

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Engineering Workshop
Agenda
September 12, 2016 at 4:00 p.m.

1. **Call to Order, Flag Salute and Roll Call**
2. **Public Comment:**
Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on specific agenda items, please complete a speaker's request form and hand it to the board secretary.
3. **Discussion of Revised Municipal Water Quality Investigations (MWQI) Specific Project Agreement* (Page 2)**
4. **Discussion of Updated MWQI Agreement with Department of Water Resources* (Page 7)**
5. **Announcements**
 - A. Regular Board Meeting, September 19, 2016 at 7:00 p.m.
 - B. Finance and Budget Workshop, September 26, 2016 at 4:00 p.m.
 - C. San Gorgonio Pass Regional Water Alliance, September 28, 2016
 1. Regular Meeting at 5:30 p.m. – Banning City Hall Conference Room
6. **Adjournment**

***Information included in Agenda Packet**

(1) Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for Public inspection in the Agency's office at 1210 Beaumont Avenue, Beaumont during normal business hours. (2) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, located at 1210 Beaumont Avenue, Beaumont, California 92223, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Web site, accessible at <http://www.sgpwa.com>. (3) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951 845-2577) at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

STATE WATER PROJECT CONTRACTORS AUTHORITY

MWQI PROGRAM

SPECIFIC PROJECT AGREEMENT

Recitals

WHEREAS, the parties to this Specific Project Agreement (“Specific Project Agreement”) are among the members of the State Water Project Contractors Authority (“Authority”) by virtue of their individual executions of the Joint Powers Agreement (“JPA Agreement”) for the State Water Project Contractors Authority;

WHEREAS, State Water Project water quality issues are of considerable importance to the parties;

WHEREAS, Section 4.3 (“Specific Projects”) of the JPA Agreement provides that specific project agreements may be entered into pursuant to which the Authority may undertake tasks as described in such specific project agreements;

WHEREAS, the parties to this Specific Project Agreement (“Specific Project Members”) will execute an agreement (“MWQI Agreement”) with the Department of Water Resources (DWR) providing for the parties’ participation in the Municipal Water Quality Investigations (MWQI) Program for the period January 1, ~~2014-2017~~ through December 31, ~~2016~~2019;

WHEREAS, the MWQI Agreement established an MWQI SPC Account, not to exceed \$~~400~~700,000 annually whereby the MWQI Specific Project Committee can use these funds to perform supplemental water quality related services for the MWQI Program to ensure that work is completed in a timely and cost-effective manner and to provide additional value to the MWQI Program.

NOW, THEREFORE, it is agreed by and between the Parties as follows:

1. This Specific Project Agreement, upon execution, hereby supersedes and replaces in total all previous MWQI Program Specific Project Agreements.
2. This Agreement shall become effective upon receipt of signatures of those Specific Project Members whose combined Maximum M&I Table A amounts, as identified in Table 1, total 2.3 million acre-feet. This Specific Project Agreement shall terminate on December 31, ~~2016~~2019, except for payments or credits found through re-determination pursuant to Paragraph 16 of the MWQI Agreement entered into between the Department of Water Resources, the State Water Project

Contractors Authority, and the Specific Project Members for the period January 1, ~~2014-2017~~ through December 31, ~~2016~~2019.

3. The Specific Project Members hereby form the MWQI Specific Project Committee (“Committee”). Each Specific Project Member shall appoint a representative to the Committee to exercise the Member’s voting rights, and may appoint an alternate, to the Committee. In the representative’s absence, the alternate shall function as the representative.
4. The Committee anticipates that DWR will request the Authority General Manager to perform certain water quality related services through the MWQI SPC Account.
5. On behalf of the Authority, the Committee shall each year review and approve the MWQI Work Plan Appendix 1 items and budget and authorize the Authority General Manager to perform supplemental water quality related services as specified in the MWQI Agreement.
6. In accordance with the JPA Agreement and on behalf of the Authority, the Committee shall (a) select, pursuant to a competitive process, direct and receive work performed by consultants; (b) direct the Authority General Manager’s administration of consultant contracts; and (c) undertake any ancillary work related thereto.
7. Individual Specific Project Member voting rights as a percentage of all voting rights shall be allocated in the same percentages as costs are allocated in Table 1 – MWQI SPA. Committee actions shall only be effective if approved by a majority of the Specific Project Members and by a majority of the Members’ voting rights.
8. If the Committee seeks approval of a special project outside of the annual MWQI SPC ~~\$400~~700,000 limit allowed under the MWQI Agreement, the Committee shall direct the Authority General Manager to carry out such work only after it establishes a scope of work, schedule, and budget and notifies each agency in writing of its cost sharing proportion of the proposed Special Project. Any agency may choose to “opt in” participation for this Special Project by providing written notice within ten working days of notification. Each participating agency’s cost share of the proposed Special Project shall be allocated based upon its Table 1 value in proportion to all agencies’ Table 1 values that “opt-in” to the proposed Special Project or as otherwise agreed to amongst the participating agencies. The General Manager shall, as soon as practicable, invoice only the participating Specific Project Members for the resulting costs incurred by the Authority.
9. The Committee recognizes that the Committee shall incur administrative costs resulting from, but not limited to, participation in meetings, negotiations, analysis and general operational overhead administrative costs not to exceed \$50,000 per

year. Administrative charges shall be billed to the MWQI Work Plan Appendix 1 or assessed to the Specific Project Members as appropriate if work is done on Special Projects under Paragraph 8, depending upon the direct or indirect nature of the charges.

10. Specific Project Members may from time to time provide direct services to the Committee through use of their facilities and staff. Prior to carrying out such work, the Specific Project Member shall provide an estimate to the Committee for their review and approval. Such services shall be administered by the Authority in the same manner as other consultant services, following the same procedures and limitations. The Authority shall compensate Specific Project Members for such services and recover the costs in accordance with Paragraphs 4 or 8 of this Specific Project Agreement as appropriate.
11. The Committee shall elect a Chairperson, and Vice Chairperson, and such other officers, with titles and duties as determined by the Committee.
12. A Specific Project Member may terminate its participation in this Specific Project Agreement upon 30 days notice to the Authority General Manager. Any terminating Member shall only be responsible for its share of any and all costs incurred or committed by the Authority prior to the notice.
13. This Specific Project Agreement shall not be considered to be a precedent.
14. Notwithstanding the provisions of Section 15.8 (Limitations on Liability) of the Joint Powers Agreement, as between themselves, the Specific Project Members agree to severally assume any liability of the Authority resulting from this Specific Project Agreement in proportion to their respective shares of costs. Each Specific Project Member agrees that all members of the Authority that are not participating in this Specific Project Agreement shall incur no liability as a result of the Authority undertaking the work provided for by this Specific Project Agreement.
15. All provisions of the JPA Agreement are incorporated by reference and remain in full force and effect.
16. This Specific Project Agreement may be executed in counterparts.
17. The terms and conditions of the MWQI Agreement are incorporated by reference in this Specific Project Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Specific Project Agreement by authorized officials thereof on the dates indicated below.

DATE: _____

By: _____
Member and Authorized Representative

Table 1 - MQWI SPA

Participating SWP Contractor	Maximum Table A (acre-feet)*	Cost Allocation*
Alameda County Flood Control and Water Conservation District, Zone 7	80,619	0.02866729
Alameda County Water District	42,000	0.01493477
Antelope Valley-East Kern Water Agency	144,844	0.05150503
Castaic Lake Water Agency	95,200	0.03385214
Central Coast Water Authority	45,486	0.01617435
Crestline-Lake Arrowhead Water Agency	5,800	0.00206242
Kern County Water Agency	79,000	0.02809159
Metropolitan Water District of Southern California	1,911,500	0.67970970
Mojave Water Agency	89,800	0.03193195
Napa County Flood Control and Water Conservation District	29,025	0.01032099
Palmdale Water District	21,300	0.00757406
San Bernardino Valley Municipal Water District	102,600	0.03648350
San Geronio Pass Water Agency	17,300	0.00615170
Santa Clara Valley Water District	100,000	0.03555897
Solano County Water Agency	47,756	0.01698154
Total:	2,812,230	1.00000000

* Cost allocation is based on SWP contract Maximum Table A amounts (KCWA amount is based on Municipal and Industrial use for two member units).

**STATE OF CALIFORNIA
NATURAL RESOURCES AGENCY
DEPARTMENT OF WATER RESOURCES
MUNICIPAL WATER QUALITY INVESTIGATIONS
AGREEMENT**

**BETWEEN THE STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES,
STATE WATER PROJECT CONTRACTORS AUTHORITY AND
PARTICIPATING STATE WATER PROJECT CONTRACTORS
SWPAO NO. XXXXX**

THIS AGREEMENT is made this ___ day of _____, 2016, pursuant to the provisions of the California Water Resources Development Bond Act, the State Central Valley Project Act, and other applicable laws of the State of California, between the State of California, acting by and through the Department of Water Resources (DWR), the State Water Project Contractors Authority (Authority) and participating urban State Water Project (SWP) contractors located in the State of California (Urban SWP Contractors).

RECITALS

WHEREAS, DWR and the Urban SWP Contractors have entered into and subsequently amended long-term water supply contracts, herein referred to as the Water Supply Contracts, providing that DWR will supply certain quantities of water to the Urban SWP Contractors and providing that the Urban SWP Contractors shall make certain payments to DWR, and setting forth the terms and conditions of such supply and such payment;

WHEREAS, DWR conducts various studies and activities to protect and improve the quality of SWP drinking water supplies

WHEREAS, DWR's Municipal Water Quality Investigations (MWQI) Program endeavors to monitor, evaluate, report-on, and forecast water quality conditions, and identify and evaluate the sources of contaminants that affect the municipal drinking water supplies of the Urban SWP Contractors;

WHEREAS, DWR must have a source of funding to repay the costs of the MWQI Program;

WHEREAS, the Urban SWP Contractors believe the MWQI Program is necessary to provide this important water quality information in a timely way to insure the best available source water is conveyed by the SWP, to efficiently operate their drinking water treatment facilities and to plan for and design cost effective drinking water treatment facilities to meet future drinking water quality standards;

WHEREAS, DWR and the Urban SWP Contractors are endeavoring to increase the value that DWR provides to the contractors;

WHEREAS, the Authority, a public entity, is a Joint Powers Authority created in 2003 to assist DWR with improving SWP efficiency and reliability and is a signatory to this Agreement;

WHEREAS, this Agreement will allow the Authority to provide supplemental water-quality related services to the MWQI Program;

WHEREAS, the Authority has formed an MWQI Specific Project Committee (SPC) made up of many Authority members that are Urban SWP Contractors and are participants in the MWQI Program;

WHEREAS, the MWQI SPC will perform supplemental water quality-related services to the MWQI Program with the intent to offer sufficient flexibility to complete required activities;

WHEREAS, Urban SWP Contractors are willing to enter into this Agreement to pay their share of the MWQI Program costs and accordingly the Urban SWP Contractors will be included in decisions related to the budget, scope, schedule, and activities of the MWQI Program;

AGREEMENT

NOW THEREFORE, it is mutually agreed that the following terms, conditions, and procedures hereby apply to the implementation and funding of the MWQI Program:

1. **Definitions.** When used in this Agreement, the following definitions shall apply:
 - (a) **“Bond Act”** means the California Water Resources Development Bond Act, comprising Chapter 8, commencing at Section 12930, of Part 6 of Division 6 of the Water Code, as enacted in Chapter 1762 of the Statutes of 1959.
 - (b) **“Calendar Year”** means the calendar year beginning January 1 through December 31.
 - (c) **“Field Support Section” or “FSS”** means a Section of staff within the MWQI Program which routinely conducts water quality monitoring (both real-time and discrete) at sites in the Delta for municipal and industrial uses, and provides water quality data and knowledge-based data support to the Real-Time Data and Forecasting Comprehensive Program (RTDF-CP), and other programs within DWR.
 - (d) **“Municipal Water Quality Investigations Program” or “MWQI Program”** means a program to determine and evaluate the sources of contaminants in the SWP system and evaluate their impacts on municipal drinking water supplies to Urban SWP Contractors. This includes work conducted by the RTDF-CP, FSS, and the program partners in the Division of Operations & Maintenance (O&M) Regulatory Compliance & Reporting Branch and the Environmental Assessment Branch, and the Bay Delta Office (BDO) Delta Modeling Section. The MWQI Program includes work done under the direction of DWR management with guidance and support from the Authority and SWP Contractors.
 - (e) **“Municipal Water Quality Program (MWQP)”** means a branch within the DWR Division of Environmental Services that manages the MWQI Program with oversight on administrative functions and work conducted by the MWQI Program.
 - (f) **“MWQI Modeling and Forecasting Program Partners”** means staff in the O&M Environmental Assessment Branch which routinely conducts water quality monitoring (both real time and discrete) at SWP facilities in the San Luis Field Division including the Gianelli Monitoring Station and staff in the

O&M Operations Control Office Regulatory Compliance & Reporting Branch and the BDO Delta Modeling Section who provide modeling and forecasting support through MWQI resource agreements.

- (g) **“MWQI SPC Charge”** means the charge to be collected by the Authority each fiscal year through invoices from the Authority to those Participating Contractors that have agreed in their MWQI Specific Project Agreement to pay a portion of the total MWQI Program costs into the MWQI Account for MWQI Program work that is performed by the MWQI SPC during the Fiscal Year.
- (h) **“MWQI Specific Project Agreement”** An agreement entered into by Urban SWP Contractors to permit the MWQI SPC to perform supplemental water quality related services as identified in Appendix 1 of the MWQI Work Plan in addition to the work performed by DWR.
- (i) **“MWQI Specific Project Committee (SPC)”** consists of members of the Authority that have signed the MWQI Specific Project Agreement.
- (j) **“MWQI Statements of Charges (SOC) Charge”** means the charge, based on projected costs, to be collected each calendar year by DWR through the SOC for MWQI Program work that is performed by DWR during the Calendar Year.
- (k) **“MWQI Work Plan”** means a plan for work to be performed by DWR and the MWQI SPC during a given Calendar Year.
- (l) **“Participating Contractor”** means an Urban SWP Contractor that has executed this Agreement.
- (m) **“Project Management Plans”** means using the DWR accepted Project Management Body of Knowledge (PMBOK) standard for managing individual projects. This standard offers a general guide of using the basic processes of initiating, planning, executing, monitoring and controlling, and closing a project to better manage projects most of the time.
- (n) **“Real-Time Data and Forecasting Comprehensive Program (RTDF-CP)”** is a program within the MWQI Program that conducts modeling studies; produces water quality forecasts; and incorporates the FSS’s and O&M’s SWP drinking water quality monitoring data to create and disseminate daily, weekly, and web based reports on the sources and concentrations of contaminants in the Delta and SWP system. The RTDF-CP also provides historical and seasonal trends, MWQI web site updates, and conducts data management activities pertaining to database infrastructure enhancement and development to improve long-term storage and retrieval of RTDF-CP data.

- (o) **"Real-Time Data and Forecasting Steering Committee (RTDF Steering Committee)"** consists of representatives from the MWQP branch, the DWR program partners, the Authority, and Urban SWP Contractors.
- (p) **"Real-Time Data and Forecasting (RTDF) Section"** means a Section of staff within the MWQP branch that routinely supports and sustains the RTDF-CP program.
- (q) **"Resource Agreements"** means a written program-partnering agreement to manage the workloads, staff resources, deliverables, and budgets across DWR Divisions in respective programs. MWQP has individual 3-year resource agreements (RA) with the: O&M Operations Control Office (OCO) Regulatory Compliance & Reporting Branch; BDO Delta Modeling Branch; and O&M Environmental Assessment Branch.
- (r) **"Statements of Charges (SOC)"** means the annual charges distributed to each Water Supply Contractor on July 1 of each year as defined in Article 29 of the Water Supply Contract.
- (s) **"SWP"** means the State Water Project, which includes the Delta for purposes of the MWQI Program work plan projects.
- (t) **"SWP Project Interest Rate"** means the weighted average of the interest rates paid by the State on bonds issued under the Bond Act without regard to any premiums received on the sale thereof. Until bonds are issued and sold under the Bond Act, the project interest rate shall be four percent (4%) per annum, and after said bonds have been issued said rate shall be computed as a decimal fraction to five places.
- (u) **"Water Supply Contract"** means a long-term contract between the State of California and each Urban SWP Contractor for a water supply from the SWP of the type contained in DWR's Bulletin 141 dated November 1965.
- (v) **"Water Supply Contractor"** means a public agency that has a current Water Supply Contract.

2. **MWQI Real-Time Data Forecasting Steering Committee (RTDF Steering Committee).** The MWQI RTDF Steering Committee shall meet as needed to review, refine, and recommend changes to the Work Plan.

3. **Work Plan Development.**

- (a) DWR shall develop a proposed annual MWQI Work Plan, budget, and workload assessment by September 15 for the upcoming Calendar Year for presentation to, and to receive recommendations from, the RTDF Steering Committee and for the concurrence of the MWQI SPC and the Authority for work performed under their Account.

DWR will hold monthly meetings/conference calls with the MWQI RTDF

Steering Committee and provide a report on the status and progress of the Work Plan projects with monthly updates on expenditures. The final Work Plan shall be developed by December 15 of each year for the upcoming Calendar Year.

- (b) In developing the Work Plan each year, all comments and suggestions from the Participating Contractors will be processed through the MWQI SPC. The MWQI SPC will submit a unified set of comments to DWR.
- (c) The MWQI Work Plan shall, at a minimum, include:
 - (1) A description of the water quality assessment work to be accomplished, with monitoring projects broken down into routine or short-term including planned field and laboratory work;
 - (2) A description of the RTDF-CP work including production and dissemination of daily, weekly, and website RTDF-CP reports, information and data management activities, and water quality forecasting;
 - (3) A description of the water quality modeling and forecasting work including production, dissemination, reporting of model improvements, Delta fingerprint modeling, and seasonal forecasts;
 - (4) A description of other MWQI funded program activities;
 - (5) Specifications for deliverables related to individual program components; and
 - (6) Budget for each program component, along with a total budget and workload assessment.

4. MWQI Work Plan Implementation.

- (a) MWQI Program work shall be implemented upon final approval by DWR and the MWQI SPC, and will be conducted in accordance with the Work Plan.
- (b) Adjustments to the MWQI Program may be made as needed by DWR in response to conditions or opportunities that may arise at any time in a Calendar Year. These changes will be submitted to the RTDF Steering Committee for concurrence, and as needed to the MWQI SPC at their next scheduled meeting for their review, input, and approval.

5. Program Deliverables. At a minimum, DWR will provide the RTDF Steering Committee the Program Deliverables listed below, subject to modification by decision of DWR, and with the concurrence of the RTDF Steering Committee and

the MWQI SPC:

- (a) Monthly status reports and an assessment of recent MWQI expenditures in relation to the program budget at the last week of the month or at the next scheduled RTDF Steering Committee meeting.
- (b) All MWQI FSS data collected will be made available through the Water Data Library or the California Data Exchange Center. All MWQI final RTDF-CP reports will be posted on the MWQI website.
- (c) MWQI RTDF-CP monitoring and forecasting reports shall be completed in a timely manner given staffing and financial constraints.

6. MWQI SOC Charge.

- (a) DWR shall recover its costs for the MWQI Program through the MWQI SOC Charge. The MWQI SOC Charge shall recover costs incurred by DWR for the MWQI Program consistent with the annual MWQI Work Plan during the term of this Agreement. Each Participating Contractor's share of the annual MWQI SOC Charge for the term of the Agreement will be calculated each year based upon the annual MWQI SOC Charge multiplied by their proportionate share of the M&I Table A amount, except that of Kern County Water Agency. Kern County Water Agency shall be limited to 79,000 acre-feet and the remainder of the Participating Contractors' share shall increase proportionately, as shown in Table 1 and Table 2.
- (b) To facilitate billing on a calendar year basis, each Participating Contractor's share of the MWQI SOC Charge will be computed and included in the Participating Contractor's annual SOC under the Transportation Minimum OMP&R component, and, except as otherwise expressly provided in this Agreement, shall be collected under the same terms and conditions as charges are collected under that Water Supply Contract. The MWQI SOC Charge shall initially be based on projections of costs determined pursuant to development of the annual MWQI Work Plan. The MWQI SOC Charge shall then be subject to re-determination each year by DWR so that the charges may accurately reflect the increases or decreases in costs as compared to the projections of costs and all other factors that are determinative of such charges. Adjustments to the annual charges resulting from a re-determination shall be reflected in each Participating Contractor's share of the MWQI SOC Charge in the following calendar year with interest at the current SWP Project Interest Rate.
- (c) The MWQI SOC Charge plus the MWQI SPC Charge will not exceed \$3,100,000 for any Calendar Year.

7. **Performance.** Implementation of the MWQI Program will require staff involvement of various organizational units within DWR. DWR will take steps to ensure sufficient staffing and coordination occurs consistent with the adopted MWQI Work Plan. From time to time due to other assigned duties, individual staff assigned to the MWQI Program may devote less than 100 percent of their effort to identified tasks in the MWQI Work Plan. DWR will not bill Participating Contractors for staff efforts not included in the MWQI Work Plan.
8. **MWQI SPC Account.** Work to be completed by the MWQI SPC is identified in Appendix 1 of the MWQI Work Plan. Appendix 1 is developed by DWR and the MWQI RTDF Steering Committee and submitted to the MWQI SPC for approval prior to any work being performed. Appendix 1 shall, at a minimum, include: a description of all professional services to be rendered; all equipment, supplies or services to be purchased; a description of the work to be accomplished, broken down into individual Work Plan components; descriptions of planned field and laboratory work; specifications for deliverables related to individual work elements; and, budgets for each work element, along with a total budget. The MWQI SPC Account costs for supplemental water quality related services will be collected through the MWQI SPC Charge. Payments from Contra Costa Water District (CCWD) for its participation in the MWQI Program activities may be used to offset the MWQI SPC Charge as necessary. The MWQI SPC Charge shall not exceed \$700,000 annually. The MWQI SPC will obtain the necessary goods and services using funds from the MWQI SPC Account to accomplish its share of the MWQI Work Plan.
9. **MWQI SPC Charge.** Each year as necessary, the Authority shall invoice Participating Contractors to collect funds for the MWQI Account. Each Participating Contractor's share of the annual MWQI SPC Charge for the term of the Agreement will be calculated each year based on the annual MWQI SPC Charge multiplied by their proportionate share of the M&I Table A amount except that The MWQI Account shall be used to implement the MWQI SPC activities identified in the annual MWQI Work Plan. The MWQI SPC Charge shall initially be based on projections of costs determined pursuant to development of the MWQI Work Plan. The MWQI SPC Charge shall then be subject to re-determination each year by the MWQI SPC so that the charges may accurately reflect the increases or decreases in costs as compared to the projections of costs and all other factors that are determinative of such charges. Adjustments to the annual charges resulting from a re-determination shall be reflected in each Participating Contractor's share of the MWQI SPC Charge in the following calendar year with interest at the current SWP Project Interest Rate.
10. **Disposition of Property and Equipment.** Any property or equipment obtained by the Authority through the MWQI Account may, at the discretion of the MWQI SPC, be given to DWR "as is." DWR, at its sole discretion, may choose to accept such property or equipment. Upon acceptance, such property or equipment shall become the property of the State of California, and neither the Authority nor any Water Supply Contractor shall have any further responsibility or liability for such

property or equipment. The Authority does not and shall not provide any express or implied warranties for any property or equipment given to and accepted by DWR. However, to the extent permitted, the Authority will transfer to DWR any warranties provided by the manufacturer or other third parties for such property or equipment.

11. **Services Provided by the MWQI SPC on State Property.** With the approval of DWR for specific activities, the Authority on the recommendation or approval of the MWQI SPC may provide for services to be completed on State property as part of the Work Plan in Appendix 1. The Authority shall hold the State harmless for any litigation resulting from any claims that may arise from the participating vendor, contracted by the Authority, providing the services.
12. **Water Supply Contract.** Except as specified in this Agreement, the provisions of the Participating Contractor's Water Supply Contract shall be applicable to this Agreement.
13. **State Law.** This Agreement is made under and shall be construed in accordance with the laws of the State of California.
14. **MWQI Staff Out-of-State Travel.** If requested by the MWQI SPC, MWQI staff may be required to attend out of state scientific conferences to ensure that the MWQI Program provides the best available water quality information to the MWQI SPC and ensures that scientific studies are designed in the most innovative, cost-effective manner possible to meet future drinking water quality standards. Travel expenses will come out of DWR's MWQI Program Budget.
15. **Adjustment of Table 2 Proportionate Factors.** Table 2 Proportionate Use Factors are based upon the best information available of Participating Contractors that will be paying into the MWQI SPC Charge at the time this Agreement is executed. These Proportionate Use Factors may be adjusted if a Participating Contractor requests not to pay into the MWQI Account and the request is approved by the MWQI SPC. The total of the Participating Contractors Table A Amount in Table 2 shall not be less than 2,500,000 acre-feet. Any Participating Contractor not paying into the MWQI SPC Account through the MWQI SPC Charge will still be subject to Paragraph 16, the Final Program Accounting.
16. **Final Program Accounting.**
 - (a) At the end of the Agreement, DWR and the Authority will work together to summarize all Participating Contractor's MWQI SOC Charges, MWQI SPC Charges and those MWQI Account costs paid for by the payments from CCWD and all actual MWQI Program costs incurred during the term of this Agreement. This Final Program Accounting will determine if each Participating Contractor has paid its proportionate share of the total actual MWQI Program costs through its payments to both the MWQI SOC

Charge and the MWQI SPC Charge during the term of the Agreement. Each Participating Contractor's proportionate share of the total MWQI Program costs will be in the same proportion as its M&I Table A Amount shown in Table 1 bears to the total of all Participating Contractor's M&I Table A Amounts shown in Table 1.

- (b) If a new MWQI Agreement, similar to this MWQI Agreement, is implemented effective January 1, 2020, DWR will account for each Participating Contractor's Final Program Accounting over and under payment to the MWQI SOC Charge in the 2021 MWQI SOC Charge. If a new MWQI Agreement, similar to this MWQI Agreement is not implemented, DWR will invoice each Participating Contractor for its Final Program Accounting over or under payment in the 2021 SOC.
- (c) If a new MWQI Agreement, similar to this MWQI Agreement is implemented effective January 1, 2020, the Authority will provide for each Participating Contractor's Final Program Accounting over and under payment to the MWQI SPC Charges for the Calendar Year 2020 - 2021 MWQI SPC Charge. If a new MWQI Agreement, similar to this MWQI Agreement is not implemented, the Authority will issue either a check or invoice to each Participating Contractor for its Final Program Accounting over or under payment by July 1, 2020.
- (d) The MWQI SPC may vote to not conduct the Final Program Accounting at the end of the 2017-2019 MWQI Agreement if the M&I Table A amounts of the Contractors participating in both the SOC and SPC charges exceed 2,300,000 acre-feet.

17. Term of Agreement. This Agreement shall take effect on January 1, 2017, only if this MWQI Agreement is executed by the Participating Contractors that together have M&I Table A Amounts totaling at least 2,300,000 acre-feet. This Agreement shall terminate on December 31, 2019, except for payments or credits found through re-determination pursuant to Paragraph 16 of this Agreement. This Agreement may be terminated by any party with a twelve months written notice. Written notice of termination shall be delivered by certified mail with receipt for delivery returned to the sender. If any party provides notice of termination, the Authority and DWR will renegotiate the budget for the time remaining in the twelve month period. DWR shall perform such work as is necessary for the orderly completion of work scheduled for the twelve month period. The cost of such work shall not exceed the budget for that twelve month period. If the Participating Contractors decide to continue to fund the MWQI Program starting January 1, 2020, the MWQI SPC will provide DWR with a Letter of Intent no later than February 1, 2019, of that intent. This will allow DWR time to prepare the preliminary estimates for the 2020 SOC.

18. Agreement Execution. This Agreement may be executed in counterpart, each will be deemed to be an original and all of which together will be deemed to be

the same document. Each entity certifies that the person signing below on the respective entity's behalf has the authority to bind that entity to the covenants made in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

APPROVED AS TO LEGAL FORM
AND SUFFICIENCY

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Cathy Crothers
Chief Counsel

Date _____

ALAMEDA COUNTY FLOOD CONTROL AND
WATER CONSERVATION DISTRICT, ZONE 7

G.F. Duerig
General Manager

Date _____

ANTELOPE VALLEY-EAST KERN
WATER AGENCY

Dan Flory
General Manager

Date _____

CENTRAL COAST WATER AUTHORITY

Ray Stokes
Executive Director

Date _____

KERN COUNTY WATER AGENCY

James Beck
General Manager

Date _____

Dean F. Messer, Chief
Division of Environmental Services

Date _____

ALAMEDA COUNTY WATER DISTRICT

Robert Schaver
General Manager

Date _____

CASTAIC LAKE WATER AGENCY

Matt Stone
General Manager

Date _____

CRESTLINE-LAKE ARROWHEAD
WATER AGENCY

Roxanne Holmes
General Manager

Date _____

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Devendra Upadhyay, Group Manager
Water Resource Management

Date _____

MOJAVE WATER AGENCY

Kirby Brill
General Manager

Date _____

NAPA COUNTY FLOOD CONTROL AND
WATER CONSERVATION DISTRICT

Phillip Miller
District Engineer

Date _____

PALMDALE WATER DISTRICT

Dennis LaMoreaux
General Manager

Date _____

SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT

Douglas Headrick
General Manager

Date _____

SAN GORGONIO PASS WATER AGENCY

Jeff Davis, P.E.
General Manager and Chief Engineer

Date _____

SAN LUIS OBISPO COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT

Paavo Ogren
Public Works Director

Date _____

SANTA CLARA VALLEY WATER DISTRICT

Norma Camacho
Chief Executive Officer

Date _____

SOLANO COUNTY WATER AGENCY

Roland Sanford
General Manager

Date: _____

STATE WATER PROJECT
CONTRACTORS AUTHORITY

Mary Lou Cotton
General Manager

Date _____

STATEMENT OF CHARGES ALLOCATION FACTORS

TABLE 1

	M&I Table A	Proportionate Share
ALAMEDA CO FC&WCD - ZONE 7	80,619	0.02841469
ALAMEDA COUNTY WD	42,000	0.01480317
ANTELOPE VALLEY-EAST KERN WA	144,844	0.05105120
CASTAIC LAKE WA	95,200	0.03355385
CENTRAL COAST WATER AUTH.	45,486	0.01603183
CRESTLINE-LAKE ARROWHEAD WA	5,800	0.00204425
KERN COUNTY WATER AGENCY	79,000	0.02784406
METROPOLITAN WD OF SC	1,911,500	0.67372050
MOJAVE WATER AGENCY	89,800	0.03165059
NAPA COUNTY FC&WCD	29,025	0.01023005
PALMDALE WD	21,300	0.00750732
SAN BERNARDINO VALLEY MWD	102,600	0.03616203
SAN GORGONIO PASS WA	17,300	0.00609750
SAN LUIS OBISPO CO. FC&WCD	25,000	0.00881141
SANTA CLARA VALLEY WD	100,000	0.03524564
SOLANO COUNTY WA	47,756	0.01683191
TOTAL	2,837,230	1.00000000

MWQI SPECIFIC PROJECT COMMITTEE CHARGE FACTORS

TABLE 2

	M&I Table A	Proportionate Share
ALAMEDA CO FC&WCD - ZONE 7	80,619	0.02866729
ALAMEDA COUNTY WD	42,000	0.01493477
ANTELOPE VALLEY-EAST KERN WA	144,844	0.05150503
CASTAIC LAKE WA	95,200	0.03385214
CENTRAL COAST WATER AUTH.	45,486	0.01617435
CRESTLINE-LAKE ARROWHEAD WA	5,800	0.00206242
KERN COUNTY WATER AGENCY	79,000	0.02809159
METROPOLITAN WD OF SC	1,911,500	0.67970970
MOJAVE WATER AGENCY	89,800	0.03193195
NAPA COUNTY FC&WCD	29,025	0.01032099
PALMDALE WD	21,300	0.00757406
SAN BERNARDINO VALLEY MWD	102,600	0.03648350
SAN GORGONIO PASS WA	17,300	0.00615170
SANTA CLARA VALLEY WD	100,000	0.03555897
SOLANO COUNTY WA	47,756	0.01698154
TOTAL	2,812,230	1.00000000