

BOARD OF DIRECTORS

UPPER VENTURA RIVER GROUNDWATER AGENCY

RESOLUTION NO. 2025-05

**A RESOLUTION OF THE UPPER VENTURA RIVER GROUNDWATER AGENCY
AMENDING THE JOINT EXERCISE OF POWERS AGREEMENT**

WHEREAS, on December 12, 2016, the Board of Directors (“Board”) of the Upper Ventura River Groundwater Agency (“Agency”) adopted the Joint Exercise of Powers Agreement (“JPA”) which sets forth the terms pursuant to which the Agency shall operate.

WHEREAS, the Board desires to amend the JPA to add a requirement for JPA members to fill vacancies in a timely manner, for directors or alternates to attend meetings or risk replacement, and to amend the requirements for a supermajority and simple majority.

NOW, THEREFORE, the Board of Directors of the Upper Ventura River Groundwater Agency are recommending these following changes be made to the JPA, of which a redlined and clean version are attached hereto as Exhibit A and Exhibit B respectively; and that each of the member agencies adopt these changes through an amended agreement:

Section 1.23 “Supermajority” shall mean the following:

1.23.1 If seven (7) Directors are in attendance and eligible to vote, a supermajority shall mean five (5) affirmative votes.

1.23.2 If only six (6) Directors are in attendance, or only six (6) Directors are eligible to vote, a supermajority vote shall mean five (5) affirmative votes.

1.23.3 If only five (5) Directors are in attendance, or only five (5) Directors are eligible to vote, a supermajority shall mean four (4) affirmative votes.

1.23.4 If only four (4) Directors are in attendance, or only four (4) Directors are eligible to vote, a supermajority shall mean four (4) affirmative votes.

Section 6.3.6 The two (2) Stakeholder Directors shall be appointed as follows:

(a) Agricultural Stakeholder Director: The Member Directors shall select the Agricultural Stakeholder Director and Alternate from a list of qualified nominees submitted by the Farm Bureau of Ventura County (“Farm Bureau”). The Farm Bureau shall submit its nominees to the Member Directors pursuant to a process determined by the Member Directors. The Member Directors shall consider the nominees at a regular meeting and at that meeting shall appoint the Agricultural Stakeholder Director and Alternate upon a vote of all Member Directors.

(b) Environmental Stakeholder Director. The Member Directors shall select the Environmental Stakeholder Director and Alternate from qualified nominees submitted by environmental nonprofit, 501(c)(3) organizations meeting the criteria specified in Section 6.1.2(b). The nominations shall be submitted to the Member Directors pursuant to a process determined by the Member Directors. The Member Directors shall consider the nominees at a regular meeting and shall appoint the Environmental Stakeholder Director and Alternate upon a vote of all Member Directors.

Section 6.4 Alternate Directors. Each Member may also appoint one Alternate Director to the Board of Directors. All Alternate Directors shall be appointed in the same manner as set forth in Section 6.3. Unless appearing as a substitute for a Member Director due to absence or conflict of interest, Alternate Directors shall have no vote, and shall not participate in any discussions or deliberations of the Board. If the Director is not present, or if the Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Board, the Alternate Director appointed to act in his/her place shall assume all rights of the Director, and shall have the authority to act in his/her absence, including casting votes on matters before the Board. Each Alternate Director shall be appointed prior to the third meeting of the Board. Alternate Directors are encouraged to attend all Board meetings and stay informed on current issues before the Board.

Section 6.6 Vacancies. A vacancy on the Board of Directors shall occur when a Director resigns or reaches the end of that Director's term, as set forth in Section 6.5. For Member Directors, a vacancy shall also occur when he or she is removed by his or her appointing Member or, in the case of Member Agency employees, when he or she is no longer employed by the Member Agency. For Stakeholder Directors, a vacancy shall also occur when the Stakeholder Director is removed, as set forth in Section 6.5. Upon the vacancy of a Member Director, the Alternate Director shall serve as Director until a new Director is appointed as set forth in Section 6.3 unless the Alternate Director is already serving as an Alternate Director in the event of a prior vacancy, in which case, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.3. A Member shall appoint a new Director and/or Alternative Director within ninety (90) days of the occurrence of vacancy, or after two consecutive absences by any Director or Alternative Director. Members shall submit any changes in Director or Alternate Director positions to the Executive Director by written notice signed by an authorized representative of the Member. The written notice shall include a resolution of the governing board of the Member directing such change in the Director or Alternative Director position. In the event a Member fails to make a timely appointment to fill a vacancy, the remaining Member may, by unanimous vote, after one hundred twenty (120) days, remove that Member from the Agency, subject to the dispute resolution process in Section 18.9 of this Agreement.

Section 9.1 Quorum. A quorum of any meeting of the Board of Directors shall consist of a majority of the total number of Directors ("Quorum"). In the absence of a quorum, any meeting of the Directors may be adjourned by a vote of the Directors present, but no other business may be transacted at the meeting. For purposes of this Article, a Director

shall be deemed present if the Director appears at the meeting in person or participates telephonically, provided the telephone appearance is consistent with the requirements of the Ralph M. Brown Act.

Section 9.3 Affirmative Decisions of the Board of Directors. The structure of voting and the determination of affirmative decisions of the Board of Directors, as set forth herein, are designed to encourage and facilitate consensus, pursuant to the following procedure:

9.3.1 Matters Requiring Supermajority Vote. Decisions concerning the following matters shall require a supermajority vote in order to pass: (i) any capital expenditure of \$50,000 or more; (ii) the Agency's annual budget and amendments thereto; (iii) the GSP for the Basin or any amendments thereto; (iv) the Agency's adoption of groundwater extraction fees; (v) the Agency's adoption of any taxes, fees, or assessments subject to Proposition 218; (vi) the issuance of assessments for contributions by Members pursuant to Section 14.2; or (vii) any stipulation to resolve litigation concerning groundwater rights within, or groundwater management for, the Basin. A supermajority vote shall be calculated pursuant to Section 1.23.

9.3.2. Simple Majority Vote for All Other Matters. Unless otherwise specified in this Agreement, for all matters not specified in Section 9.3.1, an affirmative decision of the Board shall require a simple majority of Directors who are present and eligible to vote.

PASSED, APPROVED, AND ADOPTED this 9th day of October 2025.

Pete Kaiser

Pete Kaiser, Board Chair

ATTEST:

Jennifer Tribo

Jennifer Tribo
Board Secretary

APPROVED AS TO FORM:

Keith Lemieux

Keith Lemieux, General Counsel
Upper Ventura River Groundwater Agency

Attachment A (Red-Line JPA)

JOINT EXERCISE OF POWERS AGREEMENT

by and among

THE CASITAS MUNICIPAL WATER DISTRICT

THE CITY OF SAN BUENAVENTURA

THE COUNTY OF VENTURA

THE MEINERS OAKS WATER DISTRICT

and

THE VENTURA RIVER WATER DISTRICT

creating

THE UPPER VENTURA RIVER GROUNDWATER AGENCY

DECEMBER 2016

TABLE OF CONTENTS

RECITALS.....	1
TERMS OF AGREEMENT.....	2
ARTICLE 1 DEFINITIONS.....	2
ARTICLE 2 CREATION OF THE AGENCY	3
2.1 Creation of the Agency	3
2.2 Purpose of the Agency	4
ARTICLE 3 TERM.....	4
ARTICLE 4 POWERS	4
ARTICLE 5 MEMBERSHIP	6
5.1 Members.....	6
5.2 New Members	7
ARTICLE 6 BOARD OF DIRECTORS AND OFFICERS	7
6.1 Formation of the Board of Directors	7
6.2 Duties of the Board of Directors	7
6.3 Appointment of Directors.....	7
6.4 Alternate Directors	8
6.5 Term, Reappointment, and Removal	9
6.6 Vacancies	9
6.7 Conflicts of Interest	9
ARTICLE 7 OFFICERS	10
7.1 Officers.....	10
7.2 Appointment of Officers	10
7.3 Principal Office	10
ARTICLE 8 DIRECTOR MEETINGS.....	10
8.1 Initial Meeting.....	10
8.2 Time and Place.....	10
8.3 Special Meetings	10
8.4 Conduct	10
8.5 Local Conflict of Interest Code.....	10
ARTICLE 9 MEMBER VOTING	10
9.1 Quorum	10

TABLE OF CONTENTS
(continued)

9.2	Director Votes	11
9.3	Affirmative Decisions of the Board of Directors	11
ARTICLE 10	EXECUTIVE DIRECTOR AND STAFF.....	11
10.1	Appointment.....	11
10.2	Duties	11
10.3	Term and Termination.....	11
10.4	Staff and Services.....	12
ARTICLE 11	BYLAWS.....	12
ARTICLE 12	ADVISORY COMMITTEES	12
ARTICLE 13	ACCOUNTING PRACTICES	12
13.1	General	12
13.2	Fiscal Year	12
13.3	Appointment of Treasurer and Auditor; Duties	12
ARTICLE 14	BUDGET AND EXPENSES	13
14.1	Budget	13
14.2	Agency Funding and Contributions	13
14.3	Return of Contributions.....	13
14.4	Issuance of Indebtedness.....	13
ARTICLE 15	LIABILITIES	13
15.1	Liability	13
15.2	Indemnity	14
15.3	Hazardous Materials.....	14
15.4	Liability Insurance.....	14
15.5	Privileges and Immunities	14
ARTICLE 16	WITHDRAWAL OF MEMBERS	14
16.1	Unilateral Withdrawal	14
16.2	Rescission or Termination of Agency.....	14
16.3	Effect of Withdrawal or Termination.....	14
16.4	Return of Contribution	15
ARTICLE 17	SPECIAL PROJECTS	15
17.1	Special Projects	15

TABLE OF CONTENTS
(continued)

17.2 Special Project Agreement 15

ARTICLE 18 MISCELLANEOUS PROVISIONS 16

18.1 No Predetermination or Irretrievable Commitment of Resources..... 16

18.2 Notices..... 16

18.3 Amendments to Agreement..... 16

18.4 Agreement Complete 16

18.5 Severability..... 16

18.6 Withdrawal by Operation of Law..... 16

18.7 Assignment..... 16

18.8 Binding on Successors 16

18.9 Dispute Resolution 16

18.10 Counterparts 17

18.11 Singular Includes Plural 17

18.12 No Third-Party Rights..... 17

18.13 Member Authorization 17

**JOINT EXERCISE OF POWERS AGREEMENT
THE UPPER VENTURA RIVER GROUNDWATER AGENCY**

This **Joint Exercise of Powers Agreement (“Agreement”)** is made and effective on the last date executed (**“Effective Date”**), by and among the Casitas Municipal Water District, the City of San Buenaventura, the County of Ventura, the Meiners Oaks Water District, and the Ventura River Water District, sometimes referred to herein individually as a **“Member”** and collectively as the **“Members,”** for purposes of forming the Upper Ventura River Groundwater Agency (**“Agency”**) and setting forth the terms pursuant to which the Agency shall operate. Capitalized defined terms used herein shall have the meanings given to them in Article 1 of this Agreement.

RECITALS

- A. Each of the Members is a local agency, as defined by the Sustainable Groundwater Management Act of 2014 (**“SGMA”**), duly organized and existing under and by virtue of the laws of the State of California, and each Member can exercise powers related to groundwater management.
- B. For groundwater basins designated by the Department of Water Resources (**“DWR”**) as medium- and high-priority but that have not been designated by DWR as subject to critical conditions of overdraft, SGMA requires establishment of a groundwater sustainability agency (**“GSA”**) by June 30, 2017, and adoption of a groundwater sustainability plan (**“GSP”**) by January 31, 2022.
- C. The Upper Ventura River Basin (designated basin number 4-3.01 in the DWR’s Bulletin No. 118) (**“Basin”**) is designated as a medium-priority sub-basin.
- D. Under SGMA, a combination of local agencies may form a GSA through a joint exercise of powers agreement.
- E. The Members have determined that the sustainable management of the Basin pursuant to SGMA may best be achieved through the cooperation of the Members operating through a joint powers authority.
- F. The Joint Exercise of Powers Act of 2000 (**“Act”**) authorizes the Members to create a joint powers authority, and to jointly exercise any power common to the Members and to exercise additional powers granted under the Act.
- G. The Act, including the Marks-Roos Local Bond Pooling Act of 1985 (Government Code sections 6584, *et seq.*), authorizes an entity created pursuant to the Act to issue bonds, and under certain circumstances, to purchase bonds issued by, or to make loans to, the Members for financing public capital improvements, working capital, liability and other insurance needs or projects whenever doing so would result in significant public benefits, as determined by the Members. The Act further authorizes and empowers a joint powers authority to sell bonds so issued or purchased to public or private purchasers at public or negotiated sales.

H. Based on the foregoing legal authority, the Members desire to create a joint powers authority for the purpose of taking all actions deemed necessary by the joint powers authority to ensure sustainable management of the Basin as required by SGMA.

I. The governing board of each Member has determined it to be in the Member's best interest and in the public interest that this Agreement be executed.

TERMS OF AGREEMENT

In consideration of the mutual promises and covenants herein contained, the Members agree as follows:

ARTICLE 1 DEFINITIONS

The following terms have the following meanings for purposes of this Agreement:

- 1.1 "Act" means the Joint Exercise of Powers Act, set forth in Chapter 5 of Division 7 of Title 1 of the Government Code, sections 6500, *et seq.*, including all laws supplemental thereto.
- 1.2 "Agreement" has the meaning assigned thereto in the Preamble.
- 1.3 "Auditor" means the auditor of the financial affairs of the Agency appointed by the Board of Directors pursuant to Section 13.3 of this Agreement.
- 1.4 "Agency" has the meaning assigned thereto in the Preamble.
- 1.5 "Basin" has the meaning assigned thereto in Recital C.
- 1.6 "Board of Directors" or "Board" means the governing body of the Agency as established by Article 6 of this Agreement.
- 1.7 "Bylaws" means the bylaws adopted by the Board of Directors pursuant to Article 11 of this Agreement to govern the day-to-day operations of the Agency.
- 1.8 "Director" and "Alternate Director" shall mean a director or alternate director appointed by a Member pursuant to Article 6 of this Agreement.
- 1.9 "DWR" has the meaning assigned thereto in Recital B.
- 1.10 "Effective Date" has the meaning assigned thereto in the Preamble.
- 1.11 "Executive Director" means the chief administrative officer of the Agency to be appointed by the Board of Directors pursuant to Article 10 of this Agreement.
- 1.12 "Farm Bureau" means the Farm Bureau of Ventura County.
- 1.13 "GSA" has the meaning assigned thereto in Recital B.

- 1.14 “GSP” has the meaning assigned thereto in Recital B.
- 1.15 “Member” has the meaning assigned thereto in the Preamble and further means each party to this Agreement that satisfies the requirements of Section 5.1 of this Agreement, including any new members as may be authorized by the Board, pursuant to Section 5.2 of this Agreement.
- 1.16 “Member Director” means a Director appointed pursuant to Article 6 of this Agreement that represents a Member.
- 1.17 “Officer(s)” means the chair, vice chair, secretary, or treasurer of the Agency to be appointed by the Board of Directors pursuant to Section 7.1 of this Agreement.
- 1.18 “Quorum” shall have the meaning assigned to it in Section 9.1.
- 1.19 “SGMA” has the meaning assigned thereto in Recital A.
- 1.20 “Special Projects” shall mean a project undertaken pursuant to Article 17.
- 1.21 “Stakeholder Director” means a Director appointed pursuant to Article 6 that represents stakeholder interests.
- 1.22 “State” means the State of California.
- 1.23 “Supermajority” shall mean the following:
- 1.23.1 If ~~either six (6) or~~ seven (7) Directors are in attendance and eligible to vote, a supermajority shall mean ~~six~~ five (6.5) affirmative votes.
- 1.23.2 If only six (6) Directors are in attendance, ~~and one (1) of those six (6) Directors is prevented from voting due to a conflict of interest~~ or only six (6) Directors are eligible to vote, a supermajority vote shall mean five (5) affirmative votes.
- 1.23.3 If only ~~six~~ five (6.5) Directors are in attendance, ~~or only five (5) Directors are eligible to vote, and two (2) of those six (6) Directors are prevented from voting due to a conflict of interest~~, a supermajority shall mean four (4) affirmative votes, ~~provided that all four (4) affirmative votes are by Member Directors~~.
- 1.23.4 If ~~fewer than~~ only six ~~four~~ (6.4) Directors are in attendance ~~at the meeting, a matter subject to a supermajority vote pursuant to Section 9.3 shall not be called for a vote~~, or only four (4) Directors are eligible to vote, a supermajority shall mean four (4) affirmative votes.

**ARTICLE 2
CREATION OF THE AGENCY**

- 2.1 Creation of the Agency. There is hereby created pursuant to the Act a joint powers authority, which will be a public entity separate from the Members to this Agreement and shall be known as the Upper Ventura River Groundwater Agency ("Agency"). Within thirty (30) days after the Effective Date of this Agreement and after any amendment to this Agreement, the Agency shall cause a notice of this Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by Government Code section 6503.5. Within seventy (70) days after the Effective Date of this Agreement, the Agency shall cause a statement of the information concerning the Agency, required by Government Code section 53051, to be filed with the office of the California Secretary of State and with the Clerk for the County of Ventura, setting forth the facts required to be stated pursuant to Government Code section 53051(a).
- 2.2 Purpose of the Agency. Each Member to this Agreement has in common the power to study, plan, develop, finance, acquire, construct, maintain, repair, manage, operate, control, and govern water supply projects and exercise groundwater management authority within the Basin either alone or in cooperation with other public or private non-member entities, and each is a local agency eligible to serve as the GSA in the Basin, either alone or jointly through a joint powers agreement as provided for by SGMA. This Agreement is being entered into in order to jointly exercise some or all of the foregoing common powers, as appropriate, and for the exercise of such additional powers as may be authorized by law in the manner herein set forth, in order to effectuate the purposes of this Agreement. The purpose of the Agency is to serve as the GSA for the Basin and to develop, adopt, and implement the GSP for the Basin pursuant to SGMA and other applicable provisions of law.

**ARTICLE 3
TERM**

This Agreement shall become effective upon its execution by each of the Members and shall remain in effect until terminated pursuant to the provisions of Article 16 of this Agreement.

**ARTICLE 4
POWERS**

The Agency shall possess the power in its own name to exercise any and all common powers of its Members reasonably related to the purposes of the Agency, including but not limited to the powers set forth below. For purposes of Government Code section 6509, and unless the Agency has adopted applicable rules, regulations, policies, bylaws and procedures, the powers of the Agency shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on the County of Ventura, and in the event of the withdrawal of the County of Ventura as a Member under this Agreement, then the powers of the Agency shall be

Item 5(a), Attachment A, Exhibit A

exercised subject to the restrictions upon the manner of exercising such powers as are imposed on the City of San Buenaventura.

4.1. To exercise all powers afforded to the Agency under SGMA, including without limitation:

4.1.1 To adopt rules, regulations, policies, bylaws and procedures governing the operation of the Agency.

4.1.2 To develop, adopt and implement a GSP for the Basin, and to exercise jointly the common powers of the Members in doing so.

4.1.3 To obtain rights, permits and other authorizations for, or pertaining to, implementation of a GSP for the Basin.

4.1.4 To collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the Basin.

4.1.5 To acquire property and other assets by grant, lease, purchase, bequest, devise, gift, or eminent domain, and to hold, enjoy, lease or sell, or otherwise dispose of, property, including real property, water rights, and personal property, necessary for the full exercise of the Agency's powers.

4.1.6 To establish and administer a conjunctive use program for the purposes of maintaining sustainable yields in the Basin consistent with the requirements of SGMA.

4.1.7 To exchange and distribute water.

4.1.8 To regulate groundwater extractions as permitted by SGMA.

4.1.9 To spread, sink and inject water into the Basin.

4.1.10 To store, transport, recapture, recycle, purify, treat or otherwise manage and control water for beneficial use.

4.1.11 To develop and facilitate market-based solutions for the use and management of water rights.

4.1.12 To impose assessments, groundwater extraction fees or other charges, and to undertake other means of financing the Agency as authorized by Chapter 8 of SGMA, commencing at section 10730 of the Water Code.

4.1.13 To perform other ancillary tasks relating to the operation of the Agency pursuant to SGMA, including without limitation, environmental review, engineering, and design.

4.2 To apply for, accept and receive licenses, permits, water rights, approvals, agreements, grants, loans, contributions, donations or other aid from any agency of the United States, the State of California or other public agencies or private persons or entities necessary for the Agency's purposes.

4.3 To develop, collect, provide, and disseminate information that furthers the purposes of the Agency.

4.4 To make and enter contracts necessary to the full exercise of the Agency's power.

4.5 To employ, designate, or otherwise contract for the services of, agents, officers, employees, attorneys, engineers, planners, financial consultants, technical specialists, advisors, and independent contractors.

4.6 To incur debts, liabilities or obligations, to issue bonds, notes, certificates of participation, guarantees, equipment leases, reimbursement obligations and other indebtedness, as authorized by the Act.

4.7 To cooperate, act in conjunction and contract with the United States, the State of California, or any agency thereof, counties, municipalities, public and private corporations of any kind (including without limitation, investor-owned utilities), and individuals, or any of them, for any and all purposes necessary or convenient for the full exercise of the powers of the Agency.

4.8 To sue and be sued in the Agency's own name.

4.9 To provide for the prosecution of, defense of, or other participation in, actions or proceedings at law or in public hearings in which the Members, pursuant to this Agreement, have an interest and employ counsel and other expert assistance for these purposes.

4.10. To accumulate operating and reserve funds for the purposes herein stated.

4.11. To invest money that is not required for the immediate necessities of the Agency, as the Agency determines is advisable, in the same manner and upon the same conditions as Members, pursuant to Government Code section 53601, as that section now exists or may hereafter be amended.

4.12. To undertake any investigations, studies, and matters of general administration.

4.13. To undertake Special Projects, as set forth in Article 17.

4.14. To perform all other acts necessary or proper to carry out fully the purposes of this Agreement.

ARTICLE 5 MEMBERSHIP

5.1 Members. The Members of the Agency shall be the Casitas Municipal Water District, the City of San Buenaventura, the County of Ventura, the Meiners Oaks Water District, and the Ventura River Water District, as long as they have not, pursuant to the provisions hereof, withdrawn from this Agreement.

5.2 New Members. It is recognized that a public agency that is not a Member on the Effective Date of this Agreement may wish to participate in the Agency. Additional public agencies or mutual water companies may become members of the Agency upon such terms and conditions as established by the Board of Directors and upon the unanimous consent of the existing Members, evidenced by the execution of a written amendment to this Agreement signed by all of the Members, including the additional public agency or mutual water company. The addition of new Members shall not affect any rights of existing Members without the consent of all affected Members.

ARTICLE 6 BOARD OF DIRECTORS AND OFFICERS

6.1 Formation of the Board of Directors. The Agency shall be governed by a Board of Directors ("**Board of Directors**" or "**Board**"). The Board shall be composed of seven (7) Directors consisting of the following representatives, who shall be appointed in the manner set forth in Section 6.3:

6.1.1 Five (5) Member Directors, with one (1) Member Director appointed by the governing board of each Member.

6.1.2 Two (2) Stakeholder Directors, one of which shall be representative of agricultural stakeholders and interests within the Basin and one of which shall be representative of environmental stakeholders and interests within the Basin. The two (2) Stakeholder Directors shall meet the following qualifications:

(a) Agricultural Stakeholder Director. The Agricultural Stakeholder Director shall meet one or more of the following three criteria, determined at the sole discretion of the Member Directors: (i) own and operate an agricultural business with its principal operations on land overlying the Basin; (ii) own or lease property overlying the Basin and extract groundwater from the Basin for the irrigation of at least two (2) acres of crops in commercial operation; or (iii) be a representative of an agricultural organization currently active within the Members' service area boundaries.

(b) Environmental Stakeholder Director. The Environmental Stakeholder Director shall be an active member of a nonprofit, 501(c)(3) organization which, at the sole discretion of the Member Directors, meets the following requirements: (i) is currently active within Ventura County; (ii) has an adopted budget; and (iii) has a mission that advances, or is furthered by, groundwater sustainability.

6.2 Duties of the Board of Directors. The business and affairs of the Agency, and all of the powers of the Agency, including without limitation all powers set forth in Article 4, are reserved to and shall be exercised by and through the Board of Directors, except as may be expressly delegated to the Executive Director or others pursuant to this Agreement, Bylaws, or by specific action of the Board of Directors.

6.3 Appointment of Directors. The Directors shall be appointed as follows:

6.3.1 One (1) Member Director from the Casitas Municipal Water District shall be appointed by resolution of the Casitas Municipal Water District Board of Directors.

6.3.2 One (1) Member Director from the City of San Buenaventura shall be appointed by resolution of the City of San Buenaventura City Council.

6.3.3 One (1) Member Director from the County of Ventura shall be appointed by resolution of the County of Ventura Board of Supervisors.

6.3.4 One (1) Member Director from the Meiners Oaks Water District shall be appointed by resolution of the Meiners Oaks Water District Board of Directors.

6.3.5 One (1) Member Director from the Ventura River Water District shall be appointed by resolution of the Ventura River Water District Board of Directors.

6.3.6 The two (2) Stakeholder Directors shall be appointed as follows:

(a) Agricultural Stakeholder Director: The Member Directors shall select the Agricultural Stakeholder Director and Alternate from a list of ~~three (3)~~ qualified nominees submitted by the Farm Bureau of Ventura County ("**Farm Bureau**"). The Farm Bureau shall submit its nominees to the Member Directors pursuant to a process determined by the Member Directors. The Member Directors shall consider the nominees at a regular meeting and at that meeting shall appoint the Agricultural Stakeholder Director and Alternate upon a vote of all Member Directors.

(b) Environmental Stakeholder Director. The Member Directors shall select the Environmental Stakeholder Director and Alternate from qualified nominees submitted by environmental nonprofit, 501(c)(3) organizations meeting the criteria specified in Section 6.1.2(b). The nominations shall be submitted to the Member Directors pursuant to a process determined by the Member Directors. The Member Directors shall consider the nominees at a regular meeting and shall appoint the Environmental Stakeholder Director and Alternate upon a vote of all Member Directors.

6.4 Alternate Directors. Each Member may also appoint one Alternate Director to the Board of Directors. ~~A Stakeholder Director shall not have an Alternate Director.~~ All Alternate Directors shall be appointed in the same manner as set forth in Section 6.3. Unless appearing as a substitute for a Member Director due to absence or conflict of interest, Alternate Directors shall have no vote, and shall not participate in any discussions or deliberations of the Board. If the Director is not present, or if the Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Board, the Alternate Director appointed to act in his/her place shall assume all rights of the Director, and shall have the authority to act in his/her absence, including casting votes on matters before the Board. Each Alternate Director shall be appointed prior to the third meeting of the Board. Alternate Directors are encouraged to attend all Board meetings and stay informed on current issues before the Board.

6.5 Term, Reappointment, and Removal. Directors and Alternate Directors shall serve for terms of two (2) years, provided that for the purpose of establishing staggered terms among the Directors and Alternate Directors, three (3) of the Member Directors and their respective Alternate Directors shall serve an initial term of three (3) years. The Member Directors and Alternative Directors that will serve an initial term of three (3) years shall be determined by resolution of the Board of Directors at its first meeting. A Member Director or Alternate Director may be removed during his or her term or reappointed for multiple terms at the pleasure of the Member that appointed him or her. A Member Director or Alternate Director shall be either a member of the appointing agency's staff or governing board and shall cease to be a Member Director or Alternate Director when no longer a member of the appointing agency's staff or governing board. A Stakeholder Director may be removed or reappointed by a vote of all Member Directors.

6.6 Vacancies. A vacancy on the Board of Directors shall occur when a Director resigns or reaches the end of that Director's term, as set forth in Section 6.5. For Member Directors, a vacancy shall also occur when he or she is removed by his or her appointing Member or, in the case of Member Agency employees, when he or she is no longer employed by the Member Agency. For Stakeholder Directors, a vacancy shall also occur when the Stakeholder Director is removed, as set forth in Section 6.5. Upon the vacancy of a Member Director, the Alternate Director shall serve as Director until a new Director is appointed as set forth in Section 6.3 unless the Alternate Director is already serving as an Alternate Director in the event of a prior vacancy, in which case, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.3. A Member shall appoint a new Director and/or Alternative Director within ninety (90) days of the occurrence of vacancy, or after two consecutive absences by any Director or Alternative Director. Members shall submit any changes in Director or Alternate Director positions to the Executive Director by written notice signed by an authorized representative of the Member. The written notice shall include a resolution of the governing board of the Member directing such change in the Director or Alternative Director position. In the event a Member fails to make a timely appointment to fill a vacancy, the remaining Member may, by unanimous vote, after one hundred twenty (120) days, remove that Member from the Agency, subject to the dispute resolution process in Section 18.9 of this Agreement.

6.7 Conflicts of Interest. No Director shall be allowed to participate in any matter before the Board in which he or she has a conflict of interest. A Member Director is deemed to have a conflict of interest and disqualified from participating in related matters before the Board if that Member Director (i) is personally, or (ii) was appointed by a Member that is named as an adverse party in any litigation in which the Agency is a party. A Stakeholder Director is deemed to have a conflict of interest and disqualified from participating in related matters before the Board if that Stakeholder Director (i) is personally, (ii) was nominated by, (iii) is employed by, or (iv) acts as a manager or executive director to, or sits on the board of, an entity that is named as an adverse party in litigation in which the Agency is a party. In such an event, the Director shall be deemed disqualified in all matters related to the issue being litigated, shall not be eligible to receive confidential information relating to the litigation from the Agency or its legal counsel, and shall not be eligible to attend any closed session where the litigation is discussed. In the event a Director deemed to have conflict of interest refuses to withdraw from matters related to the conflict, the other Directors shall jointly seek a court order preventing the conflicted Director

from participating in those related matters.

ARTICLE 7 OFFICERS

7.1 Officers. The officers of the Agency shall be a chair, vice chair, secretary selected from among the Member Directors. The Agency shall also appoint a treasurer consistent with the provisions of Section 13.3. The vice chair, or in the vice chair's absence, the secretary, shall exercise all powers of the chair in the chair's absence or inability to act.

7.2 Appointment of Officers. Officers shall be elected by, and serve at the pleasure of, the Board of Directors, in accordance with the Bylaws.

7.3 Principal Office. The principal office of the Agency shall be established by the Board of Directors, and may thereafter be changed by a vote of the Board.

ARTICLE 8 DIRECTOR MEETINGS

8.1 Initial Meeting. The initial meeting of the Board of Directors shall be held in the County of Ventura, California, within thirty (30) days of the Effective Date of this Agreement.

8.2 Time and Place. The Board of Directors shall meet at least quarterly, at a date, time and place set by the Board, within the jurisdictional boundaries of one or more of the Members, and at such times as may be determined by the Board.

8.3 Special Meetings. Special meetings of the Board of Directors may be called by the Chair or by a vote of the Directors in accordance with the provisions of Government Code section 54956.

8.4 Conduct. All meetings of the Board of Directors, including special meetings, shall be noticed, held, and conducted in accordance with the Ralph M. Brown Act (Government Code sections 54950, *et seq.*). The Board may use teleconferencing in connection with any meeting in conformance with and to the extent authorized by applicable law.

8.5 Local Conflict of Interest Code. The Board of Directors shall adopt a local conflict of interest code pursuant to the provisions of the Political Reform Act of 1974 (Government Code sections 81000, *et seq.*) within six (6) months following the appointment of both Stakeholder Directors.

ARTICLE 9 MEMBER VOTING

9.1 Quorum. A quorum of any meeting of the Board of Directors shall consist of a majority of the total number of Directors ~~plus one Director~~ ("Quorum"). In the absence of a quorum, any meeting of the Directors may be adjourned by a vote of the Directors present, but no other business may be transacted at the meeting. For purposes of this Article, a Director shall be deemed present if the Director appears at the meeting in person or participates telephonically,

provided the telephone appearance is consistent with the requirements of the Ralph M. Brown Act.

9.2 Director Votes. Voting by the Board of Directors shall be made on the basis of one vote for each Director. A Director, or an Alternate Director when acting in the absence of his or her Director, may vote on all matters of Agency business unless disqualified because of a conflict of interest pursuant to California law or the local conflict of interest code adopted by the Board of Directors.

9.3 Affirmative Decisions of the Board of Directors. The structure of voting and the determination of affirmative decisions of the Board of Directors, as set forth herein, are designed to encourage and facilitate consensus, pursuant to the following procedure:

9.3.1 ~~First Reading. A matter may be approved on the first reading of the matter pursuant to a unanimous vote of all Directors.~~ Matters Requiring Supermajority Vote. Decisions concerning the following matters shall require a supermajority vote in order to pass: (i) any capital expenditure of \$50,000 or more; (ii) the Agency's annual budget and amendments thereto; (iii) the GSP for the Basin or any amendments thereto; (iv) the Agency's adoption of groundwater extraction fees; (v) the Agency's adoption of any taxes, fees, or assessments subject to Proposition 218; (vi) the issuance of assessments for contributions by Members pursuant to Section 14.2; or (vii) any stipulation to resolve litigation concerning groundwater rights within, or groundwater management for, the Basin. A supermajority vote shall be calculated pursuant to Section 1.23.

9.3.2 ~~Second Reading. If unanimity is not obtained on the first reading of a matter, the Board shall continue a final vote on the matter for a second reading. The second reading shall occur at the next regular meeting of the Board, unless the Board votes to continue the second reading of the matter to another regular or special meeting of the Board.~~

(a) ~~Matters Requiring Supermajority Vote on Second Reading. Decisions concerning the following matters shall require a supermajority vote in order to pass on the second reading: (i) any capital expenditure of \$50,000 or more; (ii) the Agency's annual budget and amendments thereto; (iii) the GSP for the Basin or any amendments thereto; (iv) the Agency's adoption of groundwater extraction fees; (v) the Agency's adoption of any taxes, fees, or assessments subject to Proposition 218; (vi) the issuance of assessments for contributions by Members pursuant to Section 14.2; or (vii) any stipulation to resolve litigation concerning groundwater rights within, or groundwater management for, the Basin. A supermajority vote shall be calculated pursuant to Section 1.23.~~

(b) Simple Majority Vote for All Other Matters on Second Reading. Unless otherwise specified in this Agreement, for all matters not specified in Section 9.3.1~~(a)~~, an affirmative decision of the Board ~~on the second reading shall require a simple majority of all Directors present at the meeting and eligible to vote on the matter~~ shall require a simple majority of Directors who are present and eligible to vote.

Formatted: Font: 12 pt

Formatted: Normal, No bullets or numbering

Formatted: Normal, Right: 0.04", No bullets or numbering

Formatted: Font: 12 pt

ARTICLE 10 EXECUTIVE DIRECTOR AND STAFF

10.1 Appointment. The Board of Directors shall appoint an Executive Director, who

may be, though need not be, an officer, employee, or representative of one of the Members. The Executive Director's compensation, if any, shall be determined by the Board of Directors.

10.2 Duties. If appointed, the Executive Director shall be the chief administrative officer of the Agency, shall serve at the pleasure of the Board of Directors, and shall be responsible to the Board for the proper and efficient administration of the Agency. The Executive Director shall have the powers designated by the Board, or otherwise as set forth in the Bylaws.

10.3 Term and Termination. The Executive Director shall serve until he/she resigns or the Board of Directors terminates his/her appointment.

10.4 Staff and Services. The Executive Director may employ such additional full-time and/or part-time employees, assistants and independent contractors who may be necessary from time to time to accomplish the purposes of the Agency, subject to the approval of the Board of Directors. The Agency may contract with a Member or other public agency or private entity for various services, including without limitation, those related to the Agency's finances, purchasing, risk management, information technology and human resources. A written agreement shall be entered between the Agency and the Member or other public agency or private entity contracting to provide such service, and that agreement shall specify the terms on which such services shall be provided, including without limitation, the compensation, if any, that shall be made for the provision of such services.

ARTICLE 11 BYLAWS

The Board of Directors shall cause to be drafted, approve, and amend Bylaws of the Agency to govern the day-to-day operations of the Agency. The Bylaws shall be adopted at or before the first anniversary of the Board's first meeting.

ARTICLE 12 ADVISORY COMMITTEES

The Board of Directors may from time to time appoint one or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objectives of the Agency. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them. Each committee shall include a Director as the chair thereof. Other members of each committee may be composed of those individuals approved by the Board of Directors for participation on the committee. However, no committee or participant on such committee shall have any authority to act on behalf of the Agency.

ARTICLE 13 ACCOUNTING PRACTICES

13.1 General. The Board of Directors shall establish and maintain such funds and accounts as may be required by generally accepted public agency accounting practices. The Agency shall maintain strict accountability of all funds and report all receipts and disbursements

of the Agency.

13.2 Fiscal Year. Unless the Board of Directors decides otherwise, the fiscal year for the Agency shall run from July 1 to June 30.

13.3 Appointment of Treasurer and Auditor; Duties. The treasurer and Auditor shall be appointed and/or retained in the manner, and shall perform such duties and responsibilities, specified in sections 6505, 6505.5 and 6505.6 of the Act. The treasurer shall be bonded in accordance with the provisions of Government Code section 6505.1.

ARTICLE 14 BUDGET AND EXPENSES

14.1 Budget. Within one hundred and twenty (120) days after the first meeting of the Board of Directors, and thereafter prior to the commencement of each fiscal year, the Board shall adopt a budget for the Agency for the ensuing fiscal year. In the event that a budget is not so approved, the prior year's budget shall be deemed approved for the ensuing fiscal year, and any groundwater extraction fee or assessment(s) of contributions by Members, or both, approved by the Board during the prior fiscal year shall again be assessed in the same amount and terms for the ensuing fiscal year.

14.2 Agency Funding and Contributions. For the purpose of funding the expenses and ongoing operations of the Agency, the Board of Directors shall maintain a funding account in connection with the annual budget process. The Board of Directors may fund the Agency and the GSP for the Basin as provided in Chapter 8 of SGMA (commencing with section 10730 of the Water Code), through voluntary contributions from Members, and through the assessment of Member contributions, with the intent that the Agency will reimburse each Member at a later date. Such assessment of Member contributions shall be in the amount and frequency determined necessary by a supermajority vote of the Board (as set forth in Section 9.3) and shall be paid by each Member to the Agency within one hundred and twenty (120) days of assessment by the Board, unless otherwise directed by the Board.

14.3 Return of Contributions. The Agency may reimburse Members for all or any part of any contributions made by Members, and any revenues by the Agency may be distributed by the Board of Directors at such time and upon such terms as the Board of Directors may decide; provided that (i) any distributions shall be made in proportion to the contributions paid by each Member to the Agency, and (ii) any capital contribution paid by a Member voluntarily, and without obligation to make such capital contribution pursuant to Section 14.2, shall be returned to the contributing Member, together with accrued interest at the annual rate published as the yield of the Local Agency Investment Fund administered by the California State Treasurer, before any other return of contributions to the Members is made. The Agency shall hold title to all funds and property acquired by the Agency during the term of this Agreement.

14.4 Issuance of Indebtedness. The Agency may issue bonds, notes or other forms of indebtedness, as permitted under Section 4.6, provided such issuance is approved by a unanimous vote of the Member Directors.

ARTICLE 15 LIABILITIES

15.1 Liability. In accordance with Government Code section 6507, the debt, liabilities and obligations of the Agency shall be the debts, liabilities and obligations of the Agency alone, and not the individual Members.

15.2 Indemnity. Funds of the Agency may be used to defend, indemnify, and hold harmless the Agency, each Member, each Director, and any officers, agents and employees of the Agency for their actions taken within the course and scope of their duties while acting on behalf of the Agency. To the fullest extent permitted by law, the Agency agrees to save, indemnify, defend and hold harmless each Member from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are in any way attributable in whole or in part to, acts or omissions of the Agency or its employees, officers or agents or negligent acts or omissions (not including gross negligence or wrongful conduct) of the employees, officers or agents of any Member, while acting within the course and scope of a Member relationship with the Agency.

15.3 Hazardous Materials. The Agency shall not handle, receive, use, or dispose of hazardous materials unless first amending this Agreement to provide indemnification by the Agency of all of Members in relation to the Agency's handling, receipt, use or disposal of hazardous materials.

15.4 Liability Insurance. The Board of Directors shall obtain, and maintain in effect, appropriate liability insurance to cover the activities of the Agency's Directors and staff in the ordinary course of their duties.

15.5 Privileges and Immunities. All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers compensation, and other benefits which apply to the activity of officers, agents, or employees of any of the Members when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. None of the officers, agents, or employees appointed by the Board of Directors shall be deemed, by reason of their employment by the Board of Directors, to be employed by any of the Members or, by reason of their employment by the Board of Directors to be subject to any of the requirements of such Members.

ARTICLE 16 WITHDRAWAL OF MEMBERS

16.1 Unilateral Withdrawal. Subject to the Dispute Resolution provisions set forth in Section 18.9, a Member may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon sixty (60) days written notice to the Executive Director.

16.2 Rescission or Termination of Agency. This Agreement may be rescinded and the

Agency terminated by unanimous written consent of all Members, except during the outstanding term of any Agency indebtedness.

16.3 Effect of Withdrawal or Termination. Upon termination of this Agreement or unilateral withdrawal, a Member shall remain obligated to pay its share of all debts, liabilities and obligations of the Agency required of the Member pursuant to the terms of this Agreement which were incurred or accrued prior to the date of such termination or withdrawal, including, without limitation, those debts, liabilities and obligations pursuant to Sections 4.6 and 14.4. Any Member that withdraws from the Agency shall have no right to participate in the business and affairs of the Agency or to exercise any rights of a Member under this Agreement or the Act, but shall continue to share in distributions from the Agency on the same basis as if such Member had not withdrawn, provided that a Member that has withdrawn from the Agency shall not receive distributions in excess of the contributions made to the Agency while a Member. The right to share in distributions granted under this Section shall be in lieu of any right the withdrawn Member may have to receive a distribution or payment of the fair value of the Member's interest in the Agency.

16.4 Return of Contribution. Upon termination of this Agreement, any surplus money on-hand shall be returned to the Members in proportion to their contributions made. The Board of Directors shall first offer any property, works, rights and interests of the Agency for sale to the Members on terms and conditions determined by the Board of Directors. If no such sale to Members is consummated, the Board of Directors shall offer the property, works, rights, and interest of the Agency for sale to any non-member for good and adequate consideration. The net proceeds from any sale shall be distributed among the Members in proportion to their contributions made.

ARTICLE 17 SPECIAL PROJECTS

17.1 Special Projects. In addition to the general activities undertaken by all Members of the Agency, the Agency may initiate Special Projects that involve fewer than all Members. No Member shall be required to be involved in a Special Project that involves fewer than all Members.

17.2 Special Project Agreement. With the unanimous approval of Member Directors, Members may undertake Special Projects in the name of the Agency. Prior to undertaking a Special Project, the Members electing to participate in the Special Project shall enter into an activity agreement. Such activity agreement shall provide that (i) no Special Project undertaken pursuant to such agreement shall conflict with the terms of this Agreement; and (ii) the Members to the activity agreement shall indemnify, defend and hold the Agency, and the Agency's other Members, harmless from and against any liabilities, costs or expenses of any kind resulting from the Special Project described in the activity agreement. All assets, rights, benefits, debts, liabilities and obligations attributable to a Special Project shall be assets, rights, benefits, debts, liabilities and obligations solely of the Members that have entered into the activity agreement for that Special Project, in accordance with the terms of the activity agreement, and shall not be the assets, rights, benefits, debts, liabilities and obligations of those Members that have not executed the activity agreement. Members not electing to participate in the Special Project shall have no rights, benefits, debts, liabilities or obligations attributable to such Special Project.

ARTICLE 18
MISCELLANEOUS PROVISIONS

18.1 No Predetermination or Irretrievable Commitment of Resources. Nothing in this Agreement shall constitute a determination by the Agency or any of its Members that any action shall be undertaken or that any unconditional or irretrievable commitment of resources shall be made, until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, has been completed.

18.2 Notices. Notices to a Director or Member hereunder shall be sufficient if delivered to the City Clerk, Board Clerk, or Board Secretary of the respective Director or Member and addressed to the Director or Member. Delivery may be accomplished by U.S. Postal Service, private mail service or electronic mail.

18.3 Amendments to Agreement. This Agreement may be amended or modified at any time only by subsequent written agreement approved and executed by all of the Members.

18.4 Agreement Complete. This Agreement constitutes the full and complete agreement of the Members. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

18.5 Severability. Should any part, term or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any applicable federal law or any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions of this Agreement shall not be affected thereby, provided however, that if the remaining parts, terms, or provisions do not comply with the Act, this Agreement shall terminate.

18.6 Withdrawal by Operation of Law. Should the participation of any Member to this Agreement be decided by the courts to be illegal or in excess of that Member's authority or in conflict with any law, the validity of this Agreement as to the remaining Members shall not be affected thereby.

18.7 Assignment. The rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void.

18.8 Binding on Successors. This Agreement shall inure to the benefit of, and be binding upon, the successors or assigns of the Members.

18.9 Dispute Resolution. In the event that any dispute arises among the Members relating to (i) this Agreement, (ii) the rights and obligations arising from this Agreement, (iii) a Member proposing to withdraw from membership in the Agency, or (iv) a Member proposing to initiate litigation in relation to legal rights to groundwater within the Basin or the management of the Basin, the aggrieved Member or Members proposing to withdraw from membership shall provide written notice to the other Members of the controversy or proposal to withdraw from

membership. Within forty-five (45) days after such written notice, the Members shall attempt in good faith to resolve the controversy through informal means. If the Members cannot agree upon a resolution of the controversy within forty-five (45) days from the providing of written notice specified above, the dispute shall be submitted to mediation prior to commencement of any legal action or prior to withdrawal of a Member proposing to withdraw from membership. The mediation shall be no less than a full day (unless agreed otherwise among the Members) and the cost of mediation shall be paid in equal proportion among the Members. The mediator shall be either voluntarily agreed to or appointed by the Superior Court upon a suit and motion for appointment of a neutral mediator. Upon completion of mediation, if the controversy has not been resolved, any Member may exercise all rights to bring a legal action relating to the controversy or withdraw from membership as otherwise authorized pursuant to this Agreement. The Agency may, at its discretion, participate in mediation upon request by a Stakeholder Director concerning a dispute alleged by the Stakeholder Director concerning the management of the Basin or rights to extract groundwater from the Basin, with the terms of such mediation to be determined in the sole discretion of the Member Directors.

18.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

18.11 Singular Includes Plural. Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

18.12 No Third-Party Rights. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under, or by reason of, this Agreement on any person other than the Members and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligations or liability of any third person to any Member, nor shall any provision give any third person any right of subrogation or action over or against any Member.

18.13 Member Authorization. The legislative bodies of the Members have each authorized execution of this Agreement, as evidenced by the signatures below.

IN WITNESS WHEREOF, the Members hereto have executed this Agreement by authorized officials thereof on the dates indicated below, which Agreement may be executed in counterparts.

Attachment B (Clean Version JPA)

JOINT EXERCISE OF POWERS AGREEMENT

by and among

THE CASITAS MUNICIPAL WATER DISTRICT

THE CITY OF SAN BUENAVENTURA

THE COUNTY OF VENTURA

THE MEINERS OAKS WATER DISTRICT

and

THE VENTURA RIVER WATER DISTRICT

creating

THE UPPER VENTURA RIVER GROUNDWATER AGENCY

DECEMBER 2016

TABLE OF CONTENTS

RECITALS.....	1
TERMS OF AGREEMENT.....	2
ARTICLE 1 DEFINITIONS	2
ARTICLE 2 CREATION OF THE AGENCY	3
2.1 Creation of the Agency	3
2.2 Purpose of the Agency	4
ARTICLE 3 TERM.....	4
ARTICLE 4 POWERS	4
ARTICLE 5 MEMBERSHIP.....	6
5.1 Members.....	6
5.2 New Members	7
ARTICLE 6 BOARD OF DIRECTORS AND OFFICERS	7
6.1 Formation of the Board of Directors	7
6.2 Duties of the Board of Directors	7
6.3 Appointment of Directors.....	7
6.4 Alternate Directors	8
6.5 Term, Reappointment, and Removal	9
6.6 Vacancies	9
6.7 Conflicts of Interest.....	9
ARTICLE 7 OFFICERS	10
7.1 Officers.....	10
7.2 Appointment of Officers	10
7.3 Principal Office	10
ARTICLE 8 DIRECTOR MEETINGS.....	10
8.1 Initial Meeting.....	10
8.2 Time and Place.....	10
8.3 Special Meetings	10
8.4 Conduct	10
8.5 Local Conflict of Interest Code.....	10
ARTICLE 9 MEMBER VOTING	10
9.1 Quorum	10

TABLE OF CONTENTS

(continued)

9.2	Director Votes	11
9.3	Affirmative Decisions of the Board of Directors	11
ARTICLE 10	EXECUTIVE DIRECTOR AND STAFF.....	11
10.1	Appointment.....	11
10.2	Duties	11
10.3	Term and Termination.....	11
10.4	Staff and Services.....	12
ARTICLE 11	BYLAWS	12
ARTICLE 12	ADVISORY COMMITTEES	12
ARTICLE 13	ACCOUNTING PRACTICES	12
13.1	General	12
13.2	Fiscal Year	12
13.3	Appointment of Treasurer and Auditor; Duties	12
ARTICLE 14	BUDGET AND EXPENSES	13
14.1	Budget	13
14.2	Agency Funding and Contributions	13
14.3	Return of Contributions.....	13
14.4	Issuance of Indebtedness.....	13
ARTICLE 15	LIABILITIES	13
15.1	Liability	13
15.2	Indemnity	14
15.3	Hazardous Materials.....	14
15.4	Liability Insurance.....	14
15.5	Privileges and Immunities.....	14
ARTICLE 16	WITHDRAWAL OF MEMBERS	14
16.1	Unilateral Withdrawal	14
16.2	Rescission or Termination of Agency.....	14
16.3	Effect of Withdrawal or Termination.....	14
16.4	Return of Contribution	15
ARTICLE 17	SPECIAL PROJECTS	15
17.1	Special Projects	15

TABLE OF CONTENTS
(continued)

17.2 Special Project Agreement 15

ARTICLE 18 MISCELLANEOUS PROVISIONS 16

18.1 No Predetermination or Irretrievable Commitment of Resources..... 16

18.2 Notices..... 16

18.3 Amendments to Agreement..... 16

18.4 Agreement Complete 16

18.5 Severability..... 16

18.6 Withdrawal by Operation of Law..... 16

18.7 Assignment..... 16

18.8 Binding on Successors 16

18.9 Dispute Resolution 16

18.10 Counterparts 17

18.11 Singular Includes Plural 17

18.12 No Third-Party Rights..... 17

18.13 Member Authorization 17

**JOINT EXERCISE OF POWERS AGREEMENT
THE UPPER VENTURA RIVER GROUNDWATER AGENCY**

This **Joint Exercise of Powers Agreement (“Agreement”)** is made and effective on the last date executed (**“Effective Date”**), by and among the Casitas Municipal Water District, the City of San Buenaventura, the County of Ventura, the Meiners Oaks Water District, and the Ventura River Water District, sometimes referred to herein individually as a **“Member”** and collectively as the **“Members,”** for purposes of forming the Upper Ventura River Groundwater Agency (**“Agency”**) and setting forth the terms pursuant to which the Agency shall operate. Capitalized defined terms used herein shall have the meanings given to them in Article 1 of this Agreement.

RECITALS

A. Each of the Members is a local agency, as defined by the Sustainable Groundwater Management Act of 2014 (**“SGMA”**), duly organized and existing under and by virtue of the laws of the State of California, and each Member can exercise powers related to groundwater management.

B. For groundwater basins designated by the Department of Water Resources (**“DWR”**) as medium- and high-priority but that have not been designated by DWR as subject to critical conditions of overdraft, SGMA requires establishment of a groundwater sustainability agency (**“GSA”**) by June 30, 2017, and adoption of a groundwater sustainability plan (**“GSP”**) by January 31, 2022.

C. The Upper Ventura River Basin (designated basin number 4-3.01 in the DWR’s Bulletin No. 118) (**“Basin”**) is designated as a medium-priority sub-basin.

D. Under SGMA, a combination of local agencies may form a GSA through a joint exercise of powers agreement.

E. The Members have determined that the sustainable management of the Basin pursuant to SGMA may best be achieved through the cooperation of the Members operating through a joint powers authority.

F. The Joint Exercise of Powers Act of 2000 (**“Act”**) authorizes the Members to create a joint powers authority, and to jointly exercise any power common to the Members and to exercise additional powers granted under the Act.

G. The Act, including the Marks-Roos Local Bond Pooling Act of 1985 (Government Code sections 6584, *et seq.*), authorizes an entity created pursuant to the Act to issue bonds, and under certain circumstances, to purchase bonds issued by, or to make loans to, the Members for financing public capital improvements, working capital, liability and other insurance needs or projects whenever doing so would result in significant public benefits, as determined by the Members. The Act further authorizes and empowers a joint powers authority to sell bonds so issued or purchased to public or private purchasers at public or negotiated sales.

H. Based on the foregoing legal authority, the Members desire to create a joint powers authority for the purpose of taking all actions deemed necessary by the joint powers authority to ensure sustainable management of the Basin as required by SGMA.

I. The governing board of each Member has determined it to be in the Member's best interest and in the public interest that this Agreement be executed.

TERMS OF AGREEMENT

In consideration of the mutual promises and covenants herein contained, the Members agree as follows:

ARTICLE 1 DEFINITIONS

The following terms have the following meanings for purposes of this Agreement:

- 1.1 "Act" means the Joint Exercise of Powers Act, set forth in Chapter 5 of Division 7 of Title 1 of the Government Code, sections 6500, *et seq.*, including all laws supplemental thereto.
- 1.2 "Agreement" has the meaning assigned thereto in the Preamble.
- 1.3 "Auditor" means the auditor of the financial affairs of the Agency appointed by the Board of Directors pursuant to Section 13.3 of this Agreement.
- 1.4 "Agency" has the meaning assigned thereto in the Preamble.
- 1.5 "Basin" has the meaning assigned thereto in Recital C.
- 1.6 "Board of Directors" or "Board" means the governing body of the Agency as established by Article 6 of this Agreement.
- 1.7 "Bylaws" means the bylaws adopted by the Board of Directors pursuant to Article 11 of this Agreement to govern the day-to-day operations of the Agency.
- 1.8 "Director" and "Alternate Director" shall mean a director or alternate director appointed by a Member pursuant to Article 6 of this Agreement.
- 1.9 "DWR" has the meaning assigned thereto in Recital B.
- 1.10 "Effective Date" has the meaning assigned thereto in the Preamble.
- 1.11 "Executive Director" means the chief administrative officer of the Agency to be appointed by the Board of Directors pursuant to Article 10 of this Agreement.
- 1.12 "Farm Bureau" means the Farm Bureau of Ventura County.
- 1.13 "GSA" has the meaning assigned thereto in Recital B.

- 1.14 “GSP” has the meaning assigned thereto in Recital B.
- 1.15 “Member” has the meaning assigned thereto in the Preamble and further means each party to this Agreement that satisfies the requirements of Section 5.1 of this Agreement, including any new members as may be authorized by the Board, pursuant to Section 5.2 of this Agreement.
- 1.16 “Member Director” means a Director appointed pursuant to Article 6 of this Agreement that represents a Member.
- 1.17 “Officer(s)” means the chair, vice chair, secretary, or treasurer of the Agency to be appointed by the Board of Directors pursuant to Section 7.1 of this Agreement.
- 1.18 “Quorum” shall have the meaning assigned to it in Section 9.1.
- 1.19 “SGMA” has the meaning assigned thereto in Recital A.
- 1.20 “Special Projects” shall mean a project undertaken pursuant to Article 17.
- 1.21 “Stakeholder Director” means a Director appointed pursuant to Article 6 that represents stakeholder interests.
- 1.22 “State” means the State of California.
- 1.23 “Supermajority” shall mean the following:
 - 1.23.1 If seven (7) Directors are in attendance and eligible to vote, a supermajority shall mean five (5) affirmative votes.
 - 1.23.2 If only six (6) Directors are in attendance, or only six (6) Directors are eligible to vote, a supermajority vote shall mean five (5) affirmative votes.
 - 1.23.3 If only five (5) Directors are in attendance, or only five (5) Directors are eligible to vote, a supermajority shall mean four (4) affirmative votes.
 - 1.23.4 If only four (4) Directors are in attendance, or only four (4) Directors are eligible to vote, a supermajority shall mean four (4) affirmative votes.

ARTICLE 2

CREATION OF THE AGENCY

- 2.1 Creation of the Agency. There is hereby created pursuant to the Act a joint powers authority, which will be a public entity separate from the Members to this Agreement and shall be known as the Upper Ventura River Groundwater Agency (“Agency”). Within thirty (30) days after the Effective Date of this Agreement and

after any amendment to this Agreement, the Agency shall cause a notice of this Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by Government Code section 6503.5. Within seventy (70) days after the Effective Date of this Agreement, the Agency shall cause a statement of the information concerning the Agency, required by Government Code section 53051, to be filed with the office of the California Secretary of State and with the Clerk for the County of Ventura, setting forth the facts required to be stated pursuant to Government Code section 53051(a).

- 2.2 Purpose of the Agency. Each Member to this Agreement has in common the power to study, plan, develop, finance, acquire, construct, maintain, repair, manage, operate, control, and govern water supply projects and exercise groundwater management authority within the Basin either alone or in cooperation with other public or private non-member entities, and each is a local agency eligible to serve as the GSA in the Basin, either alone or jointly through a joint powers agreement as provided for by SGMA. This Agreement is being entered into in order to jointly exercise some or all of the foregoing common powers, as appropriate, and for the exercise of such additional powers as may be authorized by law in the manner herein set forth, in order to effectuate the purposes of this Agreement. The purpose of the Agency is to serve as the GSA for the Basin and to develop, adopt, and implement the GSP for the Basin pursuant to SGMA and other applicable provisions of law.

ARTICLE 3 TERM

This Agreement shall become effective upon its execution by each of the Members and shall remain in effect until terminated pursuant to the provisions of Article 16 of this Agreement.

ARTICLE 4 POWERS

The Agency shall possess the power in its own name to exercise any and all common powers of its Members reasonably related to the purposes of the Agency, including but not limited to the powers set forth below. For purposes of Government Code section 6509, and unless the Agency has adopted applicable rules, regulations, policies, bylaws and procedures, the powers of the Agency shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on the County of Ventura, and in the event of the withdrawal of the County of Ventura as a Member under this Agreement, then the powers of the Agency shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on the City of San Buenaventura.

- 4.1. To exercise all powers afforded to the Agency under SGMA, including without limitation:

Item 5(a), Attachment A, Exhibit B

4.1.1 To adopt rules, regulations, policies, bylaws and procedures governing the operation of the Agency.

4.1.2 To develop, adopt and implement a GSP for the Basin, and to exercise jointly the common powers of the Members in doing so.

4.1.3 To obtain rights, permits and other authorizations for, or pertaining to, implementation of a GSP for the Basin.

4.1.4 To collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the Basin.

4.1.5 To acquire property and other assets by grant, lease, purchase, bequest, devise, gift, or eminent domain, and to hold, enjoy, lease or sell, or otherwise dispose of, property, including real property, water rights, and personal property, necessary for the full exercise of the Agency's powers.

4.1.6 To establish and administer a conjunctive use program for the purposes of maintaining sustainable yields in the Basin consistent with the requirements of SGMA.

4.1.7 To exchange and distribute water.

4.1.8 To regulate groundwater extractions as permitted by SGMA.

4.1.9 To spread, sink and inject water into the Basin.

4.1.10 To store, transport, recapture, recycle, purify, treat or otherwise manage and control water for beneficial use.

4.1.11 To develop and facilitate market-based solutions for the use and management of water rights.

4.1.12 To impose assessments, groundwater extraction fees or other charges, and to undertake other means of financing the Agency as authorized by Chapter 8 of SGMA, commencing at section 10730 of the Water Code.

4.1.13 To perform other ancillary tasks relating to the operation of the Agency pursuant to SGMA, including without limitation, environmental review, engineering, and design.

4.2 To apply for, accept and receive licenses, permits, water rights, approvals, agreements, grants, loans, contributions, donations or other aid from any agency of the United States, the State of California or other public agencies or private persons or entities necessary for the Agency's purposes.

4.3 To develop, collect, provide, and disseminate information that furthers the purposes of the Agency.

4.4 To make and enter contracts necessary to the full exercise of the Agency's power.

4.5 To employ, designate, or otherwise contract for the services of, agents, officers, employees, attorneys, engineers, planners, financial consultants, technical specialists, advisors, and independent contractors.

4.6 To incur debts, liabilities or obligations, to issue bonds, notes, certificates of participation, guarantees, equipment leases, reimbursement obligations and other indebtedness, as authorized by the Act.

4.7 To cooperate, act in conjunction and contract with the United States, the State of California, or any agency thereof, counties, municipalities, public and private corporations of any kind (including without limitation, investor-owned utilities), and individuals, or any of them, for any and all purposes necessary or convenient for the full exercise of the powers of the Agency.

4.8 To sue and be sued in the Agency's own name.

4.9 To provide for the prosecution of, defense of, or other participation in, actions or proceedings at law or in public hearings in which the Members, pursuant to this Agreement, have an interest and employ counsel and other expert assistance for these purposes.

4.10 To accumulate operating and reserve funds for the purposes herein stated.

4.11 To invest money that is not required for the immediate necessities of the Agency, as the Agency determines is advisable, in the same manner and upon the same conditions as Members, pursuant to Government Code section 53601, as that section now exists or may hereafter be amended.

4.12 To undertake any investigations, studies, and matters of general administration.

4.13 To undertake Special Projects, as set forth in Article 17.

4.14 To perform all other acts necessary or proper to carry out fully the purposes of this Agreement.

ARTICLE 5 MEMBERSHIP

5.1 Members. The Members of the Agency shall be the Casitas Municipal Water District, the City of San Buenaventura, the County of Ventura, the Meiners Oaks Water District, and the Ventura River Water District, as long as they have not, pursuant to the provisions hereof, withdrawn from this Agreement.

5.2 New Members. It is recognized that a public agency that is not a Member on the Effective Date of this Agreement may wish to participate in the Agency. Additional public agencies or mutual water companies may become members of the Agency upon such terms and conditions as established by the Board of Directors and upon the unanimous consent of the existing Members, evidenced by the execution of a written amendment to this Agreement signed by all of the Members, including the additional public agency or mutual water company. The addition of new Members shall not affect any rights of existing Members without the consent of all affected Members.

ARTICLE 6 BOARD OF DIRECTORS AND OFFICERS

6.1 Formation of the Board of Directors. The Agency shall be governed by a Board of Directors (“**Board of Directors**” or “**Board**”). The Board shall be composed of seven (7) Directors consisting of the following representatives, who shall be appointed in the manner set forth in Section 6.3:

6.1.1 Five (5) Member Directors, with one (1) Member Director appointed by the governing board of each Member.

6.1.2 Two (2) Stakeholder Directors, one of which shall be representative of agricultural stakeholders and interests within the Basin and one of which shall be representative of environmental stakeholders and interests within the Basin. The two (2) Stakeholder Directors shall meet the following qualifications:

(a) Agricultural Stakeholder Director. The Agricultural Stakeholder Director shall meet one or more of the following three criteria, determined at the sole discretion of the Member Directors: (i) own and operate an agricultural business with its principal operations on land overlying the Basin; (ii) own or lease property overlying the Basin and extract groundwater from the Basin for the irrigation of at least two (2) acres of crops in commercial operation; or (iii) be a representative of an agricultural organization currently active within the Members’ service area boundaries.

(b) Environmental Stakeholder Director. The Environmental Stakeholder Director shall be an active member of a nonprofit, 501(c)(3) organization which, at the sole discretion of the Member Directors, meets the following requirements: (i) is currently active within Ventura County; (ii) has an adopted budget; and (iii) has a mission that advances, or is furthered by, groundwater sustainability.

6.2 Duties of the Board of Directors. The business and affairs of the Agency, and all of the powers of the Agency, including without limitation all powers set forth in Article 4, are reserved to and shall be exercised by and through the Board of Directors, except as may be expressly delegated to the Executive Director or others pursuant to this Agreement, Bylaws, or by specific action of the Board of Directors.

6.3 Appointment of Directors. The Directors shall be appointed as follows:

Item 5(a), Attachment A, Exhibit B

6.3.1 One (1) Member Director from the Casitas Municipal Water District shall be appointed by resolution of the Casitas Municipal Water District Board of Directors.

6.3.2 One (1) Member Director from the City of San Buenaventura shall be appointed by resolution of the City of San Buenaventura City Council.

6.3.3 One (1) Member Director from the County of Ventura shall be appointed by resolution of the County of Ventura Board of Supervisors.

6.3.4 One (1) Member Director from the Meiners Oaks Water District shall be appointed by resolution of the Meiners Oaks Water District Board of Directors.

6.3.5 One (1) Member Director from the Ventura River Water District shall be appointed by resolution of the Ventura River Water District Board of Directors.

6.3.6 The two (2) Stakeholder Directors shall be appointed as follows:

(a) Agricultural Stakeholder Director: The Member Directors shall select the Agricultural Stakeholder Director and Alternate from a list of qualified nominees submitted by the Farm Bureau of Ventura County ("**Farm Bureau**"). The Farm Bureau shall submit its nominees to the Member Directors pursuant to a process determined by the Member Directors. The Member Directors shall consider the nominees at a regular meeting and at that meeting shall appoint the Agricultural Stakeholder Director and Alternate upon a vote of all Member Directors.

(b) Environmental Stakeholder Director. The Member Directors shall select the Environmental Stakeholder Director and Alternate from qualified nominees submitted by environmental nonprofit, 501(c)(3) organizations meeting the criteria specified in Section 6.1.2(b). The nominations shall be submitted to the Member Directors pursuant to a process determined by the Member Directors. The Member Directors shall consider the nominees at a regular meeting and shall appoint the Environmental Stakeholder Director and Alternate upon a vote of all Member Directors.

6.4 Alternate Directors. Each Member may also appoint one Alternate Director to the Board of Directors. All Alternate Directors shall be appointed in the same manner as set forth in Section 6.3. Unless appearing as a substitute for a Member Director due to absence or conflict of interest, Alternate Directors shall have no vote, and shall not participate in any discussions or deliberations of the Board. If the Director is not present, or if the Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Board, the Alternate Director appointed to act in his/her place shall assume all rights of the Director, and shall have the authority to act in his/her absence, including casting votes on matters before the Board. Each Alternate Director shall be appointed prior to the third meeting of the Board. Alternate Directors are encouraged to attend all Board meetings and stay informed on current issues before the Board.

6.5 Term, Reappointment, and Removal. Directors and Alternate Directors shall serve for terms of two (2) years, provided that for the purpose of establishing staggered terms among the Directors and Alternate Directors, three (3) of the Member Directors and their respective Alternate Directors shall serve an initial term of three (3) years. The Member Directors and Alternative Directors that will serve an initial term of three (3) years shall be determined by resolution of the Board of Directors at its first meeting. A Member Director or Alternate Director may be removed during his or her term or reappointed for multiple terms at the pleasure of the Member that appointed him or her. A Member Director or Alternate Director shall be either a member of the appointing agency's staff or governing board and shall cease to be a Member Director or Alternate Director when no longer a member of the appointing agency's staff or governing board. A Stakeholder Director may be removed or reappointed by a vote of all Member Directors.

6.6 Vacancies. A vacancy on the Board of Directors shall occur when a Director resigns or reaches the end of that Director's term, as set forth in Section 6.5. For Member Directors, a vacancy shall also occur when he or she is removed by his or her appointing Member or, in the case of Member Agency employees, when he or she is no longer employed by the Member Agency. For Stakeholder Directors, a vacancy shall also occur when the Stakeholder Director is removed, as set forth in Section 6.5. Upon the vacancy of a Member Director, the Alternate Director shall serve as Director until a new Director is appointed as set forth in Section 6.3 unless the Alternate Director is already serving as an Alternate Director in the event of a prior vacancy, in which case, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.3. A Member shall appoint a new Director and/or Alternative Director within ninety (90) days of the occurrence of vacancy, or after two consecutive absences by any Director or Alternative Director. Members shall submit any changes in Director or Alternate Director positions to the Executive Director by written notice signed by an authorized representative of the Member. The written notice shall include a resolution of the governing board of the Member directing such change in the Director or Alternative Director position. In the event a Member fails to make a timely appointment to fill a vacancy, the remaining Member may, by unanimous vote, after one hundred twenty (120) days, remove that Member from the Agency, subject to the dispute resolution process in Section 18.9 of this Agreement.

6.7 Conflicts of Interest. No Director shall be allowed to participate in any matter before the Board in which he or she has a conflict of interest. A Member Director is deemed to have a conflict of interest and disqualified from participating in related matters before the Board if that Member Director (i) is personally, or (ii) was appointed by a Member that is named as an adverse party in any litigation in which the Agency is a party. A Stakeholder Director is deemed to have a conflict of interest and disqualified from participating in related matters before the Board if that Stakeholder Director (i) is personally, (ii) was nominated by, (iii) is employed by, or (iv) acts as a manager or executive director to, or sits on the board of, an entity that is named as an adverse party in litigation in which the Agency is a party. In such an event, the Director shall be deemed disqualified in all matters related to the issue being litigated, shall not be eligible to receive confidential information relating to the litigation from the Agency or its legal counsel, and shall not be eligible to attend any closed session where the litigation is discussed. In the event a Director deemed to have conflict of interest refuses to withdraw from matters related to the conflict, the other Directors shall jointly seek a court order preventing the conflicted Director

from participating in those related matters.

ARTICLE 7 OFFICERS

7.1 Officers. The officers of the Agency shall be a chair, vice chair, secretary selected from among the Member Directors. The Agency shall also appoint a treasurer consistent with the provisions of Section 13.3. The vice chair, or in the vice chair's absence, the secretary, shall exercise all powers of the chair in the chair's absence or inability to act.

7.2 Appointment of Officers. Officers shall be elected by, and serve at the pleasure of, the Board of Directors, in accordance with the Bylaws.

7.3 Principal Office. The principal office of the Agency shall be established by the Board of Directors, and may thereafter be changed by a vote of the Board.

ARTICLE 8 DIRECTOR MEETINGS

8.1 Initial Meeting. The initial meeting of the Board of Directors shall be held in the County of Ventura, California, within thirty (30) days of the Effective Date of this Agreement.

8.2 Time and Place. The Board of Directors shall meet at least quarterly, at a date, time and place set by the Board, within the jurisdictional boundaries of one or more of the Members, and at such times as may be determined by the Board.

8.3 Special Meetings. Special meetings of the Board of Directors may be called by the Chair or by a vote of the Directors in accordance with the provisions of Government Code section 54956.

8.4 Conduct. All meetings of the Board of Directors, including special meetings, shall be noticed, held, and conducted in accordance with the Ralph M. Brown Act (Government Code sections 54950, *et seq.*). The Board may use teleconferencing in connection with any meeting in conformance with and to the extent authorized by applicable law.

8.5 Local Conflict of Interest Code. The Board of Directors shall adopt a local conflict of interest code pursuant to the provisions of the Political Reform Act of 1974 (Government Code sections 81000, *et seq.*) within six (6) months following the appointment of both Stakeholder Directors.

ARTICLE 9 MEMBER VOTING

9.1 Quorum. A quorum of any meeting of the Board of Directors shall consist of a majority of the total number of Directors (“**Quorum**”). In the absence of a quorum, any meeting of the Directors may be adjourned by a vote of the Directors present, but no other business may be transacted at the meeting. For purposes of this Article, a Director shall be deemed present if the Director appears at the meeting in person or participates telephonically,

provided the telephone appearance is consistent with the requirements of the Ralph M. Brown Act.

9.2 Director Votes. Voting by the Board of Directors shall be made on the basis of one vote for each Director. A Director, or an Alternate Director when acting in the absence of his or her Director, may vote on all matters of Agency business unless disqualified because of a conflict of interest pursuant to California law or the local conflict of interest code adopted by the Board of Directors.

9.3 Affirmative Decisions of the Board of Directors. The structure of voting and the determination of affirmative decisions of the Board of Directors, as set forth herein, are designed to encourage and facilitate consensus, pursuant to the following procedure:

9.3.1 Matters Requiring Supermajority Vote. Decisions concerning the following matters shall require a supermajority vote in order to pass: (i) any capital expenditure of \$50,000 or more; (ii) the Agency's annual budget and amendments thereto; (iii) the GSP for the Basin or any amendments thereto; (iv) the Agency's adoption of groundwater extraction fees; (v) the Agency's adoption of any taxes, fees, or assessments subject to Proposition 218; (vi) the issuance of assessments for contributions by Members pursuant to Section 14.2; or (vii) any stipulation to resolve litigation concerning groundwater rights within, or groundwater management for, the Basin. A supermajority vote shall be calculated pursuant to Section 1.23.

9.3.2 Simple Majority Vote for All Other Matters. Unless otherwise specified in this Agreement, for all matters not specified in Section 9.3.1, an affirmative decision of the Board shall require a simple majority of Directors who are present and eligible to vote.

ARTICLE 10 EXECUTIVE DIRECTOR AND STAFF

10.1 Appointment. The Board of Directors shall appoint an Executive Director, who may be, though need not be, an officer, employee, or representative of one of the Members. The Executive Director's compensation, if any, shall be determined by the Board of Directors.

10.2 Duties. If appointed, the Executive Director shall be the chief administrative officer of the Agency, shall serve at the pleasure of the Board of Directors, and shall be responsible to the Board for the proper and efficient administration of the Agency. The Executive Director shall have the powers designated by the Board, or otherwise as set forth in the Bylaws.

10.3 Term and Termination. The Executive Director shall serve until he/she resigns or the Board of Directors terminates his/her appointment.

10.4 Staff and Services. The Executive Director may employ such additional full-time and/or part-time employees, assistants and independent contractors who may be necessary from

time to time to accomplish the purposes of the Agency, subject to the approval of the Board of Directors. The Agency may contract with a Member or other public agency or private entity for various services, including without limitation, those related to the Agency's finances, purchasing, risk management, information technology and human resources. A written agreement shall be entered between the Agency and the Member or other public agency or private entity contracting to provide such service, and that agreement shall specify the terms on which such services shall be provided, including without limitation, the compensation, if any, that shall be made for the provision of such services.

ARTICLE 11 BYLAWS

The Board of Directors shall cause to be drafted, approve, and amend Bylaws of the Agency to govern the day-to-day operations of the Agency. The Bylaws shall be adopted at or before the first anniversary of the Board's first meeting.

ARTICLE 12 ADVISORY COMMITTEES

The Board of Directors may from time to time appoint one or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objectives of the Agency. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them. Each committee shall include a Director as the chair thereof. Other members of each committee may be composed of those individuals approved by the Board of Directors for participation on the committee. However, no committee or participant on such committee shall have any authority to act on behalf of the Agency.

ARTICLE 13 ACCOUNTING PRACTICES

13.1 General. The Board of Directors shall establish and maintain such funds and accounts as may be required by generally accepted public agency accounting practices. The Agency shall maintain strict accountability of all funds and report all receipts and disbursements of the Agency.

13.2 Fiscal Year. Unless the Board of Directors decides otherwise, the fiscal year for the Agency shall run from July 1 to June 30.

13.3 Appointment of Treasurer and Auditor; Duties. The treasurer and Auditor shall be appointed and/or retained in the manner, and shall perform such duties and responsibilities, specified in sections 6505, 6505.5 and 6505.6 of the Act. The treasurer shall be bonded in accordance with the provisions of Government Code section 6505.1.

ARTICLE 14 BUDGET AND EXPENSES

14.1 Budget. Within one hundred and twenty (120) days after the first meeting of the Board of Directors, and thereafter prior to the commencement of each fiscal year, the Board shall adopt a budget for the Agency for the ensuing fiscal year. In the event that a budget is not so approved, the prior year's budget shall be deemed approved for the ensuing fiscal year, and any groundwater extraction fee or assessment(s) of contributions by Members, or both, approved by the Board during the prior fiscal year shall again be assessed in the same amount and terms for the ensuing fiscal year.

14.2 Agency Funding and Contributions. For the purpose of funding the expenses and ongoing operations of the Agency, the Board of Directors shall maintain a funding account in connection with the annual budget process. The Board of Directors may fund the Agency and the GSP for the Basin as provided in Chapter 8 of SGMA (commencing with section 10730 of the Water Code), through voluntary contributions from Members, and through the assessment of Member contributions, with the intent that the Agency will reimburse each Member at a later date. Such assessment of Member contributions shall be in the amount and frequency determined necessary by a supermajority vote of the Board (as set forth in Section 9.3) and shall be paid by each Member to the Agency within one hundred and twenty (120) days of assessment by the Board, unless otherwise directed by the Board.

14.3 Return of Contributions. The Agency may reimburse Members for all or any part of any contributions made by Members, and any revenues by the Agency may be distributed by the Board of Directors at such time and upon such terms as the Board of Directors may decide; provided that (i) any distributions shall be made in proportion to the contributions paid by each Member to the Agency, and (ii) any capital contribution paid by a Member voluntarily, and without obligation to make such capital contribution pursuant to Section 14.2, shall be returned to the contributing Member, together with accrued interest at the annual rate published as the yield of the Local Agency Investment Fund administered by the California State Treasurer, before any other return of contributions to the Members is made. The Agency shall hold title to all funds and property acquired by the Agency during the term of this Agreement.

14.4 Issuance of Indebtedness. The Agency may issue bonds, notes or other forms of indebtedness, as permitted under Section 4.6, provided such issuance is approved by a unanimous vote of the Member Directors.

ARTICLE 15 LIABILITIES

15.1 Liability. In accordance with Government Code section 6507, the debt, liabilities and obligations of the Agency shall be the debts, liabilities and obligations of the Agency alone, and not the individual Members.

15.2 Indemnity. Funds of the Agency may be used to defend, indemnify, and hold harmless the Agency, each Member, each Director, and any officers, agents and employees of the Agency for their actions taken within the course and scope of their duties while acting on behalf of the Agency. To the fullest extent permitted by law, the Agency agrees to save, indemnify, defend and hold harmless each Member from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are in any way attributable in whole or in part to, acts or omissions of the Agency or its employees, officers or agents or negligent acts or omissions (not including gross negligence or wrongful conduct) of the employees, officers or agents of any Member, while acting within the course and scope of a Member relationship with the Agency.

15.3 Hazardous Materials. The Agency shall not handle, receive, use, or dispose of hazardous materials unless first amending this Agreement to provide indemnification by the Agency of all of Members in relation to the Agency's handling, receipt, use or disposal of hazardous materials.

15.4 Liability Insurance. The Board of Directors shall obtain, and maintain in effect, appropriate liability insurance to cover the activities of the Agency's Directors and staff in the ordinary course of their duties.

15.5 Privileges and Immunities. All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers compensation, and other benefits which apply to the activity of officers, agents, or employees of any of the Members when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. None of the officers, agents, or employees appointed by the Board of Directors shall be deemed, by reason of their employment by the Board of Directors, to be employed by any of the Members or, by reason of their employment by the Board of Directors to be subject to any of the requirements of such Members.

ARTICLE 16 WITHDRAWAL OF MEMBERS

16.1 Unilateral Withdrawal. Subject to the Dispute Resolution provisions set forth in Section 18.9, a Member may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon sixty (60) days written notice to the Executive Director.

16.2 Rescission or Termination of Agency. This Agreement may be rescinded and the Agency terminated by unanimous written consent of all Members, except during the outstanding term of any Agency indebtedness.

16.3 Effect of Withdrawal or Termination. Upon termination of this Agreement or unilateral withdrawal, a Member shall remain obligated to pay its share of all debts, liabilities and obligations of the Agency required of the Member pursuant to the terms of this Agreement

which were incurred or accrued prior to the date of such termination or withdrawal, including, without limitation, those debts, liabilities and obligations pursuant to Sections 4.6 and 14.4. Any Member that withdraws from the Agency shall have no right to participate in the business and affairs of the Agency or to exercise any rights of a Member under this Agreement or the Act, but shall continue to share in distributions from the Agency on the same basis as if such Member had not withdrawn, provided that a Member that has withdrawn from the Agency shall not receive distributions in excess of the contributions made to the Agency while a Member. The right to share in distributions granted under this Section shall be in lieu of any right the withdrawn Member may have to receive a distribution or payment of the fair value of the Member's interest in the Agency.

16.4 Return of Contribution. Upon termination of this Agreement, any surplus money on-hand shall be returned to the Members in proportion to their contributions made. The Board of Directors shall first offer any property, works, rights and interests of the Agency for sale to the Members on terms and conditions determined by the Board of Directors. If no such sale to Members is consummated, the Board of Directors shall offer the property, works, rights, and interest of the Agency for sale to any non-member for good and adequate consideration. The net proceeds from any sale shall be distributed among the Members in proportion to their contributions made.

ARTICLE 17 SPECIAL PROJECTS

17.1 Special Projects. In addition to the general activities undertaken by all Members of the Agency, the Agency may initiate Special Projects that involve fewer than all Members. No Member shall be required to be involved in a Special Project that involves fewer than all Members.

17.2 Special Project Agreement. With the unanimous approval of Member Directors, Members may undertake Special Projects in the name of the Agency. Prior to undertaking a Special Project, the Members electing to participate in the Special Project shall enter into an activity agreement. Such activity agreement shall provide that (i) no Special Project undertaken pursuant to such agreement shall conflict with the terms of this Agreement; and (ii) the Members to the activity agreement shall indemnify, defend and hold the Agency, and the Agency's other Members, harmless from and against any liabilities, costs or expenses of any kind resulting from the Special Project described in the activity agreement. All assets, rights, benefits, debts, liabilities and obligations attributable to a Special Project shall be assets, rights, benefits, debts, liabilities and obligations solely of the Members that have entered into the activity agreement for that Special Project, in accordance with the terms of the activity agreement, and shall not be the assets, rights, benefits, debts, liabilities and obligations of those Members that have not executed the activity agreement. Members not electing to participate in the Special Project shall have no rights, benefits, debts, liabilities or obligations attributable to such Special Project.

ARTICLE 18
MISCELLANEOUS PROVISIONS

18.1 No Predetermination or Irretrievable Commitment of Resources. Nothing in this Agreement shall constitute a determination by the Agency or any of its Members that any action shall be undertaken or that any unconditional or irretrievable commitment of resources shall be made, until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, has been completed.

18.2 Notices. Notices to a Director or Member hereunder shall be sufficient if delivered to the City Clerk, Board Clerk, or Board Secretary of the respective Director or Member and addressed to the Director or Member. Delivery may be accomplished by U.S. Postal Service, private mail service or electronic mail.

18.3 Amendments to Agreement. This Agreement may be amended or modified at any time only by subsequent written agreement approved and executed by all of the Members.

18.4 Agreement Complete. This Agreement constitutes the full and complete agreement of the Members. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

18.5 Severability. Should any part, term or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any applicable federal law or any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions of this Agreement shall not be affected thereby, provided however, that if the remaining parts, terms, or provisions do not comply with the Act, this Agreement shall terminate.

18.6 Withdrawal by Operation of Law. Should the participation of any Member to this Agreement be decided by the courts to be illegal or in excess of that Member's authority or in conflict with any law, the validity of this Agreement as to the remaining Members shall not be affected thereby.

18.7 Assignment. The rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void.

18.8 Binding on Successors. This Agreement shall inure to the benefit of, and be binding upon, the successors or assigns of the Members.

18.9 Dispute Resolution. In the event that any dispute arises among the Members relating to (i) this Agreement, (ii) the rights and obligations arising from this Agreement, (iii) a Member proposing to withdraw from membership in the Agency, or (iv) a Member proposing to initiate litigation in relation to legal rights to groundwater within the Basin or the management of the Basin, the aggrieved Member or Members proposing to withdraw from membership shall provide written notice to the other Members of the controversy or proposal to withdraw from

membership. Within forty-five (45) days after such written notice, the Members shall attempt in good faith to resolve the controversy through informal means. If the Members cannot agree upon a resolution of the controversy within forty-five (45) days from the providing of written notice specified above, the dispute shall be submitted to mediation prior to commencement of any legal action or prior to withdrawal of a Member proposing to withdraw from membership. The mediation shall be no less than a full day (unless agreed otherwise among the Members) and the cost of mediation shall be paid in equal proportion among the Members. The mediator shall be either voluntarily agreed to or appointed by the Superior Court upon a suit and motion for appointment of a neutral mediator. Upon completion of mediation, if the controversy has not been resolved, any Member may exercise all rights to bring a legal action relating to the controversy or withdraw from membership as otherwise authorized pursuant to this Agreement. The Agency may, at its discretion, participate in mediation upon request by a Stakeholder Director concerning a dispute alleged by the Stakeholder Director concerning the management of the Basin or rights to extract groundwater from the Basin, with the terms of such mediation to be determined in the sole discretion of the Member Directors.

18.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

18.11 Singular Includes Plural. Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

18.12 No Third-Party Rights. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under, or by reason of, this Agreement on any person other than the Members and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligations or liability of any third person to any Member, nor shall any provision give any third person any right of subrogation or action over or against any Member.

18.13 Member Authorization. The legislative bodies of the Members have each authorized execution of this Agreement, as evidenced by the signatures below.

IN WITNESS WHEREOF, the Members hereto have executed this Agreement by authorized officials thereof on the dates indicated below, which Agreement may be executed in counterparts.

Resolution 2025-05 Proposed JPA Amendments

Final Audit Report

2025-10-10

Created:	2025-10-10
By:	Bryan Bondy (bryan@bondygroundwater.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA2lglyQ_1pgksEvyY5KRrKfbTEBk5Zhzb

"Resolution 2025-05 Proposed JPA Amendments" History

-  Document created by Bryan Bondy (bryan@bondygroundwater.com)
2025-10-10 - 4:01:32 PM GMT- IP address: [REDACTED]
-  Document emailed to Pete Kaiser (pkaiser@uvrgroundwater.org) for signature
2025-10-10 - 4:01:42 PM GMT
-  Document emailed to Keith Lemieux (klemieux@awattorneys.com) for signature
2025-10-10 - 4:01:43 PM GMT
-  Document emailed to Jennifer Tribo (jtribo@cityofventura.ca.gov) for signature
2025-10-10 - 4:01:43 PM GMT
-  Email viewed by Jennifer Tribo (jtribo@cityofventura.ca.gov)
2025-10-10 - 4:07:36 PM GMT- IP address: [REDACTED]
-  Document e-signed by Jennifer Tribo (jtribo@cityofventura.ca.gov)
Signature Date: 2025-10-10 - 4:08:42 PM GMT - Time Source: server- IP address: [REDACTED]
-  Email viewed by Keith Lemieux (klemieux@awattorneys.com)
2025-10-10 - 5:38:55 PM GMT- IP address: [REDACTED]
-  Document e-signed by Keith Lemieux (klemieux@awattorneys.com)
Signature Date: 2025-10-10 - 5:39:12 PM GMT - Time Source: server- IP address: [REDACTED]
-  Email viewed by Pete Kaiser (pkaiser@uvrgroundwater.org)
2025-10-10 - 7:39:27 PM GMT- IP address: [REDACTED]
-  Document e-signed by Pete Kaiser (pkaiser@uvrgroundwater.org)
Signature Date: 2025-10-10 - 7:41:46 PM GMT - Time Source: server- IP address: [REDACTED]



Adobe Acrobat Sign



Agreement completed.

2025-10-10 - 7:41:46 PM GMT



Adobe Acrobat Sign