Appendix A

East Stanislaus Region Integrated Regional Water Management Plan

MEMORANDUM OF UNDERSTANDING
AMONG CITY OF MODESTO, CITY OF TURLOCK, CITY OF HUGHSON, AND CITY OF CERES
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING

This Memorandum of Understanding (MOU) dated August 23, 2011 is entered among the City of Modesto, City of Turlock, City of Hughson, and City of Ceres (collectively known as the East Stanislaus Regional Water Management Partnership or Partnership) for the purposes of coordinating water resources planning activities undertaken by the cities/water agencies and to establish mutual understandings of cities/water agencies with respect to their joint efforts in developing an Integrated Regional Water Management Plan (IRWMP) that will increase regional coordination, collaboration and communication and help in obtaining funding for water resources-related projects.

WHEREAS, the California Legislature enacted SBX2 1 (Perata, Chapter 1 Statues of 2008), the Integrated Regional Water Management Planning Act, which provides that a regional water management group may prepare and adopt an Integrated Regional Water Management Plan.

WHEREAS, In November 2006, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Act (Prop 84), authorized Legislature to appropriate funding for competitive grants for projects included in Integrated Regional Water Management Plans.

WHEREAS, the Cities of Ceres, Hughson, Turlock and Modesto adopted and entered into a cost share agreement for the preparation of an Integrated Regional Water Management Plan on June 22, 2010.

WHEREAS, the Partnership has submitted an application for approval of the Integrated Regional Water Management Plan and East Stanislaus Region approval, which includes descriptions of the regional boundary, the Partnership, Committees, and governance structure, among other topics, through the Department of Water Resources (DWR) Region Acceptance Process (RAP).

WHEREAS, the signatories of the MOU anticipate the potential need for future agreements on specific projects or programs and with other affected agencies to further coordinate long-term water resources planning.

WHEREAS, the MOU does not prevent any signatory from pursuing other projects individually and participation in Plan planning is nonbinding, and in no way suggests that an agency's ability to plan and undertake efforts to plan for projects or secure project funding from any source. An agency may withdraw from participation at any time.

Now, therefore, the following is mutually understood and agreed:

1. GOALS

The goals of the Partnership are:

1.1. To develop a comprehensive planning document to facilitate regional cooperation in providing water supply reliability, water recycling, water conservation, water quality improvement, storm water capture and management, flood management, wetlands enhancement and creation, and environmental and habitat protection and improvement.

1.2. To foster coordination, collaboration and communication between Partnership agencies responsible for water-related issues and interested stakeholders, to achieve greater efficiencies, enhance public services, and build public support for vital projects.

1.3. To improve regional competitiveness for State and Federal grant funding.

2. DEFINITIONS

As used in this MOU, the following words and phrases shall have the meanings set forth below unless the context clearly indicates otherwise.

2.1. Integrated Regional Water Management Plan. The Integrated Regional Water Management Plan (IRWMP) envisioned by state legislators and state resource agencies that integrates the projects and management plans of all water-related agencies and stakeholders in a region, in this case the East Stanislaus Region, in order to foster coordination, collaboration and communication among those entities and to assist decision-makers in awarding grants and other funding. The plan will address water supply, water quality, wastewater, stormwater/flood control, watershed planning and habitat protection and restoration.

2.2. Agency. A public entity, be it a special district, city or other governmental entity, responsible for providing one or more services in the areas of water supply, water quality, wastewater, recycled water, water conservation, stormwater/flood control, watershed planning and habitat protection and restoration.

2.3. Service function. A water-related individual service function provided by an agency, i.e. water supply, water quality, wastewater, recycled water, water conservation, stormwater/flood control, watershed planning, and habitat protection and restoration.

2.4. Partnership. The Partnership consists of the member agencies signatory to this MOU.

2.5. Partner: Agencies that have signed this MOU shall individually be referred to as Partner.

2.6. Project. A comprehensive list of resource projects or programs that yield multiple benefits including one or more of the following: water supply reliability, water conservation and water use efficiency; stormwater capture, storage, clean-up, treatment and management; removal of invasive non-native species, the creation and enhancement of wetlands, and the acquisition, protection, and restoration of open space and watershed lands; non-point source pollution reduction, management and monitoring; groundwater recharge and management; contaminant and salt removal through reclamation, desalting, and conveyance of reclaimed water to users; water banking, exchange, reclamation and improvement of water quality; planning and implementation of multipurpose flood management programs; watershed protection and management; drinking water treatment and distribution; ecosystem and fisheries restoration and protection.

2.7. Management plan. An agency's or organization's plan, based in part on the land-use plans within the entity's jurisdiction, that addresses how that entity will provide service in the future in one or more of the following service functions: water supply, water quality, wastewater, recycled water, water conservation, stormwater/flood control, watershed planning or habitat protection and restoration.

2.8. Integration. Assembling into one document the water-related management strategies, projects and plans in the East Stanislaus Region. The first phase would be to identify water management strategies for the region and the priority projects that work together to demonstrate how these strategies work together to provide reliable water supply, protect or improve water quality, provide watershed protection and

planning, and provide environmental restoration and protection. Projects and plans would be categorized and opportunities to identify regional benefits of linkages between multiple water management strategies among projects and plans of separate service functions and to see where projects and plans of separate service functions may further interrelate, e.g. wastewater treatment and water recycling or habitat restoration.

3. IRWMP PROJECT PARTICIPANTS

3.1. Public agencies. Public agencies, which have developed projects and management plans, are responsible to their respective electorates, and are devoting staff to the process, will take the lead as the voice in the IRWM planning process as described in "Approach to developing the Plan" below. These public agencies shall be one or more of the Partners of the Partnership.

3.2. Contributing entities. Other entities, such as business and environmental groups, are considered valuable contributors and will continue to be invited and encouraged to participate.

3.3. Regulatory agencies. These agencies, such as the Regional Water Quality Control Board and the Department of Fish and Game, will be invited to participate.

3.4. Stakeholders and disadvantaged communities. The Signatories understand that a collaborative effort with stakeholders and disadvantaged communities, regardless of their ability to contribute financially, is vital to a successful Plan planning process and ultimate preparation of a Plan. The public at large, stakeholders, and disadvantaged communities will be asked to participate in the planning process and will be given opportunities to provide input and comments on the preparation of a Plan.

4. MUTUAL UNDERSTANDINGS

4.1. An IRWM Plan is needed for the following reasons:

> **(a)** To foster increased coordination, collaboration and communication between East Stanislaus Region cities/water agencies and interested stakeholders that may result in more effectively managed resources, cost efficiencies and better service to the public.
>
> **(b)** Some state grants and other funding opportunities require development and implementation of an Integrated Regional Water Management Plan.

4.2. Future cost sharing agreements will be developed among the Partnership members, as needed. Developing an Implementation Grant Funding Application and minor costs of supporting the governance structure are two areas that may require additional funding through this cost sharing agreement.

4.3. The Plan will include, but may not necessarily be limited to, water supply, water quality, wastewater, recycled water, water conservation, stormwater/flood control, watershed planning and habitat protection and restoration. It is acknowledged that the management plans of each individual public agency are based, in part, on the land-use plans within an agency's jurisdiction. Therefore, the resultant Plan will by design have incorporated the land-use plans and assumptions intrinsic to the respective water-related service function.

4.4. The East Stanislaus Region for this MOU is defined as a portion of eastern Stanislaus County that includes the signatories' service areas and is bounded by the Merced River on the South and Stanislaus River on the north. A full description of the regional boundary will be included in the Regional Acceptance Process application which will be submitted to DWR for approval and also as depicted in Exhibit A.

4.5. Approach to developing the Plan:

(a) A reasonable approach towards developing the Plan is to first identify the roles and responsibilities of the representatives and stakeholders involved. The governance structure and public outreach sections of the Regional Acceptance Process application will more thoroughly describe these groups and their roles.

(b) The proposed forum for this regional planning effort is through the creation of the Partnership, Steering Committee, Stakeholder Committee and Stakeholder Subcommittees. Agencies, entities, and the public at large will be invited to participate in the effort. Throughout the Plan planning process, the Partnership will have final decision-making authority.

4.6. Decision-making. Consensus will be sought in the event the need for a decision arises. A governance structure will be developed outlining the decision making process. Any decision being made by the Partnership is done so based on a vote with each member representative in the Partnership receiving one vote and all actions requiring a simple majority vote. The Partners understand unless a vote of its representative is either pre-approved or ratified by the Partner's governing body, namely its city council or board, the effect of the representative's vote does not bind that Partner to the decision. Regional decision-making and management processes may be revised as the Region matures and the IRWM Plan is developed and implemented.

4.7. The Partnership shall consist of one representative and one alternate from each participating Partner in the Partnership. Such representatives shall be a board member, council member, general manager, city manager, or as designated by the member agency's electoral body. In the event that the primary representative is unavailable for a meeting, the alternate shall serve as representative.

4.8. Quorum. Representatives or alternates from a majority of the Partnership members shall constitute a quorum for transacting business, except that less than a quorum may vote to adjourn the meeting or to set a date for the next meeting.

4.9. Approval of the Plan. Plan approval and adoption is anticipated by each Partnership member. Should a Partnership member refuse to adopt the IRWMP, the reasons for refusal should be cited and attempts will be made to reconcile any differences. Should the differences remain irreconcilable, the dissenting member will be asked to withdraw from participation in the Partnership.

4.10. Non-binding nature. This document and participation in this MOU and Plan effort are nonbinding, and in no way suggest that a Partner may not continue its own planning and undertake efforts to secure project funding from any source. A Partner may withdraw from participation at any time.

4.11. Personnel and financial resources. It is expected that the signatories of the MOU will contribute the personnel and financial resources necessary to develop and implement the Plan as determined by subsequent agreements.

4.12. Terms of Office. Each representative and alternate in the Partnership shall serve as long as the Partner's governing body, namely the city council or board of directors, designates that person to serve in that capacity. . If at any time a representative vacancy occurs in the Partnership, a replacement shall be appointed or designated by the Partner within ninety (90) days of the date that such position becomes vacant. The Partner's alternate representative shall fulfill the role of primary representative until a primary representative is designated by the member agency. Alternate representatives to the Partnership shall be empowered to cast votes in the absence of the primary representative or in the event of a conflict of interest that prevents the primary representative from voting subject to this MOU.

4.13. Officers of the Partnership. The Partnership shall elect a Chair and Vice-Chair, and such other officers it deems appropriate. The duties of the Chair and Vice-Chair are as follows:

(a) Chair. The Chair shall direct the preparation of agendas, call meetings of the Partnership to order, and conduct other activities as deemed appropriate by the Partnership.

(b) Vice-Chair. The Vice-Chair shall serve as the Chair in the absence of the Chair. In the event both Chair and Vice-Chair are absent from a meeting, which would otherwise constitute a quorum, and a temporary Chair was not designated by the Chair at the last regular meeting, any Partnership member may call the meeting to order and a temporary chair may be appointed by majority vote to serve until the Chair or Vice-Chair is present.

4.14. Other on-going regional efforts. Development of the Plan is separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is developed, work products can be shared with these other organizations.

4.15. Reports and communications. The Steering Committee will regularly report on the progress of the Partnership to the agencies and stakeholders they represent and the associations or organizations to which they belong that are involved in the Plan process.

4.16. Termination. Because the Plan will require periodic review and updating for use into the future, it is envisioned that the joint efforts of those involved will be on-going in maintaining a living document. Thus this document will remain as a reflection of the understandings of the participants when they signed the MOU. As indicated, Partners of the Partnership MOU may terminate their involvement at any time upon thirty (30) days written notice. However, the Partner terminating its involvement in the Partnership shall still be subject to any agreements entered into by the Partner before the effective date of the termination.

4.17. Additional agencies may join the Partnership provided the Partnership receives a written request from the interested agency to join, the Partnership receives a majority vote to approve the new agency's membership and the new agency becomes a signatory to this MOU and any related cost sharing agreements,

4.18. Procedures. The Partnership may adopt bylaws, rules of conduct for meetings, and operating procedures for the Partnership which would be updated from time to time as needed. To facilitate such efforts, the Partnership may adopt the administrative procedures and policies of a Partner.

4.19. Minutes. A secretary or clerk may be appointed by the Partnership to keep and distribute meeting minutes.

5. SIGNATORIES TO THE MEMORANDUM OF UNDERSTANDING

We, the undersigned representatives of our respective agencies, acknowledge the above as our understanding of how the East Stanislaus Integrated Regional Water Management Plan will be developed.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding as set forth below.

CITY OF MODESTO

Member Agency

By: _____

GREG NYHOFF, City Manager

Dated: 8-24-11

ATTEST:

By: _____

STEPHANIE LOPEZ, City Clerk

Resolution 2011-359 Aug. 9, 2011

APPROVED AS TO FORM:

By: _____

ROLAND R. STEVENS,

Assistant City Attorney

CITY OF TURLOCK

Member Agency

By: Roy W. Wasden

ROY WASDEN, City Manager

Dated: 8/29/11

APPROVED AS TO FORM:

By: _____

PHAEDRA NORTON, CITY ATTORNEY

CITY OF CERES

Member Agency

By: Sheila Cumberland for

ART DE WERK, Acting City Manager

Dated: 8-16-11

CITY OF HUGHSON

Member Agency

By: _____

BRYAN WHITEMYER, City Manager

Dated: 8-10-11

Exhibit A – East Stanislaus Integrated Regional Water Management Plan Region Map