

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY**

DEPT: Public Works

BOARD AGENDA:5.C.1
AGENDA DATE: December 12, 2017

SUBJECT:

Approval of Amendment No. 1 to the Memorandum of Understanding, Cost Sharing Agreement, and Appointment of Representatives for the Integrated Regional Water Management Partnership

BOARD ACTION AS FOLLOWS:

RESOLUTION NO. 2017-697

On motion of Supervisor Withrow _____, Seconded by Supervisor Olsen _____
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa _____

Noes: Supervisors: _____ None _____

Excused or Absent: Supervisors: None _____

Abstaining: Supervisor: _____ None _____

1) Approved as recommended


2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST:



ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Public Works

BOARD AGENDA:5.C.1
AGENDA DATE: December 12, 2017

CEO CONCURRENCE:

4/5 Vote Required: No

SUBJECT:

Approval of Amendment No. 1 to the Memorandum of Understanding, Cost Sharing Agreement, and Appointment of Representatives for the Integrated Regional Water Management Partnership

STAFF RECOMMENDATION:

1. Approve Amendment No. 1 to the Integrated Regional Water Management (IRWM) Planning Memorandum of Understanding among Cities of Modesto, Turlock, Hughson, Ceres, Waterford, and Stanislaus County.
2. Approve and Authorize the Chief Executive Officer to Sign a Cost Sharing Agreement with the Cities of Ceres, Hughson, Turlock, and Waterford for preparation of an IRWM Plan.
3. Approve the appointment of the Public Works Stormwater Program Manager, as the primary representative, and the Department of Environmental Resources Water Resources Manager, as the alternate representative, to serve on the IRWM Partnership.

DISCUSSION:

The Integrated Regional Water Management (IRWM) Act was enacted by the California legislature in 2002 with the purpose to encourage local agencies to coordinate and collaboratively manage water resources to improve water quality, quantity, and reliability. In 2008, the IRWM Planning Act was approved that provided for the development of IRWM Plans. These Plans, subject to periodic updates, would be required by the State for eligibility to compete for various water resources grants authorized under Proposition 84 and the current Proposition 1. In July 2016, the Department of Water Resources (DWR) released new IRWM Plan Guidelines for which all IRWM Plans must adhere in order to be eligible for Prop 1 Implementation project grants.

In June 2010, the cities of Modesto, Ceres, Hughson and Turlock entered into a cost sharing agreement for the preparation of an IRWM Plan for the Stanislaus County area. The cost share methodology is based on a weighted formula for combined water and wastewater revenues for each agency. On behalf of the participating agencies, Modesto hired RMC Water and Environment (RMC) to assist in creating an IRWM Region and to develop an IRWM Plan. In August 2011, a Memorandum of Understanding (MOU) was signed between the four agencies, creating the East

Stanislaus IRWM Partnership (Partnership).

In September 2011, the DWR, through a Regional Acceptance Process, approved the new East Stanislaus IRWM Region. In 2012, the DWR adopted new IRWM Planning Guidelines to which all IRWM Plans would need to be updated. In February 2013, the Partnership amended the Cost Sharing Agreement to account for additional funding capacity to complete the IRWM Plan and adjust cost shares for then current water and wastewater revenues. The 2013 agreed cost share percentages are as follows: Ceres (12%), Hughson (7%), Modesto (61%), and Turlock (20%).

In early 2014, the Partnership agencies adopted the 2013 East Stanislaus IRWM Plan. In July 2014, DWR accepted this Plan as meeting the 2012 IRWM Plan Guidelines allowing for the Region to be eligible for water resources implementation grant funding opportunities. In September 2016 the Partnership submitted a planning grant application to DWR to help offset the costs of updating the current IRWM Plan to meet the 2016 Guidelines. In February 2017, Modesto was awarded a \$147,625 grant from the DWR to update the 2013 IRWM Plan. This grant will cover approximately 88% of the expected cost for updating the Plan with the remainder of costs shared by the Partnership.

In March 2017, per Section 4.17 of the MOU, the City of Waterford and Stanislaus County formally requested to join the East Stanislaus IRWM Partnership, which requires that the current MOU and Cost Sharing Agreement be revised to include new partners and update the cost share percentages. Because the County does not have water and wastewater revenues from which the cost share methodology is based, the agencies are recommending that the County assume a proportional cost share based on number of participating agencies; a one-sixth (1/6) share, and the municipal agencies remain on a weighted water/wastewater revenue methodology for the remaining five-sixths (5/6) of the cost. The Fiscal Year 2015-2016 agencies' water and wastewater revenues are being used in the formula to establish the revised cost share percentages. The new cost share percentages in the Agreement are as follows: Ceres (11.5%), Hughson (7.0%), Modesto (44.5%), Turlock (14.5%), Waterford (6.0%), and Stanislaus County (16.5%).

The Cities of Ceres, Hughson, Modesto, Turlock and Waterford have adopted the IRWM Plan MOU Amendment No 1 and the Cost Sharing Agreement. The available signed documents from each of these cities are attached.

The established governance structure in the IRWM Plan is a State required Plan element, requiring that elected officials or their delegated representatives from the Partnership agencies (aka Regional Management Group) have an oversight role in the process and activities of an IRWM. The current form of agreement is based on an MOU and, as such, the Partnership identified two representatives, a primary and an alternate, from each Partnership agency, to be appointed to serve the IRWM. This body's role is to provide direction to the Steering Committee, or working staff, on big picture water resources and legal matters, and specific efforts such as MOU's, Cost Sharing Agreements, Plan Adoption, Consultant Agreements, Grant Authorizations, and to receive updates as necessary regarding IRWM activities. Staff recommends the

appointment of the Public Works Stormwater Program Manager as the Primary member and the Environmental Resources Water Resources Manager as the Alternate member to serve the IRWM Partnership.

POLICY ISSUE:

The Board of Supervisors approval is needed for agreements with other governmental agencies. IRWM Plans, subject to periodic updates, are required by the State to keep the region eligible to compete for various water resources grants authorized under Proposition 84, the current Proposition 1, and any future grant allocations. The County’s participation in the Partnership will strengthen the region’s cooperative efforts of identifying water resources issues and collaborative solutions.

FISCAL IMPACT:

The IRWM Plan Update will be funded with a State grant and a cost sharing agreement with the cities of Ceres, Hughson, Modesto, Turlock, Waterford, and Stanislaus County. The total cost of the project is approximately \$185,758 and the City of Modesto has secured a State grant of \$147,625. The total remaining amount of the cost sharing agreement is \$38,133 of which \$19,739 represents each partner’s share of cost, an additional 10% for consultant services in the amount of \$14,752, and a 2% administrative fee in the amount of \$3,642. Stanislaus County’s total estimated share of cost is \$6,774. Funding is available in the Fiscal Year 2017-2018 Adopted Final Department of Environmental Resources budget.

Shown below is the estimated cost share for each agency.

AGENCY	SHARE OF COST %	SHARE OF COST	CONSULTANT SERVICES 10%	ADMIN FEE 2%	TOTAL DUE TO CITY OF MODESTO
CERES	11.5%	\$ 2,270	\$ 1,696	\$ 755	\$ 4,721
HUGHSON	7.0%	\$ 1,382	\$ 1,033	\$ 459	\$ 2,874
TURLOCK	14.5%	\$ 2,862	\$ 2,139	\$ 952	\$ 5,953
WATERFORD	6.0%	\$ 1,184	\$ 886	\$ 393	\$ 2,463
STANISLAUS	16.5%	\$ 3,257	\$ 2,434	\$ 1,083	\$ 6,774
MODESTO	44.5%	\$ 8,784	\$ 6,564	\$ -	\$ 15,348
TOTAL	100%	\$ 19,739	\$ 14,752	\$ 3,642	\$ 38,133

BOARD OF SUPERVISORS’ PRIORITY:

The recommended actions are consistent with the Board’s priorities of Effective Partnerships, A Strong Ag Economy, and A Well-Planned Infrastructure by ensuring a coordinated approach towards regional groundwater resources management.

STAFFING IMPACT:

Existing Public Works staff will continue to oversee the work associated with this item.

CONTACT PERSON:

Matt Machado, Public Works Director

Telephone: (209) 525-4153

Dhyan Gilton, Public Works Stormwater Program Manager Telephone: (209) 525-7538

ATTACHMENT(S):

1. 2017 IRWMP MOU Amendment - Stanislaus County
2. 2017 IRWMP Cost Share Agreement - Stanislaus County
3. IRWMP MOU Letter (Stanislaus County), dated March 14, 2017
4. IRWMP MOU, dated August 23, 2011
5. IRWMP Cost Sharing Agreement, dated June 22, 2010
6. 2017 IRWMP MOU - Ceres (signed)
7. 2017 IRWMP Cost Share Agreement - Ceres (signed)
8. 2017 IRWMP MOU - Hughson (signed)
9. 2017 IRWMP Cost Share Agreement - Hughson (signed)
10. 2017 IRWMP MOU - Modesto (signed)
11. 2017 IRWMP Cost Share Agreement - Modesto (signed)
12. 2017 IRWMP MOU - Turlock (signed)
13. 2017 IRWMP Cost Share Agreement - Turlock (signed)
14. 2017 IRWMP MOU - Waterford (signed)
15. 2017 IRWMP Cost Share Agreement - Waterford (signed)

**MEMORANDUM OF UNDERSTANDING AMENDMENT NO.1
AMONG CITY OF MODESTO, CITY OF TURLOCK, CITY OF HUGHSON, CITY OF CERES,
CITY OF WATERFORD AND STANISLAUS COUNTY
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING**

This Memorandum of Understanding (MOU) Amendment No.1 dated December 12, 2017 is entered among the City of Modesto, City of Turlock, City of Hughson, City of Ceres, City of Waterford, and Stanislaus County (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/agencies/counties/districts and to establish mutual understandings of cities/water agencies/counties/special districts 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, in November 2002, the California Legislature enacted the Integrated Regional Water Management Act (SB 1672), with the purpose to encourage local agencies to coordinate and collaboratively manage water resources to improve water quality, quantity and reliability.

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, in September 2011, the Department of Water Resources (DWR) through the Region Acceptance Process (RAP) approved the new East Stanislaus IRWM Region as an official IRWM planning region.

WHEREAS, in early 2014, the MOU signatories of City of Ceres, City of Hughson, City of Modesto, and City of Turlock adopted the December 2013 East Stanislaus IRWM Plan.

WHEREAS, in July 2014, the DWR accepted the East Stanislaus Region IRWM Plan as consistent in meeting the IRWM Planning Act and 2012 IRWM Planning Standards.

WHEREAS, in July 2014, Stanislaus County adopted the 2013 IRWM Plan and thus, became eligible for future grant funding opportunities.

WHEREAS, in November 2014, the Water Quality, Supply, and Infrastructure Improvement Act (Prop 1), authorized Legislature to appropriate funding for competitive grants for projects included in Integrated Regional Water Management Plans.

WHEREAS, in July 2016, the DWR released new IRWM Plan Guidelines which required all IRWM Plans to be updated in order to be eligible for Prop 1 IRWM Implementation Grants.

WHEREAS, in February 2017, the DWR announced Final Awards for the Prop 1 IRWM 2016 Planning Grant which includes a grant award to the City of Modesto as lead agency on behalf of the East Stanislaus Region for update of the 2013 IRWM Plan.

WHEREAS, the City of Waterford and Stanislaus County have submitted written requests to the Partnership to join the Partnership per section 4.17 of this MOU.

WHEREAS, the Partnership has met and agreed by unanimous vote to recommend approval of City of Waterford and Stanislaus County as members to the Partnership provided these agencies become signatories to this MOU and any related cost sharing agreements.

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 IRWM 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 (IRWM Plan or 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, county 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 a 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 and including future updates to the Plan.

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, the Department of Water Resources, and the California Department of Fish and Wildlife, will be invited to participate.

3.4. Stakeholders, disadvantaged communities, Native American tribal communities. The Signatories understand that a collaborative effort with stakeholders, disadvantaged communities, and Native American tribal communities, regardless of their ability to contribute financially, is vital to a successful IRWM Region, the IRWM Plan planning process and preparation and updates of a Plan. The public at large, stakeholders, disadvantaged communities, and Native American tribal communities will be asked to

participate in the regional and planning process and will be given opportunities to provide input and comments on the preparation and updates 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/counties/special districts 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 Planning and Implementation Grant Funding Applications and minor costs of supporting the governance structure are two areas that may require additional funding through cost sharing agreements.

4.3. The Plan and required subsequent updates 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 and subsequent updates 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 which are bounded generally by the Merced River on the South, Stanislaus River on the north, San Joaquin River on the west, and Stanislaus County boundary on the east. A full description of the regional boundary was included in the Regional Acceptance Process application which was submitted and approved by DWR and also as depicted in the 2013 IRWM Plan.

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 2013 IRWM Plan 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 and updating processes, 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 has been developed and fully described in the 2013 IRWM Plan 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 representatives 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, implemented, and updated.

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 required 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. Adoption of the IRWMP Plan by an individual agency is required by DWR if that agency is to accept State-funded grants for a project whether or not that agency is a Partner to the MOU.

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 as provided in Section 4.16.

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, update, 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. Alternates 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. Updating of the Plan is generally separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is updated, required, necessary, and relevant work products of other agencies can and should be shared between the Plan

update effort and these other organizations in order to assure a consistency with identifying water resources related issues, solutions, and management goals and objectives.

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's governing body becomes a signatory to this MOU by adoption as well as 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.

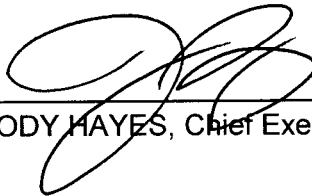
5. SIGNATORIES TO THE MEMORANDUM OF UNDERSTANDING

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, implemented, and updated.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding on the last date written beside each Party representative's signature.

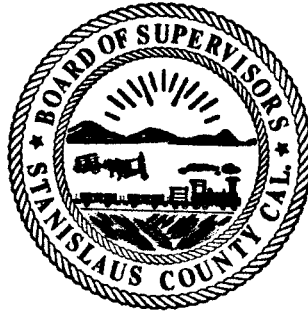
IN WITNESS WHEREOF, the County of Stanislaus has authorized the execution of this Memorandum of Understanding for the East Stanislaus Integrated Regional Management Partnership in duplicate by its Chief Executive Officer and attestation by its Clerk of the Board of Supervisors under authority of Resolution No 2017- 697 adopted by the Board of Supervisors of the County of Stanislaus on the 12th day of December 2017.

COUNTY OF STANISLAUS,

By: 
JODY HAYES, Chief Executive Officer

ATTEST:

By: 
ELIZABETH A. KING,
Clerk of the Board of Supervisors

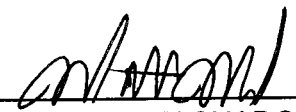


(Seal)

APPROVED AS TO FORM:
JOHN P. DOERING, County Counsel

By: 
AMANDA M. DEHART,
Deputy County Counsel

APPROVED AS TO CONTENT:

By: 
MATTHEW MACHADO,
Director of Public Works

**COST SHARING AGREEMENT TO DEFRAY
EXPENSES ASSOCIATED WITH PREPARATION OF AN
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

The parties to this Agreement are the Cities of Ceres, Hughson, Turlock, Waterford, Modesto, all of which are Municipal Corporations of the State of California, and the County of Stanislaus (“the parties). This Agreement is entered into this 12th day of December, 2017, among the parties.

RECITALS:

WHEREAS, the cities of Ceres, Hughson, Modesto, and Turlock entered into a Cost Sharing Agreement in June 2010 (2010 Agreement) to fund the development of an Integrated Regional Water Management (IRWM) Plan; and

WHEREAS, the East Stanislaus IRWM Partnership (Partnership) was formed in August 2011 through a Memorandum of Understanding (MOU) consisting of the cities of Ceres, Hughson, Modesto, and Turlock for the purpose of forming an IRWM Region, developing an IRWM Plan, and implementing a regional Plan including future Plan updates as necessary; and

WHEREAS, the Partnership has proposed the parties assist in the continued planning, development, and updates of an IRWM Plan for the mutual benefit of the Region and parties; and

WHEREAS, the 2010 Agreement was amended (Amendment No.1) in February 2013 to account for increased funding needs for development of the IRWM Plan and cost share percentages adjusted for water and wastewater revenue changes in the cost share methodology formula; and

WHEREAS, the IRWM Plan was completed in December 2013 and each 2011 Partnership agency adopted the Plan in early 2014; and

WHEREAS, in July 2014 the County of Stanislaus adopted the 2013 IRWM Plan; and

WHEREAS, in July 2014 the State of California Department of Water Resources (DWR) accepted the East Stanislaus IRWM Plan as compliant with the 2012 IRWM Planning Act Guidelines; and

WHEREAS, in July 2016 the DWR updated the IRWM Planning Act Guidelines and requires all IRWM Plans be updated in order to remain eligible for Prop 1 Grant Funding; and

WHEREAS, the parties have agreed that additional funding is required to complete the 2017 IRWM Plan Update in accordance with the 2016 DWR guidelines; and

WHEREAS, the City of Waterford and the County of Stanislaus have submitted formal requests to join the ESIRWM Partnership and to participate in cost sharing agreements as necessary; and

WHEREAS, from and after the date of this Agreement, and as used in the remainder of this Agreement, "Partnership" shall refer to the cities of Ceres, Hughson, Turlock, Waterford, Modesto, and the County of Stanislaus; and

WHEREAS, the parties deem it in their best interest to employ consultants in the update of the IRWM Plan; and

WHEREAS, the parties have agreed to the cost sharing formula and the resulting cost share splits attached hereto as "Exhibit 1"; and

WHEREAS, the parties have been notified that the City of Modesto, acting on behalf of the East Stanislaus IRWM Partnership, has been awarded an IRWM Planning Grant from the DWR which will cover approximately 88% of the estimated cost for the 2017 IRWM Plan Update; and

WHEREAS, the parties have received a “not to exceed” cost quotation and proposal from a consultant to complete the 2017 IRWM Plan Update; and

NOW, THEREFORE, the parties on the terms and conditions herein set forth agree as follows:

1. Each of the parties shall ultimately contribute their percentage share of the cost as set forth in “Exhibit 1” attached hereto less any grant funding. In the event that other entities are made parties to this Agreement they will do so on condition that they pay a share of the IRWM Plan costs agreed upon by the previous parties to this Agreement.

2. The City of Modesto will advance funding not-to-exceed \$182,116 toward the 2017 IRWM Plan Update. Of this, an amount of \$147,625 will be reimbursed to the City of Modesto by a State grant and \$19,739 will be an in-lieu funding match contribution of staff time by the City of Modesto that will be a shared cost of the Partnership according to the percentage cost shares as set forth in “Exhibit 1”. An Additional Services amount of \$14,752 (or 10% of the consultant agreement) is included in the Consultant Agreement and would also be subject to the percentage cost shares as set forth in “Exhibit 1” should a need arise to use these funds and the Partnership agrees to fund any additional work.

Grant Award of \$147,625

Cost Share of \$19,739

Additional Services of \$14,752

Total Project Cost of \$182,116

3. The parties agree that the City of Modesto will be the lead agency to employ a mutually selected consultant by the Partnership to complete a scope of services for the 2017

IRWM Plan Update and will retain all contractual obligations of the Consultant Agreement per Modesto's Standard Consultant Agreement language.

4. The parties agree that Modesto will be the lead agency for the DWR grant award and will enter into an Agreement with the State to receive grant funds and will manage the grant under the obligations set forth in an Agreement between the City of Modesto and the State.

5. Modesto will manage the Consultant Agreement and agrees to receive and maintain all funding from the other parties, and to do all the foregoing without charge. However, the parties herewith agree that the City of Modesto may recover its actual out-of-pocket expenses for administrative costs related to administering the grant such as copying, mailing, phone and travel from the parties' contributions, not to exceed 2% of the cost of the project or \$3,642

6. In addition to the obligation to pay as described in the preceding paragraph, each party shall be required to pay its percentage share of the 2017 IRWM Plan Update non-grant funded cost in full within eight (8) months after completion of the 2017 IRWM Plan Update. A 4% simple interest per annum interest charge on other parties would apply to unreimbursed amounts remaining after eight (8) months of completion of the 2017 IRWM Plan Update.

7. In the event there will be cost overruns by the consultant(s), or that it would be prudent to fund additional services, then, and in that event, the parties agree to meet and determine whether or not the City of Modesto should enter into an Additional Services agreement to fund such additional costs with the affirmative of all parties.

8. In the event that actual costs to complete the 2017 IRWM Plan Update are less than estimated, deposited monies that remain following completion of the work by consultant(s) and full payment therefore, such monies shall be redistributed to the parties that have paid in

accordance with their percentage share in "Exhibit 1" pro rata the amount of monies actually received by the City of Modesto from the parties.

9. In the event that any Planning Grant monies are awarded toward the IRWM Plan effort, such monies shall be applied as recoverable costs to the IRWM Plan for each of the parties in accordance with their percentage share in "Exhibit 1", if monies are deposited in advance by Partnership agencies, otherwise, the total cost to be shared and due and payable from such agency shall be reduced by the grant award amount and each party's paid reimbursement to Modesto shall be applied to the non-grant funded amount according to their percentage in "Exhibit 1".

10. Each of the parties agrees to defend, indemnify and hold the others harmless from the consequences of their own tortuous, negligent or intentional wrongdoing arising out of or relating to its performance of this Agreement.

11. Upon completion of the work to be performed by consultant(s), and upon payment therefore in full of that party's proportionate share of costs, as set forth above, each of the parties hereto shall be entitled to copies of all deliverable documents created by consultant(s).

12. To the extent reasonably required, each party to this Agreement shall, in good faith, cooperate and assist each of the other parties in meeting their obligations under this Agreement.

13. All notices permitted or required to be given hereunder shall be effective upon being delivered by hand or by facsimile transmission or five (5) days after delivery into the United States First Class Mail if such mail is registered or certified. Each such notice shall be sent to the parties at the addresses respectively indicated below:

Toby Wells
City Manager
City of Ceres
P.O. Box 217
Ceres, CA 95307

Raul Mendez
City Manager
City of Hughson
P.O. Box 9
Hughson, CA 95326

Joseph P. Lopez
Acting City Manager
City of Modesto
P.O. Box 642
Modesto, CA 95353

Gary Hampton
City Manager
City of Turlock
156 South Broadway
Turlock, CA 95380

Tim Ogden
City Manager
City of Waterford
P.O. Box 199
Waterford, CA 95386

Jami Aggers
Director of Environmental Resources
Stanislaus County
1010 Tenth Street
Modesto, CA 95353

14. The parties may terminate this Agreement upon mutual written agreement. In the event that they do so, and funds remain in Modesto's IRWM Plan account that was provided pursuant to this Agreement, such funds shall be redistributed to the parties in accordance with "Exhibit 1".

15. Parties terminating this agreement upon mutual written agreement will remain obligated until full reimbursement is made for their share of costs for reimbursable amounts outstanding in accordance with "Exhibit 1".

16. Reimbursable monies as yet remaining outstanding from the original and Amendment No.1 of this Cost Share Agreement shall remain in effect until fully reimbursed under the provisions outlined in this Agreement and in the IRWM Memorandum of Understanding.

17. This Agreement and its Exhibits contain the entire understanding between the parties. All previous proposals, offers and other communications relative to this Agreement, whether oral or written, are hereby superceded except to the extent that they have been incorporated into this Agreement.

18. No waiver, or exception, to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

19. If any provision of this Agreement is held by a court to be invalid, void, or otherwise unenforceable, the remaining provisions shall nevertheless continue in full force.

20. This Agreement shall be governed according to the laws of the State of California.

21. Each of the parties represent to the other that the person or persons who have executed this document on their behalf have been authorized to do so in accordance with governing law, and that this Agreement is a binding legal obligation on each of the parties upon its execution by them.

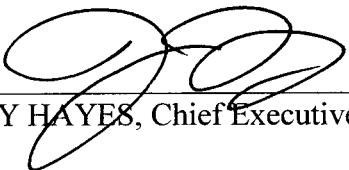
22. This Agreement may be modified only through writing and signed by all the parties.

23. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed an original.


24. Agreed as evidenced by the signatures below:

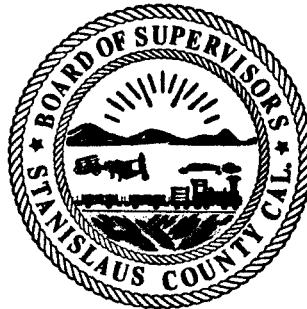
IN WITNESS WHEREOF, the County of Stanislaus has authorized the execution of this Cost Sharing Agreement Amendment No. 2 for the East Stanislaus Integrated Regional Management Partnership in duplicate by its Chief Executive Officer and attestation by its Clerk of the Board of Supervisors under authority of Resolution No 2017-697 adopted by the Board of Supervisors of the County of Stanislaus on the 12th day of December, 2017.

COUNTY OF STANISLAUS,

By: 
JODY HAYES, Chief Executive Officer


ATTEST:

By: 
ELIZABETH A. KING,
Clerk of the Board of Supervisors



(Seal)

APPROVED AS TO FORM:
JOHN P. DOERING, County Counsel

By: 
AMANDA M. DEHART,
Deputy County Counsel

APPROVED AS TO CONTENT:

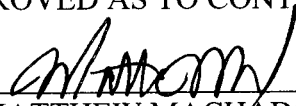
By: 
MATTHEW MACHADO,
Director of Public Works

EXHIBIT 1

PARTNERSHIP PERCENTAGE COST SHARES

CERES	11.5 %
HUGHSON	7.0 %
MODESTO	44.5 %
TURLOCK	14.5 %
WATERFORD	6.0%
STANISLAUS COUNTY	16.5%

Note: Cost allocation:

1. 25% of the cost shall be allocated equally among participating city members, and
2. 75% of the cost shall be allocated in proportion to the sum of each city's FY 2015/2016 actual water and wastewater revenues divided by the sum of FY 2015/2016 actual water and wastewater revenues for all participating city members.
3. The County cost shall be based on a proportion of total number of members, a one-sixth share under this Amendment No.2.



March 14, 2017

Jim Alves
City of Modesto
Utilities Department
1010 10th Street, Suite 4500
Modesto, CA 95354

Subject: East Stanislaus Integrated Regional Water Management Partnership

Dear Mr. Alves:

The purpose of this letter is to state the desire of Stanislaus County to become a member of the East Stanislaus Integrated Regional Water Management Partnership (Partnership) as per Section 4.17 of the "Memorandum of Understanding Among City of Modesto, City of Turlock, City of Hughson, and City of Ceres for Integrated Regional Water Management Planning" dated August 23, 2011.

The Partnership developed and adopted the East Stanislaus Integrated Water Resources Management Plan (Plan) in January of 2014. Stanislaus County formally adopted the Plan in July of 2014. The Plan identified a number of opportunities to collaboratively manage regional and local water resources to improve water quality, quantity and reliability. The Plan was always intended to be a living document that would be updated regularly.

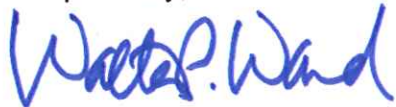
It is now time to bring the existing Plan in compliance with the DWR's 2016 IRWM Planning Guidelines, as well as other aspects, including but limited to, the development of a County-wide Storm Water Resources Plan (SWRP) that will support ongoing regional and local compliance efforts related to the Sustainable Groundwater Management Act.

It is recognized that the Memorandum of Understanding governance document for the Partnership will have to be amended to allow the County to become a Member of the Partnership and serve in that capacity on the various committee structures. The County also recognizes that the cost-share formula will have to be revised and that the existing Cost Sharing Agreement will have to be modified as well.

The County is prepared to take the appropriate action steps to (1) join the Partnership via adoption of the revised MOU and (2) to contribute its fair share of funding as described in the revised Cost Sharing Agreement.

I look forward to hearing back from you soon regarding this request and ask that you contact me directly if you have any questions, comments or concerns that you wish to address.

Respectfully,

A handwritten signature in blue ink that reads "Walter P. Ward". The signature is written in a cursive style with a large initial "W".

Walter P. Ward
Water Resources Manager

**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 Statutes 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

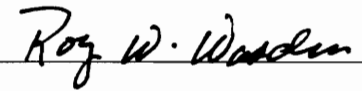
Member Agency

By: 
GREG NYHOFF, City Manager

Dated: 8-24-11

CITY OF TURLOCK

Member Agency

By: 
ROY WASDEN, City Manager

Dated: 8/29/11

APPROVED AS TO FORM:
By: 

PHAEDRA NORTON, CITY ATTORNEY

ATTEST:

By: 

STEPHANIE LOPEZ, City Clerk
Resolution 2011-359 Aug. 9, 2011

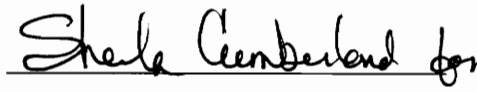
APPROVED AS TO FORM:

By: 

ROLAND R. STEVENS,
Assistant City Attorney

CITY OF CERES

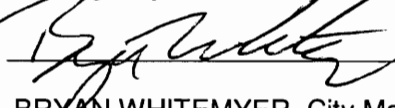
Member Agency

By: 
ART DE WERK, Acting City Manager

Dated: 8-16-11

CITY OF HUGHSON

Member Agency

By: 
BRYAN WHITEMYER, City Manager

Dated: 8-10-11

**COST SHARING AGREEMENT TO DEFRAY
EXPENSES ASSOCIATED WITH PREPARATION OF AN
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

The parties to this Agreement are the Cities of Ceres, Hughson, Turlock and Modesto, all of which are Municipal Corporations of the State of California. This Agreement is entered into this 22nd day of June, 2010, among the parties.

RECITALS:

WHEREAS, the City of Modesto has proposed to the parties that it assist in the planning and development of an Integrated Regional Water Management Plan (IRWMP) for the mutual benefit of the parties; and

WHEREAS, the parties deem it in their best interest to employ consultants in the development of the IRWMP; and

WHEREAS, the parties have agreed to the cost sharing formula attached hereto as Attachment "1"; and

WHEREAS, the parties will receive "not to exceed" cost quotations from consultants relating to development of the IRWMP;

NOW, THEREFORE, the parties on the terms and conditions herein set forth, agree as follows:

1. Each of the parties shall ultimately contribute their percentage share of the cost of work proposed to be done by consultants as set forth in Attachment "1" attached hereto. In the event that other entities are made parties to this Agreement they will do so on condition that they pay a share of the IRWMP costs agreed upon by the previous parties to the Agreement.

2. The City of Modesto will advance funding not to exceed \$241,450 toward completion of an IRWMP, including a maximum of 2% of the cost of consultant services for out-

of-pocket administrative costs.

3. The parties agree to employ a consultant to undertake and complete the scope of services set forth in the documents attached hereto as Attachment "2". The parties further agree that the consultant shall be retained by means of the Agreement for Consultant Services attached hereto as Attachment "3".

4. Modesto will manage the consultant agreement and agrees to receive and maintain the funding from the other parties, and to do all the foregoing without charge, except a 4% simple interest per annum interest charge on other parties' unpaid study cost shares commencing upon final acceptance by Modesto of the IRWMP study. However, the parties herewith agree that the City of Modesto may recover its actual out-of-pocket expenses for administrative costs such as copying, mailing, phone and travel from the parties' contributions, not to exceed 2% of the cost of consultant services.

5. In addition to the obligation to pay described in the preceding paragraph, each party shall be required to pay its percentage share of the total IRWMP cost in full within eight months after completion of the IRWMP.

6. In the event that it appears to Modesto that there will be cost overruns by the consultants, or that it would be prudent to fund additional services, then, and in that event, the parties agree to meet and determine whether or not they should enter into a second agreement to fund such additional costs.

7. In the event that monies remain following completion of the work by consultant(s) and full payment therefore, such monies shall be redistributed to the parties in accordance with their percentage share in Attachment "1".

8. In the event that any Planning Grant monies are awarded toward the IRWMP effort, such monies shall be applied as recoverable costs to the IRWMP for each of the parties in accordance with their percentage share in Attachment "1".

9. Each of the parties agrees to defend, indemnify and hold the others harmless from the consequences of their own tortuous, negligent or intentional wrongdoing arising out of or relating to its performance of this Agreement.

10. Upon completion of the work to be performed by consultant(s), and upon payment therefore in full of that party's proportionate share of costs, as set forth above, each of the parties hereto shall be entitled to copies of all deliverable documents created by consultant(s).

11. To the extent reasonably required, each party to this Agreement shall, in good faith, cooperate and assist each of the other parties in meeting their obligations under this Agreement.

12. All notices permitted or required to be given hereunder shall be effective upon being delivered by hand or by facsimile transmission or five (5) days after delivery into the United States First Class Mail if such mail is registered or certified. Each such notice shall be sent to the parties at the addresses respectively indicated below:

Brad Kilger
City Manager
City of Ceres
P.O. Box 217
Ceres, CA 95307

Thom Clark
Interim City Manager
City of Hughson
P.O. Box 9
Hughson, CA 95326

Greg Nyhoff
City Manager
City of Modesto
P.O. Box 642
Modesto, CA 95353

Roy Wasden
City Manager
City of Turlock
156 South Broadway
Turlock, CA 95380

13. The parties may terminate this contract upon mutual written agreement. In the event that they do so, and funds remain in Modesto's IRWMP account that was provided pursuant to this Agreement, such funds shall be redistributed to the parties in accordance with Attachment "1".

14. This Agreement and its Attachments contain the entire understanding between the parties. All previous proposals, offers and other communications relative to this Agreement, whether oral or written, are hereby superceded except to the extent that they have been incorporated into this Agreement.

15. No waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

16. If any provision of this Agreement is held by a court to be invalid, void, or otherwise unenforceable, the remaining provisions shall nevertheless continue in full force.

17. This Agreement shall be governed according to the laws of the State of California.

18. Each of the parties represent to the other that the person or persons who have executed this document on their behalf have been authorized to do so in accordance with governing law, and that this Agreement is a binding legal obligation on each of the parties upon its execution by them.

19. This Agreement may be modified only through a writing signed by all the parties.

20. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed an original.

21. So agreed as evidenced by the signatures below:

Date: 6/28/10

CITY OF CERES

By: [Signature]

Its: City Manager

Date: APPROVED AS TO FORM
[Signature]
Roland R. Stevens
Assistant City Attorney

CITY OF MODESTO

By: [Signature]

Its: City Manager

Date: 6/30/10

CITY OF HUGHSON

By: [Signature]

Its: City Manager

Date: 6-30-10

CITY OF TURLOCK

By: [Signature]

Its: City Manager

TURLOCK CITY ATTORNEY
APPROVED AS TO FORM
[Signature]

ATTEST:

[Signature]
STEPHANNE LOPEZ
Modesto City Clerk
Resolution 2010-276

ATTACHMENT "1"

TURLOCK	21.8 %
MODESTO	60.0 %
CERES	11.7 %
HUGHSON	6.5 %

Note: Cost allocation:

1. 20% of the cost shall be allocated equally among participating cities, and
2. 80% of the cost shall be allocated in proportion to the sum of each city's FY 2008/2009 actual water and wastewater revenues divided by the sum of FY 2008/2009 actual water and wastewater revenues for all participating cities.

**MEMORANDUM OF UNDERSTANDING AMENDMENT NO.1
AMONG CITY OF MODESTO, CITY OF TURLOCK, CITY OF HUGHSON, CITY OF CERES,
CITY OF WATERFORD AND STANISLAUS COUNTY
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING**

This Memorandum of Understanding (MOU) Amendment No.1 dated September 25, 2017 is entered among the City of Modesto, City of Turlock, City of Hughson, City of Ceres, City of Waterford, and Stanislaus County (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/agencies/counties/districts and to establish mutual understandings of cities/water agencies/counties/special districts 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, in November 2002, the California Legislature enacted the Integrated Regional Water Management Act (SB 1672), with the purpose to encourage local agencies to coordinate and collaboratively manage water resources to improve water quality, quantity and reliability.

WHEREAS, the California Legislature enacted SBX2 1 (Perata, Chapter 1 Statutes 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, in September 2011, the Department of Water Resources (DWR) through the Region Acceptance Process (RAP) approved the new East Stanislaus IRWM Region as an official IRWM planning region.

WHEREAS, in early 2014, the MOU signatories of City of Ceres, City of Hughson, City of Modesto, and City of Turlock adopted the December 2013 East Stanislaus IRWM Plan.

WHEREAS, in July 2014, the DWR accepted the East Stanislaus Region IRWM Plan as consistent in meeting the IRWM Planning Act and 2012 IRWM Planning Standards.

WHEREAS, in July 2014, Stanislaus County adopted the 2013 IRWM Plan and thus, became eligible for future grant funding opportunities.

WHEREAS, in November 2014, the Water Quality, Supply, and Infrastructure Improvement Act (Prop 1), authorized Legislature to appropriate funding for competitive grants for projects included in Integrated Regional Water Management Plans.

WHEREAS, in July 2016, the DWR released new IRWM Plan Guidelines which required all IRWM Plans to be updated in order to be eligible for Prop 1 IRWM Implementation Grants.

WHEREAS, in February 2017, the DWR announced Final Awards for the Prop 1 IRWM 2016 Planning Grant which includes a grant award to the City of Modesto as lead agency on behalf of the East Stanislaus Region for update of the 2013 IRWM Plan.

WHEREAS, the City of Waterford and Stanislaus County have submitted written requests to the Partnership to join the Partnership per section 4.17 of this MOU.

WHEREAS, the Partnership has met and agreed by unanimous vote to recommend approval of City of Waterford and Stanislaus County as members to the Partnership provided these agencies become signatories to this MOU and any related cost sharing agreements.

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 IRWM 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 (IRWM Plan or 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, county 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 a 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 and including future updates to the Plan.

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, the Department of Water Resources, and the California Department of Fish and Wildlife, will be invited to participate.

3.4. Stakeholders, disadvantaged communities, Native American tribal communities. The Signatories understand that a collaborative effort with stakeholders, disadvantaged communities, and Native American tribal communities, regardless of their ability to contribute financially, is vital to a successful IRWM Region, the IRWM Plan planning process and preparation and updates of a Plan. The public at large, stakeholders, disadvantaged communities, and Native American tribal communities will be asked to

participate in the regional and planning process and will be given opportunities to provide input and comments on the preparation and updates 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/counties/special districts 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 Planning and Implementation Grant Funding Applications and minor costs of supporting the governance structure are two areas that may require additional funding through cost sharing agreements.

4.3. The Plan and required subsequent updates 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 and subsequent updates 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 which are bounded generally by the Merced River on the South, Stanislaus River on the north, San Joaquin River on the west, and Stanislaus County boundary on the east. A full description of the regional boundary was included in the Regional Acceptance Process application which was submitted and approved by DWR and also as depicted in the 2013 IRWM Plan.

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 2013 IRWM Plan 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 and updating processes, 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 has been developed and fully described in the 2013 IRWM Plan 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 representatives 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, implemented, and updated.

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 required 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. Adoption of the IRWM Plan by an individual agency is required by DWR if that agency is to accept State-funded grants for a project whether or not that agency is a Partner to the MOU.

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 as provided in Section 4.16.

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, update, 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. Alternates 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. Updating of the Plan is generally separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is updated, required, necessary, and relevant work products of other agencies can and should be shared between the Plan

update effort and these other organizations in order to assure a consistency with identifying water resources related issues, solutions, and management goals and objectives.

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's governing body becomes a signatory to this MOU by adoption as well as 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, implemented, and updated.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding on the last date written beside each Party representative's signature.

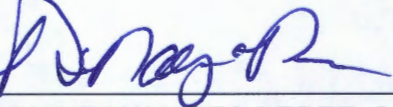
IN WITNESS WHEREOF, the City of Ceres, a municipal corporation, has authorized the execution of this Memorandum of Understanding for the East Stanislaus Integrated Regional Management Partnership in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No 2017-079 adopted by the Council of the City of Ceres on the 26th day of September, 2017.

CITY OF CERES,
a municipal corporation

By: 

TOBY WELLS City Manager

ATTEST:

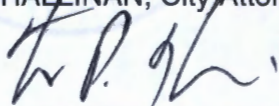
By: 

DIANE NAYARES-PEREZ, City Clerk

Reso. 2017-079; 9/25/2017

(Seal)

APPROVED AS TO FORM:
TOM HALLINAN, City Attorney

By: 

**COST SHARING AGREEMENT TO DEFRAY
EXPENSES ASSOCIATED WITH PREPARATION OF AN
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

The parties to this Agreement are the Cities of Ceres, Hughson, Turlock, Waterford, Modesto, all of which are Municipal Corporations of the State of California, and the County of Stanislaus (“the parties”). This Agreement is entered into this 26th day of September, 2017, among the parties.

RECITALS:

WHEREAS, the cities of Ceres, Hughson, Modesto, and Turlock entered into a Cost Sharing Agreement in June 2010 (2010 Agreement) to fund the development of an Integrated Regional Water Management (IRWM) Plan; and

WHEREAS, the East Stanislaus IRWM Partnership (Partnership) was formed in August 2011 through a Memorandum of Understanding (MOU) consisting of the cities of Ceres, Hughson, Modesto, and Turlock for the purpose of forming an IRWM Region, developing an IRWM Plan, and implementing a regional Plan including future Plan updates as necessary; and

WHEREAS, the Partnership has proposed the parties assist in the continued planning, development, and updates of an IRWM Plan for the mutual benefit of the Region and parties; and

WHEREAS, the 2010 Agreement was amended (Amendment No.1) in February 2013 to account for increased funding needs for development of the IRWM Plan and cost share percentages adjusted for water and wastewater revenue changes in the cost share methodology formula; and

WHEREAS, the IRWM Plan was completed in December 2013 and each 2011 Partnership agency adopted the Plan in early 2014; and

WHEREAS, in July 2014 the County of Stanislaus adopted the 2013 IRWM Plan; and

WHEREAS, in July 2014 the State of California Department of Water Resources (DWR) accepted the East Stanislaus IRWM Plan as compliant with the 2012 IRWM Planning Act Guidelines; and

WHEREAS, in July 2016 the DWR updated the IRWM Planning Act Guidelines and requires all IRWM Plans be updated in order to remain eligible for Prop 1 Grant Funding; and

WHEREAS, the parties have agreed that additional funding is required to complete the 2017 IRWM Plan Update in accordance with the 2016 DWR guidelines; and

WHEREAS, the City of Waterford and the County of Stanislaus have submitted formal requests to join the ESIRWM Partnership and to participate in cost sharing agreements as necessary; and

WHEREAS, from and after the date of this Agreement, and as used in the remainder of this Agreement, "Partnership" shall refer to the cities of Ceres, Hughson, Turlock, Waterford, Modesto, and the County of Stanislaus; and

WHEREAS, the parties deem it in their best interest to employ consultants in the update of the IRWM Plan; and

WHEREAS, the parties have agreed to the cost sharing formula and the resulting cost share splits attached hereto as "Exhibit 1"; and

WHEREAS, the parties have been notified that the City of Modesto, acting on behalf of the East Stanislaus IRWM Partnership, has been awarded an IRWM Planning Grant from the DWR which will cover approximately 88% of the estimated cost for the 2017 IRWM Plan Update; and

WHEREAS, the parties have received a “not to exceed” cost quotation and proposal from a consultant to complete the 2017 IRWM Plan Update; and

NOW, THEREFORE, the parties on the terms and conditions herein set forth agree as follows:

1. Each of the parties shall ultimately contribute their percentage share of the cost as set forth in “Exhibit 1” attached hereto less any grant funding. In the event that other entities are made parties to this Agreement they will do so on condition that they pay a share of the IRWM Plan costs agreed upon by the previous parties to this Agreement.

2. The City of Modesto will advance funding not-to-exceed \$182,116 toward the 2017 IRWM Plan Update. Of this, an amount of \$147,625 will be reimbursed to the City of Modesto by a State grant and \$19,739 will be an in-lieu funding match contribution of staff time by the City of Modesto that will be a shared cost of the Partnership according to the percentage cost shares as set forth in “Exhibit 1”. An Additional Services amount of \$14,752 (or 10% of the consultant agreement) is included in the Consultant Agreement and would also be subject to the percentage cost shares as set forth in “Exhibit 1” should a need arise to use these funds and the Partnership agrees to fund any additional work.

Grant Award of \$147,625

Cost Share of \$19,739

Additional Services of \$14,752

Total Project Cost of \$182,116

3. The parties agree that the City of Modesto will be the lead agency to employ a mutually selected consultant by the Partnership to complete a scope of services for the 2017

IRWM Plan Update and will retain all contractual obligations of the Consultant Agreement per Modesto's Standard Consultant Agreement language.

4. The parties agree that Modesto will be the lead agency for the DWR grant award and will enter into an Agreement with the State to receive grant funds and will manage the grant under the obligations set forth in an Agreement between the City of Modesto and the State.

5. Modesto will manage the Consultant Agreement and agrees to receive and maintain all funding from the other parties, and to do all the foregoing without charge. However, the parties herewith agree that the City of Modesto may recover its actual out-of-pocket expenses for administrative costs related to administering the grant such as copying, mailing, phone and travel from the parties' contributions, not to exceed 2% of the cost of the project or \$3,642

6. In addition to the obligation to pay as described in the preceding paragraph, each party shall be required to pay its percentage share of the 2017 IRWM Plan Update non-grant funded cost in full within eight (8) months after completion of the 2017 IRWM Plan Update. A 4% simple interest per annum interest charge on other parties would apply to unreimbursed amounts remaining after eight (8) months of completion of the 2017 IRWM Plan Update.

7. In the event there will be cost overruns by the consultant(s), or that it would be prudent to fund additional services, then, and in that event, the parties agree to meet and determine whether or not the City of Modesto should enter into an Additional Services agreement to fund such additional costs with the affirmative of all parties.

8. In the event that actual costs to complete the 2017 IRWM Plan Update are less than estimated, deposited monies that remain following completion of the work by consultant(s) and full payment therefore, such monies shall be redistributed to the parties that have paid in

accordance with their percentage share in "Exhibit 1" pro rata the amount of monies actually received by the City of Modesto from the parties.

9. In the event that any Planning Grant monies are awarded toward the IRWM Plan effort, such monies shall be applied as recoverable costs to the IRWM Plan for each of the parties in accordance with their percentage share in "Exhibit 1", if monies are deposited in advance by Partnership agencies, otherwise, the total cost to be shared and due and payable from such agency shall be reduced by the grant award amount and each party's paid reimbursement to Modesto shall be applied to the non-grant funded amount according to their percentage in "Exhibit 1".

10. Each of the parties agrees to defend, indemnify and hold the others harmless from the consequences of their own tortuous, negligent or intentional wrongdoing arising out of or relating to its performance of this Agreement.

11. Upon completion of the work to be performed by consultant(s), and upon payment therefore in full of that party's proportionate share of costs, as set forth above, each of the parties hereto shall be entitled to copies of all deliverable documents created by consultant(s).

12. To the extent reasonably required, each party to this Agreement shall, in good faith, cooperate and assist each of the other parties in meeting their obligations under this Agreement.

13. All notices permitted or required to be given hereunder shall be effective upon being delivered by hand or by facsimile transmission or five (5) days after delivery into the United States First Class Mail if such mail is registered or certified. Each such notice shall be sent to the parties at the addresses respectively indicated below:

Toby Wells
City Manager
City of Ceres
P.O. Box 217
Ceres, CA 95307

Raul Mendez
City Manager
City of Hughson
P.O. Box 9
Hughson, CA 95326

Joseph P. Lopez
Acting City Manager
City of Modesto
P.O. Box 642
Modesto, CA 95353

Robert A Talloni
City Manager
City of Turlock
156 South Broadway
Turlock, CA 95380

Tim Ogden
City Manager
City of Waterford
P.O. Box 199
Waterford, CA 95386

Jami Aggers
Director of Environmental Resources
Stanislaus County
1010 Tenth Street
Modesto, CA 95353

14. The parties may terminate this Agreement upon mutual written agreement. In the event that they do so, and funds remain in Modesto's IRWM Plan account that was provided pursuant to this Agreement, such funds shall be redistributed to the parties in accordance with "Exhibit 1".

15. Parties terminating this agreement upon mutual written agreement will remain obligated until full reimbursement is made for their share of costs for reimbursable amounts outstanding in accordance with "Exhibit 1".

16. Reimbursable monies as yet remaining outstanding from the original and Amendment No.1 of this Cost Share Agreement shall remain in effect until fully reimbursed under the provisions outlined in this Agreement and in the IRWM Memorandum of Understanding.

17. This Agreement and its Exhibits contain the entire understanding between the parties. All previous proposals, offers and other communications relative to this Agreement, whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement.

18. No waiver, or exception, to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

19. If any provision of this Agreement is held by a court to be invalid, void, or otherwise unenforceable, the remaining provisions shall nevertheless continue in full force.

20. This Agreement shall be governed according to the laws of the State of California.

21. Each of the parties represent to the other that the person or persons who have executed this document on their behalf have been authorized to do so in accordance with governing law, and that this Agreement is a binding legal obligation on each of the parties upon its execution by them.


22. This Agreement may be modified only through writing and signed by all the parties.

23. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed an original.

24. Agreed as evidenced by the signatures below:

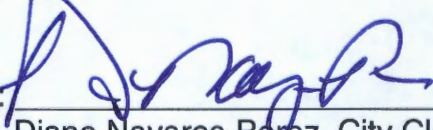
IN WITNESS WHEREOF, the City of Ceres, a municipal corporation, has authorized the execution of this Cost Sharing Agreement Amendment No. 2 for the East Stanislaus Integrated Regional Management Partnership in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No 2017-079 adopted by the Council of the City of Ceres on the 25th day of September 2017.

CITY OF CERES,
A municipal corporation

By: 

Toby Wells, City Manager

ATTEST:

By: 

Diane Nayares-Perez, City Clerk

Reso. 2017-079; 9/25/2017

(Seal)



APPROVED AS TO FORM:
Tom Hallinan, City Attorney

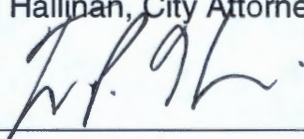
By: 

EXHIBIT 1

PARTNERSHIP PERCENTAGE COST SHARES

CERES	11.5 %
HUGHSON	7.0 %
MODESTO	44.5 %
TURLOCK	14.5 %
WATERFORD	6.0%
STANISLAUS COUNTY	16.5%

Note: Cost allocation:

1. 25% of the cost shall be allocated equally among participating city members, and
2. 75% of the cost shall be allocated in proportion to the sum of each city's FY 2015/2016 actual water and wastewater revenues divided by the sum of FY 2015/2016 actual water and wastewater revenues for all participating city members.
3. The County cost shall be based on a proportion of total number of members, a one-sixth share under this Amendment No.2.

**MEMORANDUM OF UNDERSTANDING AMENDMENT NO.1
AMONG CITY OF MODESTO, CITY OF TURLOCK, CITY OF HUGHSON, CITY OF CERES,
CITY OF WATERFORD AND STANISLAUS COUNTY
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING**

This Memorandum of Understanding (MOU) Amendment No.1 dated July 10, 2017 is entered among the City of Modesto, City of Turlock, City of Hughson, City of Ceres, City of Waterford, and Stanislaus County (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/agencies/counties/districts and to establish mutual understandings of cities/water agencies/counties/special districts 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, in November 2002, the California Legislature enacted the Integrated Regional Water Management Act (SB 1672), with the purpose to encourage local agencies to coordinate and collaboratively manage water resources to improve water quality, quantity and reliability.

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.

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WHEREAS, the City of Waterford and Stanislaus County have submitted written requests to the Partnership to join the Partnership per section 4.17 of this MOU.

WHEREAS, the Partnership has met and agreed by unanimous vote to recommend approval of City of Waterford and Stanislaus County as members to the Partnership provided these agencies become signatories to this MOU and any related cost sharing agreements.

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 IRWM 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:

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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 (IRWM Plan or 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, county 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 a 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 and including future updates to the Plan.

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, the Department of Water Resources, and the California Department of Fish and Wildlife, will be invited to participate.

3.4. Stakeholders, disadvantaged communities, Native American tribal communities. The Signatories understand that a collaborative effort with stakeholders, disadvantaged communities, and Native American tribal communities, regardless of their ability to contribute financially, is vital to a successful IRWM Region, the IRWM Plan planning process and preparation and updates of a Plan. The public at large, stakeholders, disadvantaged communities, and Native American tribal communities will be asked to

participate in the regional and planning process and will be given opportunities to provide input and comments on the preparation and updates 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/counties/special districts 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 Planning and Implementation Grant Funding Applications and minor costs of supporting the governance structure are two areas that may require additional funding through cost sharing agreements.

4.3. The Plan and required subsequent updates 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 and subsequent updates 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 which are bounded generally by the Merced River on the South, Stanislaus River on the north, San Joaquin River on the west, and Stanislaus County boundary on the east. A full description of the regional boundary was included in the Regional Acceptance Process application which was submitted and approved by DWR and also as depicted in the 2013 IRWM Plan.

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 2013 IRWM Plan 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 and updating processes, 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 has been developed and fully described in the 2013 IRWM Plan 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 representatives 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, implemented, and updated.

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 required 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. Adoption of the IRWM Plan by an individual agency is required by DWR if that agency is to accept State-funded grants for a project whether or not that agency is a Partner to the MOU.

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 as provided in Section 4.16.

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, update, 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. Alternates 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. Updating of the Plan is generally separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is updated, required, necessary, and relevant work products of other agencies can and should be shared between the Plan

update effort and these other organizations in order to assure a consistency with identifying water resources related issues, solutions, and management goals and objectives.

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's governing body becomes a signatory to this MOU by adoption as well as 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, implemented, and updated.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding on the last date written beside each Party representative's signature.

IN WITNESS WHEREOF, the City of Hughson, a municipal corporation, has authorized the execution of this Memorandum of Understanding for the East Stanislaus Integrated Regional Management Partnership in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No 2017-28 adopted by the Council of the City of Hughson on the 10th day of July 2017.

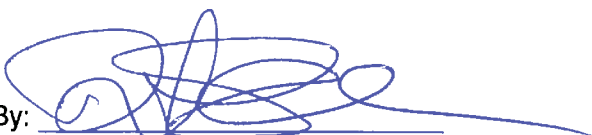
CITY OF HUGHSON,
a municipal corporation

By: 
RAUL L. MENDEZ, City Manager

ATTEST:

By: 
SUSANA DIAZ, Deputy City Clerk

APPROVED AS TO FORM:

By: 
DANIEL J. SCHROEDER, City Attorney

**COST SHARING AGREEMENT TO DEFRAY
EXPENSES ASSOCIATED WITH PREPARATION OF AN
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

The parties to this Agreement are the Cities of Ceres, Hughson, Turlock, Waterford, Modesto, all of which are Municipal Corporations of the State of California, and the County of Stanislaus ("the parties). This Agreement is entered into this 10th day of July 2017, among the parties.

RECITALS:

WHEREAS, the cities of Ceres, Hughson, Modesto, and Turlock entered into a Cost Sharing Agreement in June 2010 (2010 Agreement) to fund the development of an Integrated Regional Water Management (IRWM) Plan; and

WHEREAS, the East Stanislaus IRWM Partnership (Partnership) was formed in August 2011 through a Memorandum of Understanding (MOU) consisting of the cities of Ceres, Hughson, Modesto, and Turlock for the purpose of forming an IRWM Region, developing an IRWM Plan, and implementing a regional Plan including future Plan updates as necessary; and

WHEREAS, the Partnership has proposed the parties assist in the continued planning, development, and updates of an IRWM Plan for the mutual benefit of the Region and parties; and

WHEREAS, the 2010 Agreement was amended (Amendment No.1) in February 2013 to account for increased funding needs for development of the IRWM Plan and cost share percentages adjusted for water and wastewater revenue changes in the cost share methodology formula; and

WHEREAS, the IRWM Plan was completed in December 2013 and each 2011 Partnership agency adopted the Plan in early 2014; and

WHEREAS, in July 2014 the County of Stanislaus adopted the 2013 IRWM Plan; and

WHEREAS, in July 2014 the State of California Department of Water Resources (DWR) accepted the East Stanislaus IRWM Plan as compliant with the 2012 IRWM Planning Act Guidelines; and

WHEREAS, in July 2016 the DWR updated the IRWM Planning Act Guidelines and requires all IRWM Plans be updated in order to remain eligible for Prop 1 Grant Funding; and

WHEREAS, the parties have agreed that additional funding is required to complete the 2017 IRWM Plan Update in accordance with the 2016 DWR guidelines; and

WHEREAS, the City of Waterford and the County of Stanislaus have submitted formal requests to join the ESIRWM Partnership and to participate in cost sharing agreements as necessary; and

WHEREAS, from and after the date of this Agreement, and as used in the remainder of this Agreement, "Partnership" shall refer to the cities of Ceres, Hughson, Turlock, Waterford, Modesto, and the County of Stanislaus; and

WHEREAS, the parties deem it in their best interest to employ consultants in the update of the IRWM Plan; and

WHEREAS, the parties have agreed to the cost sharing formula and the resulting cost share splits attached hereto as "Exhibit 1"; and

WHEREAS, the parties have been notified that the City of Modesto, acting on behalf of the East Stanislaus IRWM Partnership, has been awarded an IRWM Planning Grant from the DWR which will cover approximately 88% of the estimated cost for the 2017 IRWM Plan Update; and

WHEREAS, the parties have received a “not to exceed” cost quotation and proposal from a consultant to complete the 2017 IRWM Plan Update; and

NOW, THEREFORE, the parties on the terms and conditions herein set forth agree as follows:

1. Each of the parties shall ultimately contribute their percentage share of the cost as set forth in "Exhibit 1" attached hereto less any grant funding. In the event that other entities are made parties to this Agreement they will do so on condition that they pay a share of the IRWM Plan costs agreed upon by the previous parties to this Agreement.

2. The City of Modesto will advance funding not-to-exceed \$182,116 toward the 2017 IRWM Plan Update. Of this, an amount of \$147,625 will be reimbursed to the City of Modesto by a State grant and \$19,739 will be an in-lieu funding match contribution of staff time by the City of Modesto that will be a shared cost of the Partnership according to the percentage cost shares as set forth in "Exhibit 1". An Additional Services amount of \$14,752 (or 10% of the consultant agreement) is included in the Consultant Agreement and would also be subject to the percentage cost shares as set forth in "Exhibit 1" should a need arise to use these funds and the Partnership agrees to fund any additional work.

Grant Award of \$147,625

Cost Share of \$19,739

Additional Services of \$14,752

Total Project Cost of \$182,116

3. The parties agree that the City of Modesto will be the lead agency to employ a mutually selected consultant by the Partnership to complete a scope of services for the 2017 IRWM Plan Update and will retain all contractual obligations of the Consultant Agreement per Modesto's Standard Consultant Agreement language.

4. The parties agree that Modesto will be the lead agency for the DWR grant award and will enter into an Agreement with the State to receive grant funds and will manage the grant under the obligations set forth in an Agreement between the City of Modesto and the State.

5. Modesto will manage the Consultant Agreement and agrees to receive and maintain all funding from the other parties, and to do all the foregoing without charge. However, the parties herewith agree that the City of Modesto may recover its actual out-of-pocket expenses for administrative costs related to administering the grant such as copying, mailing, phone and travel from the parties' contributions, not to exceed 2% of the cost of the project or \$3,642

6. In addition to the obligation to pay as described in the preceding paragraph, each party shall be required to pay its percentage share of the 2017 IRWM Plan Update non-grant funded cost in full within eight (8) months after completion of the 2017 IRWM Plan Update. A 4% simple interest per annum interest charge on other parties would apply to unreimbursed amounts remaining after eight (8) months of completion of the 2017 IRWM Plan Update.

7. In the event there will be cost overruns by the consultant(s), or that it would be prudent to fund additional services, then, and in that event, the parties agree to meet and determine whether or not the City of Modesto should enter into an Additional Services agreement to fund such additional costs with the affirmative of all parties.

8. In the event that actual costs to complete the 2017 IRWM Plan Update are less than estimated, deposited monies that remain following completion of the work by consultant(s) and full payment therefore, such monies shall be redistributed to the parties that have paid in accordance with their percentage share in "Exhibit 1" pro rata the amount of monies actually received by the City of Modesto from the parties.

9. In the event that any Planning Grant monies are awarded toward the IRWM Plan effort, such monies shall be applied as recoverable costs to the IRWM Plan for each of the parties in accordance with their percentage share in "Exhibit 1", if monies are deposited in advance by Partnership agencies, otherwise, the total cost to be shared and due and payable from such agency shall be reduced by the grant award amount and each party's paid reimbursement to Modesto shall be applied to the non-grant funded amount according to their percentage in "Exhibit 1".

10. Each of the parties agrees to defend, indemnify and hold the others harmless from the consequences of their own tortuous, negligent or intentional wrongdoing arising out of or relating to its performance of this Agreement.

11. Upon completion of the work to be performed by consultant(s), and upon payment therefore in full of that party's proportionate share of costs, as set forth above, each of the parties hereto shall be entitled to copies of all deliverable documents created by consultant(s).

12. To the extent reasonably required, each party to this Agreement shall, in good faith, cooperate and assist each of the other parties in meeting their obligations under this Agreement.

13. All notices permitted or required to be given hereunder shall be effective upon being delivered by hand or by facsimile transmission or five (5) days after delivery into the United States First Class Mail if such mail is registered or certified. Each such notice shall be sent to the parties at the addresses respectively indicated below:

Toby Wells
City Manager
City of Ceres
P.O. Box 217
Ceres, CA 95307

Raul Mendez
City Manager
City of Hughson
P.O. Box 9
Hughson, CA 95326

Joseph P. Lopez
Acting City Manager
City of Modesto
P.O. Box 642
Modesto, CA 95353

Gary Hampton
City Manager
City of Turlock
156 South Broadway
Turlock, CA 95380

Tim Ogden
City Manager
City of Waterford
P.O. Box 199
Waterford, CA 95386

Jami Aggers
Director of Environmental Resources
Stanislaus County
1010 Tenth Street
Modesto, CA 95353

14. The parties may terminate this Agreement upon mutual written agreement. In the event that they do so, and funds remain in Modesto's IRWM Plan account that was provided pursuant to this Agreement, such funds shall be redistributed to the parties in accordance with "Exhibit 1".

15. Parties terminating this agreement upon mutual written agreement will remain obligated until full reimbursement is made for their share of costs for reimbursable amounts outstanding in accordance with "Exhibit 1".

16. Reimbursable monies as yet remaining outstanding from the original and Amendment No.1 of this Cost Share Agreement shall remain in effect until fully reimbursed under the provisions outlined in this Agreement and in the IRWM Memorandum of Understanding.

17. This Agreement and its Exhibits contain the entire understanding between the parties. All previous proposals, offers and other communications relative to this Agreement, whether oral or written, are hereby superceded except to the extent that they have been incorporated into this Agreement.

18. No waiver, or exception, to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

19. If any provision of this Agreement is held by a court to be invalid, void, or otherwise unenforceable, the remaining provisions shall nevertheless continue in full force.

20. This Agreement shall be governed according to the laws of the State of California.

21. Each of the parties represent to the other that the person or persons who have executed this document on their behalf have been authorized to do so in accordance with governing law, and that this Agreement is a binding legal obligation on each of the parties upon its execution by them.

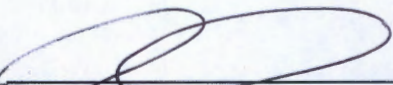
22. This Agreement may be modified only through writing and signed by all the parties.

23. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed an original.

24. Agreed as evidenced by the signatures below:

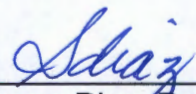
IN WITNESS WHEREOF, the City of Hughson, a municipal corporation, has authorized the execution of this Cost Sharing Agreement Amendment No. 2 for the East Stanislaus Integrated Regional Management Partnership in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No 2017-28 adopted by the Council of the City of Hughson on this 10th day of July 2017.

CITY OF HUGHSON,
a municipal corporation

By: 

Raul Mendez, City Manager

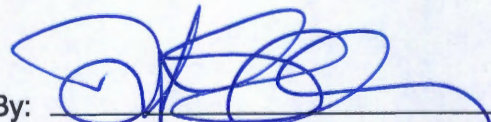
ATTEST:

By: 

Susana Diaz, Deputy City Clerk

(Seal)

APPROVED AS TO FORM:

By: 

Daniel J. Schroeder, City Attorney

EXHIBIT 1

PARTNERSHIP PERCENTAGE COST SHARES

CERES	11.5 %
HUGHSON	7.0 %
MODESTO	44.5 %
TURLOCK	14.5 %
WATERFORD	6.0%
STANISLAUS COUNTY	16.5%

Note: Cost allocation:

1. 25% of the cost shall be allocated equally among participating city members, and
2. 75% of the cost shall be allocated in proportion to the sum of each city's FY 2015/2016 actual water and wastewater revenues divided by the sum of FY 2015/2016 actual water and wastewater revenues for all participating city members.
3. The County cost shall be based on a proportion of total number of members, a one-sixth share under this Amendment No.2.

**MEMORANDUM OF UNDERSTANDING AMENDMENT NO.1
AMONG CITY OF MODESTO, CITY OF TURLOCK, CITY OF HUGHSON, CITY OF CERES,
CITY OF WATERFORD AND STANISLAUS COUNTY
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING**

This Memorandum of Understanding (MOU) Amendment No.1 dated June 13, 2017 is entered among the City of Modesto, City of Turlock, City of Hughson, City of Ceres, City of Waterford, and Stanislaus County (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/agencies/counties/districts and to establish mutual understandings of cities/water agencies/counties/special districts 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, in November 2002, the California Legislature enacted the Integrated Regional Water Management Act (SB 1672), with the purpose to encourage local agencies to coordinate and collaboratively manage water resources to improve water quality, quantity and reliability.

WHEREAS, the California Legislature enacted SBX2 1 (Perata, Chapter 1 Statutes 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, in September 2011, the Department of Water Resources (DWR) through the Region Acceptance Process (RAP) approved the new East Stanislaus IRWM Region as an official IRWM planning region.

WHEREAS, in early 2014, the MOU signatories of City of Ceres, City of Hughson, City of Modesto, and City of Turlock adopted the December 2013 East Stanislaus IRWM Plan.

WHEREAS, in July 2014, the DWR accepted the East Stanislaus Region IRWM Plan as consistent in meeting the IRWM Planning Act and 2012 IRWM Planning Standards.

WHEREAS, in July 2014, Stanislaus County adopted the 2013 IRWM Plan and thus, became eligible for future grant funding opportunities.

WHEREAS, in November 2014, the Water Quality, Supply, and Infrastructure Improvement Act (Prop 1), authorized Legislature to appropriate funding for competitive grants for projects included in Integrated Regional Water Management Plans.

WHEREAS, in July 2016, the DWR released new IRWM Plan Guidelines which required all IRWM Plans to be updated in order to be eligible for Prop 1 IRWM Implementation Grants.

WHEREAS, in February 2017, the DWR announced Final Awards for the Prop 1 IRWM 2016 Planning Grant which includes a grant award to the City of Modesto as lead agency on behalf of the East Stanislaus Region for update of the 2013 IRWM Plan.

WHEREAS, the City of Waterford and Stanislaus County have submitted written requests to the Partnership to join the Partnership per section 4.17 of this MOU.

WHEREAS, the Partnership has met and agreed by unanimous vote to recommend approval of City of Waterford and Stanislaus County as members to the Partnership provided these agencies become signatories to this MOU and any related cost sharing agreements.

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 IRWM 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 (IRWM Plan or 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, county 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 a 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 and including future updates to the Plan.

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, the Department of Water Resources, and the California Department of Fish and Wildlife, will be invited to participate.

3.4. Stakeholders, disadvantaged communities, Native American tribal communities. The Signatories understand that a collaborative effort with stakeholders, disadvantaged communities, and Native American tribal communities, regardless of their ability to contribute financially, is vital to a successful IRWM Region, the IRWM Plan planning process and preparation and updates of a Plan. The public at large, stakeholders, disadvantaged communities, and Native American tribal communities will be asked to

participate in the regional and planning process and will be given opportunities to provide input and comments on the preparation and updates 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/counties/special districts 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 Planning and Implementation Grant Funding Applications and minor costs of supporting the governance structure are two areas that may require additional funding through cost sharing agreements.

4.3. The Plan and required subsequent updates 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 and subsequent updates 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 which are bounded generally by the Merced River on the South, Stanislaus River on the north, San Joaquin River on the west, and Stanislaus County boundary on the east. A full description of the regional boundary was included in the Regional Acceptance Process application which was submitted and approved by DWR and also as depicted in the 2013 IRWM Plan.

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 2013 IRWM Plan 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 and updating processes, 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 has been developed and fully described in the 2013 IRWM Plan 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 representatives 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, implemented, and updated.

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 required 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. Adoption of the IRWM Plan by an individual agency is required by DWR if that agency is to accept State-funded grants for a project whether or not that agency is a Partner to the MOU.

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 as provided in Section 4.16.

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, update, 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. Alternates 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. Updating of the Plan is generally separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is updated, required, necessary, and relevant work products of other agencies can and should be shared between the Plan

update effort and these other organizations in order to assure a consistency with identifying water resources related issues, solutions, and management goals and objectives.

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's governing body becomes a signatory to this MOU by adoption as well as 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.

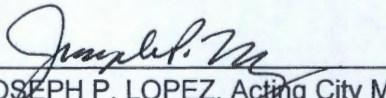
5. SIGNATORIES TO THE MEMORANDUM OF UNDERSTANDING

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, implemented, and updated.

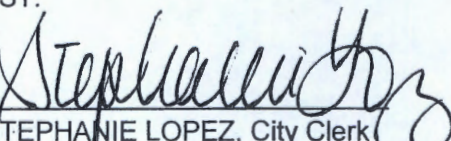
IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding on the last date written beside each Party representative's signature.

IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has authorized the execution of this Memorandum of Understanding for the East Stanislaus Integrated Regional Management Partnership in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No 2017- 227 adopted by the Council of the City of Modesto on the 13th day of June 2017.

CITY OF MODESTO,
a municipal corporation


By: 
JOSEPH P. LOPEZ, Acting City Manager

ATTEST:

By: 
STEPHANIE LOPEZ, City Clerk

(Seal)

APPROVED AS TO FORM:
ADAM U. LUNDGREN, City Attorney

By: 
JOSE M. SANCHEZ, Assistant City Attorney

**COST SHARING AGREEMENT TO DEFRAID
EXPENSES ASSOCIATED WITH PREPARATION OF AN
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

The parties to this Agreement are the Cities of Ceres, Hughson, Turlock, Waterford, Modesto, all of which are Municipal Corporations of the State of California, and the County of Stanislaus ("the parties). This Agreement is entered into this 13th day of June, 2017, among the parties.

RECITALS:

WHEREAS, the cities of Ceres, Hughson, Modesto, and Turlock entered into a Cost Sharing Agreement in June 2010 (2010 Agreement) to fund the development of an Integrated Regional Water Management (IRWM) Plan; and

WHEREAS, the East Stanislaus IRWM Partnership (Partnership) was formed in August 2011 through a Memorandum of Understanding (MOU) consisting of the cities of Ceres, Hughson, Modesto, and Turlock for the purpose of forming an IRWM Region, developing an IRWM Plan, and implementing a regional Plan including future Plan updates as necessary; and

WHEREAS, the Partnership has proposed the parties assist in the continued planning, development, and updates of an IRWM Plan for the mutual benefit of the Region and parties; and

WHEREAS, the 2010 Agreement was amended (Amendment No.1) in February 2013 to account for increased funding needs for development of the IRWM Plan and cost share percentages adjusted for water and wastewater revenue changes in the cost share methodology formula; and

WHEREAS, the IRWM Plan was completed in December 2013 and each 2011 Partnership agency adopted the Plan in early 2014; and

WHEREAS, in July 2014 the County of Stanislaus adopted the 2013 IRWM Plan; and

WHEREAS, in July 2014 the State of California Department of Water Resources (DWR) accepted the East Stanislaus IRWM Plan as compliant with the 2012 IRWM Planning Act Guidelines; and

WHEREAS, in July 2016 the DWR updated the IRWM Planning Act Guidelines and requires all IRWM Plans be updated in order to remain eligible for Prop 1 Grant Funding; and

WHEREAS, the parties have agreed that additional funding is required to complete the 2017 IRWM Plan Update in accordance with the 2016 DWR guidelines; and

WHEREAS, the City of Waterford and the County of Stanislaus have submitted formal requests to join the ESIRWM Partnership and to participate in cost sharing agreements as necessary; and

WHEREAS, from and after the date of this Agreement, and as used in the remainder of this Agreement, "Partnership" shall refer to the cities of Ceres, Hughson, Turlock, Waterford, Modesto, and the County of Stanislaus; and

WHEREAS, the parties deem it in their best interest to employ consultants in the update of the IRWM Plan; and

WHEREAS, the parties have agreed to the cost sharing formula and the resulting cost share splits attached hereto as "Exhibit 1"; and

WHEREAS, the parties have been notified that the City of Modesto, acting on behalf of the East Stanislaus IRWM Partnership, has been awarded an IRWM Planning Grant from the DWR which will cover approximately 88% of the estimated cost for the 2017 IRWM Plan Update; and

WHEREAS, the parties have received a “not to exceed” cost quotation and proposal from a consultant to complete the 2017 IRWM Plan Update; and

NOW, THEREFORE, the parties on the terms and conditions herein set forth agree as follows:

1. Each of the parties shall ultimately contribute their percentage share of the cost as set forth in "Exhibit 1" attached hereto less any grant funding. In the event that other entities are made parties to this Agreement they will do so on condition that they pay a share of the IRWM Plan costs agreed upon by the previous parties to this Agreement.

2. The City of Modesto will advance funding not-to-exceed \$182,116 toward the 2017 IRWM Plan Update. Of this, an amount of \$147,625 will be reimbursed to the City of Modesto by a State grant and \$19,739 will be an in-lieu funding match contribution of staff time by the City of Modesto that will be a shared cost of the Partnership according to the percentage cost shares as set forth in "Exhibit 1". An Additional Services amount of \$14,752 (or 10% of the consultant agreement) is included in the Consultant Agreement and would also be subject to the percentage cost shares as set forth in "Exhibit 1" should a need arise to use these funds and the Partnership agrees to fund any additional work.

Grant Award of \$147,625

Cost Share of \$19,739

Additional Services of \$14,752

Total Project Cost of \$182,116

3. The parties agree that the City of Modesto will be the lead agency to employ a mutually selected consultant by the Partnership to complete a scope of services for the 2017 IRWM Plan Update and will retain all contractual obligations of the Consultant Agreement per Modesto's Standard Consultant Agreement language.

4. The parties agree that Modesto will be the lead agency for the DWR grant award and will enter into an Agreement with the State to receive grant funds and will manage the grant under the obligations set forth in an Agreement between the City of Modesto and the State.

5. Modesto will manage the Consultant Agreement and agrees to receive and maintain all funding from the other parties, and to do all the foregoing without charge. However, the parties herewith agree that the City of Modesto may recover its actual out-of-pocket expenses for administrative costs related to administering the grant such as copying, mailing, phone and travel from the parties' contributions, not to exceed 2% of the cost of the project or \$3,642

6. In addition to the obligation to pay as described in the preceding paragraph, each party shall be required to pay its percentage share of the 2017 IRWM Plan Update non-grant funded cost in full within eight (8) months after completion of the 2017 IRWM Plan Update. A 4% simple interest per annum interest charge on other parties would apply to unreimbursed amounts remaining after eight (8) months of completion of the 2017 IRWM Plan Update.

7. In the event there will be cost overruns by the consultant(s), or that it would be prudent to fund additional services, then, and in that event, the parties agree to meet and determine whether or not the City of Modesto should enter into an Additional Services agreement to fund such additional costs with the affirmative of all parties.

8. In the event that actual costs to complete the 2017 IRWM Plan Update are less than estimated, deposited monies that remain following completion of the work by consultant(s) and full payment therefore, such monies shall be redistributed to the parties that have paid in accordance with their percentage share in "Exhibit 1" pro rata the amount of monies actually received by the City of Modesto from the parties.

9. In the event that any Planning Grant monies are awarded toward the IRWM Plan effort, such monies shall be applied as recoverable costs to the IRWM Plan for each of the parties in accordance with their percentage share in "Exhibit 1", if monies are deposited in advance by Partnership agencies, otherwise, the total cost to be shared and due and payable from such agency shall be reduced by the grant award amount and each party's paid reimbursement to Modesto shall be applied to the non-grant funded amount according to their percentage in "Exhibit 1".

10. Each of the parties agrees to defend, indemnify and hold the others harmless from the consequences of their own tortuous, negligent or intentional wrongdoing arising out of or relating to its performance of this Agreement.

11. Upon completion of the work to be performed by consultant(s), and upon payment therefore in full of that party's proportionate share of costs, as set forth above, each of the parties hereto shall be entitled to copies of all deliverable documents created by consultant(s).

12. To the extent reasonably required, each party to this Agreement shall, in good faith, cooperate and assist each of the other parties in meeting their obligations under this Agreement.

13. All notices permitted or required to be given hereunder shall be effective upon being delivered by hand or by facsimile transmission or five (5) days after delivery into the United States First Class Mail if such mail is registered or certified. Each such notice shall be sent to the parties at the addresses respectively indicated below:

Toby Wells
City Manager
City of Ceres
P.O. Box 217
Ceres, CA 95307

Raul Mendez
City Manager
City of Hughson
P.O. Box 9
Hughson, CA 95326

Joseph P. Lopez
Acting City Manager
City of Modesto
P.O. Box 642
Modesto, CA 95353

Gary Hampton
City Manager
City of Turlock
156 South Broadway
Turlock, CA 95380

Tim Ogden
City Manager
City of Waterford
P.O. Box 199
Waterford, CA 95386

Jami Aggers
Director of Environmental Resources
Stanislaus County
1010 Tenth Street
Modesto, CA 95353

14. The parties may terminate this Agreement upon mutual written agreement. In the event that they do so, and funds remain in Modesto's IRWM Plan account that was provided pursuant to this Agreement, such funds shall be redistributed to the parties in accordance with "Exhibit 1".

15. Parties terminating this agreement upon mutual written agreement will remain obligated until full reimbursement is made for their share of costs for reimbursable amounts outstanding in accordance with "Exhibit 1".

16. Reimbursable monies as yet remaining outstanding from the original and Amendment No.1 of this Cost Share Agreement shall remain in effect until fully reimbursed under the provisions outlined in this Agreement and in the IRWM Memorandum of Understanding.

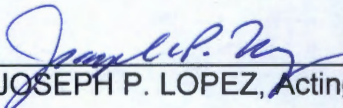
17. This Agreement and its Exhibits contain the entire understanding between the parties. All previous proposals, offers and other communications relative to this Agreement, whether oral or written, are hereby superceded except to the extent that they have been incorporated into this Agreement.

18. No waiver, or exception, to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

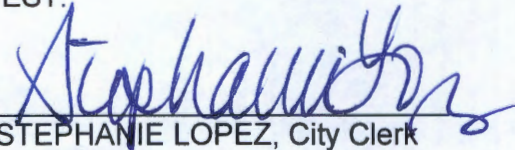
19. If any provision of this Agreement is held by a court to be invalid, void, or otherwise unenforceable, the remaining provisions shall nevertheless continue in full force.
20. This Agreement shall be governed according to the laws of the State of California.
21. Each of the parties represent to the other that the person or persons who have executed this document on their behalf have been authorized to do so in accordance with governing law, and that this Agreement is a binding legal obligation on each of the parties upon its execution by them.
22. This Agreement may be modified only through writing and signed by all the parties.
23. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed an original.
24. Agreed as evidenced by the signatures below:

IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has authorized the execution of this Cost Sharing Agreement Amendment No. 2 for the East Stanislaus Integrated Regional Management Partnership in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No 2017- 228 adopted by the Council of the City of Modesto on the 13th day of June 2017.

CITY OF MODESTO,
a municipal corporation

By: 
JOSEPH P. LOPEZ, Acting City Manager

ATTEST:

By: 
STEPHANIE LOPEZ, City Clerk

(Seal)

APPROVED AS TO FORM:
ADAM U. LUNDGREN, City Attorney

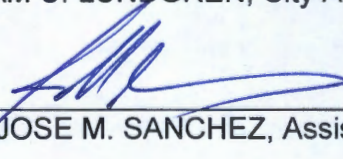
By: 
JOSE M. SANCHEZ, Assistant City Attorney

EXHIBIT 1

PARTNERSHIP PERCENTAGE COST SHARES

CERES	11.5 %
HUGHSON	7.0 %
MODESTO	44.5 %
TURLOCK	14.5 %
WATERFORD	6.0%
STANISLAUS COUNTY	16.5%

Note: Cost allocation:

1. 25% of the cost shall be allocated equally among participating city members, and
2. 75% of the cost shall be allocated in proportion to the sum of each city's FY 2015/2016 actual water and wastewater revenues divided by the sum of FY 2015/2016 actual water and wastewater revenues for all participating city members.
3. The County cost shall be based on a proportion of total number of members, a one-sixth share under this Amendment No.2.

**MEMORANDUM OF UNDERSTANDING AMENDMENT NO.1
AMONG CITY OF MODESTO, CITY OF TURLOCK, CITY OF HUGHSON, CITY OF CERES,
CITY OF WATERFORD AND STANISLAUS COUNTY
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING**

This Memorandum of Understanding (MOU) Amendment No.1 dated _____, 2017 is entered among the City of Modesto, City of Turlock, City of Hughson, City of Ceres, City of Waterford, and Stanislaus County (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/agencies/counties/districts and to establish mutual understandings of cities/water agencies/counties/special districts 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, in November 2002, the California Legislature enacted the Integrated Regional Water Management Act (SB 1672), with the purpose to encourage local agencies to coordinate and collaboratively manage water resources to improve water quality, quantity and reliability.

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, in September 2011, the Department of Water Resources (DWR) through the Region Acceptance Process (RAP) approved the new East Stanislaus IRWM Region as an official IRWM planning region.

WHEREAS, in early 2014, the MOU signatories of City of Ceres, City of Hughson, City of Modesto, and City of Turlock adopted the December 2013 East Stanislaus IRWM Plan.

WHEREAS, in July 2014, the DWR accepted the East Stanislaus Region IRWM Plan as consistent in meeting the IRWM Planning Act and 2012 IRWM Planning Standards.

WHEREAS, in July 2014, Stanislaus County adopted the 2013 IRWM Plan and thus, became eligible for future grant funding opportunities.

WHEREAS, in November 2014, the Water Quality, Supply, and Infrastructure Improvement Act (Prop 1), authorized Legislature to appropriate funding for competitive grants for projects included in Integrated Regional Water Management Plans.

WHEREAS, in July 2016, the DWR released new IRWM Plan Guidelines which required all IRWM Plans to be updated in order to be eligible for Prop 1 IRWM Implementation Grants.

WHEREAS, in February 2017, the DWR announced Final Awards for the Prop 1 IRWM 2016 Planning Grant which includes a grant award to the City of Modesto as lead agency on behalf of the East Stanislaus Region for update of the 2013 IRWM Plan.

WHEREAS, the City of Waterford and Stanislaus County have submitted written requests to the Partnership to join the Partnership per section 4.17 of this MOU.

WHEREAS, the Partnership has met and agreed by unanimous vote to recommend approval of City of Waterford and Stanislaus County as members to the Partnership provided these agencies become signatories to this MOU and any related cost sharing agreements.

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 IRWM 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 (IRWM Plan or 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, county 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 a 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 and including future updates to the Plan.

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, the Department of Water Resources, and the California Department of Fish and Wildlife, will be invited to participate.

3.4. Stakeholders, disadvantaged communities, Native American tribal communities. The Signatories understand that a collaborative effort with stakeholders, disadvantaged communities, and Native American tribal communities, regardless of their ability to contribute financially, is vital to a successful IRWM Region, the IRWM Plan planning process and preparation and updates of a Plan. The public at large, stakeholders, disadvantaged communities, and Native American tribal communities will be asked to

participate in the regional and planning process and will be given opportunities to provide input and comments on the preparation and updates 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/counties/special districts 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 Planning and Implementation Grant Funding Applications and minor costs of supporting the governance structure are two areas that may require additional funding through cost sharing agreements.

4.3. The Plan and required subsequent updates 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 and subsequent updates 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 which are bounded generally by the Merced River on the South, Stanislaus River on the north, San Joaquin River on the west, and Stanislaus County boundary on the east. A full description of the regional boundary was included in the Regional Acceptance Process application which was submitted and approved by DWR and also as depicted in the 2013 IRWM Plan.

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 2013 IRWM Plan 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 and updating processes, 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 has been developed and fully described in the 2013 IRWM Plan 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 representatives 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, implemented, and updated.

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 required 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. Adoption of the IRWM Plan by an individual agency is required by DWR if that agency is to accept State-funded grants for a project whether or not that agency is a Partner to the MOU.

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 as provided in Section 4.16.

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, update, 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. Alternates 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. Updating of the Plan is generally separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is updated, required, necessary, and relevant work products of other agencies can and should be shared between the Plan

update effort and these other organizations in order to assure a consistency with identifying water resources related issues, solutions, and management goals and objectives.

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's governing body becomes a signatory to this MOU by adoption as well as 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, implemented, and updated.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding on the last date written beside each Party representative's signature.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by and through their respective officers thereunto duly authorized.

CITY OF TURLOCK, a municipal corporation

By: _____
Gary Soiseth, Mayor
or Robert A. Talloni
City Manager

Date: 8-10-17

APPROVED AS TO SUFFICIENCY:

By: Michael I. Cooke
Michael I. Cooke, Municipal Services Director

APPROVED AS TO FORM:

By: Phaedra A. Norton
Phaedra A. Norton, City Attorney

ATTEST:

By: Jennifer Land
Jennifer Land, City Clerk

**COST SHARING AGREEMENT TO DEFRAY
EXPENSES ASSOCIATED WITH PREPARATION OF AN
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

The parties to this Agreement are the Cities of Ceres, Hughson, Turlock, Waterford, Modesto, all of which are Municipal Corporations of the State of California, and the County of Stanislaus (“the parties). This Agreement is entered into this _____ day of _____, 2017, among the parties.

RECITALS:

WHEREAS, the cities of Ceres, Hughson, Modesto, and Turlock entered into a Cost Sharing Agreement in June 2010 (2010 Agreement) to fund the development of an Integrated Regional Water Management (IRWM) Plan; and

WHEREAS, the East Stanislaus IRWM Partnership (Partnership) was formed in August 2011 through a Memorandum of Understanding (MOU) consisting of the cities of Ceres, Hughson, Modesto, and Turlock for the purpose of forming an IRWM Region, developing an IRWM Plan, and implementing a regional Plan including future Plan updates as necessary; and

WHEREAS, the Partnership has proposed the parties assist in the continued planning, development, and updates of an IRWM Plan for the mutual benefit of the Region and parties; and

WHEREAS, the 2010 Agreement was amended (Amendment No.1) in February 2013 to account for increased funding needs for development of the IRWM Plan and cost share percentages adjusted for water and wastewater revenue changes in the cost share methodology formula; and

WHEREAS, the IRWM Plan was completed in December 2013 and each 2011 Partnership agency adopted the Plan in early 2014; and

WHEREAS, in July 2014 the County of Stanislaus adopted the 2013 IRWM Plan; and

WHEREAS, in July 2014 the State of California Department of Water Resources (DWR) accepted the East Stanislaus IRWM Plan as compliant with the 2012 IRWM Planning Act Guidelines; and

WHEREAS, in July 2016 the DWR updated the IRWM Planning Act Guidelines and requires all IRWM Plans be updated in order to remain eligible for Prop 1 Grant Funding; and

WHEREAS, the parties have agreed that additional funding is required to complete the 2017 IRWM Plan Update in accordance with the 2016 DWR guidelines; and

WHEREAS, the City of Waterford and the County of Stanislaus have submitted formal requests to join the ESIRWM Partnership and to participate in cost sharing agreements as necessary; and

WHEREAS, from and after the date of this Agreement, and as used in the remainder of this Agreement, “Partnership” shall refer to the cities of Ceres, Hughson, Turlock, Waterford, Modesto, and the County of Stanislaus; and

WHEREAS, the parties deem it in their best interest to employ consultants in the update of the IRWM Plan; and

WHEREAS, the parties have agreed to the cost sharing formula and the resulting cost share splits attached hereto as “Exhibit 1”; and

WHEREAS, the parties have been notified that the City of Modesto, acting on behalf of the East Stanislaus IRWM Partnership, has been awarded an IRWM Planning Grant from the DWR which will cover approximately 88% of the estimated cost for the 2017 IRWM Plan Update; and

WHEREAS, the parties have received a “not to exceed” cost quotation and proposal from a consultant to complete the 2017 IRWM Plan Update; and

NOW, THEREFORE, the parties on the terms and conditions herein set forth agree as follows:

1. Each of the parties shall ultimately contribute their percentage share of the cost as set forth in “Exhibit 1” attached hereto less any grant funding. In the event that other entities are made parties to this Agreement they will do so on condition that they pay a share of the IRWM Plan costs agreed upon by the previous parties to this Agreement.

2. The City of Modesto will advance funding not-to-exceed \$182,116 toward the 2017 IRWM Plan Update. Of this, an amount of \$147,625 will be reimbursed to the City of Modesto by a State grant and \$19,739 will be an in-lieu funding match contribution of staff time by the City of Modesto that will be a shared cost of the Partnership according to the percentage cost shares as set forth in “Exhibit 1”. An Additional Services amount of \$14,752 (or 10% of the consultant agreement) is included in the Consultant Agreement and would also be subject to the percentage cost shares as set forth in “Exhibit 1” should a need arise to use these funds and the Partnership agrees to fund any additional work.

Grant Award of \$147,625

Cost Share of \$19,739

Additional Services of \$14,752

Total Project Cost of \$182,116

3. The parties agree that the City of Modesto will be the lead agency to employ a mutually selected consultant by the Partnership to complete a scope of services for the 2017

IRWM Plan Update and will retain all contractual obligations of the Consultant Agreement per Modesto's Standard Consultant Agreement language.

4. The parties agree that Modesto will be the lead agency for the DWR grant award and will enter into an Agreement with the State to receive grant funds and will manage the grant under the obligations set forth in an Agreement between the City of Modesto and the State.

5. Modesto will manage the Consultant Agreement and agrees to receive and maintain all funding from the other parties, and to do all the foregoing without charge. However, the parties herewith agree that the City of Modesto may recover its actual out-of-pocket expenses for administrative costs related to administering the grant such as copying, mailing, phone and travel from the parties' contributions, not to exceed 2% of the cost of the project or \$3,642

6. In addition to the obligation to pay as described in the preceding paragraph, each party shall be required to pay its percentage share of the 2017 IRWM Plan Update non-grant funded cost in full within eight (8) months after completion of the 2017 IRWM Plan Update. A 4% simple interest per annum interest charge on other parties would apply to unreimbursed amounts remaining after eight (8) months of completion of the 2017 IRWM Plan Update.

7. In the event there will be cost overruns by the consultant(s), or that it would be prudent to fund additional services, then, and in that event, the parties agree to meet and determine whether or not the City of Modesto should enter into an Additional Services agreement to fund such additional costs with the affirmative of all parties.

8. In the event that actual costs to complete the 2017 IRWM Plan Update are less than estimated, deposited monies that remain following completion of the work by consultant(s) and full payment therefore, such monies shall be redistributed to the parties that have paid in

accordance with their percentage share in “Exhibit 1” pro rata the amount of monies actually received by the City of Modesto from the parties.

9. In the event that any Planning Grant monies are awarded toward the IRWM Plan effort, such monies shall be applied as recoverable costs to the IRWM Plan for each of the parties in accordance with their percentage share in “Exhibit 1”, if monies are deposited in advance by Partnership agencies, otherwise, the total cost to be shared and due and payable from such agency shall be reduced by the grant award amount and each party’s paid reimbursement to Modesto shall be applied to the non-grant funded amount according to their percentage in “Exhibit 1”.

10. Each of the parties agrees to defend, indemnify and hold the others harmless from the consequences of their own tortuous, negligent or intentional wrongdoing arising out of or relating to its performance of this Agreement.

11. Upon completion of the work to be performed by consultant(s), and upon payment therefore in full of that party’s proportionate share of costs, as set forth above, each of the parties hereto shall be entitled to copies of all deliverable documents created by consultant(s).

12. To the extent reasonably required, each party to this Agreement shall, in good faith, cooperate and assist each of the other parties in meeting their obligations under this Agreement.

13. All notices permitted or required to be given hereunder shall be effective upon being delivered by hand or by facsimile transmission or five (5) days after delivery into the United States First Class Mail if such mail is registered or certified. Each such notice shall be sent to the parties at the addresses respectively indicated below:

Toby Wells
City Manager
City of Ceres
P.O. Box 217
Ceres, CA 95307

Raul Mendez
City Manager
City of Hughson
P.O. Box 9
Hughson, CA 95326

Joseph P. Lopez
Acting City Manager
City of Modesto
P.O. Box 642
Modesto, CA 95353

Gary Hampton
City Manager
City of Turlock
156 South Broadway
Turlock, CA 95380

Tim Ogden
City Manager
City of Waterford
P.O. Box 199
Waterford, CA 95386

Jami Aggers
Director of Environmental Resources
Stanislaus County
1010 Tenth Street
Modesto, CA 95353

14. The parties may terminate this Agreement upon mutual written agreement. In the event that they do so, and funds remain in Modesto's IRWM Plan account that was provided pursuant to this Agreement, such funds shall be redistributed to the parties in accordance with "Exhibit 1".

15. Parties terminating this agreement upon mutual written agreement will remain obligated until full reimbursement is made for their share of costs for reimbursable amounts outstanding in accordance with "Exhibit 1".

16. Reimbursable monies as yet remaining outstanding from the original and Amendment No.1 of this Cost Share Agreement shall remain in effect until fully reimbursed under the provisions outlined in this Agreement and in the IRWM Memorandum of Understanding.

17. This Agreement and its Exhibits contain the entire understanding between the parties. All previous proposals, offers and other communications relative to this Agreement, whether oral or written, are hereby superceded except to the extent that they have been incorporated into this Agreement.

18. No waiver, or exception, to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

19. If any provision of this Agreement is held by a court to be invalid, void, or otherwise unenforceable, the remaining provisions shall nevertheless continue in full force.

20. This Agreement shall be governed according to the laws of the State of California.

21. Each of the parties represent to the other that the person or persons who have executed this document on their behalf have been authorized to do so in accordance with governing law, and that this Agreement is a binding legal obligation on each of the parties upon its execution by them.

22. This Agreement may be modified only through writing and signed by all the parties.

23. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed an original.

24. Agreed as evidenced by the signatures below:

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by and through their respective officers thereunto duly authorized.

CITY OF TURLOCK, a municipal corporation

By: _____
Gary Soiseth, Mayor
or Robert A. Tallon
City Manager

Date: 8-10-17

APPROVED AS TO SUFFICIENCY:

By: Michael I. Cooke
Michael I. Cooke, Municipal Services Director

APPROVED AS TO FORM:

By: Phaedra A. Norton
Phaedra A. Norton, City Attorney

ATTEST:

By: Jennifer Land
Jennifer Land, City Clerk

EXHIBIT 1

PARTNERSHIP PERCENTAGE COST SHARES

CERES	11.5 %
HUGHSON	7.0 %
MODESTO	44.5 %
TURLOCK	14.5 %
WATERFORD	6.0%
STANISLAUS COUNTY	16.5%

Note: Cost allocation:

1. 25% of the cost shall be allocated equally among participating city members, and
2. 75% of the cost shall be allocated in proportion to the sum of each city's FY 2015/2016 actual water and wastewater revenues divided by the sum of FY 2015/2016 actual water and wastewater revenues for all participating city members.
3. The County cost shall be based on a proportion of total number of members, a one-sixth share under this Amendment No.2.

**MEMORANDUM OF UNDERSTANDING AMENDMENT NO.1
AMONG CITY OF MODESTO, CITY OF TURLOCK, CITY OF HUGHSON, CITY OF CERES,
CITY OF WATERFORD AND STANISLAUS COUNTY
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING**

This Memorandum of Understanding (MOU) Amendment No.1 dated **August 3, 2017**, is entered among the City of Modesto, City of Turlock, City of Hughson, City of Ceres, City of Waterford, and Stanislaus County (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/agencies/counties/districts and to establish mutual understandings of cities/water agencies/counties/special districts 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, in November 2002, the California Legislature enacted the Integrated Regional Water Management Act (SB 1672), with the purpose to encourage local agencies to coordinate and collaboratively manage water resources to improve water quality, quantity and reliability.

WHEREAS, the California Legislature enacted SBX2 1 (Perata, Chapter 1 Statutes 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, in September 2011, the Department of Water Resources (DWR) through the Region Acceptance Process (RAP) approved the new East Stanislaus IRWM Region as an official IRWM planning region.

WHEREAS, in early 2014, the MOU signatories of City of Ceres, City of Hughson, City of Modesto, and City of Turlock adopted the December 2013 East Stanislaus IRWM Plan.

WHEREAS, in July 2014, the DWR accepted the East Stanislaus Region IRWM Plan as consistent in meeting the IRWM Planning Act and 2012 IRWM Planning Standards.

WHEREAS, in July 2014, Stanislaus County adopted the 2013 IRWM Plan and thus, became eligible for future grant funding opportunities.

WHEREAS, in November 2014, the Water Quality, Supply, and Infrastructure Improvement Act (Prop 1), authorized Legislature to appropriate funding for competitive grants for projects included in Integrated Regional Water Management Plans.

WHEREAS, in July 2016, the DWR released new IRWM Plan Guidelines which required all IRWM Plans to be updated in order to be eligible for Prop 1 IRWM Implementation Grants.

WHEREAS, in February 2017, the DWR announced Final Awards for the Prop 1 IRWM 2016 Planning Grant which includes a grant award to the City of Modesto as lead agency on behalf of the East Stanislaus Region for update of the 2013 IRWM Plan.

WHEREAS, the City of Waterford and Stanislaus County have submitted written requests to the Partnership to join the Partnership per section 4.17 of this MOU.

WHEREAS, the Partnership has met and agreed by unanimous vote to recommend approval of City of Waterford and Stanislaus County as members to the Partnership provided these agencies become signatories to this MOU and any related cost sharing agreements.

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 IRWM 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 (IRWM Plan or 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, county 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 a 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 and including future updates to the Plan.

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, the Department of Water Resources, and the California Department of Fish and Wildlife, will be invited to participate.

3.4. Stakeholders, disadvantaged communities, Native American tribal communities. The Signatories understand that a collaborative effort with stakeholders, disadvantaged communities, and Native American tribal communities, regardless of their ability to contribute financially, is vital to a successful IRWM Region, the IRWM Plan planning process and preparation and updates of a Plan. The public at large, stakeholders, disadvantaged communities, and Native American tribal communities will be asked to

participate in the regional and planning process and will be given opportunities to provide input and comments on the preparation and updates 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/counties/special districts 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 Planning and Implementation Grant Funding Applications and minor costs of supporting the governance structure are two areas that may require additional funding through cost sharing agreements.

4.3. The Plan and required subsequent updates 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 and subsequent updates 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 which are bounded generally by the Merced River on the South, Stanislaus River on the north, San Joaquin River on the west, and Stanislaus County boundary on the east. A full description of the regional boundary was included in the Regional Acceptance Process application which was submitted and approved by DWR and also as depicted in the 2013 IRWM Plan.

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 2013 IRWM Plan 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 and updating processes, 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 has been developed and fully described in the 2013 IRWM Plan 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 representatives 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, implemented, and updated.

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 required 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. Adoption of the IRWM Plan by an individual agency is required by DWR if that agency is to accept State-funded grants for a project whether or not that agency is a Partner to the MOU.

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 as provided in Section 4.16.

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(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. Updating of the Plan is generally separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is updated, required, necessary, and relevant work products of other agencies can and should be shared between the Plan

update effort and these other organizations in order to assure a consistency with identifying water resources related issues, solutions, and management goals and objectives.

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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, implemented, and updated.

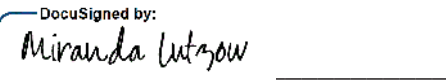
IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding on the last date written beside each Party representative's signature.

IN WITNESS WHEREOF, the City of Waterford, a municipal corporation, has authorized the execution of this Memorandum of Understanding for the East Stanislaus Integrated Regional Management Partnership in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No 2017- 101 adopted by the Council of the City of Waterford on the 7th day of September 2017.

CITY OF WATERFORD,
a municipal corporation

By:  _____
C6B42808E36A408...
MATT ERIKSON, Interim City Manager

ATTEST:

By:  _____
7061E47DB1364DD...
MIRANDA LUTZOW, City Clerk

(Seal)

APPROVED AS TO FORM:

By:  _____
F2D1FA69CB4B4A7...
CORBETT J. BROWNING, City Attorney

**COST SHARING AGREEMENT TO DEFRAY
EXPENSES ASSOCIATED WITH PREPARATION OF AN
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

The parties to this Agreement are the Cities of Ceres, Hughson, Turlock, Waterford, Modesto, all of which are Municipal Corporations of the State of California, and the County of Stanislaus (“the parties). This Agreement is entered into this 3rd day of August, 2017, among the parties.

RECITALS:

WHEREAS, the cities of Ceres, Hughson, Modesto, and Turlock entered into a Cost Sharing Agreement in June 2010 (2010 Agreement) to fund the development of an Integrated Regional Water Management (IRWM) Plan; and

WHEREAS, the East Stanislaus IRWM Partnership (Partnership) was formed in August 2011 through a Memorandum of Understanding (MOU) consisting of the cities of Ceres, Hughson, Modesto, and Turlock for the purpose of forming an IRWM Region, developing an IRWM Plan, and implementing a regional Plan including future Plan updates as necessary; and

WHEREAS, the Partnership has proposed the parties assist in the continued planning, development, and updates of an IRWM Plan for the mutual benefit of the Region and parties; and

WHEREAS, the 2010 Agreement was amended (Amendment No.1) in February 2013 to account for increased funding needs for development of the IRWM Plan and cost share percentages adjusted for water and wastewater revenue changes in the cost share methodology formula; and

WHEREAS, the IRWM Plan was completed in December 2013 and each 2011 Partnership agency adopted the Plan in early 2014; and

WHEREAS, in July 2014 the County of Stanislaus adopted the 2013 IRWM Plan; and

WHEREAS, in July 2014 the State of California Department of Water Resources (DWR) accepted the East Stanislaus IRWM Plan as compliant with the 2012 IRWM Planning Act Guidelines; and

WHEREAS, in July 2016 the DWR updated the IRWM Planning Act Guidelines and requires all IRWM Plans be updated in order to remain eligible for Prop 1 Grant Funding; and

WHEREAS, the parties have agreed that additional funding is required to complete the 2017 IRWM Plan Update in accordance with the 2016 DWR guidelines; and

WHEREAS, the City of Waterford and the County of Stanislaus have submitted formal requests to join the ESIRWM Partnership and to participate in cost sharing agreements as necessary; and

Whereas, from and after the date of this Agreement, and as used in the remainder of this Agreement, "Partnership" shall refer to the cities of Ceres, Hughson, Turlock, Waterford, Modesto, and the County of Stanislaus;

WHEREAS, the parties deem it in their best interest to employ consultants in the update of the IRWM Plan; and

WHEREAS, the parties have agreed to the cost sharing formula and the resulting cost share splits attached hereto as "Exhibit 1"; and

WHEREAS, the parties have been notified that the City of Modesto, acting on behalf of the East Stanislaus IRWM Partnership, has been awarded an IRWM Planning Grant from the DWR which will cover approximately 88% of the estimated cost for the 2017 IRWM Plan Update; and

WHEREAS, the parties have received a "not to exceed" cost quotation and proposal from

a consultant to complete the 2017 IRWM Plan Update; and

NOW, THEREFORE, the parties on the terms and conditions herein set forth agree as follows:

1. Each of the parties shall ultimately contribute their percentage share of the cost as set forth in "Exhibit 1" attached hereto less any grant funding. In the event that other entities are made parties to this Agreement they will do so on condition that they pay a share of the IRWM Plan costs agreed upon by the previous parties to this Agreement.

2. The City of Modesto will advance funding not-to-exceed \$182,116 toward the 2017 IRWM Plan Update. Of this, an amount of \$147,625 will be reimbursed to the City of Modesto by a State grant and \$19,739 will be an in-lieu funding match contribution of staff time by the City of Modesto that will be a shared cost of the Partnership according to the percentage cost shares as set forth in "Exhibit 1". An Additional Services amount of \$14,752 (or 10% of the consultant agreement) is included in the Consultant Agreement and would also be subject to the percentage cost shares as set forth in "Exhibit 1" should a need arise to use these funds and the Partnership agrees to fund any additional work.

Grant Award of \$147,625

Cost Share of \$19,739

Additional Services of \$14,752

Total Project Cost of \$182,116

3. The parties agree that the City of Modesto will be the lead agency to employ a mutually selected consultant by the Partnership to complete a scope of services for the 2017 IRWM Plan Update and will retain all contractual obligations of the Consultant Agreement per Modesto's Standard Consultant Agreement language.

4. The parties agree that Modesto will be the lead agency for the DWR grant award and will enter into an Agreement with the State to receive grant funds and will manage the grant under the obligations set forth in an Agreement between the City of Modesto and the State.

5. Modesto will manage the Consultant Agreement and agrees to receive and maintain all funding from the other parties, and to do all the foregoing without charge. However, the parties herewith agree that the City of Modesto may recover its actual out-of-pocket expenses for administrative costs related to administering the grant such as copying, mailing, phone and travel from the parties' contributions, not to exceed 2% of the cost of the project or \$3,642

6. In addition to the obligation to pay as described in the preceding paragraph, each party shall be required to pay its percentage share of the 2017 IRWM Plan Update non-grant funded cost in full within eight (8) months after completion of the 2017 IRWM Plan Update. A 4% simple interest per annum interest charge on other parties would apply to unreimbursed amounts remaining after eight (8) months of completion of the 2017 IRWM Plan Update.

7. In the event there will be cost overruns by the consultant(s), or that it would be prudent to fund additional services, then, and in that event, the parties agree to meet and determine whether or not the City of Modesto should enter into an Additional Services agreement to fund such additional costs with the affirmative of all parties.

8. In the event that actual costs to complete the 2017 IRWM Plan Update are less than estimated, deposited monies that remain following completion of the work by consultant(s) and full payment therefore, such monies shall be redistributed to the parties that have paid in accordance with their percentage share in "Exhibit 1" pro rata the amount of monies actually received by the City of Modesto from the parties.

9. In the event that any Planning Grant monies are awarded toward the IRWM Plan

effort, such monies shall be applied as recoverable costs to the IRWM Plan for each of the parties in accordance with their percentage share in “Exhibit 1”, if monies are deposited in advance by Partnership agencies, otherwise, the total cost to be shared and due and payable from such agency shall be reduced by the grant award amount and each party’s paid reimbursement to Modesto shall be applied to the non-grant funded amount according to their percentage in “Exhibit 1”.

10. Each of the parties agrees to defend, indemnify and hold the others harmless from the consequences of their own tortuous, negligent or intentional wrongdoing arising out of or relating to its performance of this Agreement.

11. Upon completion of the work to be performed by consultant(s), and upon payment therefore in full of that party’s proportionate share of costs, as set forth above, each of the parties hereto shall be entitled to copies of all deliverable documents created by consultant(s).

12. To the extent reasonably required, each party to this Agreement shall, in good faith, cooperate and assist each of the other parties in meeting their obligations under this Agreement.

13. All notices permitted or required to be given hereunder shall be effective upon being delivered by hand or by facsimile transmission or five (5) days after delivery into the United States First Class Mail if such mail is registered or certified. Each such notice shall be sent to the parties at the addresses respectively indicated below:

Toby Wells
City Manager
City of Ceres
P.O. Box 217
Ceres, CA 95307

Raul Mendez
City Manager
City of Hughson
P.O. Box 9
Hughson, CA 95326

Joseph P. Lopez
Acting City Manager
City of Modesto
P.O. Box 642
Modesto, CA 95353

Robert A. Talloni
Interim City Manager

Matt Erickson
Interim City Manager

Jami Aggers
Director of Environmental Resources

City of Turlock
156 South Broadway
Turlock, CA 95380

City of Waterford
P.O. Box 199
Waterford, CA 95386

Stanislaus County
1010 Tenth Street
Modesto, CA 95353

14. The parties may terminate this Agreement upon mutual written agreement. In the event that they do so, and funds remain in Modesto's IRWM Plan account that was provided pursuant to this Agreement, such funds shall be redistributed to the parties in accordance with "Exhibit 1".

15. Parties terminating this agreement upon mutual written agreement will remain obligated until full reimbursement is made for their share of costs for reimbursable amounts outstanding in accordance with "Exhibit 1".

16. Reimbursable monies as yet remaining outstanding from the original and Amendment No.1 of this Cost Share Agreement shall remain in effect until fully reimbursed under the provisions outlined in this Agreement and in the IRWM Memorandum of Understanding.

17. This Agreement and its Exhibits contain the entire understanding between the parties. All previous proposals, offers and other communications relative to this Agreement, whether oral or written, are hereby superceded except to the extent that they have been incorporated into this Agreement.

18. No waiver, or exception, to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

19. If any provision of this Agreement is held by a court to be invalid, void, or otherwise unenforceable, the remaining provisions shall nevertheless continue in full force.

20. This Agreement shall be governed according to the laws of the State of California.

21. Each of the parties represent to the other that the person or persons who have

executed this document on their behalf have been authorized to do so in accordance with governing law, and that this Agreement is a binding legal obligation on each of the parties upon its execution by them.

22. This Agreement may be modified only through writing and signed by all the parties.

23. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed an original.

24. Agreed as evidenced by the signatures below:

IN WITNESS WHEREOF, the City of Waterford, a municipal corporation, has authorized the execution of this Cost Sharing Agreement Amendment No. 2 for the East Stanislaus Integrated Regional Management Partnership in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No 2017-89 adopted by the Council of the City of Waterford on the 3rd day of August 2017.

CITY OF WATERFORD
a municipal corporation

DocuSigned by:
By: Matt Erickson
MATT ERICKSON, Interim City Manager

ATTEST:

DocuSigned by:
By: Miranda Lutzow
MIRANDA LUTZOW, City Clerk

APPROVED AS TO FORM:

DocuSigned by:
By: Corbett Browning
CORBETT BROWNING, City Attorney

EXHIBIT 1

PARTNERSHIP PERCENTAGE COST SHARES

CERES	11.5 %
HUGHSON	7.0 %
MODESTO	44.5 %
TURLOCK	14.5 %
WATERFORD	6.0%
STANISLAUS COUNTY	16.5%

Note: Cost allocation:

1. 25% of the cost shall be allocated equally among participating city members, and
2. 75% of the cost shall be allocated in proportion to the sum of each city's FY 2015/2016 actual water and wastewater revenues divided by the sum of FY 2015/2016 actual water and wastewater revenues for all participating city members.
3. The County cost shall be based on a proportion of total number of members, a one-sixth share under this Amendment No.2.