

PUBLIC DRAFT

Sutter Subbasin GSP Amendment

Chapter 3: Governance and Administration

Prepared for:



Sutter Subbasin GSAs

Prepared by:



Woodard & Curran
801 T Street
Sacramento, CA 95811

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Acronyms

DWR	California Department of Water Resources
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
MOU	Memorandum of Understanding
SGMA	Sustainable Groundwater Management Act

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3. GOVERNANCE AND ADMINISTRATION

This chapter includes information pursuant to Article 5. Plan Contents, Subarticle 1. Administrative Information, § 354.6 (Agency Information), as well as Subarticle 8. Interagency Agreements (§ 357.2 Interbasin Agreements and § 357.4 Coordination Agreements), as required by the Groundwater Sustainability Plan (GSP) Emergency Regulations. Agency Contact information for the Sutter Subbasin GSP and the plan manager is included herein. The organization and management structure, as well as the legal authority of each Groundwater Sustainability Agency (GSA) in the Sutter Subbasin, is detailed and accompanied by a GSA boundary map and a description of agreements in place for development of the Sutter Subbasin GSP and associated costs.

3.1 Agency Contact Information

This GSP was prepared in a cooperative manner by nine GSAs in the Sutter Subbasin. The following GSAs submitted a Notification of Intent to the California Department of Water Resources (DWR) to develop a single GSP for the Sutter Subbasin on May 29, 2020:

- Butte Water District GSA – Sutter
- City of Live Oak GSA
- City of Yuba City GSA
- County of Sutter GSA – Sutter
- Reclamation District No. 70 GSA
- Reclamation District No. 1500 GSA
- Reclamation District No. 1660 GSA
- Sutter Community Services District GSA
- Sutter Extension Water District GSA

The location and proximity of these GSAs are shown in **Figure 3-1**.

The GSP Emergency Regulations require the GSP to designate a plan manager to serve as a point of contact with DWR. Contact information for the Sutter Subbasin GSP is as follows:

Mr. Guadalupe Rivera, Plan Manager
Sutter County Public Works
1130 Civic Center Blvd
Yuba City, CA 95993
Phone: (520)-822-7400 / Fax: (530)-822-7457
grivera@co.sutter.ca.us

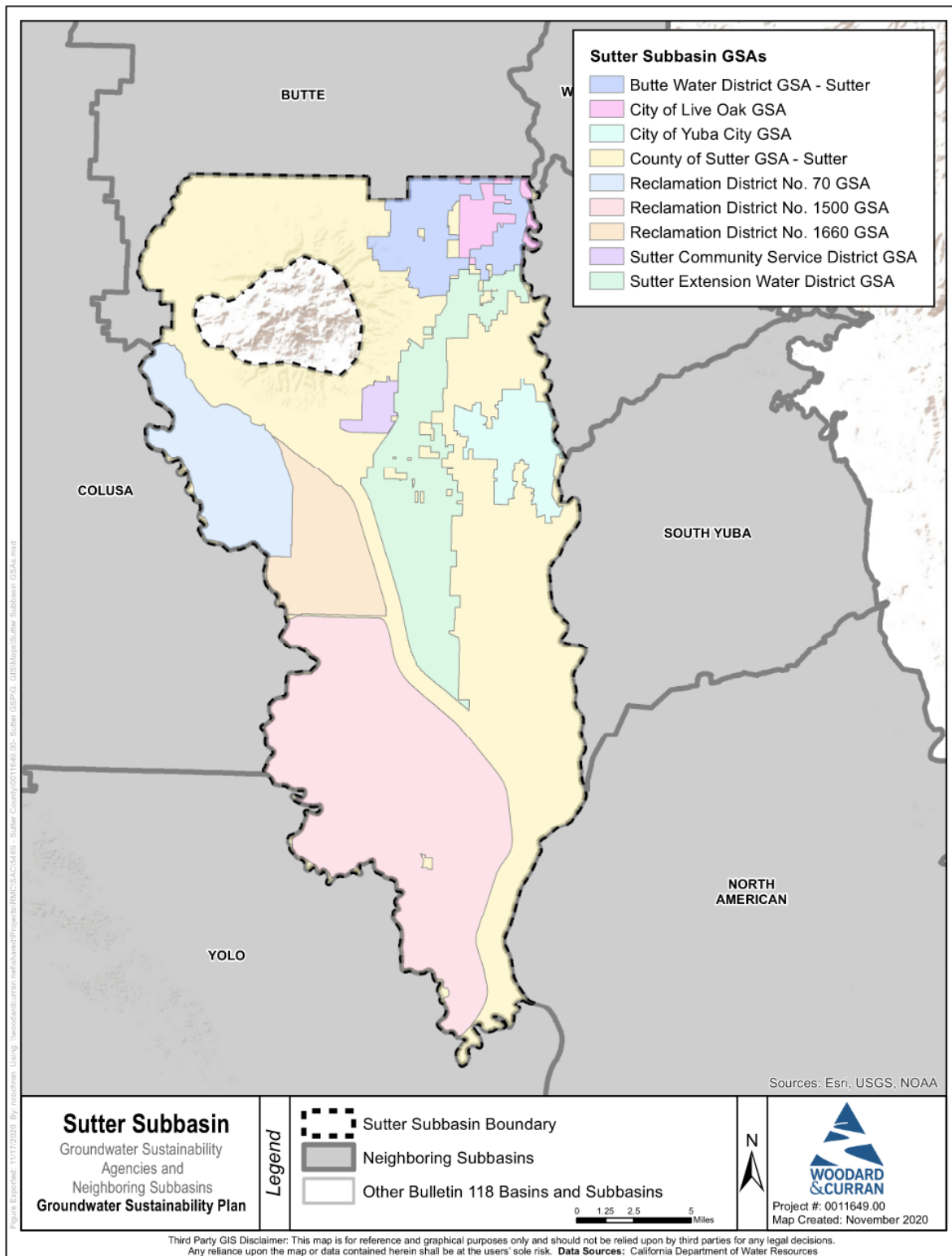


Figure 3-1. Sutter Subbasin GSA Boundaries

3.2 Sutter Subbasin Groundwater Sustainability Agencies

The nine Sutter Subbasin GSAs each have their own individual organization and management structures as well as legal authority under which they operate. The following subsections include a description of the organization and management structure and persons with management authority to implement the GSP; the legal authority of the GSA setting forth the duties, powers, and responsibilities of the GSA to implement the GSP; and the name and mailing address for the GSA (also included in **Table 3-1**). **Figure 3-1** shows the boundaries of the nine GSAs.

3.2.1 Butte Water District GSA - Sutter

The Butte Water District GSA – Sutter operates within its current organization and management structure under the Butte Water District Board of Directors, as well as its legal authority as a special district. Butte Water District exercises all relevant duties, powers, and responsibilities as a GSA to implement the Sutter Subbasin GSP. Public notices and permanent records are maintained on the Butte Water District website at buttewaterdistrict.org.

3.2.2 City of Live Oak GSA

The City of Live Oak GSA operates within its current city organization and management structure. Its legal authority as a City is described in the City Charter. The City of Live Oak has the ability to exercise all relevant duties, powers, and responsibilities to implement the Sutter Subbasin GSP. Public noticing and records regarding decisions made to support the Sutter Subbasin GSP are maintained as part of City Council records in accordance with City ordinances and protocols. Public notices and permanent records are maintained on the City's website at www.liveoakcity.org.

3.2.3 City of Yuba City GSA

The City of Yuba City GSA operates within its current city organization and management structure. As with the City of Live Oak, the City of Yuba City's legal authority is described in the City Charter. The City of Yuba City has the ability to exercise all relevant duties, powers, and responsibilities to implement the Sutter Subbasin GSP. Public noticing and records regarding decisions made to support the Sutter Subbasin GSP are maintained as part of City Council records in accordance with City ordinances and protocols. Public notices and permanent records are maintained on the City's website at www.yubacity.net.

3.2.4 County of Sutter GSA – Sutter

The County of Sutter GSA – Sutter represents communities, water districts, and other entities within Sutter County which are outside of the other GSA boundaries but within the county limits of the Sutter Subbasin. The County of Sutter GSA operates within its current organization and management structure under the Sutter County Board of Supervisors. Public notices and permanent records are maintained on Sutter County's

website at www.sutter.gov. The County-default provision in the Sustainable Groundwater Management Act (SGMA) (Section 10724) is used to provide coverage in the Subbasin for the “white areas” or other areas of non-GSA coverage within Sutter County.

3.2.5 Reclamation District No. 70 GSA

The Reclamation District No. 70 GSA operates within its current organization and management structure under the Reclamation District No. 70 Board of Trustees, as well as its legal authority as a special district and provisions of the California Reclamation District Law (California Water Code Division 15). Reclamation District No. 70 exercises all relevant duties, powers, and responsibilities as a GSA to implement the Sutter Subbasin GSP. Public notices and permanent records are maintained at the District’s office.

3.2.6 Reclamation District No. 1500 GSA

The Reclamation District No. 1500 GSA operates within its current organization and management structure under the Reclamation District No. 1500 Board of Trustees, as well as its legal authority as a special district and provisions of the California Reclamation District Law (California Water Code Division 15). Reclamation District No. 1500 exercises all relevant duties, powers, and responsibilities as a GSA to implement the Sutter Subbasin GSP. Public notices and permanent records are maintained at the District’s office.

3.2.7 Reclamation District No. 1660 GSA

The Reclamation District No. 1660 GSA operates within its current organization and management structure under the Reclamation District No. 1660 Board of Trustees, as well as its legal authority as a special district and provisions of the California Reclamation District Law (California Water Code Division 15). Reclamation District No. 1660 exercises all relevant duties, powers, and responsibilities as a GSA to implement the Sutter Subbasin GSP. Public notices and permanent records are maintained at the District’s office.

3.2.8 Sutter Community Services District GSA

The Sutter Community Services District GSA operates within its current organization and management structure under the Sutter Community Services District Board of Directors, as well as its legal authority as a special district. Sutter Community Services District exercises all relevant duties, powers, and responsibilities as a GSA to implement the Sutter Subbasin GSP. Public notices and permanent records are maintained on the Sutter Community Services District website at sutterwater.com.

3.2.9 Sutter Extension Water District GSA

The Sutter Extension Water District GSA operates within its current organization and management structure under the Sutter Extension Water District Board of Directors, as well as its legal authority as a special district. Sutter Extension Water District exercises all relevant duties, powers, and responsibilities as a GSA to implement the Sutter Subbasin GSP. Public notices and permanent records are maintained on the Sutter Extension Water District website at sutterewd.com.

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Table 3-1. Sutter Subbasin GSAs Contact Information

GSA	Point of Contact	Mailing Address	Phone Number	Email
Butte Water District	Donnie Stinnett	735 Virginia St Gridley, CA 95948	(530) 682-9205	donnie@buttewater.net
City of Live Oak	Jeffrey Rabo	115 Yellowstone Dr Chico, CA 95973	(530) 895-1422	jrabo@rarcivil.com
City of Yuba City	Christian Elder	701 Northgate Dr Yuba City, CA 95991	(530) 822-4739	celder@yubacity.net
County of Sutter	Guadalupe Rivera	1130 Civic Center Blvd Yuba City, CA 95993	(530) 822-7400	grivera@sutter.go
Reclamation District No. 70	Andy Duffey	P.O. Box 129 Meridian, CA 95957	(530) 696-2456	aduffey@succeed.net
Reclamation District No. 1500	Roger Cornwell	P.O. Box 96 Robbins, CA 95676	(530) 738-4423	rcornwell@sutterbasinwater.com
Reclamation District No. 1660	Andy Duffey	P.O. Box 35 Meridian, CA 95957	(530) 696-0349	aduffey@succeed.net
Sutter Community Services District	Laura Jones	P.O. Box 710 Sutter, CA 95982	(530) 755-1733	sutterwater@aol.com
Sutter Extension Water District	Lynn Phillips	4525 Franklin Rd Yuba City, CA 95993	(530) 870-1712	lphillips@sutterewd.com

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3.3 GSA Coordination and Governance

The Sutter Subbasin GSAs coordinated with each other to develop a single GSP for the Subbasin under a Memorandum of Understanding (MOU), included in **Appendix 3-A Memorandum of Understanding for Sustainable Groundwater Management** of this GSP. The GSAs are working in a similar coordinated manner to complete the first five-year periodic evaluation and amendment to the Sutter Subbasin GSP.

3.3.1 Memorandum of Understanding for Sustainable Groundwater Management

Effective April 27, 2021, the County of Sutter GSA, Butte Water District GSA, City of Live Oak GSA, Sutter Extension Water District GSA, Sutter Community Services District GSA, City of Yuba City GSA, Reclamation District No. 70 GSA, Reclamation District No. 1500 GSA, and Reclamation District No. 1660 GSA (collectively referred to as the Sutter Subbasin GSAs) entered into a MOU for sustainable groundwater management. Referred to as the Coordination Agreement, the purpose of the MOU/Coordination Agreement is to:

- Cooperatively carry out the purposes of SGMA;
- Provide for coordination among the GSAs for the development and implementation of a GSP and/or facilitate a Coordination Agreement;
- Develop, adopt, and implement a legally-sufficient GSP covering those portions of the Subbasin that are within the jurisdictional boundaries of the GSAs; and
- Satisfy the requirements of SGMA for coordination among GSAs.

Key principles of the Coordination Agreement include:

1. The GSAs working together in mutual cooperation to develop one GSP in compliance with SGMA for the sustainable management of groundwater in the Subbasin.
2. The designation of a Plan Manager for the GSP and delegation of management authority to that person for submitting the Plan and any subsequent documents required under SGMA and for serving as the point of contact between the GSAs and DWR.
3. Mutual cooperation to the extent possible to jointly implement the GSP within the Subbasin.
4. The ability of a GSA to implement the GSP within its boundaries and to coordinate such implementation in accordance with the requirements of SGMA.

The Coordination Agreement does not limit or interfere with the right and authority of any GSA over its own internal matters, nor does it limit a GSA's legal rights to surface water supplies and assets, groundwater supplies and assets, facilities, operations, water management and water supply matters. However, the Sutter Subbasin GSAs intend, through the Agreement, to cooperate to identify mechanisms for the expected

Subbasin management and to use the same data and consistent methodologies for developing and implementing a GSP.

Activities performed under the Coordination Agreement are guided by the Sutter Subbasin Groundwater Management Coordination Committee (SSGMCC). The Committee contains one representative from each GSA, with a pre-determined alternate. Through the Coordination Committee, the GSAs work collaboratively under the terms of the Agreement to develop recommendations for the technical and substantive Subbasin-wide issues and to implement the Subbasin's GSP.

Recommendations are reached primarily by consensus; but if a vote is required, a simple majority vote of the Coordination Committee is conducted and the recommendation is submitted to each GSA's governing board for final approval. The governing body of each GSA must approve the recommendations of the Coordination Committee prior to them becoming effective.

As set forth in the Coordination Agreement, Coordination Committee activities may include, but are not limited to, the following:

1. Providing technical direction for GSP development, including development of sustainable management criteria (SMC);
2. Identifying projects and management actions to be included for GSP implementation;
3. Recommending budget(s) and appropriate cost sharing for any project or program that requires funding;
4. Providing guidance and options for obtaining grant funding;
5. Recommending adoption of rules, regulations, policies, and procedures related to the Agreement;
6. Recommending approval of any contracts with consultants or subcontractors that would undertake work on behalf of the GSAs;
7. Reporting to GSA respective governing boards when dispute resolution is needed to resolve an impasse or inability to make a consensus recommendation;
8. Recommending action and/or approval of a GSP.

3.4 Interbasin Agreements

The Sutter Subbasin GSAs have not entered into any formal agreements with other GSAs in adjacent groundwater subbasins to date. Existing collaborative relationships between the Sutter Subbasin GSAs and GSAs in adjacent subbasins are maintained through ongoing voluntary participation in meetings of the SGMA Coordination - Sacramento River Basin group convened by the Northern California Water Association (NCWA). These relationships are maintained and fostered throughout GSP development and implementation to establish compatible sustainability goals and understanding regarding fundamental elements of each GSP as they relate to

sustainable groundwater management and to coordinate data sharing for assessment of regional groundwater sustainability.

3.5 Coordination Agreements

The 2022 GSP was developed and implemented by the nine GSAs in the Sutter Subbasin; therefore, a coordination agreement, as defined under § 357.4 of the GSP Emergency Regulations, is not required. The Sutter Subbasin GSAs have entered into an MOU for sustainable groundwater management, which is described in **Section 3.3.1**.

3.6 Estimated Cost Share of Implementing the GSP

An estimated cost of implementing the Sutter Subbasin GSP and a general description of how the Sutter Subbasin GSAs plan to meet these costs are discussed in **Chapter 8 Plan Implementation**.

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Appendix 3-A
Memorandum of Understanding for Sustainable
Groundwater Management

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**MEMORANDUM OF UNDERSTANDING
BETWEEN SUTTER SUBBASIN GROUNDWATER SUSTAINABILITY AGENCIES
FOR SUSTAINABLE GROUNDWATER MANAGEMENT**

This MEMORANDUM OF UNDERSTANDING BETWEEN THE SUTTER SUBBASIN GROUNDWATER SUSTAINABILITY AGENCIES FOR SUSTAINABLE GROUNDWATER MANAGEMENT is made effective as of April 27, 2021 (the "Effective Date") by and between the Sutter County Groundwater Sustainability Agency (GSA), the Butte Water District GSA, the City of Live Oak GSA, the Sutter Extension Water District GSA, the Sutter Community Services District GSA, the City of Yuba City GSA, the Reclamation District 70 GSA, the Reclamation District 1660 GSA, and the Reclamation District 1500 GSA.

RECITALS

WHEREAS, on September 16, 2014 Governor Brown signed into law Senate Bills 1 168 and 1319 and Assembly Bill 1739, known collectively as the Sustainable Groundwater Management Act (SGMA); and

WHEREAS, SGMA went into effect on January 1, 2015; and

WHEREAS, SGMA seeks to provide sustainable management of groundwater basins, enhance local management of groundwater, establish minimum standards for sustainable groundwater management, and provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; and

WHEREAS, each of the Parties overlie the Sutter Subbasin (Basin Number 5-21.62, Department of Water Resources [DWR] Bulletin 118) within the Sacramento Valley Groundwater Basin, which has been designated as a medium-priority basin by DWR; and

WHEREAS, the Sutter County GSA elected to manage the groundwater over the boundaries of its members and act as the GSA pursuant to SGMA and notified DWR on or about April 11, 2017; and

WHEREAS, the Butte Water District GSA elected to manage the groundwater over the boundaries of its members and act as the GSA pursuant to SGMA and notified DWR on or about October 1, 2015; and

WHEREAS, the City of Live Oak GSA elected to manage the groundwater over the boundaries of the water district and act as the GSA pursuant to SGMA and notified DWR on or about November 24, 2015; and

WHEREAS, the Sutter Extension Water District GSA elected to manage the groundwater over the boundaries of the water district and act as the GSA pursuant to SGMA and notified DWR on or about October 27, 2015; and

WHEREAS, the Sutter Community Services District GSA elected to manage the groundwater over the boundaries of the water district and act as the GSA pursuant to SGMA and notified DWR on or about October 1, 2015; and

WHEREAS, the City of Yuba City GSA elected to manage the groundwater over the boundaries of the water district and act as the GSA pursuant to SGMA and notified DWR on or about April 27, 2017; and

WHEREAS, the Reclamation District 70 GSA elected to manage the groundwater over the boundaries of the water district and act as the GSA pursuant to SGMA and notified DWR on or about June 6, 2017; and

WHEREAS, the Reclamation District 1660 GSA elected to manage the groundwater over the boundaries of the water district and act as the GSA pursuant to SGMA and notified DWR on or about June 6, 2017; and

WHEREAS, the Reclamation District 1500 GSA elected to manage the groundwater over the boundaries of the water district and act as the GSA pursuant to SGMA and notified DWR on or about April 7, 2017; and

WHEREAS, collectively, the boundaries of the Parties include all lands overlying the Basin;

WHEREAS, the Parties desire, through this Agreement, to coordinate the work of the GSAs and the management of the Basin, in accordance with SGMA; and

WHEREAS, the Parties shall designate a point of contact for the Sutter Subbasin Groundwater Sustainability Plan development, who shall communicate with all other Parties.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein set forth, the Parties agree as follows:

ARTICLE 1: DEFINITIONS

As used in this Agreement, unless the context requires otherwise, the meaning of the terms hereinafter set forth shall be as follows:

- 1.1 **"Agreement"** shall mean this Memorandum of Understanding among the Sutter County Groundwater Sustainability Agency, the Butte Water District Groundwater Sustainability Agency, the City of Live Oak Groundwater Sustainability Agency, the Sutter Extension Water District Groundwater Sustainability Agency, the Sutter Community Services District Groundwater Sustainability Agency, the City of Yuba City Groundwater Sustainability Agency, the Reclamation District 70 Groundwater Sustainability Agency, the Reclamation District 1660 Groundwater Sustainability Agency, and the Reclamation District 1500 Groundwater Sustainability Agency.
- 1.2 **"Basin"** shall mean Sutter Groundwater Subbasin, California Department of Water Resources Basin No. 5-21.62 as its boundaries may be modified from time to time in accordance with Cal. Water Code Section 10722.2.
- 1.3 **"Coordination Agreement"** shall mean a legal agreement adopted between two or more GSAs that provides the basis for intra-basin coordination of multiple GSPs within that basin pursuant to SGMA.
- 1.4 **"Coordination Committee"** is defined in Article 4 of this Agreement.
- 1.5 **"DWR"** shall mean the California Department of Water Resources.
- 1.6 **"Effective Date"** shall mean the date on which the last Party executes this Agreement.
- 1.7 **"Groundwater Sustainability Agency" or "GSA"** shall mean an agency enabled by SGMA to regulate a portion of the Basin cooperatively with all other Groundwater Sustainability Agencies in the Basin, in compliance with the terms and provisions of SGMA.
- 1.8 **"GSAs"** shall mean the nine (9) GSAs in the Sutter Subbasin, namely the Sutter County GSA, the Butte Water District GSA, the City of Live Oak GSA, the Sutter Extension Water District GSA, the Sutter Community Services District GSA, the City of Yuba City GSA, the Reclamation District 70 GSA, the Reclamation District 1660 GSA, and the Reclamation District 1500 GSA.
- 1.9 **"Groundwater Sustainability Plan" or "GSP"** shall have the definition set forth in SGMA.

- 1.10 **"RD"** shall mean the Reclamation District.
- 1.11 **"Notice"** is defined in Section 4.2 of this Agreement.
- 1.12 **"Party"** shall mean any of the signatories to this Agreement and **"Parties"** shall mean all of the signatories to this Agreement.
- 1.13 **"Plan Manager"** shall mean an employee or authorized representative of a GSA, or GSAs, appointed through a coordination agreement or other agreement, who has been delegated management authority for submitting the Plan and serving as the point of contact between the GSA or GSAs and DWR.
- 1.14 **"SGMA"** or **"Act"** shall mean the Sustainable Groundwater Management Act of 2014 and all regulations adopted under the legislation (SB 1168, SB 1319 and AB 1739) that collectively comprise the Act, as that legislation and those regulations may be amended from time to time.

ARTICLE 2: KEY PRINCIPLES

- 2.1 The Parties intend to work together in mutual cooperation to develop one GSP in compliance with SGMA for the sustainable management of groundwater in the Basin.
- 2.2 The Parties intend to designate a Plan Manager for the GSP and delegate management authority to that person for submitting the Plan and any subsequent documents required under SGMA, and for serving as the point of contact between the Parties and DWR.
- 2.3 The Parties intend to mutually cooperate to the extent possible to jointly implement the GSP within the Basin.
- 2.4 To the extent the Parties are not successful at jointly implementing the GSP within the Basin, or to the extent that any Party wishes to independently implement the GSP within their boundaries, a Party may implement the GSP within its boundaries, and agree to work together with all Parties to coordinate such implementation in accordance with the requirements of SGMA.
- 2.5 The Parties expressly intend that this Agreement shall not limit or interfere with the right and authority of any Party over its own internal matters, including, but not limited to, a Party's legal rights to surface water supplies and assets, groundwater supplies and assets, facilities, operations, water management and water supply matters. The Parties make no commitments by entering into this Agreement to share or otherwise contribute their water supply assets as part of the development or implementation of a GSP.
- 2.6 Nothing in this Agreement is intended to modify or limit the Parties' police powers, land use authorities, or any other authority.
- 2.7 The Parties further intend through this Agreement to cooperate to obtain consulting, administrative, and management services needed to efficiently develop a GSP, to conduct outreach to other basin agencies and private parties, and to identify mechanisms for the management reasonably anticipated to be necessary for the purposes of this Agreement.
- 2.8 Each of the Parties acknowledges that SGMA requires that the entire Basin must be managed under one or more GSPs for the basin to be deemed in compliance with SGMA, and that if multiple GSPs are adopted within the Basin the GSAs must coordinate, and are required to use the same data and consistent methodologies for certain required technical assumptions when developing a GSP.

ARTICLE 3: PURPOSE AND POWERS

3.1 Purpose of the Agreement. The purposes of this Agreement is to:

- a. Cooperatively carry out the purposes of SGMA;
- b. Provide for coordination among the Parties to develop and implement a GSP and/or facilitate a Coordination Agreement, to the extent necessary;
- c. Develop, adopt and implement a legally sufficient GSP covering those portions of the Basin that are within the jurisdictional boundaries of the Parties, subject to the limitations set forth in this Agreement;
- d. Satisfy the requirements of SGMA for coordination among GSAs.

3.2 Authority Under the Agreement. To the extent authorized by the Parties and subject to the limitations set forth in this Agreement and the limitations of all applicable laws, the Parties acting collectively shall have the following authority including, but not limited to, the power:

- a. To coordinate the implementation of SGMA among the Parties in accordance with this Agreement;
- b. To recommend the adoption of actions, rules, regulations, policies, and procedures related to the coordination of the Parties for purposes of implementation of SGMA;
- c. To perform all acts necessary or proper to carry out fully the purposes of this Agreement, and to exercise all other powers necessary and incidental to the implementation of the powers set forth herein.

3.3 Powers Reserved to Parties. Each Party will retain the sole and absolute right, in its sole discretion, to:

- a. Be a GSA individually or collectively within the Party 's boundaries;
- b. Approve any portion, section or chapter of the GSP adopted by the Parties as applicable within the Party's boundaries;
- c. Exercise the authorities granted to each Party as a GSA under SGMA;
- d. Implement SGMA and any GSP adopted pursuant to this Agreement within its boundaries;

Notwithstanding anything to the contrary in this Agreement, this Agreement does not provide any Party the authority to undertake any activities within the geographic or service area boundaries of any of other Party pursuant to the GSP developed or adopted hereunder, unless the Parties have formally and expressly consented and agreed in writing to the activity proposed.

3.4 Term. This Agreement shall be effective as of the Effective Date and shall remain in effect until terminated in accordance with Article 7.3 of this Agreement.

3.5 Role of Party Agencies. Each of the Parties agrees to undertake such additional proceedings or actions as may be necessary in order to carry out the terms and intent of this Agreement. The support of all Parties is required for the success of this Agreement. This support will involve the following types of actions:

- a. The Parties will provide support to a Coordination Committee and any third party facilitating the development of the GSP by making available staff time, information and facilities within available resources;

- b. Policy support shall be provided by the Parties to either approve, or respond quickly to, any recommendations made as to funding shares, operational decisions, and other policy areas;
- c. Contributions of public funds and of personnel, services, equipment or property may be made by any Parties for any of the purposes of this Agreement provided that no repayment will be made for such contributions.

3.6 Other Officers and Employees. To the extent the Parties, or any third party facilitating the development of the GSP, need support from employees, officers, consultants or otherwise need to hire employees, the Parties may do the following:

- a. Provide that any employee of any Party with the express approval of that Party, may work on behalf of the Parties under this Agreement, and shall perform, the same various duties under the direction of the Coordination Committee as for his or her other employer in order to carry out this Agreement. This work may be completed and funded under the existing employment with one of the Parties. In the alternative, the Coordination Committee may recommend that the Parties to this Agreement enter into agreements to compensate, off-set costs, or otherwise fund the cost of the employment for work performed under this Agreement;
- b. The Parties shall collectively contract or hire consultants and/or employees to perform work under this Agreement. The Parties may designate one Party to administer the contract. For each contract that will require cost sharing amongst the parties, the proposed contract will be presented to the Coordination Committee for review, and each Party must approve the contract pursuant to that Party's approval requirements. Such contracts shall be drafted in a manner to reflect that consultants hired to perform work under this Agreement are working on behalf of all the Parties and will be expected to work with the Parties on a collective basis and with each Party on an individual basis. Such contracts shall be made to be enforceable by all applicable Parties. Additionally, the contracts must include appropriate indemnity, insurance, and non-disclosures to protect all Parties. Once approved, no expansion, addition, or change to an approved scope of work in a signed contract involving and increase or decrease in compensation under the contract can be made by the contract administrator until approved by each Party pursuant to that Party's approval requirements.

ARTICLE 4: GOVERNANCE

4.1 Coordination Committee. The activities under this Agreement will be guided by a Coordination Committee made up of up to one (1) representative from each of the Parties. The Coordination Committee shall work collaboratively under the terms of this Agreement to develop recommendations for the technical and substantive Basin-wide issues. These recommendations shall be reached by a simple majority vote of the Coordination Committee and submitted to each Party's governing board for final approval. The governing body of each Party must approve the recommendations of the Coordination Committee prior to them becoming effective.

The Coordination Committee shall develop, but not be limited to, the following recommendations:

- a. Recommend budget(s) and appropriate cost sharing for any project or program that requires funding from the Parties;
- b. Recommend guidance and options for obtaining grant funding;
- c. Recommend the adoption of rules, regulations, policies, and procedures related to the Agreement;

- d. Recommend the approval of any contracts with consultants or subcontractors that would undertake work on behalf of the Parties and/or relate to Basin-wide issues and, if applicable, recommend the funding that each Party should contribute towards the costs of such contracts;
- e. Report to the Parties respective governing boards when dispute resolution is needed to resolve an impasse or inability to make a consensus recommendation;
- f. Recommend action and/or approval of a GSP.

4.2 Dispute Resolution. Should any controversy arise among or between the Parties concerning this Agreement, or the rights and duties of any Party under this Agreement, such a controversy shall be addressed as follows:

- a. Any Party may trigger the dispute resolution process by submitting, in writing to all Parties, a request for a meeting to confer to avoid litigation ("Notice"). Within thirty (30) days after receipt of Notice, the Parties shall attempt in good faith to resolve the controversy through informal means. If the Parties cannot agree upon a resolution of the controversy within sixty (60) days from receipt of Notice, the dispute shall be submitted to mediation prior to the commencement of legal action.
- b. Mediation shall be no less than a full day (unless otherwise agreed upon by the Parties) and the cost of mediation shall be paid in equal proportion among the Parties.
- c. The mediator shall be either voluntarily agreed to, or, if the Parties cannot agree upon a mediator, selected by the method set forth in (i) or (ii) below:
 - i. Each Party shall appoint one mediator in writing. At the next meeting of the Coordination Committee, a mediator will be selected through consensus.
 - ii. If consensus cannot be reached to select a mediator, at the meeting of the Coordination Committee, one member shall randomly select the name of one mediator from a container containing the nine names submitted.
 - iii. If the nine Parties do not voluntarily agree in writing to the randomly selected mediator, then the mediator shall be appointed by the Superior Court upon motion for appointment of a neutral mediator.
- d. Should the mediation process described above not provide a final resolution to the controversy raised, any Party may pursue any judicial or administrative remedies otherwise available. However, notwithstanding this Section 4.2, a Party may seek a preliminary injunction or other interlocutory judicial relief prior to completion of the mediation if necessary to avoid irreparable damage or to preserve the status quo.
- e. The dispute resolution requirement may be pursued concurrent with litigation, if litigation must be filed first to avoid time-bar of a statute of limitations or similar time limit, or if immediate injunctive relief is needed.

ARTICLE 5: EXCHANGE OF DATA AND INFORMATION

5.1 Exchange of Information. The Parties acknowledge and recognize pursuant to this Agreement and SGMA, the Parties will need to exchange information amongst and between the Parties and the Parties' consultants.

5.2 Procedure for Exchange of Information. The Parties may exchange information through collaboration and/or informal requests made at the Coordination Committee level or through working/stakeholder subcommittees designated by the Coordination Committee. To the extent it is necessary to make a written request for

information to other Parties, the following protocols shall be followed: Each of the Parties shall designate a representative to respond to information requests and provide the name and contact information of the designee to the Coordination Committee. Requests may be communicated in writing and transmitted in person or by mail, facsimile machine or other electronic means to the appropriate representative as named in this agreement.

5.3 Non-Disclosure of Confidential Information.

- a. The Parties acknowledge that, in connection with their mutual activities under this Agreement, each of them may share sensitive and/or confidential information with the other Parties. To the fullest extent permitted by law, including but not limited to the Public Records Act, California Government Code Section 6250 *et seq.*, each of the Parties shall maintain any information, documents or materials shared by the other Parties or mutually developed pursuant to this Agreement, in confidence, and shall not voluntarily provide or reveal such information, documents or materials to any third party. If any Party receives a request or order from a third party that the receiving Party believes requires it to disclose any such information, documents or materials, the receiving party shall (i) immediately notify the other Parties in writing and provide them with a copy of such request or order, (ii) defer any disclosure of such information, documents or material for as long as legally permitted and (iii) cooperate with any other Party that wishes to pursue an order preventing the disclosure of such information, documents or materials.
- b. The Parties further acknowledge and agree that, unless otherwise required by law, any documents, data or material designed as "DRAFT" that is shared with other Parties to this Agreement (1) shall remain confidential; (2) will not be made final or shared with third parties (other than employees or consultants of that Party with a need to know); and (3) shall be used only for the purposes set forth in this Agreement.
- c. If there is a breach or threatened breach of any provision of this Section 5.3, it is agreed and understood that the non-breaching Party shall have no adequate remedy in money or other damages and accordingly shall be entitled to injunctive relief; provided however, no specification in this Agreement of any particular remedy shall be construed as a waiver or prohibition of any other remedies in the event of a breach or threatened breach of this Agreement.

5.4 Model(s). The Parties will collectively adopt a single water resources model for purposes of preparing the GSP. Any Party may utilize the model for investigative runs, however, only runs made with assumptions and changes approved by the Parties will be accepted as official for inclusion within the GSP. The approved model will be located at Sutter County until a future location is agreed upon by the Parties. All Parties shall receive copies of the model and shall have access to the model at Sutter County during normal business hours.

ARTICLE 6: FINANCIAL PROVISIONS

- 6.1 Contributions and Expenses.** Each of the Parties shall be responsible to fund its participation in this Agreement. Funding outside costs, such as consultants, projects, or other Basin-wide activities shall be determined separately for each project. For any such Basin-wide project, the Coordination Committee shall develop a scope of work and recommend a cost allocation for each of the Parties that would need to be approved by a Party's governing board before it is binding on that Party.
- 6.2 Funding Responsibilities.** Each Party will be solely responsible for raising funds for payment of that Party's share of operating and administrative costs. The obligation of each of the Parties to make payments under the terms and provision of this Agreement is an individual and several obligation and not a joint obligation with those of the other Parties. Each of the Parties shall be individually responsible for its own covenants, obligations, and liabilities under this Agreement. No Party shall be precluded from independently pursuing any of the activities

contemplated in this Agreement. No Party shall be the agent or have the right or power to bind any other Parties without such Party's express written consent, except as expressly provided in this Agreement.

- 6.3 **Alternate Funding Sources.** The Parties may secure contributions of grant funding, state, federal, or other funding as funding or a portion of funding for projects between the Parties.

ARTICLE 7: CHANGES IN PURPOSE, PARTICIPATION, WITHDRAWAL AND TERMINATION

- 7.1 **Changes in Purpose.** This Agreement shall remain in place and all applicable provisions shall remain in effect in the event the Parties determine it is not possible to develop a single GSP pursuant to this Agreement. In that instance, the Parties may develop separate, multiple GSPs, but agree that they will work together to amend this Agreement and utilize this Agreement and the Coordination Committee to meet the requirements of SGMA to utilize the same data and consistent methodologies as required by SGMA, coordinate implementation of the GSPs, and work together as necessary to comply with SGMA. Under those circumstances, this Agreement, as amended, shall constitute the Coordination Agreement required by SGMA.
- 7.2 **Noncompliance.** In the event any Party (1) fails to comply with the terms of this Agreement, or (2) undertakes actions that conflict with or undermine the compliance with SGMA and/or achieving sustainable groundwater management, as determined through mediation or by the Coordination Committee, the Party or Parties alleging non-compliance shall provide written notice summarizing the nature of non-compliance. Further, the non-compliant Party agrees to make best efforts to resolve or remedy any such non-compliance. Such actions may include, for example, failure to pay its agreed upon contributions when due; refusal to participate in GSA activities or to provide required monitoring of sustainability indicators; refusal to enforce controls as required by the GSP; refusal to implement any necessary actions as outlined by the approved GSP minimum thresholds that are likely to lead to "undesirable results" under SGMA.
- 7.3 **Withdrawal and Termination.**
- a. A Party may, in its sole discretion, unilaterally withdraw from this Agreement, effective upon ninety (90) days prior written notice to the governing boards of the other Parties, provided that (1) the withdrawing Party will remain responsible for its proportionate share of any obligation or liability duly incurred while a Party to the Agreement and (2) the withdrawing Party agrees to take all actions after termination to remain in full compliance with SGMA. The withdrawing Parties will not be responsible for its proportional share of any future obligation or liability after the written notice of termination has been given to the governing boards of the other Parties. Thereafter, the withdrawing Party shall not be responsible for any obligations or liabilities incurred by the remaining Parties. In the event the withdrawing Parties have any rights in any property or have incurred obligations, the Parties may not sell, lease or transfer such rights or be relieved of its obligations, except in accordance with a written agreement executed by it and the Parties. This Agreement shall remain in effect for the non-withdrawing parties after the withdrawal of a party.
 - b. This Agreement may be terminated by unanimous written consent of all the Parties. Nothing in this Agreement shall prevent the Parties from entering into another coordination agreement. However, in the event of termination each of the Parties will remain responsible for its proportionate share of all debts, liabilities and obligations incurred prior to the effective date of termination.
- 7.4 **Disposition of Property Upon Termination.** Upon termination of this Agreement, the Coordination Committee shall recommend the Parties distribute the assets between the successor entity and the Parties in proportion to how the assets were provided.

- 7.5 **Use of Data.** Upon withdrawal, any Party shall be entitled to use any data or other information developed during its time as a Party to the Agreement. Further, should a Party withdraw after completion of the GSP, the withdrawing Party shall be entitled to rely on and utilize the GSP for future implementation of SGMA within its boundaries.

ARTICLE 8: MISCELLANEOUS PROVISIONS

8.1 Indemnification.

- a. Each of the Parties shall hold harmless, defend and indemnify the other Parties, and their agents, officers and employees, from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property arising out of the activities of the Agreement to the extent of their respective cost share allocation.
- b. The indemnification obligation set forth in Section 8.1.a shall exclude actions or claims alleged to have occurred in full, or in part, as a result of active negligence by any indemnified Party, its officers, agents or employees and except for actions or claims alleging dangerous conditions of public property that arise out of the acts or failure to act by the indemnified Party, its officers, agents or employees which are not created by an indemnifying Party.
- c. The indemnification provisions contained in this Section include, but are not limited to, violation of applicable law, ordinance, regulation or rule, where the claim, loss, damage, charge or expense was caused by negligent, accidental or inadvertent acts of any Party, or any of their agents, officers, or employees or their performance under the terms of this Agreement.
- d. It is the intent of the Parties that where negligence or responsibility for injury or damages is determined to have been shared, principles of comparative negligence will be followed and each Party shall bear the proportionate cost of any loss, damage, expense and liability attributable to that Party's negligence.
- e. Each Party shall establish procedures to notify the other Parties, where appropriate, of any claims, administrative actions or legal actions with respect to any of the matters described in this Section. The Parties shall cooperate in the defense of such actions brought by others with respect to the matters covered in this Agreement.
- f. The indemnification obligations of this Section shall continue beyond the Term of this Agreement as to any acts or omissions occurring during this Agreement. The duty to indemnify set forth herein shall extend only to that period of time prior to a Party's withdrawal.

- 8.2 **Liability of Coordination Committee.** Each Party must defend, indemnify and hold harmless the other Parties from any claims, damages, injuries, losses or liabilities arising from the actions of their employees or agents taken within the scope of the authority of this Agreement.

- 8.3 **Amendments.** This Agreement may be amended from time to time by a unanimous vote of the Parties' respective governing boards.

- 8.4 **Binding on Successors.** Except as otherwise provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without a unanimous vote by the Parties. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations then in effect. This Agreement shall inure to the benefit of, and be binding upon, the successors and Assigns of the Parties hereto.

8.5 **Notice.** Any notice or instrument required to be given or delivered under this Agreement may be made by: (a) depositing the same in any United States Post Office, postage prepaid, and shall be deemed to have been received at the expiration of 72 hours after its deposit in the United States Post Office; (b) transmission by facsimile copy to the addressee; (c) transmission by electronic mail; or (d) personal delivery, as follows:

If to Sutter County Groundwater Sustainability Agency:

Guadalupe Rivera
Sutter County
1130 Civic Center Blvd.
Yuba City, CA 95993
Phone: 530.822.7400
Email: GRivrea@co.sutter.ca.us

If to Butte Water District Groundwater Sustainability Agency:

Mark Orme
Butte Water District
735 Virginia St
Gridley, CA 95948
Phone: 530.846.3100
Email: MOrme@buttewater.net

If to City of Live Oak Groundwater Sustainability Agency:

Nicole Rosser
City of Live Oak
1129 D Street
P.O. Box A
Marysville, CA 95901
Phone: 530.742.5982
Email: NDelerio@yubasutterlaw.com

If to Sutter Extension Water District Groundwater Sustainability Agency:

Lynn Phillips
Sutter Extension Water District
4525 Franklin Rd.
Yuba City, CA 95993
Phone: 530.870.1712
Email: LPhillips@sutterewd.com

If to Sutter Community Services District Groundwater Sustainability Agency:

Leland Correll
Sutter Community Services District
P.O. Box 710
Sutter, CA 95982
Phone: 530.755.1733
Email: Sutterwater@aol.com

If to City of Yuba City Groundwater Sustainability Agency:

Katherine Willis
City of Yuba City WWTF
302 Burns Drive
Yuba City, CA 95991
Phone: 530.822.3264 Ext. 3311
Email: kwillis@yubacity.net

If to Reclamation District 70 Groundwater Sustainability Agency:

Andy Duffey
General Manager
Reclamation District 70
P.O. Box 129
Meridian, CA 95957
Email: aduffey@succeed.net

If to Reclamation District 1660 Groundwater Sustainability Agency:

Andy Duffey
General Manager
Reclamation District 1660
P.O. Box 35
Meridian, CA 95957
Email: aduffey@succeed.com

If to Reclamation District 1500 Groundwater Sustainability Agency:

Brad Mattson
General Manager
Reclamation District 1500
P.O. Box 96
Robbins, CA 95676
Phone: 530.738.4423
Email: Brad@sutterbasinwater.com

8.6 **Counterparts.** This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original. All such counterparts shall together constitute but one and the same instrument.

8.7 **Choice of Law.** This Agreement shall be governed by the laws of the State of California.

- 8.8 **Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement are held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provisions shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.
- 8.9 **Headings.** The paragraph headings used in this Agreement are intended for convenience only and shall not be used in interpreting this Agreement or in determining any of the rights or obligations of the Parties to this Agreement.
- 8.10 **Construction and Interpretation.** This Agreement has been arrived at through negotiation and each of the Parties has had a full and fair opportunity to revise the terms of this Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Parties shall not apply in the construction or interpretation of this Agreement.
- 8.11 **Entire Agreement.** This Agreement constitutes the entire agreement among the Parties and supersedes all prior agreements and understandings, written or oral. This Agreement may only be amended by written instrument executed by all Parties.

IN WITNESS WHEREOF, the Parties hereto execute this Agreement on the last date written beside each Party representative's signature.

Sutter County Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Butte Water District Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

- 8.8 **Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement are held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provisions shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.
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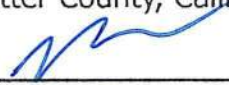
Sutter County Groundwater Sustainability Agency

By:  _____

Date: 4/13/2021 _____

Name: Dan Flores _____

Approved as to Form
County Counsel
Sutter County, California

By:  _____

Butte Water District Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

- 8.8 **Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement are held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provisions shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.
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Sutter County Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Butte Water District Groundwater Sustainability Agency

By: Mark Orme

Date: 3/11/21

Name: MARK ORME

City of Live Oak Groundwater Sustainability Agency

By: Aaron Palmer Date: 3/8/21

Name: Aaron Palmer

Sutter Extension Water District Groundwater Sustainability Agency

By: _____ Date: _____

Name: _____

Sutter Community Services District Groundwater Sustainability Agency

By: _____ Date: _____

Name: _____

City of Yuba City Groundwater Sustainability Agency

By: _____ Date: _____

Name: _____

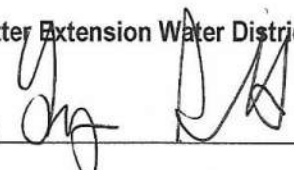
City of Live Oak Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Sutter Extension Water District Groundwater Sustainability Agency

By:  _____

Date: 3-12-21 _____

Name: Lynn Phillips _____

Sutter Community Services District Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

City of Yuba City Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

City of Live Oak Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Sutter Extension Water District Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Sutter Community Services District Groundwater Sustainability Agency

By: Leland Correll

Date: 3/8/2021

Name: LELAND CORRELL

City of Yuba City Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

City of Live Oak Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Sutter Extension Water District Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Sutter Community Services District Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

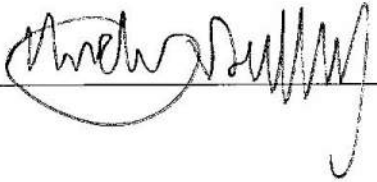
City of Yuba City Groundwater Sustainability Agency

By: Diana Langley

Date: April 27, 2021

Name: Diana Langley

Reclamation District 70 Groundwater Sustainability Agency

By:  _____

Date: March 3, 2021

Name: Andy Duffey

Reclamation District 1660 Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Reclamation District 1500 Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

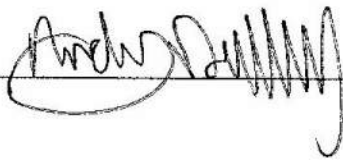
Reclamation District 70 Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Reclamation District 1660 Groundwater Sustainability Agency

By:  _____

Date: March 9, 2021

Name: Andy Duffey

Reclamation District 1500 Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Reclamation District 70 Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Reclamation District 1660 Groundwater Sustainability Agency

By: _____

Date: _____

Name: _____

Reclamation District 1500 Groundwater Sustainability Agency

By: 

Date: 3-8-2021

Name: Brad Mattson

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