

**MEMORANDUM OF UNDERSTANDING
FOR IMPLEMENTATION OF THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT
IN THE UNADJUDICATED PORTION OF THE CENTRAL BASIN**

This MEMORANDUM OF UNDERSTANDING (MOU) is made and entered into by and among the City of Beverly Hills (Beverly Hills), the City of Culver City (Culver City), the City of Los Angeles, by and through its Los Angeles Department of Water and Power (LADWP), the Golden State Water Company (Golden State), and the Water Replenishment District of Southern California (WRD), each a "Party," and collectively referred to as the "Parties."

WHEREAS, the Sustainable Groundwater Management Act (SGMA), as enacted on September 16, 2014, and codified in California Water Code Section 10720 et seq., is intended to enhance local and sustainable management of groundwater; and

WHEREAS, eighty-three percent (83%) of the land area of the Central Subbasin of the Coastal Plain of Los Angeles County Groundwater Basin (Central Basin) was adjudicated in 1965 in *Central and West Basin Water Replenishment District et al. v. Adams et al.*, Los Angeles County Superior Court Case No. 786656, and is managed in accordance with the judgment entered therein, as amended from time to time (the adjudicated area is hereinafter referred to as Management Area A); and

WHEREAS, the remainder of the Central Basin is unadjudicated and consists of an area to the north-northwest that comprises sixteen percent (16%) of the land area (hereinafter referred to as Management Area B) and an area to the north-northeast that comprises less than one percent (1%) of the land area (hereinafter referred to as Management Area C); and

WHEREAS, Management Areas B and C are not currently pumped for municipal water supply and have been operated within their sustainable yield for over a period of at least ten (10) years; and

WHEREAS, WRD serves as the Administrative Body of the Central Basin Watermaster and is the designated California Statewide Groundwater Elevation Monitoring (CASGEM) Entity for the Central Basin; and

WHEREAS, Beverly Hills, LADWP, and Culver City are local public agencies that have water supply, water management, or land use responsibilities within Management Area B; and

WHEREAS, Golden State is an investor-owned water utility holding a Certificate of Public Convenience and Necessity by the California Public Utility Commission and through its Culver City System provides municipal water service to Culver City within Management Area B; and

WHEREAS, the Parties prepared an alternative to a groundwater sustainability plan (Alternative) for the entire Central Basin pursuant to Water Code Section 10733.6 and Section 358 et seq. of Title 23 of the California Code of Regulations (CCR); and

WHEREAS, on December 16, 2016, WRD submitted the Alternative to the California Department of Water Resources (DWR) on behalf of the Parties; and

WHEREAS, the Parties recognize that obtaining approval of and implementing the Alternative will require them to coordinate and share information; and

THEREFORE, in consideration of the foregoing, the Parties agree as follows:

1. Purpose of the MOU. This MOU is intended to facilitate a cooperative relationship among the Parties to obtain approval of the Alternative and to implement it within Management Area B. A map depicting Management Areas A, B, and C is attached hereto and incorporated herein as Exhibit "A."

2. Term. This MOU shall become effective upon execution by all Parties. This MOU shall terminate on December 31, 2021, or, if earlier, upon DWR providing notice that it has deemed the Alternative inadequate pursuant to Sections 355.2(e)(3) and 358.4(b) of Title 23 of the CCR, as enacted or hereinafter amended. Any Party may withdraw as a Party to this MOU by providing at least thirty (30) days' prior written notice.

3. DWR Evaluation of the Alternative. DWR must issue a written assessment of the Alternative that states whether the Alternative is approved, incomplete, or inadequate.

a. Approved. If DWR approves the Alternative, the Parties shall work in good faith to continue to implement the Alternative within Management Area B.

b. Incomplete. If DWR determines that the Alternative is incomplete, the Parties shall work in good faith to revise and resubmit the Alternative to address the deficiencies identified by DWR. If DWR approves the revised Alternative, the Parties shall work in good faith to implement the revised Alternative within Management Area B.

c. Inadequate. If DWR determines that the Alternative is inadequate, this MOU shall terminate as of the date of DWR's notice of disapproval.

4. Groundwater Monitoring Data.

a. CASGEM Monitoring Well Data. WRD currently owns and operates a monitoring well in Management Area B (Los Angeles #3). WRD intends to construct and operate additional monitoring wells in Management Area B at its sole cost and expense for CASGEM reporting purposes. WRD shall provide the other Parties available data from its monitoring wells in Management Area B as reasonably requested and at no charge for purposes of revising or implementing the Alternative.

b. Other Data. If any Party collects geologic, geophysical, or groundwater data (by, for example, drilling boreholes, constructing wells, performing tests, measuring groundwater elevation, or assessing water quality) within Management Area B for the purposes of groundwater resources investigations, and the data is not privileged or confidential under state or federal law, the Party shall inform the other Parties as to the existence of these data and provide it to the other Parties as reasonably requested and at no charge for purposes of revising or implementing the Alternative.

5. SGMA Reports. WRD shall be primarily responsible for preparing reports and other information required under SGMA for Management Area B of the Central Basin. WRD shall provide the Parties no less than thirty (30) calendar days to review and comment on any reports or the portions of reports containing information related to Management Area B prior to submission to DWR. WRD shall not submit any report or other information to DWR on behalf of

the Parties without the Parties' unanimous consent. This provision does not exclude a Party from preparing and providing reports to DWR or any other entity on its own behalf or on behalf of others not a party to this MOU.

6. Notification of Future Pumping. Any Party that intends to conduct groundwater extraction within Management Area B or becomes aware of any third party that intends to conduct groundwater extraction within Management Area B shall inform the other Parties in writing of said intent or knowledge as early as practicable.

7. Costs. Each Party shall bear its own costs for its participation in this MOU. No further costs shall be undertaken or allocated to any of the Parties unless and until a cost distribution is agreed upon and reflected in an amendment to this MOU or another written agreement.

8. Meetings and Staff. Each Party shall designate a principal contact person and such other appropriate staff members and consultants to participate on its behalf in activities undertaken pursuant to this MOU. Meetings shall occur as the principal contacts collectively deem necessary.

9. Notices. All notices and other communications given under the terms of this MOU must be in writing and served personally or by U.S. mail or by email. Any such notice shall be addressed to the Parties as set forth below or to such other address as the Parties may hereafter designate by written notice. The date of receipt of the notice shall be the date of actual personal service or three (3) days after the postmark on certified mail.

Beverly Hills

City of Beverly Hills
Public Works Department
345 Foothill Road
Beverly Hills, CA 90210
Attn: Shana Epstein,
Director of Public Works

(310) 285-2494
director.publicworks@beverlyhills.org

LADWP

Los Angeles Department of Water and Power
111 North Hope Street, Rm 1460
Los Angeles, CA 90012
Attn: David R. Pettijohn,
Director of Water Resources Division

(213) 923-4806
David.Pettijohn@LADWP.com

Culver City

City of Culver City
Public Works Department
9770 Culver Boulevard
Culver City, CA 90232
Attn: Charles D. Herbertson,
Director of Public Works

(310) 253-5600
charles.herbertson@culvercity.org

Golden State

Golden State Water Company
1920 West Corporate Way
Anaheim, CA 92801
Attn: Dr. Toby B. Moore,
Water Resources Manager

(714) 535-7711
TobyMoore@gswater.com

WRD

Water Replenishment District of
Southern California
4040 Paramount Boulevard
Lakewood, CA 90712
Attn: Robb Whitaker, General Manager

(562) 921-5521
rwhitaker@wrdd.org

10. Amendments and Waiver. No amendment or waiver of any provision of this MOU, nor consent to any departure from any provision of this MOU, shall be effective unless in writing and signed by each Party, and then such waiver or consent shall be effective only in the specific instances and for the specific purpose given.

11. Relationship of the Parties. The Parties shall remain at all times as to each other wholly independent entities. No Party shall have the authority to incur any debt, obligation, or liability on behalf of another Party unless expressly provided by written agreement of the Parties. No employee, agent, or officer of any Party shall be deemed for any purpose whatsoever to be an agent, employee or officer of another Party.

12. Governing Law. This MOU shall be interpreted, construed, and governed according to the laws of the State of California without regard to conflict of law principles.

13. Venue. Any suit, action, or proceeding brought under the scope of this MOU shall be filed in the County of Los Angeles, State of California. The foregoing, however, shall not limit any Party's right to seek a change of venue under applicable law.

14. No Attorney's Fees. The Parties agree that, in any action to enforce the terms of this MOU, each Party shall bear its own attorneys' fees and costs.

15. Jointly Drafted. Each Party acknowledges that it was represented during the negotiation and execution of this MOU, and that it has had a full and fair opportunity to review and revise the terms of this MOU. Each Party further agrees that this MOU has been jointly drafted, and that no term contained herein shall be construed against or in favor of another Party.

16. Headings. Section headings in this MOU are included for convenience of reference only and shall not be given any substantive effect.

17. No Third Party Beneficiaries. This MOU is not intended, and will not be construed, to confer a benefit or create any right on a third party or the power or right to bring an action to enforce any of its terms.

18. Entire Agreement. This MOU constitutes the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, whether written or oral, with respect thereto.

19. Counterpart Execution. This MOU may be executed in counterparts and each executed counterpart shall be effective as the original.

IN WITNESS WHEREOF, each Party hereby has caused this MOU to be executed as of the date and year written below:

CITY OF BEVERLY HILLS

By: _____
SHANA EPSTEIN
Public Works Director

Date: _____

APPROVED AS TO FORM:

JIM MARKMAN
City Attorney

IN WITNESS WHEREOF, each Party hereby has caused this MOU to be executed as of the date and year written below:

CITY OF CULVER CITY

ATTEST:

By: _____
JEREMY GREEN
City Clerk

By: _____
JOHN M. NACHBAR
City Manager

Date: _____

Date: _____

APPROVED AS TO FORM:

CAROL SCHWAB
City Attorney

IN WITNESS WHEREOF, each Party hereby has caused this MOU to be executed as of the date and year written below:

DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES BY
BOARD OF WATER AND POWER COMMISSIONERS

By: _____
DAVID H. WRIGHT
General Manager

Date: _____

And: _____
BARBARA E. MOSCHOS
Secretary

IN WITNESS WHEREOF, each Party hereby has caused this MOU to be executed as of the date and year written below:

WATER REPLENISHMENT DISTRICT OF
SOUTHERN CALIFORNIA

By: _____
ROBB WHITAKER
General Manager

Date: _____

APPROVED AS TO FORM:

Leal ▪ Trejo APC
Attorneys for the Water Replenishment
District of Southern California

IN WITNESS WHEREOF, each Party hereby has caused this MOU to be executed as of the date and year written below:

GOLDEN STATE WATER COMPANY

By: _____
DENISE L. KRUGER
Senior Vice President, Regulated Utilities

Date: _____

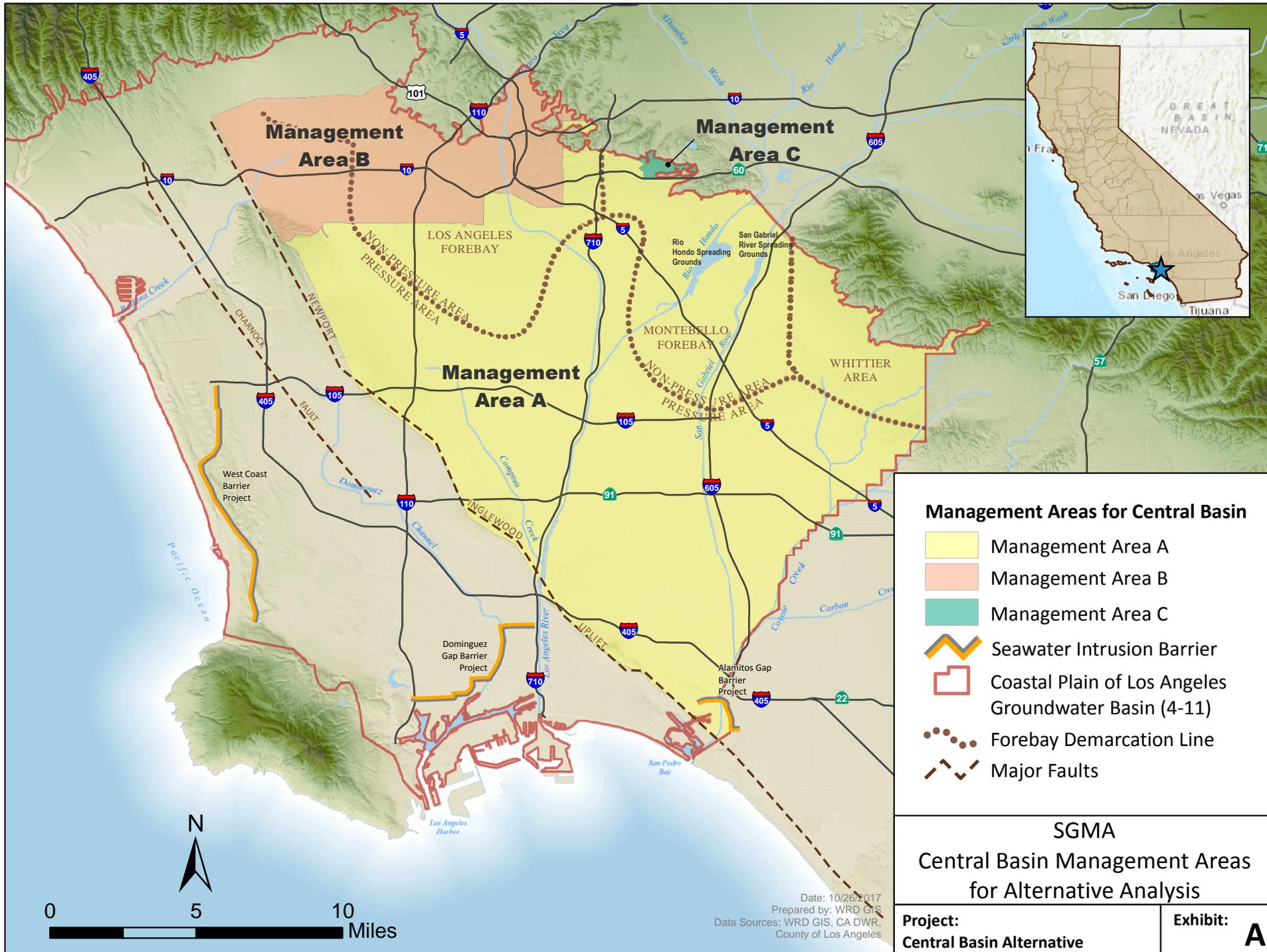


Exhibit A: Santa Monica Basin

