

Appendix D
Memorandum of
Understanding with the
San Joaquin River
Exchange Contractors

**FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING
BETWEEN THE COUNTY OF FRESNO AND THE SAN JOAQUIN RIVER
EXCHANGE CONTRACTORS WATER AUTHORITY WITH RESPECT TO
IMPLEMENTATION OF THE SUSTAINABLE GROUNDWATER MANAGEMENT
ACT IN A PORTION OF THE DELTA – MENDOTA SUBBASIN**

This First Amendment to the Memorandum of Understanding Between the County of Fresno and the San Joaquin River Exchange Contractors Water Authority (“Authority”) With Respect to Implementation of the Sustainable Groundwater Management Act in a Portion of the Delta – Mendota Subbasin (“First Amendment”) is entered by and among the County of Fresno (“County”) and the San Joaquin River Exchange Contractors Groundwater Sustainability Agency (“Agency”), and is made with reference to the following:

RECITALS:

- A. On March 15, 2016, the County and Authority entered into the Memorandum of Understanding Between the County of Fresno and the San Joaquin River Exchange Contractors Water Authority with Respect to Implementation of the Sustainable Groundwater Management Act in a Portion of the Delta – Mendota Subbasin (“MOU”) for the purpose of coordinating operations with respect to implementing the Sustainable Groundwater Management Act (“SGMA”) in order to achieve sustainable groundwater management and avoid conflicts between the Authority’s implementation of SGMA and the County’s land use planning authorities.
- B. On September 28, 2017, the Governor signed into law SB 372, creating the San Joaquin River Exchange Contractors Groundwater Sustainability Agency (“Agency”). Pursuant to SB-372, the Agency is the successor in interest to the Authority for all purposes related to SGMA, including the rights and responsibilities of the MOU, and is the exclusive Groundwater Sustainability Agency (“GSA”) empowered to implement and enforce SGMA within the Agency’s GSA boundary. The Agency’s SGMA GSA boundary is designated in the interactive GSA map maintained by the California Department of Water Resources.
- C. Within the exterior boundary of the Agency there exist islands of areas managed by Fresno County GSA Management Area “B”. For purposes of this First Amendment, such areas shall be referred to as the “County Islands.”
- D. The purpose of this First Amendment is to coordinate SGMA implementation and enforcement, including without limitation, the establishment of monitoring protocols and data exchange, fee recovery and enforcement mechanisms, applicable to the County Islands.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS.

1. Territory Subject to the Terms of this First Amendment. The County Islands subject to the terms and conditions of this First Amendment are described and depicted in Exhibit A attached hereto and incorporated herein by this reference.
2. Monitoring Network and Locations. In the opinion of the Agency, the current groundwater monitoring network existing within the County Islands meets the requirements 23 CCR § 354.34. In order to satisfy SGMA requirements, the parties agree:
 - a. The County shall ensure that:
 - i. With respect to monitoring locations existing as of the date of execution of this Agreement, the County shall either provide monitoring data it has available from each such location requested by the Agency; or provide year-round legal access to the Agency for each such location.
 - ii. With respect to monitoring locations to be developed by the County after the date of execution of this Agreement, the Agency shall possess year-round legal access to each monitoring location to collect data for the GSP.
 - b. If, at any time, a professionally licensed engineer/ hydrogeologist retained by the Agency determines that the groundwater monitoring network existing within the County Islands does not satisfy the requirements of 23 CCR § 354.34, the Agency shall be authorized improve the monitoring network to comply with SGMA. The Agency shall notify the County of the anticipated costs and expenses of the improvement prior to taking any action to improve the monitoring network to comply with SGMA. All reasonable costs of improvements to the monitoring network within the County Islands shall be borne by the County.
3. Establishment of Monitoring Protocols. The Groundwater Sustainability Plans established for the County Islands shall establish Groundwater monitoring protocols consistent with 23 CCR § 352.2. The Agency shall perform all testing and monitoring within the County Islands in accordance with established protocols. The costs of such testing and monitoring shall be considered a “cost of implementing SGMA” and be borne by the County in accordance with the cost allocation provisions of Section 7 of this First Amendment.
 - a. *Additional Monitoring Information.* The County is permitted to collect and report information in addition to the testing and monitoring performed by the Agency. Such categories of information may include, without limitation:

- i. Quantity, quality, and duration of surface water deliveries.
- 4. Data Exchange. Any data collected by the County with respect to SGMA implementation in the County islands shall be provided to the Agency as soon as practicable in a form compatible with the Agency's Data Management System (DMS). Similarly, any data obtained by the Agency with respect to SGMA implementation in the County islands shall be provided to the County as soon as practicable in a form compatible with the County's Data Management System (DMS).
- 5. Agency to Prepare Groundwater Sustainability Plan Applicable to County Islands. The Agency intends to develop the Groundwater Sustainability Plan (GSP) for lands within the Agency territory. The County and Agency desire that the Agency GSP be adopted, implemented, and enforced by the County within the County Islands.
 - a. *Necessary Terms of Agency GSP For the County Islands:*
 - i. The Agency GSP shall assign a discrete chapter to the County Islands within each Agency Management Area (collectively hereafter, the "County Island GSPs").
 - ii. The GSP chapter for the County Islands shall include, without limitation, the necessary "Plan Contents" set forth in Article 5 of Subchapter 2 of Chapter 1.5 of Division 2 of Title 23 of the California Code of Regulations.
- 6. County to Adopt and Enforce County Island GSPs.
 - a. County shall adopt the 'County Island' portions of the Agency GSP for the territories designated therein. County shall comply with the requirements of Water Code section 10728.4, including the noticing and convening of the required public hearing prior to adoption of the County Island GSPs.
 - b. The County shall exercise, or cause to be exercised the 'Powers and Authorities' described in Chapter 5 of Part 2.74 of Division 6 of the California Water Code (§ 10725 *et.seq.*) necessary to implement and enforce the County Islands.
 - c. The County shall adopt rules and regulations, by ordinance or resolution, or both as appropriate, for the purpose of implementing and enforcing the County Island GSPs in accordance with SGMA. Such rules and regulations may be, at the County's option, modeled upon the rules and regulations adopted by the Agency for SGMA implementation within Agency territory, or unique rules and regulations

which provide for implementation and enforcement of the County Island GSPs in accordance with their terms.

7. Compensation to Agency For Development of County Island GSPs and SGMA Implementation.

a. County agrees to reimburse the Agency for costs incurred by the Agency to develop and update the Agency GSP including the County Islands.

i. The precise cost attributable to the development of the Agency GSP will be impossible to discern. As a result, the parties agree to calculate such costs on the basis of acreage covered by the County Island GSP in proportion to remaining acreage covered by the Agency GSP. By way of example, in the event the GSP adopted by the Exchange Contractors covers 10,000 acres total, and the area covered by the County Island GSPs totals 500 acres, County shall pay the Agency five percent (5%) of the total costs of developing the Agency GSP.

b. County Agrees to reimburse the Agency for the costs incurred by the Agency in implementing SGMA within the County Islands.

i. Such costs of implementing SGMA shall be set forth in the County Island GSP and shall include, without limitation, the costs of testing and monitoring conducted by the Agency within the County Islands.

ii. The precise costs incurred by the Agency attributable to implementing SGMA within the County Islands will be impossible to discern. As a result, the costs of implementation shall be borne in accordance with the proportionality provisions set forth in Section 7.a above.

c. Cost Estimates.

i. Upon execution of this First Amendment, the Agency will develop a work plan and estimated costs to annually monitor & manage groundwater and develop the GSP and shall provide such estimate to County upon completion.


9. Except as modified by this First Amendment, the MOU remains in full force and effect.

10. The Agency is the successor in interest to the San Joaquin River Exchange Contractors Water Authority for SGMA related purposes, and assumes the rights and responsibilities of the original Memorandum of Understanding and this First Amendment.

11. Each party represents and warrants to the other that the person who signs this First Amendment on its behalf is duly authorized to execute this First Amendment and to legally bind the party on whose behalf he or she signs.

The parties are signing this First Amendment on the dates written below their respective signatures.

**SAN JOAQUIN RIVER EXCHANGE CONTRACTORS
GROUNDWATER SUSTAINABILITY AGENCY:**

By: 
Board President

Date: 11/3/17

ATTEST:

Date: 11/3/17 
Secretary to the Board

COUNTY OF FRESNO:

By: 

Date: December 12, 2017

ATTEST:


Date: December 12, 2017 
Secretary to the Board

Exhibit "A" Location Map

