

**AMENDMENT 1 TO MEMORANDUM OF UNDERSTANDING
FOR DEVELOPMENT OF A GROUNDWATER SUSTAINABILITY PLAN
FOR THE SAN LUIS REY VALLEY GROUNDWATER BASIN**

This Amendment 1 to the MEMORANDUM OF UNDERSTANDING FOR DEVELOPMENT OF A GROUNDWATER SUSTAINABILITY PLAN FOR THE SAN LUIS REY VALLEY GROUNDWATER BASIN (heretofore referenced as the "2017 MOU") is made and entered into effective June 1, 2020 ("Effective Date") by and between Yuima Municipal Water District, a municipal water district organized under and existing pursuant to Sections 71000 et seq. of the California Water Code ("Yuima MWD" or "Yuima"), Pauma Valley Community Services District, a community services district formed under the Community Services District Law, Government Code Sections 61000-61850, ("Pauma Valley CSD"), and the Upper San Luis Rey Resource Conservation District ("USLRRCD") a resource conservation district formed under the Resource Conservation District Act, Public Resources Code Sections 9001 et seq. Each entity may be referred to herein individually as a "Party," or collectively as the "Parties."

- A. WHEREAS, on June 27, 2017, the Parties to that agreement entitled the Memorandum of Understanding for Development of a Groundwater Sustainability Plan for the San Luis Rey Valley Groundwater Basin executed the 2017 MOU and agreed to work together cooperatively in order to facilitate the preparation of a groundwater sustainability plan ("GSP") per the timelines and in accordance with the requirements of the Sustainable Groundwater Management Act ("SGMA"); and
- B. WHEREAS, the 2017 MOU was submitted to the California Department of Water Resources ("DWR") and subsequently accepted by DWR as creating a Groundwater Sustainability Agency ("GSA") for the Pauma Valley Subbasin of the San Luis Rey Valley Groundwater Basin ("SLR Basin"), which GSA would be managed by the Parties according to the 2017 MOU per its terms, including the cooperative preparation of a GSP for the Pauma Valley portion of the SLR Basin; and
- C. WHEREAS, the County of San Diego ("County") was assigned the lead role in preparing the GSP per the 2017 MOU with primary responsibility for developing and obtaining approval of the GSP on or before the January 31, 2022; and
- D. WHEREAS, SB 779 in September 2019 divided the SLR Basin into an upper and lower subbasin divided at the east line of Range 3 West, San Bernardino Meridian. The portion of the SLR Basin to the west of the dividing line would be known as the Lower San Luis Rey Valley Groundwater Subbasin, and the portion of the SLR Basin to the east of the dividing line would be known as the Upper San Luis Rey Valley Groundwater Subbasin; and
- E. WHEREAS, the Upper San Luis Rey Valley Groundwater Subbasin is nearly identical in size and land area as the Pauma Valley Subbasin that is the subject of management per the 2017 MOU; and
- F. WHEREAS DWR has indicated that the 2017 MOU remains the operative GSA governance document for the portions of the SLR Basin described in the 2017 MOU; and
- G. WHEREAS, the County formally withdrew from the 2017 MOU on November 18, 2018 and communicated such withdrawal to DWR per SGMA on January 23, 2019; and

- H. WHEREAS, the remaining Parties to the 2017 MOU after County withdrawal continue to be “local agencies” authorized to manage groundwater per Water Code § 10721 (n) and SGMA throughout the Upper San Luis Rey Valley Groundwater Subbasin other than on tribal reservation lands; and
- I. WHEREAS, on May 1, 2020 DWR determined that the Lower San Luis Rey Valley Groundwater Subbasin is a very low priority basin because of a prior determination by the State Water Resources Control Board (“SWRCB”) that the portions of the SLR Basin below Frey Creek are a subterranean stream and therefore directly managed by the SWRCB under its water rights permitting authority; and
- J. WHEREAS, on May 1, 2020, DWR confirmed that the Upper San Luis Rey Valley Groundwater Basin continues to be a medium priority groundwater basin that must develop and submit for DWR approval a GSP on or before January 31, 2022.
- K. WHEREAS, the 2017 MOU allows for the remaining parties to the MOU to continue functioning as a GSA and to develop a GSP for the SLR Basin even after the withdrawal of one or more parties to the MOU, and further states that the withdrawal of a Party to the 2017 MOU shall not affect the binding nature of the MOU nor rights/obligations of the other Parties to the 2017 MOU; and
- L. WHEREAS, the 2017 MOU provides that it may be amended by written instrument duly signed and executed by all Parties, and all remaining Parties to the MOU, specifically Yuima Municipal Water District, Pauma Valley Community Services District, and the Uppers San Luis Rey Resource Conservation District, have all agreed via this Amendment 1 to the 2017 MOU to amend the 2017 MOU so as to facilitate the timely development of a GSP in the Upper San Luis Rey Valley Groundwater Subbasin.

NOW THEREFORE, in consideration of the Recitals above, which are incorporated herein by this reference, and in order to facilitate the expedient development of a GSP for the Upper San Luis Rey Valley Groundwater Subbasin, the Parties do hereby agree to amend the 2017 MOU as follows:

1. The first paragraph on page 1 of the 2017 MOU is amended to omit reference to the County as a Party.
2. The Recitals Section of the 2017 MOU is hereby amended to remove reference to the County of San Diego, which is no longer a party to the 2017 MOU.
3. Section I.1, sub-paragraph a, is hereby amended to read:

This MOU is entered into by the Parties for the purpose of establishing and operating as a multi-agency GSA and cooperating to develop a single Plan for those portions of the SLR Basin (Figure 1) required to have a Plan pursuant to Section 10727 et seq. of SGMA.

4. Definitions in Section II of the 2017 MOU are hereby amended to add, delete, or revise definitions in the 2017 MOU as follows:
 - a. The following definition is added
“Yuima Team” refers to the Yuima staff responsible for carrying out the terms of this MOU for Yuima.
 - b. The definitions of County, County Board, County Team, Pauma Municipal Water District, Mootamai MWD are deleted in their entirety.

- c. The definition of "Pauma Valley Subbasin" is revised to read as follows:

"Pauma Valley Subbasin" has the same meaning as the Upper San Luis Rey Subbasin, (Basin 9-007.01) which refers to the eastern portion of the San Luis Rey Groundwater Basin (Bulletin 118 Basin Number 9-7), which subbasin commences at the east line of the western boundary of Section 6, Range 2 West, Township 10 South, San Bernardino Meridian, and for which a Plan must be developed and submitted to DWR, per this MOU, on or before January 31, 2022.

- d. The definition of "Consensus" is revised to read as follows:

"Consensus" as used in this MOU shall mean a majority vote of all voting Members of the Executive Team on any given decision.

- e. The definition of "Party" is revised to read as follows:

"Party" refers to [each of] the Pauma Valley Community Services District, Upper San Luis Rey Resource Conservation District, and the Yuima Municipal Water District (collectively "Parties").

5. Section III.2 of the 2017 MOU is amended to read as follows:

2. Yuima shall act as the primary contact for the SWRCB and DWR and the lead Party under this MOU performing GSA actions and responsibilities on behalf of, and in close consultation with, the Parties via, among other things, the Parties' participation on the Executive Team, for the purposes of development and adoption of the Plan.

a. The Parties agree that Yuima shall consult with, and after full consideration of the recommendations of the Executive Team, act under the terms of the MOU to develop and adopt a Plan that complies with SGMA and the Emergency Regulations. Yuima may validate the Plan pursuant to Section 10726.6 of SGMA upon completion, if necessary.

b. The Parties agree to abide by applicable monitoring and implementation measures in the Plan to the best of the individual capacities and resources and to the extent required by SGMA, or other applicable law or authority.

c. After review and consultation with the Executive Team, the Yuima Team shall submit the Plan to the Yuima Board of Directors for adoption prior to submitting to DWR. Each of the other Parties to this MOU shall have the authority to adopt the Plan as well.

d. The Parties agree that while Yuima will act on behalf of the Parties for the purposes outlined in this MOU, to facilitate local implementation of the Plan, alternative GSA governance structure(s) shall be considered by mutual agreement of the Parties and in consultation and collaboration with the Executive Team. Further development of roles and responsibilities of each Party for implementation of the Plan will occur during Plan development with deference to local implementation consistent with local agencies' authorities and responsibilities.

- i. *An amendment to this MOU will be considered in conjunction with consideration of the Plan adoption (or Plan amendment) , as provided in Section X.1 of this MOU, below.*
- ii. *Any amendment(s) to this MOU will be presented to each Party's Governing Body for approval.*

6. Section III.3, paragraphs a and b, and h, are amended to read as follows:

a. The Executive Team shall consist of two voting "Members" appointed by each Party, each of whom must be an employee, representative, or board member of the appointing Party. Ex officio Members can be added to the Executive Team per Section III.3.b. All Members of the Executive Team, whether voting or ex officio, must have authority to speak on behalf of their appointing entity. All Members of the Executive Committee should be knowledgeable about SGMA and/or groundwater management in the San Luis Rey Valley Groundwater Basin.

b. Additional agencies, entities and/or individuals with specific knowledge about SGMA or groundwater management may be asked, and any public agencies with jurisdiction that overlie the Pauma Valley Subbasin will be asked, to participate in Executive Team meetings in an ex officio and non-voting capacity. The San Luis Rey Indian Water Authority, Pauma Municipal Water District, Valley Center Municipal Water District and Rainbow Municipal Water District will each be asked by Yuima to appoint one ex officio Member (which must be either an employee or board member) to participate in good faith on the Executive Team.

h. A representative of the Yuima Team shall coordinate meetings and proceedings of the Executive Team.

7. Section III.4 is deleted in its entirety.

8. Sections III.5 and III.6 are amended to read as follows:

5. The Parties agree that each Party will bear its own staff costs to participate in the activities under this MOU and in the development of the Plan. The Parties will provide support to the Executive Team and Yuima Team by contributing staff time, information and facilities (where available) within available resources.

6. Each Party agrees that it will endeavor to devote sufficient staff time and other resources to ensure its active participation in the Executive Team for the development of the Plan for those portions of the SLR Basin that are required to have a Plan, as set forth in this MOU.

9. Section III.7 is deleted in its entirety.

10. Section III.11 is amended to replace the words "County Team" with "Yuima Team" in multiple locations.

11. Section IV.1 is amended to read as follows:

1. Yuima: Yuima's primary responsibility is to act as the coordinator of the GSA on behalf of the Parties for the purposes of development and adoption of the Plan:

a. Yuima shall hire the consultant(s) to complete required components of the Plan.

b. The Executive Team will be the primary approval body amongst the Parties for the Plan for those portions of the SLR Basin required to have a Plan. Yuima shall submit the Plan to DWR pursuant to SGMA.

12. Sections IV.2 and IV.3 are amended to replace the words "County Team" with "Yuima Team" in multiple locations.

13. Section V is amended to replace the words "County Team" with "Yuima Team" in multiple locations. Additionally, Sections V.3 and V.4 are deleted in their entirety.

14. Section VII is amended to read as follows:

In the event that any lawsuit is brought against any Party based upon or arising out of the terms or obligations imposed by this MOU, or the development of a Plan, by a person or entity who is not a Party to this MOU, the Parties shall cooperate in the defense of the action. Each Party shall bear its own legal costs, if any, associated with such litigation.

15. Section IX is amended to update the identity of persons entitled to receive notice under the 2017 MOU as follows:

For the Pauma Valley CSD

*Bobby Graziano
General Manager
Pauma Valley CSD
33129 Cole Grade Road
Pauma Valley, CA 92061
For USLRRC:*

*Upper San Luis Rey Resource
Conservation District
P.O. Box 921
Pauma Valley, CA 92061*

For Yuima MWD

*Amy Reeh
Interim General Manager
Yuima Municipal Water District
P.O. Box 177
Pauma Valley, CA 92061*

With a copy to:

*Steven Anderson
General Counsel, PVCSD
Best Best & Krieger LLP
3390 University Ave., 5th Floor Riverside,
CA 92501*

With a copy to:

*Oggie Watson
Upper San Luis Rey Resource Conservation
District
P.O. Box 921
Pauma Valley, CA 92061*

With a copy to:

*Jeremy N. Jungreis
General Counsel, Yuima MWD
611 Anton Blvd
Costa Mesa CA 92626*

16. To the extent of inconsistency between the terms of this Amendment 1 and the 2017 MOU, the terms of this Amendment 1 shall control. All terms of the 2017 MOU not expressly amended herein remain unchanged and binding on all Parties to this Amendment 1. A redline of the revisions to the 2017 MOU made by this Amendment 1 are provided in Exhibit A attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment 1 to the 2017 MOU Regarding Development of a Groundwater Sustainability Plan for the San Luis Rey Valley Groundwater

Basin, such Amendment to be effective June 1, 2020 or the date this Amendment I has been executed by all Parties hereto, whichever date is soonest.

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

By: _____

Date _____

Sam Logan
President, Board of Directors

UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT

By: 

Date 6-9-2020

Andrew Lyall
President, Board of Directors

YUIMA MUNICIPAL WATER DISTRICT

By: 

Date 6-25-2020

Roland Simpson
President, Board of Directors

Basin, such Amendment to be effective June 1, 2020 or the date this Amendment 1 has been executed by all Parties hereto, whichever date is soonest.

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

By: 

Date 6-5-2020

Sam Logan
President, Board of Directors

UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT

By: _____ Date _____

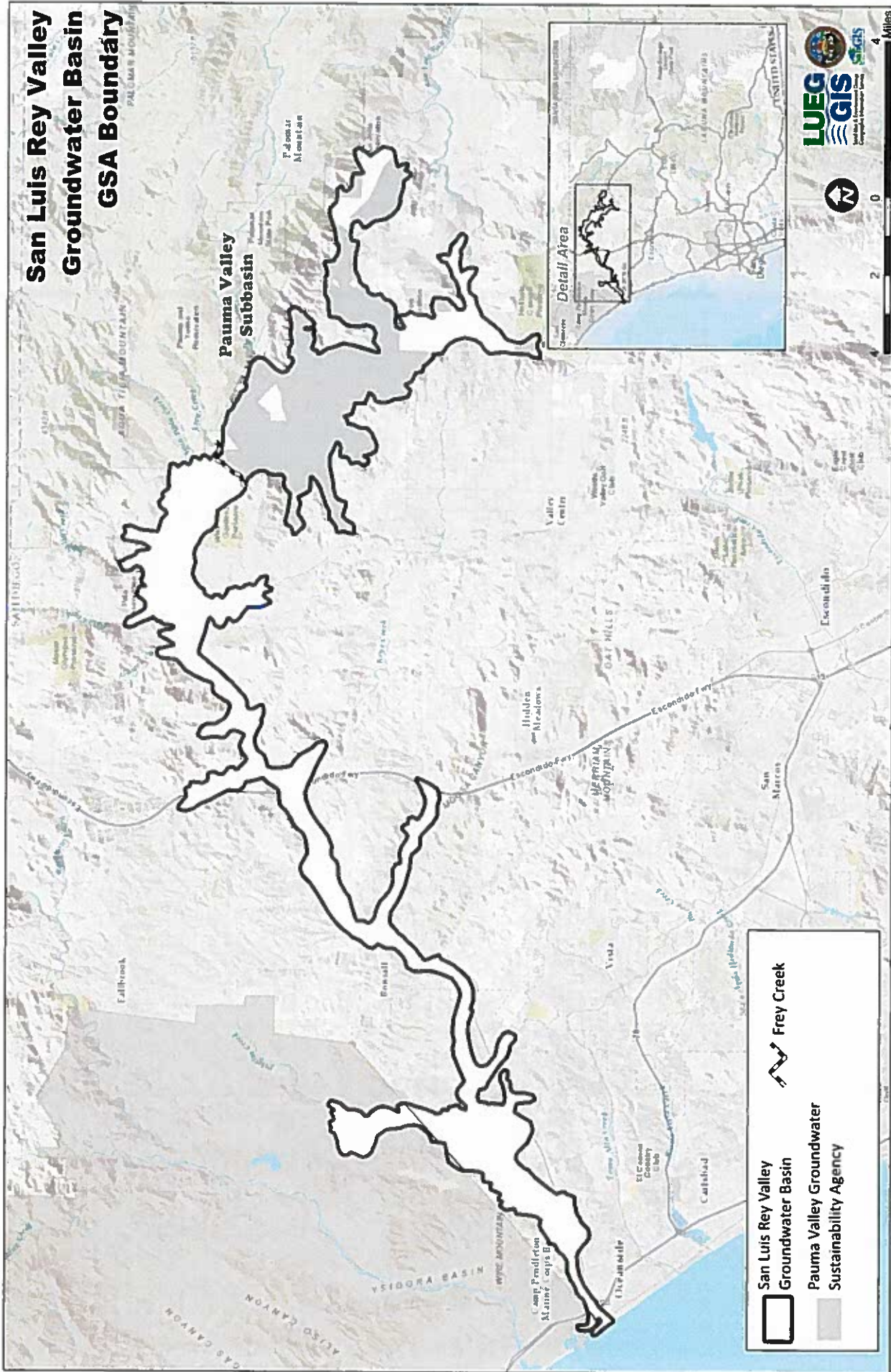
Andrew Lyall
President, Board of Directors

YUIMA MUNICIPAL WATER DISTRICT

By: _____ Date _____

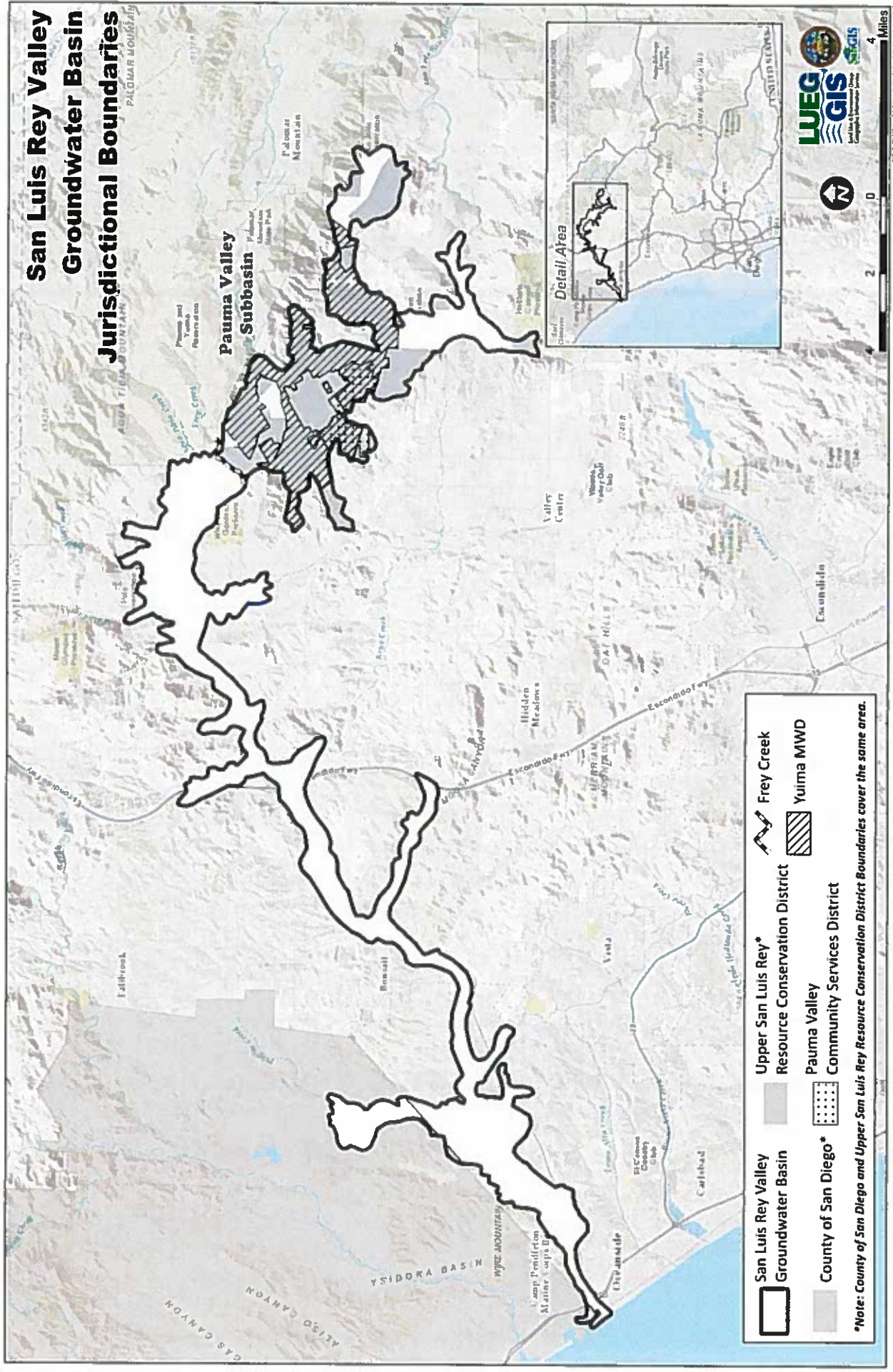
Roland Simpson
President, Board of Directors

San Luis Rey Valley Groundwater Basin GSA Boundary



Note: The Federal government and any federally recognized Indian tribe are exempt from the requirements of SGMA and therefore, not included in the County of San Diego GSA Boundary.

San Luis Rey Valley Groundwater Basin Jurisdictional Boundaries



	San Luis Rey Valley Groundwater Basin		Upper San Luis Rey* Resource Conservation District		Frey Creek
	County of San Diego*		Pauma Valley Community Services District		Yuma MWD

*Note: County of San Diego and Upper San Luis Rey Resource Conservation District Boundaries cover the same area.



Note: The Federal government and any federally recognized Indian tribe are exempt from the requirements of SGMA and therefore, not included in the County of San Diego GSA Boundary.