

**FUNDING AGREEMENT
FOR THE LOS OSOS BASIN MANAGEMENT COMMITTEE BUDGET**

This Funding Agreement for the Los Osos Basin Management Committee Budget (Agreement) is made this ____ day of _____, 2016 by and between the County of San Luis Obispo (County) and the San Luis Obispo County Flood Control and Water Conservation District (District).

A. **WHEREAS**, on October 14, 2015, Judge Martin J. Tangeman of the San Luis Obispo Superior Court signed an order approving the Stipulated Judgment and Basin Plan in *Los Osos Community Services District v. Golden State Water Company, et al.* (CV 040126); and

B. **WHEREAS**, the Stipulated Judgment creates the Los Osos Basin Management Committee (BMC) to implement the Stipulated Judgment and the Basin Plan and to ensure the Basin Plan's successful implementation; and

C. **WHEREAS**, the Stipulated Judgment contemplates that the administrative costs of the BMC will be funded by a special tax or assessment established by the District within the Basin Plan Area and requires that any alternate funding plan rely on an independent source of revenue; and

D. **WHEREAS**, given that the BMC was only recently formed, no such tax, assessment or alternate funding plan has been established to fund the administrative costs of the BMC; and

E. **WHEREAS**, on January 5, 2016, the BMC Board of Directors adopted the Basin Management Committee Budget for Calendar Year 2016 (2016 Budget), attached hereto as Exhibit A and incorporated herein by this reference, for presentation to the governing bodies of each of the BMC members; and

F. **WHEREAS**, on February 9, 2016, the County Board of Supervisors approved the 2016 Budget; and

G. **WHEREAS**, the 2016 Budget allocates twenty percent (20%) of the costs identified therein to the County; and

H. **WHEREAS**, the District's payment of the County's allocation pending establishment of an independent revenue source is consistent with District efforts to implement its Strategic Plan for local implementation of the Sustainable Groundwater Management Act (Water Code §§ 10720 *et seq.*) throughout the County; and

I. **WHEREAS**, the purpose of this Agreement is to set forth the terms and conditions under which the District will pay the County's cost allocation under the 2016 Budget.

NOW, THEREFORE, the parties agree as follows:

1. Upon receipt of any invoice from the BMC for the County's twenty percent (20%) share of the costs identified in the 2016 Budget or any portion thereof, the County shall review and forward such invoice to the District provided that the County has determined that the invoiced costs are consistent with the 2016 Budget.

2. Upon receipt of any invoice from the County in accordance with the process described in Paragraph (1), the District shall remit payment to the BMC within thirty (30) days provided that the District shall be under no obligation to pay any portion of the 2016 Budget intended to reimburse the District for costs previously incurred in establishing a zone of the District or a special tax or assessment within said zone.

IN WITNESS WHEREOF, the parties above have executed this Agreement and this Agreement shall become effective on the day and year written above.

**SAN LUIS OBISPO COUNTY
FLOOD CONTROL AND WATER
CONSERVATION DISTRICT**

By: _____
Chairperson of the Board
San Luis Obispo County Flood Control
and Water Conservation District,
State of California

Date: _____

ATTEST:

By: _____
County Clerk and Ex-Officio Clerk
of the Board of Supervisors, San Luis
Obispo County Flood Control and
Water Conservation District,
State of California

Date: _____

**APPROVED AS TO FORM
AND LEGAL EFFECT:**
RITA L. NEAL
County Counsel

By:  _____
Deputy County Counsel

Date: 1-22-2016

COUNTY OF SAN LUIS OBISPO

By: _____
Chairperson of the Board
County of San Luis Obispo,
State of California

Date: _____

ATTEST:

By: _____
County Clerk
County of San Luis Obispo,
State of California

Date: _____

**APPROVED AS TO FORM
AND LEGAL EFFECT:**

RITA L. NEAL
County Counsel

By: _____
Assistant County Counsel

Date: 1.22.2016

EXHIBIT A
BASIN MANAGEMENT COMMITTEE BUDGET FOR CALENDAR YEAR 2016

Exhibit A: Basin Management Committee Budget for Calendar Year 2016			
Item	Description	Cost	Comments
1	Monthly meeting administration, including preparation, staff notes, and attendance	\$50,000	Assumes 20 to 25 hours per month, on average
2	Meeting expenses - facility rent	\$4,000	\$30/hr for non-profit
3	Supporting services, including audio amplification and recording	\$4,000	
4	Legal counsel (special counsel for funding measure)	\$10,000	Normal matters to be handled by BMC member attorneys
5	Semi annual seawater intrusion monitoring	\$12,000	
6	Annual report - not including Year 1 start up costs	\$30,000	Not including services contributed directly from BMC member staff
7	Annual report - Year 1 costs	\$14,000	Equipment, well head surveying, set up
8	Grant writing (outside consultant)	\$12,000	BMC member staff may also contribute to grant efforts
9	Basin boundary definition (CHG only)	\$20,000	Not including County staff time
10	Funding measure including initial feasibility report, final report, and proposition 218 process	\$120,000	
11	Conservation programs (not including member programs)	\$10,000	Bulk of cost will be budgeted by individual BMC members
	Subtotal	\$286,000	
	10% Contingency	\$28,600	
	Total	\$314,600	
	Summary of Allocated Costs to BMC Parties:		
	LOCSD (38%)		\$119,548
	GSWC (38%)		\$119,548
	County of SLO (20%)		\$62,920
	S&T Mutual (4%)		\$12,584