money of the Authority and all records of the Authority related thereto; and the Secretary shall initially have charge, handle and have access to all other records of the Authority. The Board of Directors may designate a consultant or a Member, by unanimous vote pursuant to Article 6.7(b) above, to serve as the person or persons having access to property of the Authority, and shall require such person or persons to file an official bond in an amount to be fixed by the Board of Directors.

7.3 Plan Manager. Pursuant to a simple majority vote (i.e. at least four (4) Directors), the Board of Directors shall select a Plan Manager, who may be a consultant of the Authority or a representative of a Member, who shall serve as the point of contact for DWR and the State Water Board, as specified by SGMA.

The Plan Manager shall carry out the duties of a “plan manager” as provided in Title 23, division 2, Chapter 1.5, Subchapter 2, California Code of Regulations. The Plan Manager has no authority to make policy decisions or represent the Board of Directors without the specific direction of the Board of Directors. The Plan Manager is obligated to disclose all substantive communications he/she transmits and receives in his/her capacity as Plan Manager to the Board of Directors.

7.4 Employees and Consultants. The Authority may hire employees and consultants, including an executive director, engineers, hydrogeologists, accountants, public relations firms, and attorneys, to provide services to the Authority to accomplish the purposes of the Authority.

7.5 Management. In addition to, or in lieu of, hiring employees, the Authority may engage one or more third parties to manage any or all of the business of the Authority on terms and conditions acceptable to the Board of Directors. A third party so engaged may, but need not, be a Member of this Agreement. Any third party so engaged shall have such responsibilities as are set forth in the contract for such third party's services.

ARTICLE VIII MEETINGS

8.1 Timing and Notice. The Chair of the Board of Directors, any two GSA Representatives or GSA Group Representatives, or the Secretary may call meetings of the Board of Directors as needed to carry out the activities described in this Agreement. The Board of Directors may, but is not required to, set a date for regular meetings for the purposes described in this Agreement. All Board of Directors meetings shall be held in compliance with the Ralph M. Brown Act (Gov. Code § 54950, *et seq.*).

8.2 Quorum. A majority of the seven (7)-member Board of Directors shall constitute a quorum of the Board of Directors for purposes of holding a meeting. The Alternate Director of each GSA or GSA Group shall be counted towards a quorum and as the voting representative(s) in absence of the Director for that GSA Representative or GSA Group Representative for which the Alternate Director was appointed. If less than a quorum of the Board of Directors is present, no action may be taken.

8.3 Open Attendance. Members of the public, stakeholders, and representatives of the Members who are not appointed as a GSA Representative or GSA Group Representative on the Authority's Board of Directors may attend all Board of Directors meetings and shall be provided with an opportunity to comment on matters on the meeting agenda, but shall have no vote.

8.4 Committees. The Board of Directors may appoint ad hoc or standing committees, workgroups, or otherwise direct staff made available by the Members as provided for in Section 6.7. Such committees or workgroups may include qualified individuals possessing the knowledge and expertise to advance the goals of the GSP on the topics being addressed by the committee, whether or not such individuals are Directors or Members.

8.5 Minutes. The Secretary or its appointee shall keep and prepare minutes of all Board of Directors meetings. Minutes of standing committee meetings shall be kept by the Secretary or its appointee. All minutes shall be maintained by the Secretary as Subbasin records and shall be available to the Members and the public upon request.

8.6 Bylaws. The Board of Directors may adopt bylaws and governing regulations consistent with this Agreement, which may be amended from time to time, for the conduct of its meetings as are necessary for the purposes hereof.

ARTICLE IX
FISCAL YEAR, BUDGET, AND FINANCIAL RESPONSIBILITIES

9.1 Fiscal Year. The Fiscal Year of the Authority shall be from March 1 through the last day in February the following year.

9.2 Budget. The Board of Directors shall establish an annual budget for the activities authorized by this Agreement. The budget must describe the amounts that the Board of Directors anticipates are required for purposes of the Agreement during each Fiscal Year.

- (a) The Authority shall not make expenditures or incur liabilities exceeding the amount of the appropriations allowed by the Authority's budget.
- (b) The Authority may amend the annual budget as needed subject to the provisions in Article 6 of this Agreement.

9.3 Participation Percentages. The Members will share the Coordinated Plan Expenses for Subbasin-wide Activities pursuant to the Participation Percentages described in Exhibit "B". Each GSA or GSA Group, as applicable, shall pay their share of the Participation Percentage as reflected in Exhibit "B", and make Participation Percentage contributions required pursuant to this Agreement directly to the Treasurer or his/her designee. Payment is due from each GSA thirty (30) days following receipt of the invoice. Amounts in arrears for more than thirty (30) days shall earn interest at the applicable legal rate.

9.4 Member Obligations and GSP Implementation. It is the responsibility and obligation of each Member of the Authority to manage its own GSA and implement the GSP within its GSA's boundaries. It is further the responsibility and obligation of each GSA or GSA Group, as applicable, to pay its share of the Participation Percentage as reflected in Exhibit "B", and other payments required as part of implementation of SGMA Subbasin-wide Activities, as may arise from time to time. Each of the Members shall bear its own separate costs of implementing SGMA within its jurisdiction.

9.5 Special Project Agreements. Upon approval of a majority of the Board of Directors, the Authority may enter into an agreement with any of its Members, or multiple Members, for the purpose of implementing SGMA within the Subbasin. However, any such Special Project Agreement shall require those Members entering into said agreement with the Authority be solely responsible for the costs and liabilities therein. Members who are not a party to a Special Project Agreement shall have no financial obligations or liabilities associated with the implementation of said agreement.

ARTICLE X
ADDITION AND WITHDRAWAL OF MEMBER; TERMINATION OF AUTHORITY

10.1 Addition of a Member. A Member may be added to this Agreement only upon the unanimous vote of the Board of Directors at a regular or special meeting, the prospective Member's execution of a counterpart of this Agreement, and its provision of any additional documentation required by this Agreement. No Member may be added that is not a GSA within the Subbasin or that fails to share in the Coordinated Plan Expenses.

10.2 Withdrawal. A Member may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon one (1) year written notice to the Secretary and all other Members.

10.3 Effect of Withdrawal. Any Member who withdraws shall remain obligated for Coordinated Plan Expenses. If no separate Cost Sharing Agreement is then in effect or enforceable against the withdrawing Member, the Member is obligated to pay its share of all debts, liabilities, and obligations the Member incurred or accrued under this Agreement prior to the effective date of such withdrawal, within one (1) year after providing written notice to the Secretary and all other Members of the date of withdrawal. Upon withdrawal, a Member agrees that it has a continuing obligation to comply with SGMA and any coordination guidelines and regulations issued by DWR, which require a coordination agreement if there are multiple groundwater sustainability plans in the Subbasin. This obligation shall survive the withdrawal from this Agreement and is for the express benefit of the remaining Members.

10.4 Termination of the Authority. The Authority shall be formed and come into existence on the Effective Date and shall continue in existence unless terminated by a vote of the governing body of each of the Members then a party to this Agreement or at any point in time at which there ceases to be at least two (2) Members to this Agreement, at which time this Agreement shall be automatically terminated; provided however, that the Authority and this Agreement shall continue to exist for the purpose of disposing of liabilities (“Authority Liabilities”) and distributing funds, property, and other assets (“Authority Assets”), and all other functions necessary to conclude the business of the Authority.

- (a) Except as provided in this Article 10.4, this Agreement shall remain in effect and be binding upon the Members hereto and upon all subsequent Members joining herein for such a period as the Authority desires to engage in any activities under this Agreement. Except as noted in Article 10.4 above, the foregoing provision shall not apply, however, to any Member that withdraws from its participation in the Authority in accordance with this Agreement.
- (b) Upon termination of this Agreement, after payment of all Authority Liabilities, any Authority Assets remaining shall be distributed to the Members of the Authority at the time of dissolution in accordance with applicable contributions. The Authority shall cease to exist when the Authority’s Liabilities are paid and Authority Assets have been distributed according to the provisions contained in this Section, this Agreement generally, and the Act.

ARTICLE XI EXCHANGE OF DATA AND INFORMATION

11.1 Exchange of Data and Information. The Members acknowledge and recognize pursuant to this Agreement that the Members will need to exchange data and information among and between the Members.

11.2 Procedure for Exchange of Data and Information.

- (a) The Members shall exchange public and non-privileged information through collaboration and/or informal requests made at the Board of Directors level or through committees designated by the Board of Directors. However, to the extent it is necessary to make a written request for information to another Member, each Member shall designate a representative to respond to information requests and provide the name and contact information of the designee to the Board of Directors. Requests may be communicated in writing and transmitted in person or by mail, facsimile, or other electronic means to the appropriate representative as named in this Agreement. The designated representative shall respond in a reasonably timely manner.
- (b) Nothing in this Agreement shall be construed to prohibit any Member from voluntarily exchanging information with any other Member by any other mechanism separate from the Board of Directors.
- (c) The Members agree that each GSA shall provide the data required to develop the Subbasin-wide coordinated monitoring network, data management system, and water budget, as more particularly described in the MOA and GSP.
- (d) To the extent that a court order, subpoena, or the California Public Records Act is applicable to a Member, such Member in responding to a request made pursuant to the California Public Records Act for release of information exchanged from another Member shall timely notify the Board of Directors in writing of its proposed release of information in order to provide the other Members with the opportunity to seek a court order preventing such release of information.

ARTICLE XII SEPARATE ENTITY; INDEMNIFICATION

12.1 Separate Entity. In accordance with the Act, the Authority is a public entity separate from the Members. To the greatest extent permitted by law, unless otherwise specifically agreed to herein by all the Members as to a specific debt, liability or obligation, the debts, liabilities and obligations of the Authority shall not be the debts, liabilities or obligations of the Members under Government Code section 6508.1. The Authority shall own and hold title to all funds, property and works acquired by it during the term of this Agreement.

12.2 Indemnification. No Member has the power to obligate any other Member hereto and no Member's debt, liability or obligation due any third party may be asserted or collected against the Authority or any individual Member as a result of membership in the Authority through this Agreement. The Authority shall indemnify, defend, and hold harmless the Members, their officers, agents, directors, and employees, from and against any and all claims and losses

whatsoever, occurring or resulting to persons, firms, or entities furnishing or supplying work, services, labor, materials or supplies to the Authority in connection with the performance of this Agreement and, except as expressly provided for by law, from any and all claims and losses accruing or resulting to any persons, firm or entity for damage, injury, or death arising out of or in connection with the Authority's performance of its obligations pursuant to this Agreement. The Authority may also acquire such policies of insurance, including without limitation, directors and officers liability insurance, in such amounts as the Board of Directors shall deem prudent. The Board of Directors, officers, agents, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers, and in the performance of their duties pursuant to this Agreement. The Board of Directors shall not be liable to the Members of this Agreement for any mistake of judgment or any other action made, taken, or omitted by any agent, employee, or independent contractor selected with reasonable care, nor for loss incurred through the investment of Authority funds or failure to invest same. To the extent authorized by California law, no Director, officer or employee of the Authority shall be responsible for any action made, taken, or omitted by any other Director, officer or employee. Furthermore, each Member shall indemnify, defend, and save harmless the other Members, their officers, agents, directors, and employees, from and against any and all claims of negligence and/or willful misconduct by the indemnifying Member in performance of this Agreement.

ARTICLE XIII PROCEDURES FOR RESOLVING CONFLICTS

In the event of any dispute arising from or relating to this Agreement, except for disputes arising from the inability of the Board of Directors to reach a unanimous decision, the disputing Member shall, within thirty (30) calendar days of discovery of the events giving rise to the dispute, notify all Members of this Agreement in writing of the basis for the dispute. Within thirty (30) calendar days of receipt of said notice, all interested Members shall meet and confer in a good-faith attempt to informally resolve the dispute. All disputes that are not resolved informally shall be submitted to arbitration. Within ten (10) days following the failed informal proceedings, each interested Member shall nominate and circulate to all other interested Members the name of one arbitrator. Within ten (10) days following the nominations, the interested Members shall rank their top three (3) among all nominated arbitrators, awarding three points to the top choice, two points to the second choice, one point to the third choice and zero points to all others. Each interested Member shall forward its tally to the Secretary, who shall tabulate the points and notify the interested Members of the arbitrator with the highest cumulative score, who shall be the selected arbitrator. The Secretary may also develop procedures for approval by the Members, for selection in the case of tie votes or in order to replace the selected arbitrator in the event such arbitrator declines to act. The arbitration shall be administered in accordance with the procedures set forth in the California Code of Civil Procedure, section 1280, *et seq.*, and of any state or local rules then in effect for arbitration pursuant to said section. Upon completion of arbitration, if the controversy has not been resolved, any Member may exercise all rights to bring a legal action relating to the controversy.

**ARTICLE XIV
MISCELLANEOUS**

14.1 Amendments. This Agreement may not be amended except by a written amendment signed by all of the Members.

14.2 Entire Agreement. This Agreement (including the Recitals) constitutes the entire Agreement between the Members and supersedes prior agreements or discussions relating to the matters set forth herein, if any, both written and oral.

14.3 Assignment; Binding on Successors. Except as otherwise provided in this Agreement, the rights and duties of the Members may not be assigned or delegated without the express written consent of the other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement is null and void. Any approved assignment or delegation must be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Members under this Agreement then in effect. This Agreement inures to the benefit of, and shall be binding upon, the successors and permitted assigns of the Members.

14.4 Counterparts. This Agreement may be executed by the Members in separate counterparts, each of which when so executed and delivered is an original, but all such counterparts together constitute the same instrument.

14.5 Governing Law and Venue. This Agreement is governed by the laws of the State of California. Venue for the purposes of filing any action regarding the enforcement or interpretation of this Agreement and any rights and duties hereunder shall be Merced County, California.

14.6 Severability. If any part of this Agreement is held by a court of competent jurisdiction to be unlawful, invalid, or unenforceable, the remainder of the Agreement remains in effect and the Members shall make best efforts to replace the unlawful, invalid, or unenforceable part of the Agreement with terms to accomplish the Members' original intent.

14.7 Headings. The titles of sections of this Agreement are for convenience only and no presumption or implication of the intent of the Members as to the construction of this Agreement shall be drawn from them.

14.8 Construction. The final form of this Agreement is the result of the Members' combined efforts. If anything in this Agreement is found by a court of competent jurisdiction to be ambiguous, that ambiguity is not to be resolved by construing the terms of this Agreement against the drafter.

14.9 Notices. Notices authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the addresses submitted by each Member to the Authority's Secretary, or to such other changed addresses communicated to the Authority's Secretary and the Members in writing. For all claims arising from or related to this agreement, nothing in this agreement establishes, waives, or modifies any claims presentation requirements or procedures

provided by law, including the Government Claims Act (Division 3.6 or Title 1 of the Government Code, beginning with section 810).

14.10 Signature Authorization. Each Member represents that the representative executing this Agreement on its behalf has been duly authorized to execute the Agreement on behalf of the Member.

IN WITNESS WHEREOF, the Members have executed this Agreement on the dates indicated next to the signatures attached to this Agreement to be made effective as of the Effective Date.

Dated: _____

ALISO WATER DISTRICT GSA

Print Name: _____

Print Title: _____

Dated: _____

CENTRAL DELTA-MENDOTA GSA

Print Name: _____

Print Title: _____

Dated: _____

CITY OF DOS PALOS GSA

Print Name: _____

Print Title: _____

Dated: _____

CITY OF FIREBAUGH GSA

Print Name: _____

Print Title: _____

Dated: _____

CITY OF GUSTINE GSA

Print Name: _____

Print Title: _____

Dated: _____

CITY OF LOS BANOS GSA

Print Name: _____

Print Title: _____

Dated: _____

CITY OF MENDOTA GSA

Print Name: _____

Print Title: _____

Dated: _____

CITY OF NEWMAN GSA

Print Name: _____

Print Title: _____

Dated: _____

CITY OF PATTERSON GSA

Print Name: _____

Print Title: _____

Dated: _____

COUNTY OF MADERA GSA – DELTA-MENDOTA

Print Name: _____

Print Title: _____

Dated: _____

COUNTY OF MERCED DELTA-MENDOTA GSA

Print Name: _____

Print Title: _____

Dated: _____

DM II GSA

Print Name: _____

Print Title: _____

Dated: _____

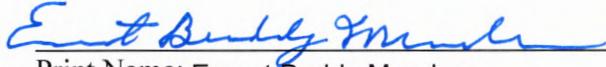
FARMERS WATER DISTRICT GSA

Print Name: _____

Print Title: _____

Dated: 11-18-2025

FRESNO COUNTY MANAGEMENT AREA A
GSA



Print Name: Ernest Buddy Mendes
Print Title: Chairman of the Board of Supervisors
of the County of Fresno

Dated: 11-18-2025

FRESNO COUNTY MANAGEMENT AREA B
GSA



Print Name: Ernest Buddy Mendes
Print Title: Chairman of the Board of Supervisors
of the County of Fresno

Dated: _____

GRASSLAND GSA

Print Name: _____

Print Title: _____

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

By  Deputy

Dated: _____

NORTHWESTERN DELTA-MENDOTA GSA
STANISLAUS COUNTY

Print Name: _____
Print Title: _____

APPROVED AS TO FORM

By: _____

MERCED COUNTY

Print Name: _____
Print Title: _____

APPROVED AS TO FORM

By: _____

Dated: _____

ORO LOMA WATER DISTRICT GSA

Print Name: _____
Print Title: _____

Dated: _____

PATTERSON IRRIGATION DISTRICT GSA

Print Name: _____
Print Title: _____

Dated: _____

SAN JOAQUIN RIVER EXCHANGE
CONTRACTORS WATER AUTHORITY GSA

Print Name: _____
Print Title: _____

Dated: _____

TURNER ISLAND WATER DISTRICT-2 GSA

Print Name: _____

Print Title: _____

Dated: _____

WEST STANISLAUS IRRIGATION DISTRICT
GSA 1

Print Name: _____

Print Title: _____

Dated: _____

WIDREN WATER DISTRICT GSA

Print Name: _____

Print Title: _____

EXHIBIT A

LIST OF MEMBERS

1. Aliso Water District GSA
2. Central Delta-Mendota GSA
(Includes: San Luis Water District, Panoche Water District, Tranquillity Irrigation District, Fresno Slough Water District, Eagle Field Water District, Pacheco Water District, Santa Nella County Water District, Mercy Springs Water District, County of Merced, and County of Fresno)
3. City of Dos Palos GSA
4. City of Firebaugh GSA
5. City of Gustine GSA
6. City of Los Banos GSA
7. City of Mendota GSA
8. City of Newman GSA
9. City of Patterson GSA
10. County of Madera GSA – Delta-Mendota
11. County of Merced Delta-Mendota GSA
12. DM II GSA
13. Farmers Water District GSA
14. Fresno County Management Area A GSA
15. Fresno County Management Area B GSA
16. Grassland GSA
17. Northwestern Delta-Mendota GSA
18. Oro Loma Water District GSA
19. Patterson Irrigation District GSA
20. San Joaquin River Exchange Contractors GSA
(Includes: Central California Irrigation District, San Luis Canal Company, Firebaugh Canal Water District, and Columbia Canal Company)
21. Turner Island Water District–2 GSA
22. West Stanislaus Irrigation District GSA 1
23. Widren Water District GSA

EXHIBIT B

BOARD OF DIRECTORS REPRESENTATIVES & PARTICIPATION PERCENTAGES

Board of Directors Representatives (alphabetically)		Group Contact Agency	Participation Percentage
1	Aliso Water District GSA Aliso Water District GSA	Aliso Water District GSA	1/7
2	Central Delta-Mendota GSAs Group Central Delta-Mendota GSA Oro Loma Water District GSA Widren Water District GSA	Central Delta-Mendota GSA	1/7
3	Farmers Water District GSA Farmers Water District GSA	Farmers Water District GSA	1/7
4	Fresno County Management Area A and B GSAs Group Fresno County Management Area A GSA Fresno County Management Area B GSA	Fresno County	1/7
5	Grassland GSAs Group Grassland GSA Merced County Delta-Mendota GSA	Grassland Water District	1/7
6	Northern Delta-Mendota GSAs Group City of Patterson GSA DM-II GSA Northwestern Delta-Mendota GSA Patterson Irrigation District GSA West Stanislaus Irrigation District GSA	West Stanislaus Irrigation District	1/7
7	San Joaquin River Exchange Contractors GSAs Group City of Dos Palos GSA City of Firebaugh GSA City of Gustine GSA City of Los Banos GSA City of Mendota GSA City of Newman GSA County of Madera GSA – Delta-Mendota Merced County Delta-Mendota GSA San Joaquin River Exchange Contractors GSA Turner Island Water District-2 GSA	San Joaquin River Exchange Contractors GSA	1/7