

**JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE COSUMNES AMERICAN BEAR YUBA
("CABY") INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

By and Among

El Dorado Irrigation District

and

El Dorado County Water Agency

And

Placer County Water Agency

and

Nevada Irrigation District

Dated as of March 1, 2016



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JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE CABY IRWMP

This AGREEMENT dated as March 1, 2016, is entered into by and between the following public entities:

El Dorado County Water Agency, a water agency formed pursuant to a special act of the California Legislature ("EDCWA");

El Dorado Irrigation District, a California Irrigation District ("EID");

Placer County Water Agency, a water agency formed pursuant to a special act of the California Legislature ("PCWA");

Nevada Irrigation District, a California Irrigation District ("NID");

Hereinafter said public entities are collectively referred to as "Member Entities" or individually as a "Member Entity."

WITNESSETH:

WHEREAS, pursuant to Title 1, Division 7, Chapter 5 of the California Government Code (in effect as of the date hereof and as the same may from time to time be amended or supplemented, the "Joint Exercise of Powers Act") two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, each of the Members is a "public agency" as that term is defined in Section 6500 of the Joint Exercise of Powers Act; and

WHEREAS, each of the Members has adopted the Cosumnes American Bear Yuba ("CABY") Integrated Regional Water Management Plan ("IRWMP") and share a common interest in fulfilling the goals and objectives of the IRWMP; and

WHEREAS, pursuant to the CABY IRWMP Charter, a Coordinating Committee consisting of the four Members and four non-governmental agencies has been established for the purpose of policy development, contract oversight, budget development; and developing project recommendations for implementing and updating the CABY IRWMP;

WHEREAS, the Members wish to facilitate their participation in the CABY IRWMP, through the Coordinating Committee, and their mutual cooperation in projects consistent with the goals and objectives set forth in the CABY IRWMP, by forming a Joint Powers Authority in accordance with California law.

THEREFORE, in consideration of the mutual promises, covenants, conditions, and benefits hereinafter set forth, the Members agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Unless the context otherwise requires, the terms defined in this Article 1 and initially capitalized in the text shall for all purposes of this Agreement have the following meanings:

Agreement. The term "Agreement" means this joint exercise of powers agreement, as it may from time to time be amended.

Associate Entities. The term "Associate Entities" means those public agencies governed by a publicly elected board hereinafter associated with the Authority as Associate Members, as described in further detail in Section 4.2.

Authority. The term "Authority" means the Cosumnes American Bear Yuba Joint Powers Authority created by this Agreement, and having the powers and duties stipulated in this Agreement.

Board. The term "Board" or "Board of Directors" means the governing body of the Authority.

CABY IRWMP. The term "CABY IRWMP" means the Cosumnes American Bear Yuba Integrated Regional Water Management Plan, initially adopted in 2006, and as subsequently amended from time to time.

Member Entities. The term "Members" or "Member Entities" means those public entities which are signatory to this Agreement and bound by its terms and conditions.

ARTICLE 2

PURPOSE

Section 2.1 Purpose. This Agreement is made pursuant to the provisions of the Joint Exercise of Powers Act ("Joint Powers Act"). The purpose of this Agreement is to establish a public entity for the joint exercise of powers common to the Member Entities in order to facilitate their mutual cooperation in the development and implementation of projects consistent with the goals and objectives set forth in the CABY IRWMP.

Section 2.2 Member Entity Projects. The Member Entities agree that while the Authority exists and this agreement is in effect, the Member Entities may separately or in combination with other Member Entities or any other person, firm or agency, undertake such other projects or programs or activities for their separate interests.

ARTICLE 3

TERM

Section 3.1 This Agreement shall become effective as of the date hereof and shall continue in full force and effect until terminated by mutual agreement of all the parties hereto, but may not be terminated until such time as all evidences of indebtedness of the Authority, and the interest thereon, shall have been paid in full or otherwise defeased.

ARTICLE 4

THE AUTHORITY

Section 4.1 Creation of Authority. There is created pursuant to the Act an agency and public entity known as the Cosumnes American Bear Yuba Joint Powers Authority ("CABY JPA"). As authorized by the Act, the Authority is an entity separate and apart from the Member Entities and is responsible for the administration of this Agreement. To the greatest extent permitted by law, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of the Member Entities, unless assumed in a particular case by resolution or other affirmative action of the governing body of the Member Entity to be charged.

Within thirty (30) days after the effective date of this Agreement, or any amendment hereto, the Authority will cause a notice to be prepared and filed with the office of the Secretary of State in the manner set forth in Section 6503.5 of the Act. Within seventy (70) days after the effective date of this Agreement, and within ten (10) days after any change of facts required to be stated pursuant to California Government Code Section 53051, the Authority shall cause a notice to be prepared and filed with the Secretary of State, and with the County Clerk of each county in which the Authority maintains an office, in the manner set forth in California Government Code 53051.

Section 4.2 Associate Entities. The Member Entities wish to provide for the ability of non-Member Entity Associate Entities to observe the Authority's performance of its functions and to provide input.

Section 4.3 Governing Board. The Authority shall be administered by a Board of Directors, which shall consist of one Director or executive staff representing each Entity, each of whom shall be appointed by resolution. Each of the Member Entities shall also appoint, in the same manner, one or more alternate Directors from its Board of Directors or executive staff, who may act in place of its Director in the Director's absence.

Section 4.5 Service of Directors. Each Director (and his or her alternate) shall serve at the pleasure of the governing body by whom such Director (or his or her alternate) was appointed. No Director shall receive any compensation from the Authority for serving as such, but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a Director if the Board determines that such expenses shall be reimbursed and unencumbered funds are available for such purpose.

Section 4.6 Meetings of the Board.

(a) Regular Meetings. The Board shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each calendar year. The date, hour and place of the holding of the regular meeting shall be fixed by resolution of the Board, but in any event shall be held at a location within the territory of any of the Member Entities. Special meetings of the Board may be called in accordance with the provisions of California Government Code section 54956 and may be held anywhere within the territories of any of the Member Entities.

(b) Minutes. The Secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director and alternates, and to each of the Member Entities and Associate Entities.

(c) Quorum. Three (3) Directors shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn a meeting.

(d) Voting. Except where otherwise indicated in this Agreement, at regular or special meetings of the Board, an affirmative vote of the majority of Directors shall be required for action. Each Director's vote shall count equally.

(e) Bylaws. The Board may adopt such bylaws relating to procedural matters of the Board and Authority as it deems necessary.

Section 4.7 Officers; Duties; Bonds.

(a) The officers of the Authority shall be the Chairperson and Vice-Chairperson of the Board, the Secretary of the Board, and the Treasurer/ Controller. The Chairperson and Vice-Chairperson of the Board shall be selected by the Board. The Secretary of [MEMBER ENTITY] is designated Secretary of the Board. Unless otherwise provided by resolution of the Board, the Chairperson shall sign all contracts on behalf of the Authority and the Secretary shall countersign all contracts. The Secretary shall serve a term as determined by the Board. The Board shall appoint a replacement Secretary as necessary.

(b) The Treasurer/ Controller/ Chief Financial Officer of [MEMBER ENTITY] is designated as the initial Treasurer/ Controller of the Authority and, as such, shall have the powers duties and responsibilities specified in Sections 6505 and 6505.5 of the Act. The Treasurer/Controller is designated as the depositary of the Authority to have custody of all the money of the Authority, from whatever source, and shall be responsible for the investment of the funds of the Authority. The Treasurer shall serve a term as determined by the Board. The Board shall appoint a replacement Treasurer as necessary to satisfy applicable statutory requirements.

(c) The Treasurer shall file an official bond in the amount of \$4,000, in accordance with Government Code Section 6501.

(d) An attorney shall be designated by the Board as the Attorney for the Authority. The Attorney for the Authority, or the designated deputy for such Attorney, shall attend all meetings of the Board, but the Attorney's absence shall not affect the validity of any meeting.

(e) Charges of any Member Entity to be made against the Authority for the services of the Secretary, Treasurer and Attorney of the Authority shall be subject to the Approval of the Board, which approval shall be obtained before the services are provided.

(f) The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

(g) All of the privileges and immunities from liability, exemptions from law, ordinances and rules, all pension, relief, disability, worker's compensation and other benefits which apply to the activities of officers, agents, or employees of the Member Entities when performing their respective functions within the territorial limits of the Member Entity, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties under the provisions of this Agreement.

(h) None of the officers, agents or employees directly employed by the Authority shall be deemed, by reason of their employment by the Authority, to be employed by any Member Entity or, by reason of their employment by the Authority, to be subject to any of the requirements of any Member Entity.

(i) No Director, officer or employee of the authority or any Member Entity shall be individually or personally liable for any claims, losses, damages, costs, injury or liability of any kind, nature or description arising from the actions of the Authority or the actions undertaken pursuant to this Agreement, and the Authority shall defend such Directors, officers or employees against any such claims, losses, damages, costs, injury and liability.

ARTICLE 5

POWERS and BOARD APPROVAL FOR EXERCISE OF POWERS

Section 5.1 Powers. The Authority is authorized and empowered in its own name to do all things which are necessary or convenient to the exercise of said powers for said purposes, including any or all of the following:

(a) To coordinate the activities and participation of the Member Entities in CABY IRWMP governance, including the power to appoint, from among the staff and employees of Member Entities, members of the CABY IRWMP Coordinating Committee. The CABY IRWMP Coordinating Committee is formed and exists pursuant to the CABY IRWMP governing documents, and shall not be considered a standing committee of the JPA established by this Agreement. Directors of the JPA formed pursuant to this Agreement shall not be eligible to serve on the CABY IRWMP Coordinating Committee.

(b) To apply for appropriate grants and/ or loans under any federal, state, or local programs for assistance in developing any projects consistent with the purposes and objectives of the CABY IRWMP,

and to provide for the direction of public funds, including grant monies, to fulfill activities consistent with the purposes and objectives of the CABY IRWMP which are approved by the Board of Directors.

(c) To exercise jointly the common powers of its Member Entities in studying, planning and implementing water and watershed projects benefiting the respective Member Entities.

(d) To make and enter into contracts.

(e) To acquire, hold, lease, and dispose of property.

(f) To employ such persons as it deems necessary.

(g) To incur debts, liabilities, or obligations subject to the limitations set forth herein.

(h) To procure public liability and other insurance as it deems advisable to protect the Authority and each of the parties hereto and to charge the costs thereof to the operating costs of the Authority.

(i) To issue revenue bonds in accordance with the following laws:

(i) Article 2, Chapter 5, Title 1, Division 7 of the California Government Code, commencing with Section 6540

(ii) Chapter 6, Title 5, Division 2 of the California Government Code, commencing with Section 54300.

(j) To use other financing acts, including but not limited to, the Mello-Roos Community Facilities District Act of 1982, the Municipal Improvement Act of 1913 and the Improvement Bond Act of 1915.

(k) To exercise any of the powers set forth in Section 6588 of Article 4 (Marks-Roos Local Bond Pooling Act of 1985).

Notwithstanding the foregoing, the Authority shall have any additional powers conferred under the Act, insofar as such additional powers may be necessary or desirable to accomplish the fulfillment of the purposes and objectives of the CABY IRWMP.

Section 5.2 Unanimity Requirements

(a) The unanimous affirmative vote of the Board of Directors shall be required to exercise the following enumerated powers:

(i) To acquire, hold, lease, or dispose of property having a fair market value of greater than \$100,000 pursuant to Subsection 5.1 (d) above; or

(ii) To issue revenue bonds pursuant to Subsections 5.1 (h), (i), and (j) above.

(iii) To approve the annual budget of the Authority.

ARTICLE 6

FINANCES

Section 6.1 Accounts and Reports.

(a) There shall be a strict accountability of all Authority funds and report of all receipts and disbursements in compliance with the Act. The Authority shall establish and maintain such funds and accounts as may be required in good accounting practice. The books and records of the Authority shall be open to inspection at all reasonable times by the Member Entities and their representatives. The Authority shall give an unaudited written report of all financial activities for each fiscal year to each Member Entity within 150 days after the close of each fiscal year.

(b) So long as required by Section 6505 of the Act, the Controller of the Authority shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code and shall conform to the generally accepted auditing standards. When such an audit of an account and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each of the Member Entities, and, if required by Section 6505 of the Act, with the County Auditor/ Controller of the County of [COUNTY IN WHICH TREASURER IS LOCATED]. Each report shall be filed within 12 months of the end of the fiscal year or fiscal years under examination.

Section 6.2 Fiscal year. Unless and until changed by resolution of the Board, the fiscal year of the Authority shall be the period from July 1 of each year through the following June 30.

Section 6.3 Budgets and Payments.

(a) Budgets. At least thirty (30) days prior to the commencement of each fiscal year, Treasurer shall prepare, with Board input and for consideration by the Board for the ensuing fiscal year, a general budget for Authority operations and administration, including capital expenditures, if any. The budget shall be approved by the unanimous affirmative vote of the Board.

(b) Expenditures for the Approved Budget. No expenditures in excess of the total budgeted in any such budget shall be made without the approval of the Board.

(c) Voluntary Contributions; Payments and Advances, Use of Personnel; Equipment or Property; Exchange of Services. It is hereby agreed that, subject to approval of the Board:

(i) Member Entities may make voluntary contributions to the Authority, meaning donations made with no expectation of repayment, from a Member Entity's treasury for the purposes set forth in this Agreement; provided however, that no Member Entity shall be required by the Authority to contribute funds or to undertake liability on behalf of the Authority without the consent of the Member Entity;

(ii) Member Entities may make Advances to the Authority, meaning payments to or on behalf of the Authority made with the expectation of repayment, from a Member Entity's treasury for the purposes of this Agreement; provided however, that no Member Entity shall be required by the Authority to advance funds or to undertake liability on behalf of the Authority without consent of the Member Entity;

(iii) Member Entities may either contribute or advance personnel, equipment, or property to the Authority in addition to, or in lieu of, contributions or advances of public funds. However, in the event of an advance of personnel, equipment or other services, made by a Member Entity with the expectation of payment, the value assigned to such advance must be agreed upon by the Board of Directors prior to the advance; and

(iv) The Member Entities may exchange services with the Authority without payment of any consideration other than such services.

ARTICLE 7

BREACH AND DEFAULT

Section 7.1 Breach. If a Member Entity fails to fulfill any covenant or obligation contained in this Agreement, that Member Entity shall be considered in breach of this Agreement. Such breach shall not excuse any Member Entity from fulfilling its obligations under this Agreement and all remaining Member Entities shall continue to be bound by the terms and conditions of this Agreement. Non – breaching Member Entities shall notify the breaching Member Entity of such breach by means of a written notice. The breaching party shall have a reasonable time to cure the breach, or alternatively to dispute the alleged breach. Uncured breaches and disputes regarding the existence of breach shall be resolved pursuant to the provisions related to Resolution of Disputes below.

Section 7.2 Resolution of Disputes. Except as provided in the next sentence, the sole procedure to resolve any claim arising out of or relating to this Agreement or the termination thereof, including the scope or applicability of this Section 7.2 is the dispute resolution procedure set forth herein. Any member entity or group thereof may seek a preliminary injunction or other provisional judicial remedy if such action is necessary to prevent irreparable harm or preserve the status quo, in which case the Member Entities shall nonetheless continue to pursue resolution of the dispute by means of this Section 7.2.

(a) **Negotiation Between Executives.** Member Entities shall attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement by negotiations between a majority of non – breaching member entities on the one hand, and the Member Entity claimed to be in breach on the other hand. This process shall commence by giving written notice of any dispute not resolved in the normal course of business. Any Member Entity may initiate this process. The written notice required herein shall reference this paragraph and clearly state that it constitutes the initiation of Alternative Dispute Resolution. The date such notice is served shall be the "Referral Date." Within fifteen (15) calendar days following the Referral Date, the receiving entity shall submit to the other a written

response. The notice and response shall include with reasonable particularity (i) a statement of each position and a summary of arguments supporting that position, and (ii) the name and title of the Executive who will represent the Member Entity(ies) in the negotiations and of any other person who will accompany the Executive. No representative of a Member Entity claimed to be in breach shall be permitted to participate in the dispute resolution activities of the non-breaching Member Entities. Within thirty (30) calendar days following the Referral Date, the Executive(s) of the entity claimed to be in breach, and the Executives of the non-breaching entities shall meet at a mutually acceptable time and place and shall attempt in good faith to resolve their disputes.

(i) Unless otherwise agreed in writing by the entity claimed to be in breach and the non-breaching entities, the negotiation between Executives shall end at the close of the first meeting of the Executives. Such closure shall not preclude continuing or later negotiations, if all parties agree.

(ii) All communications and writings exchanged between the entities claimed to be in breach and the non-breaching entities in connection with the Executive negotiations shall be confidential and shall not be used or referred to in any subsequent binding adjudicatory process.

(B) Arbitration. If the dispute cannot be resolved by negotiation as set forth above, the dispute shall be finally resolved by binding arbitration as set forth below.

(i) Any Member Entity may initiate arbitration by filing with JAMS a notice of intent to arbitrate as provided in this Section.

(ii) The arbitration shall be conducted by a retired judge or justice from JAMS in Sacramento, California, administered by and in accordance with the applicable JAMS arbitration rules ("Arbitration"). The arbitrator shall have no affiliation with, financial or other interest in, or prior employment with, any Member Entity and shall be knowledgeable in the field of the dispute ("Arbitrator").

(iii) The Arbitrator shall adopt a schedule for discovery, briefing, hearing, and all other Arbitration procedures to facilitate issuance of an Arbitration award in accordance with a one hundred twenty (120) calendar day deadline.

(iv) The Arbitrator shall issue his or her award no later than one hundred twenty (120) calendar days from the date of the filing of the notice of intent to arbitrate.

(v) California law shall be applied, provided that the Arbitrator may consider witness affidavits or other recorded testimony if the opposing Party is given a reasonable opportunity to cross-examine the witness.

(vi) The powers of the Arbitrator are limited to those of a judge of the Superior Court of California enforcing California law.

(vii) Except as provided in Rule 29 pertaining to sanctions, each Party shall pay one-half of the Arbitration fees and Arbitrator's compensation and expenses.

(viii) Except as provided in Rule 29 pertaining to sanctions, each Party shall pay its own attorney fees and expenses.

(ix) Proceedings to enforce, confirm, modify or vacate an award shall be controlled by and conducted in conformity with California law.

(x) The Member Entities shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the Arbitration hearing on the merits, and except as may be necessary in connection with any court application for a provisional remedy, a judicial challenge to an Arbitration award or its enforcement, or unless otherwise required by law.

Section 7.3 Default. If, upon completion of the Dispute Resolution provisions adopted pursuant to this Article, a member continues to be in material breach of the terms and conditions of this Agreement, such member shall be determined to be in default under this Agreement. Any defaulting Member Entity shall be required to resign its membership in the JPA, and shall be bound by the provisions set forth in Article 8.7 below regarding property, rights, interests, and contractual obligations associated with the JPA when it ceases to be a member.

ARTICLE 8

RELATIONSHIP BETWEEN AND AMONG AUTHORITY AND ITS MEMBER ENTITIES

Section 8.1 Separate Entity. The Authority shall be a public entity separate from the individual Member Entities. To the greatest extent permitted by law, the debts, liabilities and obligations of the Authority shall not be debts, liabilities or obligations of the Member Entities, unless assumed in a particular case by resolution or other documented affirmative action of the governing body of the Member Entity to be charged.

Section 8.2 Member Entities' Responsibility for Budget Funding and other costs and expenses incurred by Authority. Unless otherwise agreed by the Board of Directors, the obligation to fund the Authority's budget, together with the obligation to pay all other approved fees, costs, and expenditures incurred by the Authority in the performance of its purposes, shall be borne equally by each of the Member Entities. By way of example, in its initial configuration, the Authority has four (4) Member Entities, each of which shall bear twenty-five percent (25%) of the responsibility to fund the Authority's budget, and to pay the approved costs and expenses incurred by the Authority. Upon the admission of an additional Member Entity, the future percentages of each Member Entity's cost responsibility would be reduced to twenty percent (20%) for costs, expenses and budget funding which accrue after the new Member Entity's admission.

Section 8.3 Authority's Indemnification of Member Entities. The Authority shall, at Authority's sole cost and expense, indemnify, defend and save harmless the Directors, Officers, Employees, and Agents of the Authority, as well as the Member Entities, their governing board members, officers, employees and agents, from all costs, expenses (including without limitation, attorney's fees and costs of suit),

claims, actions, proceedings, obligations, liabilities, or damages in excess of applicable insurance to persons or property or otherwise arising out of or in any way connected with the intentional or negligent act or omission or breach of duty or obligation of the Authority, its officers, employees, agents, Directors, contractors, subcontractors, or any officer, agent or employee thereof.

Section 8.4 Member Entities' Responsibility for Liability Arising out of this Agreement. Pursuant to the provisions of California Government Code Section 895.4, each of the Member Entities bear responsibility, in equal proportions, for all amounts in excess of applicable insurance for claims, expenses, liability or damage arising out of injury to persons, loss of life, damage to property, or environmental loss or injury caused by the intentional or negligent act or omission or breach of duty or obligation of the Authority, its officers, employees, agents, Directors, contractors, subcontractors, or any officer, agent or employee thereof arising out of or under this Agreement.

Section 8.5 Principal Office. The principal office of the Authority shall be at the location designated by the Board.

Section 8.6 Additional Parties. Additional qualified public entities who have adopted the CABY IRWMP may join in this Agreement and become Member Entities upon the unanimous consent of the existing Member Entities. The terms and conditions allowing such joining shall be set forth in an amendment to this Agreement signed by all of the then - existing Member Entities.

Section 8.7 Withdrawal of Member Entity's Participation in the Authority. Any Member Entity may withdraw from this Agreement by giving written notice of its election to do so, which notice shall be given to the Board and to each of the other Member Entities; provided however, that any Member Entity so withdrawing shall waive and relinquish any claim or right to any funds or other non-fixed assets, including property, rights, or interests of the Authority; and provided, further, that withdrawal by a Member Entity shall not terminate, or relieve the withdrawing Member Entity from, any express contractual duty to the Authority. Upon withdrawal, the withdrawing member entity's financial stake in any fixed assets titled in the name of the JPA shall be recovered by the withdrawing member in a manner approved by a majority of the non- withdrawing members which shall not undermine the financial stability of the Authority.

Section 8.8 Survival of Authority. If at any time, and for any reason, there exists less than three Member Entities party to this Agreement, the Authority shall terminate, and its assets and liabilities shall be disposed of pursuant to this Agreement.

Section 8.9 Disposition of Assets. The Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the Authority. Upon termination of this Agreement, all property of the Authority, both real and personal, including any surplus funds of the Authority, shall be divided equally among the then – current Member Entities.

ARTICLE 9

INSURANCE

Section 9.1 Insurance Coverage. The Authority shall obtain or cause to be obtained such insurance as the Authority's Governing Board deems necessary or prudent to protect the authority and as may be required by this Agreement. Each member entity shall be named as additional insured parties on all insurance carried by the Authority.

ARTICLE 10

AMENDMENT

Section 10.1. This Agreement may be amended by a supplemental agreement unanimously approved and executed by all then-existing Member Entities at any time.

ARTICLE 11

MISCELLANEOUS

Section 11.1 Conflict of Interest Code. The Authority shall, unless otherwise exempt, adopt a conflict of interest code.

Section 11.2 Severability. Should any part, term, or provision of this Agreement be decided by the courts (or decision issued in a dispute resolution proceeding, if any) to be illegal or in conflict with any law of the State or otherwise rendered to be unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

Section 11.3 Successors; Assignment; No Third Party Beneficiaries. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Member Entities. No Member Entity may assign any right or obligation hereunder without the unanimous consent of the other Member Entities. This Agreement is not intended to create rights or obligations for any third parties.

Section 11.4 Form of Approvals. Whenever an approval is required in this Agreement, unless the context specifies otherwise, it shall be given, in the case of a Member Entity, by resolution duly adopted by the legislative body of the Member Entity, and, in the case of the Authority, by resolution duly adopted by the Board of Directors.

Section 11.5 Notices. Any notice authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given: (i) if sent by mail, postage prepaid, on the date that such mail is received. (ii) if delivered in person or by courier, on the date it is delivered, or (iii) if sent by electronic mail or facsimile, on the date the transmission is received by the recipient. Notices shall be sent to the following addresses.

EL DORADO IRRIGATION DISTRICT
2890 Mosquito Road,
Placerville, California, 95667
Attn: General Manager

EL DORADO COUNTY WATER AGENCY
4110 Business Drive, Suite B
Shingle Springs, CA 95682
Attn: General Manager

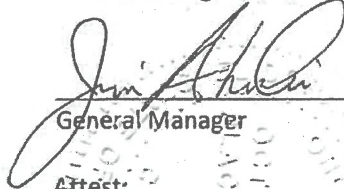

PLACER COUNTY WATER AGENCY
144 Ferguson Road
Auburn, CA 95603
Attn: General Manager

NEVADA IRRIGATION DISTRICT
1036 West Main Street
Grass Valley, CA 95945
Attn: General Manager

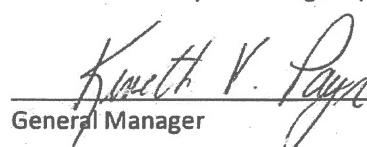
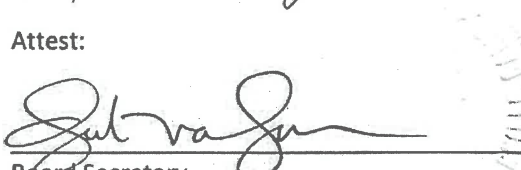
Section 11.6 Counterpart or Duplicate Copies. This Agreement may be executed in one or more counterpart or duplicate copies, each of which shall be deemed an original and all of which, when taken together constitute one and the same document.

NOW THEREFORE, the parties hereto have caused this Agreement to be executed and attested by their duly authorized representatives as of the day and year written above.


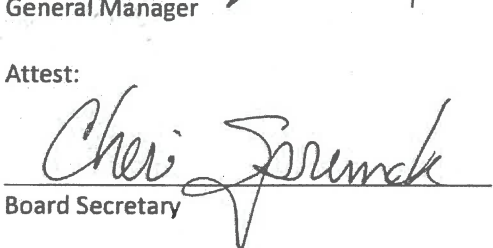
El Dorado Irrigation District:


General Manager
Attest:

Board Secretary

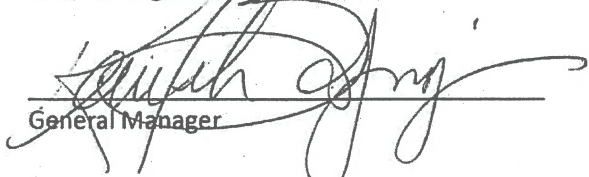
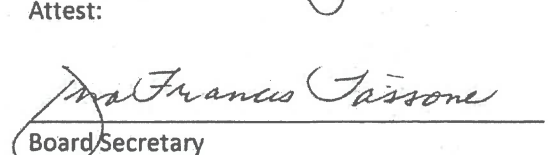
El Dorado County Water Agency:


General Manager
Attest:

Board Secretary

Placer County Water Agency:


General Manager
Attest:

Board Secretary

Nevada Irrigation Water District:


General Manager
Attest:

Board Secretary