WHEREAS, the Boards of Directors of the SOQUEL CREEK WATER DISTRICT and CENTRAL WATER DISTRICT, meeting in separate sessions, have considered Second Amendment to Joint Exercise of Powers Agreement (attached hereto as Exhibit A); and

WHEREAS, representatives from each Board discussed and approved said amendment at a meeting of the Basin Implementation Group on November 12, 2013;

NOW, THEREFORE, BE IT RESOLVED by the Boards of Directors of Soquel Creek Water District and Central Water District to adopt the Second Amendment to the Joint Exercise of Powers Agreement executed on March 30, 1995.

PASSED AND ADOPTED on the dates shown, which were regular meetings of the Board of Directors of the SOQUEL CREEK WATER DISTRICT and the CENTRAL WATER DISTRICT, by the following votes:

SOQUEL CREEK WATER DISTRICT

AYES: Directors LaHue, Daniels, Jaffe, Hoernschemeyer, Meyer

NOES: None

ABSENT: None

ABSTAIN: None

APPROVED:

Date: 11/9/13

Thomas R. LaHue, President
Soquel Creek Water District
Board of Directors

ATTEST:

Karen Reese, Board Clerk
of Said Board
CENTRAL WATER DISTRICT

AYES: Directors Marani, Monkerud, Benich, Postle, Messersmith

NOES: None

ABSENT: None

ABSTAIN: None

APPROVED:

Date: 11/19/2013

Christy Leach

Christy Leach, Marani, President
Central Water District
Board of Directors

ATTEST:

Jaquelyn Cornick, Secretary
of Said Board
SECOND AMENDMENT
TO
JOINT EXERCISE OF POWERS AGREEMENT

The parties to this Second Amendment to Joint Exercise of Powers Agreement are CENTRAL WATER DISTRICT, a County Water District organized pursuant to California Water Code Section 30,000 et. seq. (hereinafter CENTRAL) and the SOQUEL CREEK WATER DISTRICT, a County Water District organized pursuant to California Water Code Section 30,000 et. seq. (hereinafter SOQUEL).

RECITALS

A. The parties have heretofore entered into a Joint Exercise of Powers Agreement (hereinafter sometimes referred to as JPA) for the purpose of creating a Groundwater Management Plan (hereinafter sometimes referred to as GMP) concerning the management of the groundwater basins which the respective parties share.

B. Pursuant to that Joint Exercise of Powers Agreement, the parties appointed a committee which drafted a Groundwater Management Plan and subsequently amended that plan in accordance with applicable law all of which action was adopted and ratified by the respective Boards of Directors of each of the parties.

C. With the establishment of the GMP, the parties recognize the need to continue the Joint Exercise of Powers Agreement to provide for governance to oversee the implementation of the GMP, cost sharing provisions with respect to the activities required by the GMP, the identification of mutually beneficial projects, and provisions for the addition or withdrawal of parties from the JPA.

Now Therefore, upon the adoption of resolutions by the Board of Directors of CENTRAL and the Board of Directors of SOQUEL, it is hereby agreed:

1. The Committee. The Ground Water Management Committee, established under the original JPA is hereby made a permanent committee known as the Basin Implementation Group (BIG). The duties of the BIG shall include, but not be limited to:

   a) assuring that the goals and objectives identified in the Groundwater Management Plan are pursued in a reasonable and timely manner;
b) reviewing the annual report on the status of the basin and reviewing progress made to meet the Groundwater Management Plan’s goals and objectives;

c) modifying the Groundwater Management Plan as needed to address any new or escalated issues within the groundwater basin;

d) directing future updates to the Groundwater Management Plan every five years or more frequently if needed to reflect changes in State law or in local conditions/programs;

e) recommending joint projects to the respective governing bodies which are of regional benefit, e.g. general subsidence monitoring, recharge within shared portions of the basin, etc.

Said committee shall continue to be composed of two members from the CENTRAL Board of Directors and two members from the SOQUEL Board of Directors, each of whom shall be appointed by their respective boards and one public member who shall be selected by the boards of both CENTRAL and SOQUEL who shall be a person served by, owning, or managing a private well or a person residing in either the CENTRAL or SOQUEL District who has broad experience in water supply. The 5th committee member shall be appointed to serve a two year term. The Committee shall select a chair from among its elected members with the chair alternating every two years between a director of Central and a director of Soquel. All votes of the committee shall be decided by a majority vote of the committee except for fiscal decisions (those decisions involving the incurring of debt or expenditure of funds) which shall be decided only by the members of the Committee who are elected representatives of Central and Soquel. Those fiscal decisions shall also be decided by a majority vote of those persons eligible to vote on those matters.

2. Staff. The general managers of CENTRAL and SOQUEL shall serve as staff to the committee.

3. Compensation. Each board member attending meetings of the committee shall be compensated by his or her respective board as each board so decides. No compensation shall be paid by the committee. The staff shall be paid by their respective entities as they so agree.

4. Funding. The Committee is authorized to hire consultants to assist in the management and implementation of the GMP. The costs of reports prepared under this agreement and other management and implementation expenses agreed upon by the BIG shall be shared on a proportional basis of the total annual groundwater use as measured by each agency for the preceding water year. Based on use for 2008, the percentage cost to each agency would be as follows:

   CENTRAL  11%
   SOQUEL    89%
In the event that additional members are added to the JPA, all of the members shall agree on a new cost sharing to fund the costs of the JPA.

5. Withdrawal. Any party may withdraw as a participant in the JPA, with the understanding that the remaining party or parties may continue to fund and implement the GMP for the benefit of the ground water basin. Notice of withdrawal shall be by a resolution of the respective board of directors and provide thirty (30) day written notice of intent to withdraw. Any funds due or obligations to pay incurred as of the date of withdrawal shall be due and payable irrespective of the withdrawal.

6. Additional Members. On the approval of the Boards of Directors of both parties to this agreement, and that of any subsequent party added to this agreement, additional parties may be added to this JPA.

7. Additional Goals. An additional goal of the Committee shall be to identify and develop groundwater projects which are mutually beneficial to all members.

8. Functions of the Committee. In addition to the functions previously described in this agreement, the Committee shall have the ability to recommend to their respective Boards of Directors, policies and programs which will enhance the GMP. The Committee shall meet at least once annually, or more as needed, and minutes of their meetings shall be maintained and furnished to the Boards of Directors of the members.

9. Non-Restrictive of Independent Activities. This agreement does not preclude any agency from pursuing programs and projects related to groundwater management either independently or in cooperation with other agencies that may or may not be a party to the Soquel-Aptos Area Groundwater Management Joint Powers Agreement.

10. Amendment. This Agreement may be amended by resolution of the Board of Directors of all members of the JPA.

Dated: **November 19, 2013**

**CENTRAL WATER DISTRICT**

[Signature]
Authorized Officer

**SOQUEL CREEK WATER DISTRICT**

[Signature]
Authorized Officer