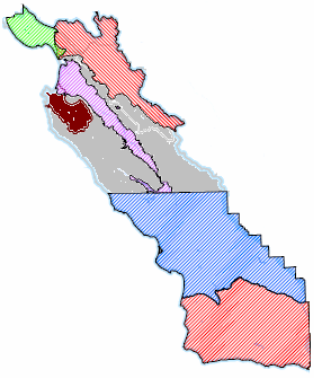


Central Coast Region IRWM

MEMORANDUM OF AGREEMENT
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING AND FUNDING IN THE CENTRAL COAST FUNDING AREA

PARTIES:
This Memorandum of Agreement (MOA) is entered into and is effective as of the date it is executed by all of the Regional Water Management Groups listed below and referred to as "Parties" in this MOA:

1. Santa Cruz Regional Water Management Group comprised of:

- ☐ Central Water District
- ☐ City of Capitola
- ☐ City of Santa Cruz
- ☐ City of Scotts Valley
- ☐ City of Watsonville
- ☐ County of Santa Cruz
- ☐ Santa Cruz County Sanitation District
- ☐ Davenport County Sanitation District
- ☐ Resource Conservation District of Santa Cruz County
- ☐ Scotts Valley Water District
- ☐ Soquel Creek Water District

Hereinafter, the "Santa Cruz Region."

2. Pajaro River Watershed Regional Water Management Group, comprised of:

- ☐ Pajaro Valley Water Management Agency (PVWMA)
- ☐ San Benito County Water District (SBCWD)
- ☐ Santa Clara Valley Water District (SCVWD)

Hereinafter, the "Pajaro Region."

3. Greater Monterey County Regional Water Management Group, comprised of:

- ☐ Big Sur Land Trust
- ☐ California State University Monterey Bay
- ☐ California Water Service Company
- ☐ Castroville Community Services District
- ☐ City of Salinas
- ☐ City of Soledad
- ☐ Elkhorn Slough National Estuarine Research Reserve
- ☐ Environmental Justice Coalition for Water
- ☐ Garrapata Creek Watershed Council
- ☐ Marina Coast Water District
- ☐ Monterey Bay National Marine Sanctuary
- ☐ Monterey County Agricultural Commissioner's Office
- ☐ Monterey County Water Resources Agency
- ☐ Monterey Regional Water Pollution Control Agency
- ☐ Moss Landing Marine Laboratories
- ☐ Resource Conservation District of Monterey County
- ☐ Rural Community Assistance Corporation
- ☐ San Jerardo Cooperative, Inc.

Hereinafter, the "Greater Monterey County Region."

4. Monterey Peninsula, Carmel Bay, and South Monterey Bay Regional Water Management Group, comprised of:

- ☐ Big Sur Land Trust (BSLT)
- ☐ City of Monterey
- ☐ Monterey County Water Resources Agency (MCWRA)
- ☐ Monterey Regional Water Pollution Control Agency (MRWPCA)
- ☐ Monterey Peninsula Water Management District (MPWMD)
- ☐ Marina Coast Water District (MCWD)
- ☐ Resource Conservation District of Monterey County (RCDMC)
- ☐ City of Seaside[1]

Hereinafter, the "Monterey Peninsula Region."

[1] The City of Seaside is proposed to be added to the RWMG.

5. San Luis Obispo County Regional Water Management Group, comprised of:

- ☐ California Men's Colony
- ☐ Cambria Community Services District
- ☐ Central Coast Salmon Enhancement
- ☐ City of Arroyo Grande
- ☐ City of Grover Beach
- ☐ City of Morro Bay
- ☐ City of Paso Robles
- ☐ City of Pismo Beach
- ☐ City of San Luis Obispo
- ☐ Coastal San Luis Resource Conservation District
- ☐ Heritage Ranch Community Services District
- ☐ The Land Conservancy of San Luis Obispo County
- ☐ Los Osos Community Services District
- ☐ Morro Bay National Estuary Program
- ☐ Nipomo Community Services District
- ☐ Oceano Community Services District
- ☐ San Luis Obispo County
- ☐ San Luis Obispo County Flood Control and Water Conservation District
- ☐ San Miguel Community Services District
- ☐ San Simeon Community Services District
- ☐ S&T Mutual Water Company
- ☐ Templeton Community Services District
- ☐ Upper Salinas-Las Tablas Resource Conservation District

Hereinafter, the "San Luis Obispo County Region."

6. Santa Barbara County Regional Water Management Group, comprised of:

- ☐ City of Buellton
- ☐ City of Carpinteria
- ☐ City of Guadalupe
- ☐ City of Goleta
- ☐ City of Lompoc
- ☐ City Santa Barbara

- ☐ City of Santa Maria
- ☐ City of Solvang
- ☐ Cachuma Operation and Maintenance Board (COMB)
- ☐ Central Coast Water Authority (CCWA)
- ☐ Heal the Ocean
- ☐ Casmalia Community Services District (Cuyama CSD)
- ☐ Vandenberg Village Community Services District (VVCSD)
- ☐ Carpinteria Sanitary District (CSD)
- ☐ Goleta Sanitary District (GSD)
- ☐ Goleta West Sanitary District (GWSD)
- ☐ Cachuma Resource Conservation District (RCD) (Independent)
- ☐ Laguna County Sanitation District (Dependent)
- ☐ Santa Barbara County Water Agency (SBCWA) (Dependent)
- ☐ Santa Barbara County Flood Control District (SBCWA) (Dependent)
- ☐ Carpinteria Valley Water District (CVWD)
- ☐ Goleta Water District (GWD)
- ☐ Santa Maria Valley Water Conservation District (SMVWCD)
- ☐ Santa Ynez Community Services District
- ☐ Santa Ynez River Water Conservation District (SYRWCD)
- ☐ Santa Ynez River Water Conservation District, Improvement District 1 (ID #1)

Hereinafter, the "Santa Barbara Region."

RECITALS:

A. The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code, Sections 79700 - 79798) (Act), approved by the voters as Proposition 1, authorizes the Legislature to appropriate funding for competitive grants for Integrated Regional Water Management (IRWM) projects. Funding is administered by the Department of Water Resources (DWR).

B. The intent of the Act is to provide funds for projects that are included in an adopted IRWM Plan consistent with Part 2.2 (commencing with Water Code Section 10530) of Division 6, and respond to climate change and contribute to regional water security. In order to improve regional water self-reliance security and adapt to the effects on water supply arising out of climate change, projects funded under the Act are to:

(a) Help water infrastructure systems adapt to climate change.

(b) Provide incentives for water agencies throughout each watershed to collaborate in managing the region's water resources and setting regional priorities for water infrastructure.

(c) Improve regional water self-reliance.

C. The Regional Water Management Groups in the Santa Cruz Region, the Pajaro Region, the Greater Monterey County Region, the Monterey Peninsula Region, the San Luis Obispo County Region, and the Santa Barbara Region comprise the six Parties. The boundaries of each Region are shown in **Attachment A.**

D. The primary intent of the six Parties to this MOA is to share future Proposition 1 funding for the IRWM grant program among the six Parties in a fair and equitable manner. Each Party will independently determine and prioritize projects to be funded within its Planning Region consistent with the legislative intent for a competitive grant program. This MOA is also intended to reduce the need for the Parties to compete against each other for grant funds, which creates unnecessary economic inefficiencies in implementing each Planning Region's IRWM Plan.

E. DWR may establish standards to guide the selection and funding of IRWM projects within the Funding Area. Project selection for funding will be consistent with Water Code section

79742.

F. Each Party has an accepted IRWM Plan and desires close coordination to enhance the quality of planning, identify opportunities for supporting common goals and projects, and improve water supply reliability, water quality, and environmental stewardship to meet current and future needs in each Planning Region. The Parties will coordinate and work with their advisory groups to identify projects of value across or within Planning Regions, identify funding for highly ranked projects, and support implementation.

G. The Parties each desire to retain autonomous control over how funds are allocated within their respective regions, but recognize the potential to improve inter-regional cooperation and efficiency. Since 2005, the Parties have worked to improve the IRWM planning process in the Funding Area, to coordinate planning across Planning Region lines, and to facilitate the distribution of funding for IRWM projects by DWR within the Funding Area.

H. The Parties will coordinate on grant funding requests by each of the Parties to ensure that the sum of the total grant requests from the Funding Area does not exceed the amount allocated to the Funding Area.

NOW, THEREFORE, the Parties acknowledge that the above recitals are true and correct and hereby incorporated herein by this reference and further agree as follows:

1. Definitions

The following terms and abbreviations, unless otherwise expressly defined in their context, shall mean:

A. Funding Area – The 12 regions and sub-regions referenced in Water Code section 79744 (a) and allocated a specific amount of funding to support IRWM activities. The Central Coast Funding Area incorporates lands in the Central Coast Regional Water Quality Control Board jurisdiction as of 2004, including portions of the counties of Santa Clara (south of Morgan Hill), San Mateo (southern portion), Santa Cruz, San Benito, Monterey, Kern (small portions), San Luis Obispo, Santa Barbara, Ventura (northern portion).

B. Regional Water Management Group (RWMG) – RWMG means a group in which three or more local agencies, at least two of which have a statutory authority over water supply or

water management, as well as those persons who may be necessary for the development and implementation of an IRWM Plan. An RWMG is the documented leader of IRWM planning and implementation efforts in a Planning Region.

C. Planning Region – The geographic area in which the IRWM regions will conduct their respective coordination and integration of stakeholders, agencies and projects. The boundaries of the six Planning Regions in the Funding Area are shown in Attachment A.

D. Overlap Areas – Identified areas within adjacent Planning Regions that may be part of a common watershed or jurisdictional area within an adjacent Planning Region. Overlap Areas are identified in each respective Planning Region IRWM Plan and should be subject to special coordination and collaboration between adjacent Planning Regions to ensure maximum benefits in each respective Planning Region.

E. **Overlap Projects** – Projects identified in an IRWM Plan as valuable and benefiting from cross boundary (interregional) coordination.

F. Responsible Agency – The Agency designated within each RWMG to represent each Party to this Agreement.

F. IRWM Plan – A comprehensive plan for a defined geographic area, the specific development, content, and adoption of which shall satisfy requirements developed pursuant to this part. At a minimum, an IRWM Plan describes the major water-related objectives and conflicts within a region, considers a broad variety of resource management strategies, identifies the appropriate mix of water demand and supply management alternatives, water quality protections, and environmental stewardship actions to provide long-term, reliable, and high-quality water supply and protect the environment, and identifies disadvantaged communities in the region and takes the water-related needs of those communities into consideration (Water Code §10530 et seq., in particular §10534).

G. Disadvantaged Community (DAC) – a community with an annual median household income that is less than 80 percent of the Statewide annual median household income (Water Code §79505.5).

2. Formula for Sharing Funds

A. The Funding Area has been allocated **$43 million** through Proposition 1 for the IRWM program administered by DWR. This allocation includes the following breakdown:

Program Administration Fee - 7% of Funding Area Total	**$ 3,010,000**
(5% to DWR, 2% for statewide bond costs)	
DAC Funding - 20% of Funding Area Total	**$ 8,600,000**
DAC engagement (non-competitive)	**$ 4,300,000**
DAC project implementation (competitive)	**$ 4,300,000**
Implementation and Planning Grants	**$ 31,390,000**

B. For the purposes of this MOA, the formula for sharing funds among the Parties will be based on the following: one-half (1/2) of funds are equally split among the Parties; one-quarter (1/4) of funds are split based on population percentage of each Planning Region based on 2009-2013 American Census Data; and one-quarter (1/4) of funds are split based on the percentage of area in square miles of each Planning Region. The division of funding shall be consistent with **Attachment B**.

3. General Planning Cooperation

All Planning Regions will meet prior to providing feedback to DWR on Proposed Guidelines for the IRWM Program and before submitting applications for grant funding from DWR. The number of meetings will depend on the amount and intensity of planning and coordination efforts of the Planning Regions. The purpose of these meetings will be to enhance the quality of planning, identify opportunities for supporting common goals and projects, and to improve integrated water management efforts in the Funding Area. The planning efforts will support integration and coordination across Planning Regions.

4. Coordination of Submittals and Applications

Each Planning Region should contain a reference to this MOA in each grant application submittal to the IRWM grant program.

5. Common Programs

Common programs found to be of high value for some or all Planning Regions will be identified and considered for high priority placement in the Planning Region's ranking of projects for

funding. These may include programs to address Disadvantaged Community issues, Overlap Projects, and shared responsibilities for management of watersheds that cross Planning Region boundaries. While each Planning Region will select projects in accordance with its own process, the Planning Regions may cooperate on the implementation of common projects or programs if these efforts are selected for funding.

Each Planning Region is encouraged to invite representatives from the adjoining Planning Regions to participate as a non-voting member in its determinations of projects and programs affecting Overlap Areas. The intent of this section is to promote understanding, communication and coordination between and among Planning Regions.

6. Scope of the Agreement

Nothing contained within this MOA binds the Parties beyond the scope or term of this MOA unless specifically documented in subsequent agreements, amendments or contracts. Moreover, this MOA does not require any commitment of funding beyond that which is voluntarily committed.

7. Term of Agreement

The term of this MOA is from its Effective Date shown above until all funds allocated to the Funding Area as shown in Attachment B have been awarded by DWR to the Funding Area, unless extended by mutual agreement of the Parties.

8. Modification or Termination

This MOA may be modified or terminated with the written concurrence of all Parties.

9. Change of Responsible Agency

It is recognized that any Responsible Agency may wish to withdraw from the responsibilities described in the terms of this MOA. It is the intent of the Parties to each maintain a Responsible Agency to represent the interests of their respective Planning Region and Regional Water Management Group to implement the terms of this MOA. Any Responsible Agency that intends to withdraw from this MOA shall give a 30-day notice to the other Parties and should designate a successor agency as a Responsible Agency.

10. Withdrawal from MOA

Any Party that intends to withdraw from this MOA shall give a 30-day notice to the other Parties.

11. Notice

Any notices sent or required to be sent to any Party shall be mailed to the following addresses:

The Santa Cruz Region

Tim Carson, Program Director

Regional Water Management Foundation

7807 Soquel Drive, Aptos, CA 95003

tcarson@cfscc.org

The Pajaro Region

Tracy Hemmeter, Senior Project Manager

Santa Clara Valley Water District

5750 Almaden Expressway

San Jose, California 95118

themmeter@valleywater.org

The Greater Monterey County Region

Susan Robinson, Coordinator for Greater Monterey County IRWM Region

P.O. Box 201

Cabot, VT 05647

srobinsongs@frontier.com

The Monterey Peninsula Region

Larry Hampson, District Engineer

Monterey Peninsula Water Management District

P.O. Box 85, Monterey CA 93942

larry@mpwmd.net

The San Luis Obispo County Region
Mladen Bandov, IRWM Program Manager
San Luis Obispo County Public Works Department
County Government Center, Room 206, San Luis Obispo CA 93408
mbandov@co.slo.ca.us

The Santa Barbara Region
Fray Crease, Water Agency Manager
Santa Barbara County Water Agency
130 E. Victoria St.
Suite 200
Santa Barbara, CA 93101
fcrease@cosbpw.net

12. Funding Uncertainties

The Parties cannot be assured of the results of these coordination efforts and applications for funding. Nothing within this MOA should be construed as creating a promise or guarantee of future funding. No liability or obligation shall accrue to the Parties if DWR does not provide the funding. The Parties are committed to planning and coordinating notwithstanding IRWM funding. The form of such coordination may change based on the sources of funding.

13. Other Provisions

The following provisions and terms shall apply to this MOA.

A. This MOA is to be construed in accordance with the laws of the State of California. Any action at law or in equity brought by any of the Parties shall be brought in a court of competent jurisdiction within the Party's County that files an action against another Party for a breach of this MOA, and the Parties hereto waive all provisions of law providing for change of venue in such proceedings to any other county.

B. If any provision of this MOA is held by a court to be invalid, void or unenforceable, the remaining provisions shall be declared severable and shall be given full force and effect to the extent possible.

C. This MOA is the result of negotiations between the Parties hereto and with the advice and assistance of their respective counsels. No provision contained herein shall be construed against any Party because of its participation in preparing this MOA.

D. Any waiver by a Party of any breach by the other of any one or more of the terms of this MOA shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of any of the respective Parties to require from the others exact, full and complete compliance with any terms of the MOA shall not be construed to change the terms hereof or to prohibit the Party from enforcement hereof.

E. This MOA may be executed and delivered in any number of counterparts or copies, hereinafter called "Counterpart," by the Parties hereto. When each Party has signed and delivered at least one Counterpart to the other parties hereto, each Counterpart shall be deemed an original and, taken together, shall constitute one and the same MOA, which shall be binding and effective as to the Parties hereto.

F. This MOA is intended by the Parties hereto as their final expression with respect to the matters herein, and is a complete and exclusive statement of the terms and conditions thereof.

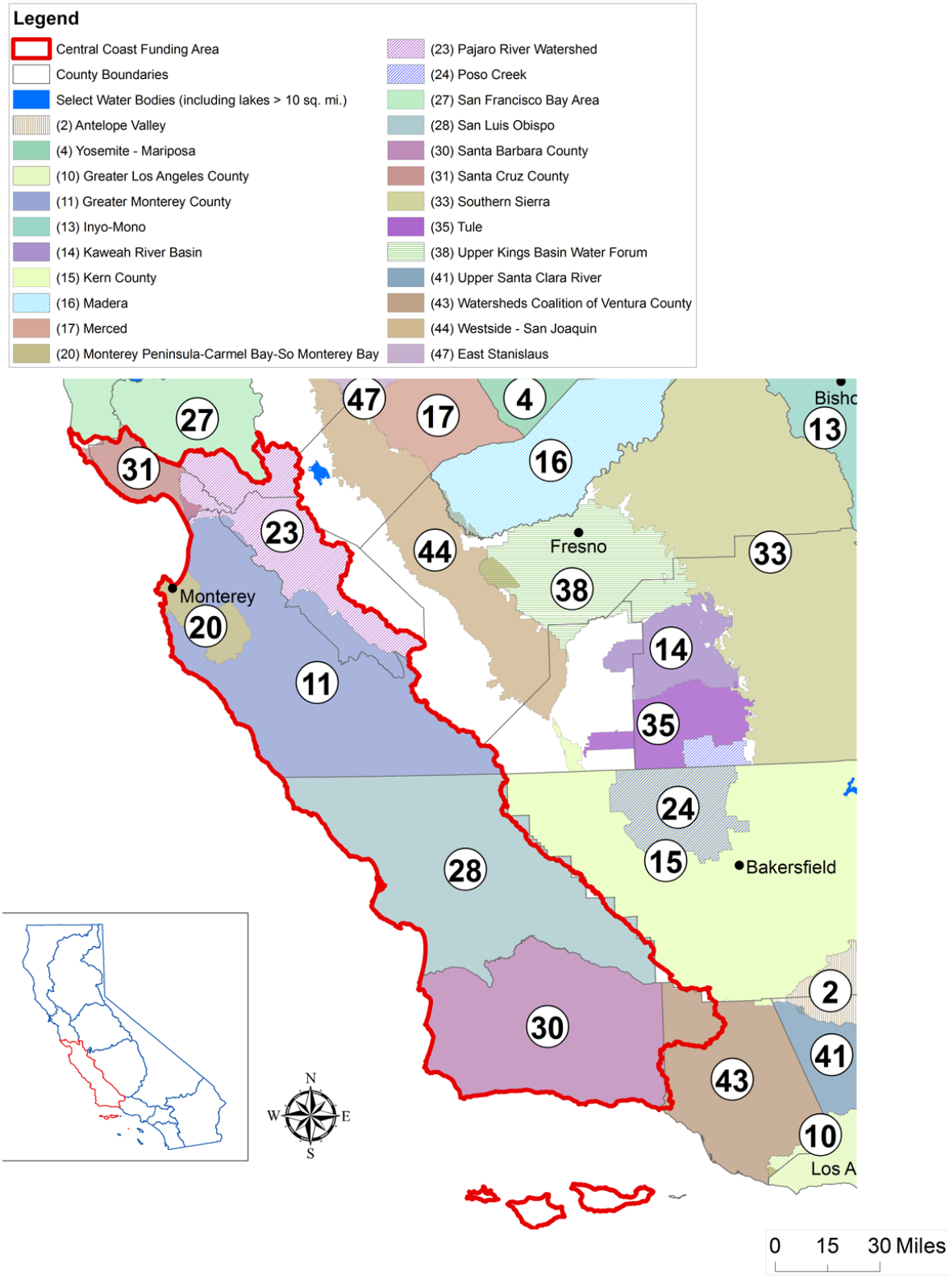
IN WITNESS WHEREOF, the Parties hereto have executed this MOA on the dates shown on the attached counterpart signature pages:

THE SANTA CRUZ REGION By:_____ Date:_____, 20____	**THE PAJARO REGION** By:_____ Date:_____, 20____
THE GREATER MONTEREY COUNTY REGION By:_____ Date:_____, 20____	**THE MONTEREY PENINSULA REGION** By:_____ Date:_____, 20____
THE SAN LUIS OBISPO COUNTY REGION By:_____ Date:_____, 20____	**THE SANTA BARBARA REGION** By:_____ Date:_____, 20____

APPROVED AS TO FORM
AND LEGAL EFFECT
Rita L. Neal, County Counsel

By: _____ 4-12-16
Deputy County Counsel Date

Attachment A – Central Coast Funding Area Map



Attachment B
Allocation of Proposition 1 Funds

Each of the six Planning Regions has IRWM project and program needs that far exceed the funding allocated to the Funding Area. Significant local match funding for selected projects is available in each Planning Region. Funding for planning and timing of implementation may vary among the Planning Regions. Because of these factors and because not all of the Proposition 1 funding will be made available at the same time, the Parties will cooperate and coordinate on individual funding cycle applications to ensure that the sum of the total grant requests does not exceed the amount identified for the Funding Area in any given cycle. Total allocations to the Parties will be divided according to the schedule below. The allocations to the six Planning Regions are indicated in percentages of the total funds that will be available over the life of the program.

Table 1 –Funding Area Allocation

Total Proposition 1 IRWM Funding to Funding Area	**$ 43,000,000**
Breakdown of Prop 1 to Funding Area:	
Program fees (5% program delivery, 2% bond administration)	**$ 3,010,000**
DAC Funding (20% of CCFA Total) - 2 Rounds	**$ 8,600,000**
Implementation and Planning Grants - 2 Rounds	**$ 31,390,000**

Table 2 – Basis of Funding Area Allocations

Funding Area Regions Allocation Option #1 (1/2 Equal Split Among Regions) + (1/4 % by population) + (1/4 % by acreage)	Baseline Factor (1/6 based on 6 Regions in Funding Area)	Population	Population Factor (% of Funding Area Total)	Area (sq. miles)	Area Factor (% of Funding Area Total)	Overall Factor (% of Funding Area funds)
Santa Cruz	**16.67%**	281,401	14.89%	376	3.39%	12.90%
Pajaro River Watershed	**16.67%**	327,183	17.32%	1,295	11.68%	15.58%
Greater Monterey	**16.67%**	384,947	20.38%	3,199	28.85%	20.64%
Monterey Peninsula	**16.67%**	131,088	6.94%	341	3.08%	10.84%
San Luis Obispo	**16.67%**	309,187	16.37%	3,322	29.96%	19.91%
Santa Barbara	**16.67%**	455,468	24.11%	2,555	23.04%	20.12%
Totals	**100.00%**	**1,889,274**	**100.00%**	**11,088**	**100.00%**	**100.00%**

Table 3 – Summary of Funds Available to Each Planning Region (less DWR fees)

	Santa Cruz	Pajaro Valley Watershed	Greater Monterey	Monterey Peninsula	San Luis Obispo	Santa Barbara	Total CCFA
ALLOCATION OPTION # 1							
Allocation Option #1 - DAC Funds ((1/2 Equal Split Among Regions) + (1/4 %by population) + (1/4 % by acreage))	$ 1,109,810	$ 1,340,107	$ 1,775,034	$ 931,966	$ 1,712,669	$ 1,730,414	**$ 8,600,000**
Allocation Option #1 - Impl'n Funds ((1/2 Equal Split Among Regions) + (1/4 %by population) + (1/4 % by acreage))	$ 4,050,805	$ 4,891,390	$ 6,478,875	$ 3,401,677	$ 6,251,243	$ 6,316,010	**$ 31,390,000**
Total Allocation Option #1	**$ 5,160,615**	**$ 6,231,497**	**$ 8,253,910**	**$ 4,333,643**	**$ 7,963,912**	**$ 8,046,424**	

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