

**AMENDMENT NO. 2
TO MEMORANDUM OF AGREEMENT REGARDING
PREPARATION OF A GROUNDWATER SUSTAINABILITY PLAN
FOR THE PASO ROBLES GROUNDWATER BASIN**

This Amendment No. 2 to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin (“Amendment No. 2”) is entered into by and between the City of El Paso de Robles (“City”), the San Miguel Community Services District (“SMCSD”), the County of San Luis Obispo (“County”), the Shandon-San Juan Water District (“SSJWD”) and the Estrella-El Pomar-Creston Water District (“EPCWD”) (each a “Party” and collectively, “Parties”).

WHEREAS, on or about September 20, 2017, City, SMCSD, County, SSJWD and the Heritage Ranch Community Services District (“HRCSD”) entered into a Memorandum of Agreement Regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin (“MOA”) for purposes of establishing a framework for preparing a single groundwater sustainability plan for the Paso Robles Area Subbasin (“GSP”) and for continued cooperation among the Parties; and

WHEREAS, HRCSD provided written notice of its withdrawal from the MOA pursuant to Section 9.1 on or around January 18, 2019, and its withdrawal became effective shortly thereafter; and

WHEREAS, on or about March 3, 2020, City, SMCSD, County and SSJWD entered into Amendment No. 1 to the MOA (“Amendment No. 1”) expanding the purpose of the MOA to include serving as the basis for continued cooperation among the Parties during the period between adoption of the GSP by each Party and development of a long-term governance structure for GSP implementation and deleting the provision stating that the MOA would automatically terminate upon the Department of Water Resources’ (“DWR”) approval of the GSP (a copy of Amendment No. 1 is attached hereto as Attachment 1 and incorporated herein by this reference); and

WHEREAS, on June 6, 2023, the County Board of Supervisors adopted a resolution accepting and approving the Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin signed by EPCWD; and

WHEREAS, subsequent to entering into the MOA, the County created a Groundwater Sustainability Department, and its Department head has taken on a leadership role with respect to implementation of the MOA by e.g. preparing Paso Basin Cooperative Committee (“Cooperative Committee”) meeting agendas, applying for and administering grant funding and engaging consultants for preparation of the annual

reports notwithstanding the terms of the MOA, including, without limitation, Section 6 pursuant to which the City agrees to act as the contracting agent on behalf of the Cooperative Committee; and

WHEREAS, on or about June 20, 2023, DWR approved the GSP developed under the terms of the MOA; and

WHEREAS, given that long-term governance options for the Basin are still being explored and will likely be informed by recent Cooperative Committee initiatives related to implementation of the GSP and for which consultants will likely be retained, the Parties would like to amend the MOA to clarify that the County as well as other Parties subject to certain limitations may also serve as the contracting agent consistent with the terms and conditions set forth in Section 6 of the MOA.

NOW, THEREFORE, the Parties agree with the above recitals, and hereby further agree as follows:

1. Section 6.7 is hereby added to the MOA and shall hereafter be and read as follows:

Notwithstanding the foregoing and the approval thresholds set forth in Section 4.8, a Party other than the City may also act as the contracting agent on behalf of the Cooperative Committee with respect to the retention of any and all consultants subject to the following: unanimous approval by the Cooperative Committee that said Party may act as the contracting agent; said Party's adoption and adherence to procurement policies, for the limited purpose of acting as the contracting agent, that are as comprehensive as those of the City, which policies shall be provided to all Party staff at least ten (10) days prior to approval by the Cooperative Committee; and each Party's approval of a budget that includes such consultant costs or its share of such consultant costs. If another Party acts as the contracting agent, the same provisions applicable to the City under this Section 6 shall apply to that Party with inclusion of the other Parties and Cooperative Committee in the selection of any consultant as set forth in Section 6.3 above. In addition, notwithstanding Section 5.3, the Parties agree that the contracting Party shall calculate each Party's payment obligation based on the following percentages: City – 15.2%; SMCS D – 3.0%; SSJWD – 20.2%; County – 32.3% and EPCWD – 29.3%; and each Party shall remit payment to the contracting Party within thirty (30) days upon receipt of an invoice from the contracting Party that reflects the above percentages.

2. Except as expressly modified by this Amendment No. 2, all terms and provisions of the MOA, as amended by Amendment No. 1, shall remain in full force and effect.

3. This Amendment No. 2 shall be effective as of the date that it has been signed by all Parties.

IN WITNESS THEREOF, the Parties hereto have executed this Amendment No. 2 on the dates shown below.

CITY OF EL PASO DE ROBLES

By: _____

Its:

SHANDON SAN JUAN WATER DISTRICT

By: _____

Its:

COUNTY OF SAN LUIS OBISPO

By: _____

Its:

SAN MIGUEL COMMUNITY SERVICES DISTRICT

By: _____

Its:

ESTRELLA-EL POMAR-CRESTON WATER DISTRICT

By: _____

Its:

ATTACHMENT 1
AMENDMENT NO. 1

DRAFT