

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF COALINGA
GROUNDWATER SUSTAINABILITY AGENCY
AND THE PLEASANT VALLEY GROUNDWATER SUSTAINABILITY AGENCY
WITH RESPECT TO IMPLEMENTATION OF THE SUSTAINABLE GROUNDWATER
MANAGEMENT ACT**

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made and effective as of January 2, 2020, by and between the CITY OF COALINGA GROUNDWATER SUSTAINABILITY AGENCY (“City”) and PLEASANT VALLEY GROUNDWATER SUSTAINABILITY AGENCY (“PVGSA”). The City and PVGSA may be collectively referred to herein as the “Parties,” or singularly as a “Party.”

RECITALS

A. On September 16, 2014, the Governor of the State of California signed into law Senate Bills 1168 and 1319, and Assembly Bill 1739 collectively, the Sustainable Groundwater Management Act (“SGMA”), which is codified at Water Code Sections 10720 *et seq.*; and

B. SGMA requires that California groundwater basins and subbasins be managed by a Groundwater Sustainability Agency (“GSA”) or multiple GSAs, and that such management be implemented pursuant to an approved Groundwater Sustainability Plan (“GSP”) or multiple coordinated GSPs; and

C. California Water Code Section 10723.8, subdivision (c), prohibits the recognition of any entity as an exclusive GSA if the entity’s proposed GSA management area overlaps the proposed GSA management area of another entity, subject to certain procedural requirements; and

D. PVGSA and the City have elected to serve as exclusive GSAs for their respective areas within the Pleasant Valley Subbasin of the San Joaquin Valley Basin (Basin No. 5-022.10 in the Department of Water Resources’ Bulletin No. 118).

The Parties therefore agree as follows:

1. **Objectives.** The objectives of the Parties in entering into this MOU are as follows:

(a) To achieve sustainable groundwater management pursuant to SGMA in the Pleasant Valley Subbasin that is identified in the attached **Exhibit “A”**.

(b) To work cooperatively with each other and with adjacent GSAs in the Pleasant Valley Subbasin to prepare a single GSP that covers the Pleasant Valley Subbasin.

(c) To work cooperatively with each other and with adjacent GSAs in the Pleasant Valley Subbasin and in adjacent subbasins to achieve sustainable groundwater management in the Pleasant Valley Subbasin.

2. **Precedence of City's Land Use Planning Authority.** PVGSA agrees that its operations as the PVGSA, and the GSP adopted by the PVGSA, the City and the other GSAs in the subbasin, will not abrogate the City's general plan or conflict with the City's exercise of its land use planning authority; provided, that the City's general plan and the City's exercise of its land use planning authority comply with all applicable laws, statutes, and regulations.

3. **Coordination Framework.** Each Party to this MOU agrees, in developing the GSP, and in its respective implementation of the GSP, to consider the interests of the other Party, including but not limited to the City's general plan. In order to prevent conflicts between the GSP and the City's general plan and between PVGSA's operations as the PVGSA and the City's exercise of its land use planning authority, the City shall have opportunities to provide, and PVGSA shall consider, advisory input in the development and implementation of the GSP. The Director of the City's Department of Public Works and Planning shall designate a contact person (Designated Contact Person) to whom PVGSA shall provide written notices of opportunities to participate in SGMA implementation.

No fewer than 90 days before adopting or modifying the GSP or policies or procedures for the exercise of GSA powers, PVGSA shall provide written notice to the Designated Contact Person. Within 30 days of receiving such notice, the Designated Contact Person may request consultation with PVGSA's representative. Prior to the adoption or modification of the GSP or policies or procedures for the exercise of GSA powers, PVGSA shall consider any comments or recommendations provided by the Designated Contact Person for the City, to achieve the goals of this MOU.

No fewer than 90 days prior to issuing, adopting, modifying, or approving any ordinance, policy, plan, or permit, or taking any other action related to groundwater resources within the Pleasant Valley basin, the City shall provide written notice to PVGSA. Within 30 days of receiving such notice, PVGSA may request a mandatory consultation with the City. Prior to taking any groundwater-related action, the City shall consider any comments or recommendations provided by PVGSA.

4. **Finances.** Each of the Parties to this MOU shall bear its own costs of implementing SGMA, except as follows:

(a) The City shall provide such assistance and support as it is able to provide at current staffing levels in applying for grant funding related to SGMA implementation when so requested by the PVGSA. The ability of the City to provide such assistance and support shall be determined exclusively by the City.

5. **Notices.** All notices required or permitted by this MOU or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified, or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by electronic transmission (email) and shall be deemed sufficiently given if served in a manner specified in this Section 5. The addresses and addressees noted below are that Party's designated address and addressee for delivery or mailing of notices.

To Pleasant Valley Water District: Pleasant Valley Water District
c/o District President
Post Office Box 468
Coalinga, CA 93210-0468

To City of Coalinga GSA: City of Coalinga
Department of Public Works and Planning
c/o Marissa Tejo, City Manager
155 W. Durian Ave.
Coalinga, CA 93210
Telephone: (559) 935-1533

Either Party may, by written notice to the other, specify a different address for notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, three (3) days after the postmark date. If sent by regular mail, the notice shall be deemed given forty-eight (48) hours after it is addressed as required in this section and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given twenty-four (24) hours after delivery to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means (including email) shall be deemed delivered upon telephone or similar confirmation of delivery (confirmation report from fax machine is sufficient), provided a copy is also delivered via personal delivery or mail. If notice is received after 4:00 p.m. or on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

6. **Indemnification.** As the City does not vote on the actions of the PVGSA, PVGSA shall hold harmless and indemnify the City from and against any liability, claims, actions, costs, damages or losses of any kind, including but not limited to death or injury to any person and/or damage to property, arising out of the implementation of the GSP by PVGSA. PVGSA shall not be obligated to indemnify the City where any loss, damage, injury, liability, or claim is a result of the sole negligence or willful misconduct of the City. Additionally, the City shall hold harmless and indemnify the PVGSA from and against any liability, claims, actions, costs, damages or losses of any kind, including but not limited to death or injury to any person and/or damage to property, arising out of the implementation of the GSP by the City. The City shall not be obligated to indemnify PVGSA where any loss, damage, injury, liability, or claim is a result of the sole negligence or willful misconduct of PVGSA.

The foregoing indemnification obligation shall continue beyond the term of this MOU as to any acts or omissions occurring before or under this MOU or any extension of this MOU.

7. **Compliance with Laws.** In any action taken pursuant to this MOU, PVGSA and the City shall comply with all applicable statutes, laws, and regulations, specifically including, but not limited to, SGMA and its implementing regulations, as they now exist or as they may be amended or promulgated from time to time.

To the extent that this MOU conflicts with or does not accurately reflect any applicable statutes, laws, or regulations now existing or as amended or promulgated from time to time, the laws, statutes, and regulations shall govern.

To the extent that any applicable statutes, laws, or regulations are amended or newly promulgated in such a manner that causes this MOU to conflict with or no longer accurately reflect such statutes, laws, or regulations, this MOU shall be modified, in writing, by all Parties, in order to comport with the newly amended or promulgated statutes, laws, or regulations.

8. **Entire Agreement.** This MOU and items incorporated herein contain all of the agreements of the Parties with respect to the matters contained herein, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.

9. **Amendments.** No provisions of this MOU may be amended or modified in any manner whatsoever except by an agreement in writing duly authorized by representatives of all Parties.

10. **No Assignment.** The rights and obligations of the Parties to this MOU may not be assigned or delegated, and any attempt to assign or delegate such rights or duties in contravention of this section shall be null and void.

11. **Binding Effect.** This MOU shall apply to and bind successors, assignees, contractors, subcontractors, transferees, agents, employees, and representatives of the respective Parties hereto.

12. **Governing Law.** This MOU and all documents provided for herein and the rights and obligations of the Parties hereto shall be governed in all respects, including validity, interpretation and effect, by the laws of the State of California (without giving effect to any choice of law principles).

13. **Waiver.** The failure of any Party to insist on strict compliance with any provision of this MOU shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by any Party of either performance or payment shall not be considered to be a waiver of any preceding breach of the MOU by any other Party.

14. **Severability.** If any term or provision of this MOU is, to any extent, held invalid or unenforceable, the remainder of this MOU shall not be affected.

15. **Headings.** The subject headings of the sections of this MOU are included for purposes of convenience only and shall not affect the construction or interpretation of any of the provisions herein.

16. **Counterparts.** This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this MOU as of the day and year first above written.

PLEASANT VALLEY GROUNDWATER
SUSTAINABILITY AGENCY

By: _____

Name: _____

Title: _____

CITY OF COALINGA GROUNDWATER
SUSTAINABILITY AGENCY

By: _____
Ron Lander, Mayor and Chairman, City
of Coalinga Groundwater Sustainability
Agency

ATTEST:
Shannon Jensen, City Clerk
City of Coalinga, State of California

By: _____
Deputy