

BOARD OF DIRECTORS
Regular Meeting Agenda
July 7th, 2026, 6:30 p.m.
Board Room
19039 Bay Street, El Verano
(707) 996-1037

Board of Directors
Steve Caniglia, President
Gary Bryant, Vice President
Jon Foreman
David Williams
Colleen Yudin-Cowan

PUBLIC NOTICE

Members of the public may participate in this open, public meeting in person.

Time will be provided for public comment. Any member of the public wishing to speak will be allowed 3 minutes to make a statement. Board President will call for comments prior to the Board deliberating on pending action. However, please note that no action can be taken on any item unless printed on the agenda and included with the meeting notice. Therefore, any item discussed by members of the public and not shown on the agenda will only be received for information. The Board of directors may choose to set such item for future discussion and staff report. A full agenda packet is available at the District office for public view. A fee may be charged for copies. During the meeting, information and supporting materials are available in the Boardroom. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District as soon as possible, but at least two days prior to the meeting.

All open meetings are recorded. Recordings for each meeting are retained for a minimum of 90 calendar days and may be heard upon request, at no cost. Please contact a member of the District staff for assistance. ITEMS ON THIS AGENDA MAY BE TAKEN OUT OF THE ORDER SHOWN.

Any writings or documents provided to a majority of the Board regarding any item on this agenda will be made available for public inspection in the VOMWD office located at the above address during normal business hours.

1. CALL TO ORDER – PLEDGE – ROLL CALL

2. PUBLIC COMMENTS:

This section of the agenda is provided so that the public may express comments on any item within the District's jurisdiction not listed on the agenda. Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or follow Board procedures to direct staff to place a matter of business on a future agenda. The public may express comments on agenda items at the time of Board consideration.

3. CONSENT CALENDAR

It is recommended by the General Manager that these items, which are expected to be routine in nature and without controversy, be received and acted upon by the Board without discussion. If any Board member or interested party requests that an item be removed from the Consent Agenda for discussion, it will be considered separately. The consent calendar may be approved by a single motion.

Item 3.A Minutes of June 2nd, 2026, Board of Directors Regular Meeting

Item 3.B Minutes of June 17th, 2026, Board of Directors Special Meeting

4. PUBLIC PRESENTATION, HEARING OR WORKSHOP

Item 4.A Presentation of Findings and Recommendations Resulting from the District's 2026 Seismic Vulnerability Assessment Performed by InfraTerra

5. FINANCE, ADMINISTRATIVE & OPERATIONAL REPORTS

Item 5.A Monthly Financial Reports & Disbursements
Staff Recommendation: Receive and approve by roll call vote the monthly financial reports & disbursements for the month of May 2026 in the amount of \$542,706.36.

Item 5.B Administrative Report

Item 5.C Water Source Report

Item 5.D Operational Updates

Item 5.E Update from the 2026 AWWA ACE Conference Washington, DC.

6. DIRECTORS' & COMMITTEE REPORTS

7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS

Item 7.A July 6th, Technical Advisory Committee (TAC) Meeting Update

8. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 8.A Consider Approval of a Maintenance Agreement for the Former SDC Water System Between the District and California Department of General Services (DGS).

Item 8.B Consider Approval of the Amended and Restated Sonoma Valley Groundwater Sustainability Agency Joint Exercise of Powers Agreement by adoption of Resolution No. 260701

9. CLOSED SESSION

Item 9.A Conference with Labor Negotiator
Pursuant to government code section 54957.6 Negotiator: Allison Hernandez, Counsel
Employee organizations: International Union of Operating Engineers, Stationary Engineers Local 39.

10. REQUEST FOR FUTURE AGENDA ITEMS

11. ADJOURNMENT

The next scheduled Board meeting is a regular meeting at 6:30 p.m. on August 4th, 2026. Posted this 2nd day of July 2026, online and in three public places.

Amanda Hudson
Amanda Hudson, Board Secretary

VALLEY OF THE MOON WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
June 2, 2026

A Regular Meeting of the Board of Directors of the Valley of the Moon Water District was held on June 2, 2026. **Members of the public were provided the opportunity to participate in this open, public meeting in person.**

1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL

President Caniglia called the meeting to order at 6:30 P.M. PST.

Roll Call by **Secretary Hudson** noted the following present:

Directors: Gary Bryant
Steve Caniglia
Jon Foreman
David Williams
Colleen Yudin-Cowan

District Personnel: Clayton Church, Water System Manager
Matthew Fullner, General Manager
Amanda Hudson, Administration Manager
Oscar Madrigal, Finance Manager

District Counsel: Allison Hernandez

Public: See sign-in sheet

2. PUBLIC COMMENTS

None

3. CONSENT CALENDAR

Item 3.A Minutes of May 5th, 2026, Board of Directors Regular Meeting

Item 3.B Minutes of May 12th, 2026, Board of Directors Special Meeting

Item 3.C Consider Declaration of Surplus Equipment: Ford F-650 Dump Truck

Item 3.D Consider Ordering an Election to be Held and Request Consolidation with the November 3, 2026, General Election by Resolution No. 260604

Administration Manager Hudson said that the Board votes tally on item 5.A from 5-5-2026 Regular Board Meeting Minutes was incorrect. That has been adjusted: 4 Ayes and 1 Absent.

Director Yudin-Cowan made a motion, seconded by **Director Bryant**, to approve the Consent Calendar, with May 5th Regular Meeting Minutes as amended.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Abstain
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 4 Noes 0 Absent 0 Abstain 1

4. PUBLIC PRESENTATION, HEARING OR WORKSHOP
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5. FINANCE, ADMINISTRATIVE & OPERATIONAL REPORTS

Item 5.A Monthly Financial Reports & Disbursements

Staff Recommendation: Receive and approve by roll call vote the monthly financial reports & disbursements for the month of April 2026 in the amount of \$1,483,768.24.

Director Yudin-Cowan asked if the District should be reimbursing through cash for grass mulch that the fire department doesn't support. **Director Bryant** said that the type of mulch does matter. Wood chips burn; compost mulch does not burn. **Director Yudin-Cowan** would like to see wood chips not reimbursed and compost mulch only reimbursed.

Director Foreman made a motion, seconded by **Director Yudin-Cowan**, to receive and approve by roll call vote, the monthly financial reports & disbursements for the month of April 2026 in the amount of \$1,483,768.24.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

Item 5.B Administrative Report

Item 5.C Water Source Report

Item 5.D Operational Updates

6. DIRECTORS' COMMITTEE REPORTS

7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS

Item 7.A June 1st, Technical Advisory Committee (TAC) Meeting Update

Item 7.B Sonoma Developmental Center (SDC) Update

8. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 8.A Presentation on Fiscal Year 2026-2027 Budget and Consideration of Budget Adoption by Resolutions No. 260601 and No. 260602.

Director Bryant made a motion, seconded by **Director Foreman**, to adopt Resolution No. 260601, approving the Fiscal Year 2026-2027 Operations and Maintenance budget, and the Annual designation of District Treasurer.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

Director Foreman made a motion, seconded by **Director Yudin-Cowan**, to adopt Resolution No. 260602, approving the Five-Year Capital Improvement Plan for Fiscal Years 2026-2027 through 2030-2031 and approving funds for Fiscal Year 2026-2027 Capital Improvement Plan budget.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

President Caniglia moved to closed session at 7:37 P.M. PST.

9. CLOSED SESSION

Item 9.A Conference with Labor Negotiator

Pursuant to government code section 54957.6 Negotiator: Allison Hernandez, Counsel
Employee organizations: International Union of Operating Engineers, Stationary Engineers Local 39.

President Caniglia moved to open session at 7:53 P.M. PST with nothing to report.

10. REQUEST FOR FUTURE AGENDA ITEMS

None

11. ADJOURNMENT

President Caniglia adjourned the meeting at 7:54 P.M. PST.

Amanda Hudson, Board Secretary

Steve Caniglia, Board President

VALLEY OF THE MOON WATER DISTRICT
BOARD OF DIRECTORS
SPECIAL MEETING MINUTES
June 17, 2026

A Special Meeting of the Board of Directors of the Valley of the Moon Water District was held on June 17, 2026. **Members of the public were provided the opportunity to participate in this open, public hybrid in-person/remote meeting via Zoom or telephone.**

1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL

Director Bryant called the meeting to order at 6:31 P.M. PST.

Roll Call by Secretary Hudson noted the following present:

Directors:	Gary Bryant Steve Caniglia – joining remotely due to just cause Jon Foreman David Williams Colleen Yudin-Cowan
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District Personnel:	Matthew Fullner, General Manager Amanda Hudson, Administration Manager Oscar Madrigal, Finance Manager
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District Counsel:	Allison Hernandez
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Public:	See sign-in sheet
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2. PUBLIC COMMENTS

None

4. PUBLIC PRESENTATION, HEARING OR WORKSHOP

Item 4.A Public Hearing on the 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP)

Vice President Bryant opened the public hearing at 6:50 pm.

Hearing none, Vice President Bryant closed the public hearing at 6:50 pm.

5. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 5.A Consider Adoption of the 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) by Resolution 260603

Director Foreman made a motion, seconded by Director Yudin-Cowan, to adopt Resolution No. 260603 approving and adopting the 2025 Urban Water Management Plan and Water Shortage Contingency Plan and authorizing staff to submit the adopted documents to the California Department of Water Resources.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

Director Bryant moved to closed session at 6:53 P.M. PST.

6. CLOSED SESSION

Item 6.A Conference with Labor Negotiator

Pursuant to government code section 54957.6 Negotiator: Allison Hernandez, Counsel Employee organizations: International Union of Operating Engineers, Stationary Engineers Local 39.

Director Bryant moved to open session at 7:00 P.M. PST with nothing to report.

7. REQUEST FOR FUTURE AGENDA ITEMS

None

8. ADJOURNMENT

Director Bryant adjourned the meeting at 7:00 P.M. PST.

Amanda Hudson, Board Secretary

Steve Caniglia, Board President

Date: July 7, 2026
Item: 4.A

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Presentation of Findings and Recommendations Resulting from the District's 2026 Seismic Vulnerability Assessment Performed by InfraTerra

Background

Over the course of approximately 18 months, concluding in May of 2026, the consultant InfraTerra conducted a Seismic Vulnerability Assessment of the District's infrastructure. InfraTerra staff will be giving a presentation at this evening's Board meeting, outlining key findings and recommendations, and will be available to take questions.

Recommendation

Receive the presentation from InfraTerra.

Attached

- InfraTerra Presentation on Findings and Recommendations

Linked

- The 2026 Seismic Vulnerability Assessment can be found here:
<https://www.vomwd.org/watersupplyplanning>

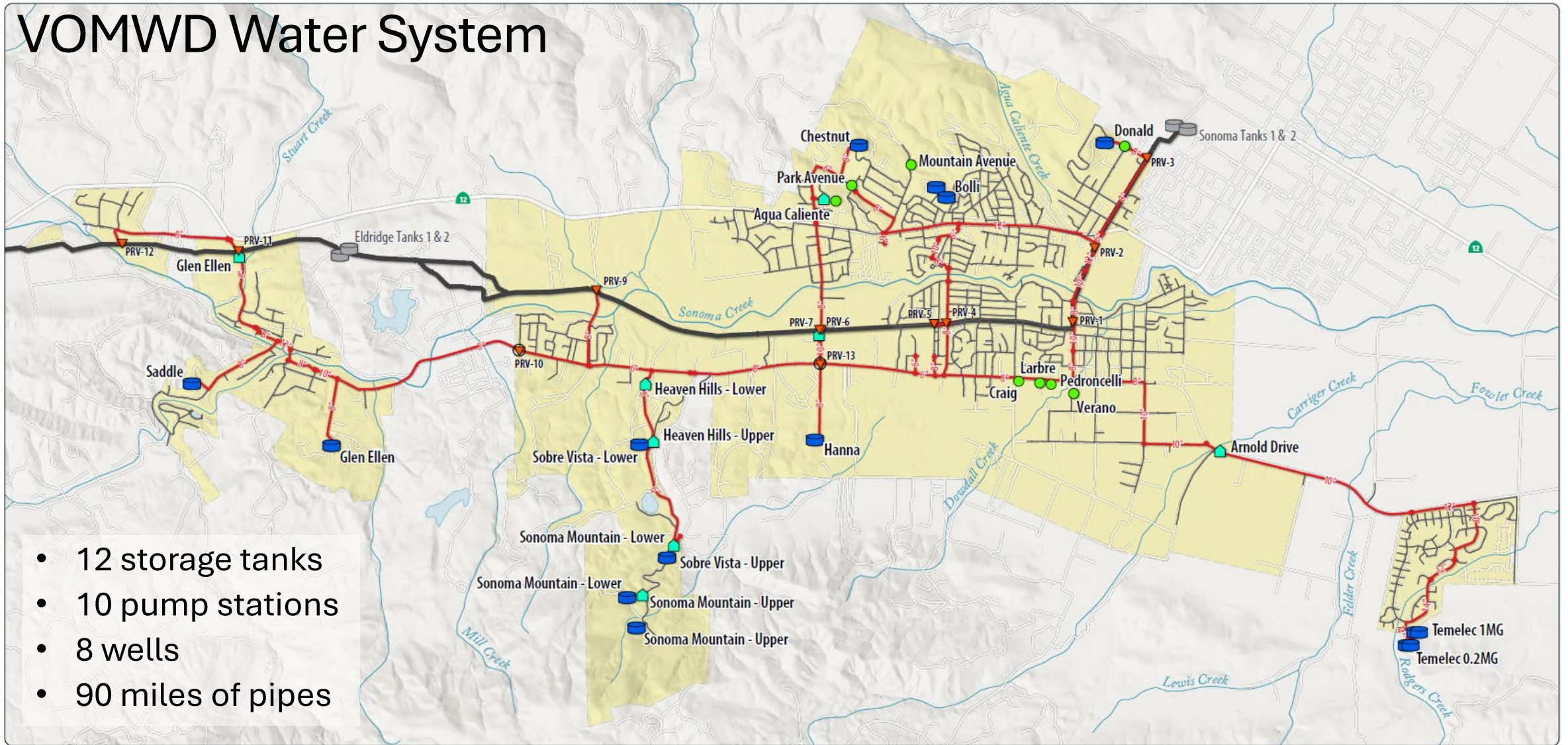


Valley of the Moon Water District
**Seismic Vulnerability Assessment
and Development of a
Prioritized Capital Improvement Project List**
Board Meeting

July 7, 2026



VOMWD Water System



- 12 storage tanks
- 10 pump stations
- 8 wells
- 90 miles of pipes

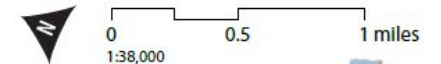
Legend

- Water main
- Sonoma aqueduct
- Backbone pipeline
- Well
- Pump station
- Storage tank

- VOMWD
- Sonoma tank

- ▼ Turnout
- Regulating valve
- PRV-1 – Verano Turnout PRV
- PRV-2 – Verano and Main Turnout PRV
- PRV-3 – Verano and Fifth Turnout PRV
- PRV-4 – Boyes Boulevard Turnout PRV
- PRV-5 – Altimira Turnout PRV
- PRV-6 – Agua Caliente Turnout PRV
- PRV-7 – Hanna Turnout PRV
- PRV-9 – Madrone Turnout PRV
- PRV-10 – Eldridge PRV/PSV
- PRV-11 – Glen Ellen Turnout PRV
- PRV-12 – Trinity Oaks Turnout PRV
- PRV-13 – Hanna Lower PRV/PSV

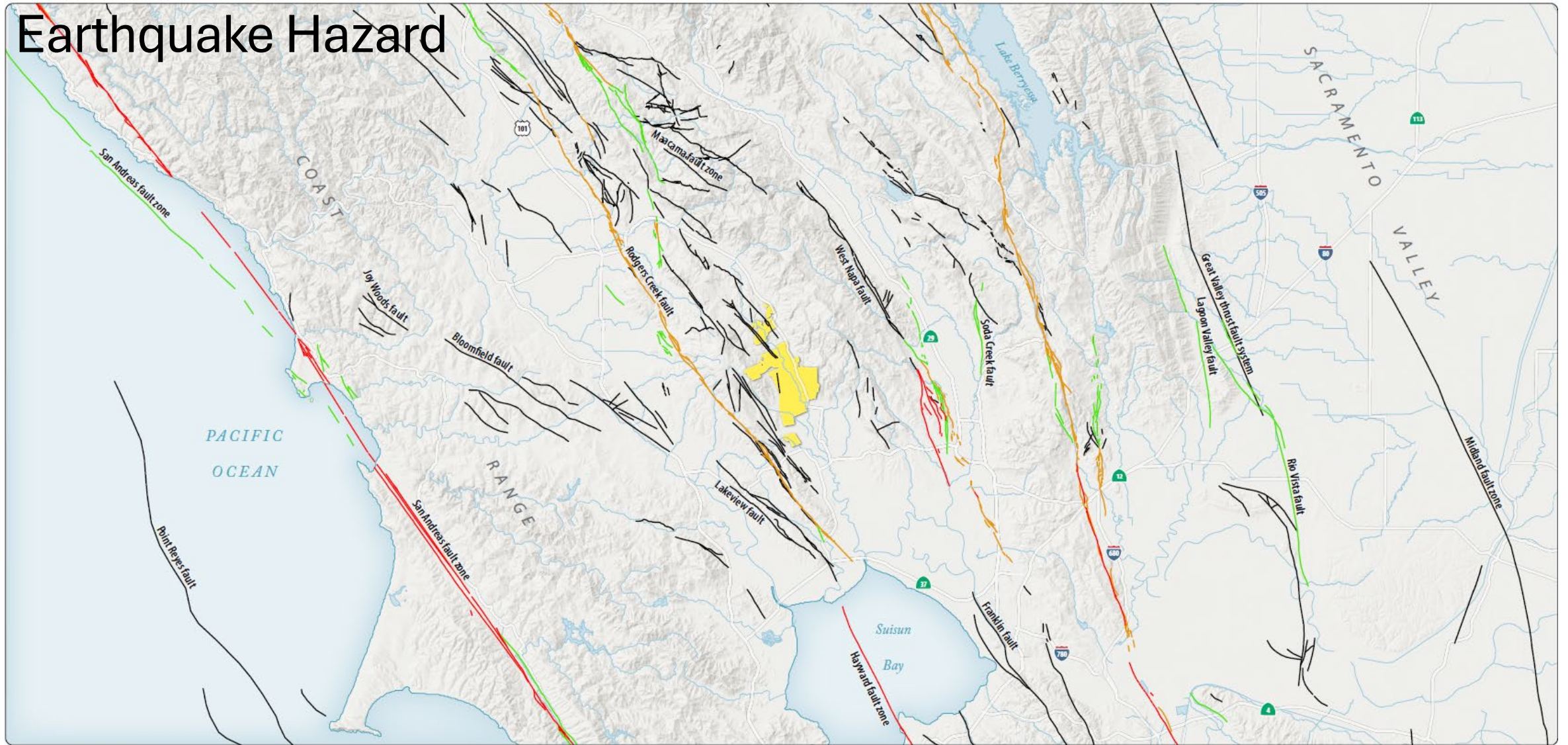
Map Projection: NAD 1983 StatePlane California II FIPS 0402 Feet



VALLEY OF THE MOON WATER DISTRICT
Seismic Vulnerability Assessment

Plate 2: Pipeline Backbone System

Earthquake Hazard



Legend

- VOMWD
- Quaternary Faults (USGS)**
 - Historic
 - Late Quaternary
 - Latest Quaternary
 - Undifferentiated Quaternary

Map Projection: NAD 1983 StatePlane California II FIPS 0402 Feet

0 2.5 5 10 miles
1:400,000

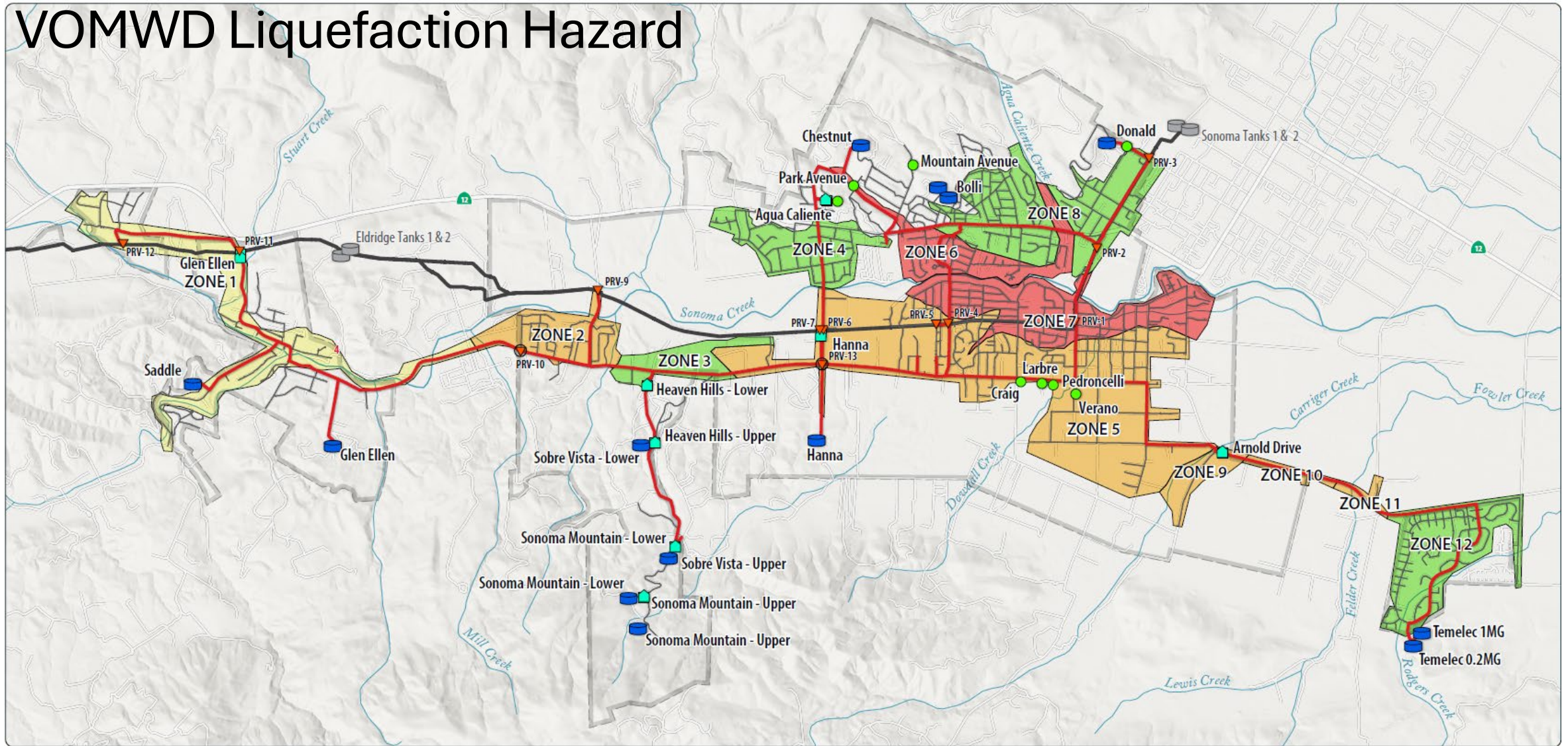
VALLEY OF THE MOON WATER DISTRICT
Seismic Vulnerability Assessment

Plate 4: Regional Faults

Liquefaction Hazard



VOMWD Liquefaction Hazard



Legend

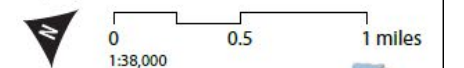
- Water main
- Sonoma aqueduct
- Backbone pipeline
- Well
- Pump station
- Storage tank

- VOMWD boundary
- Sonoma tank
- Turnout
- Regulating valve

Liquefaction Hazard

- High
- Moderate
- Low-moderate
- Low

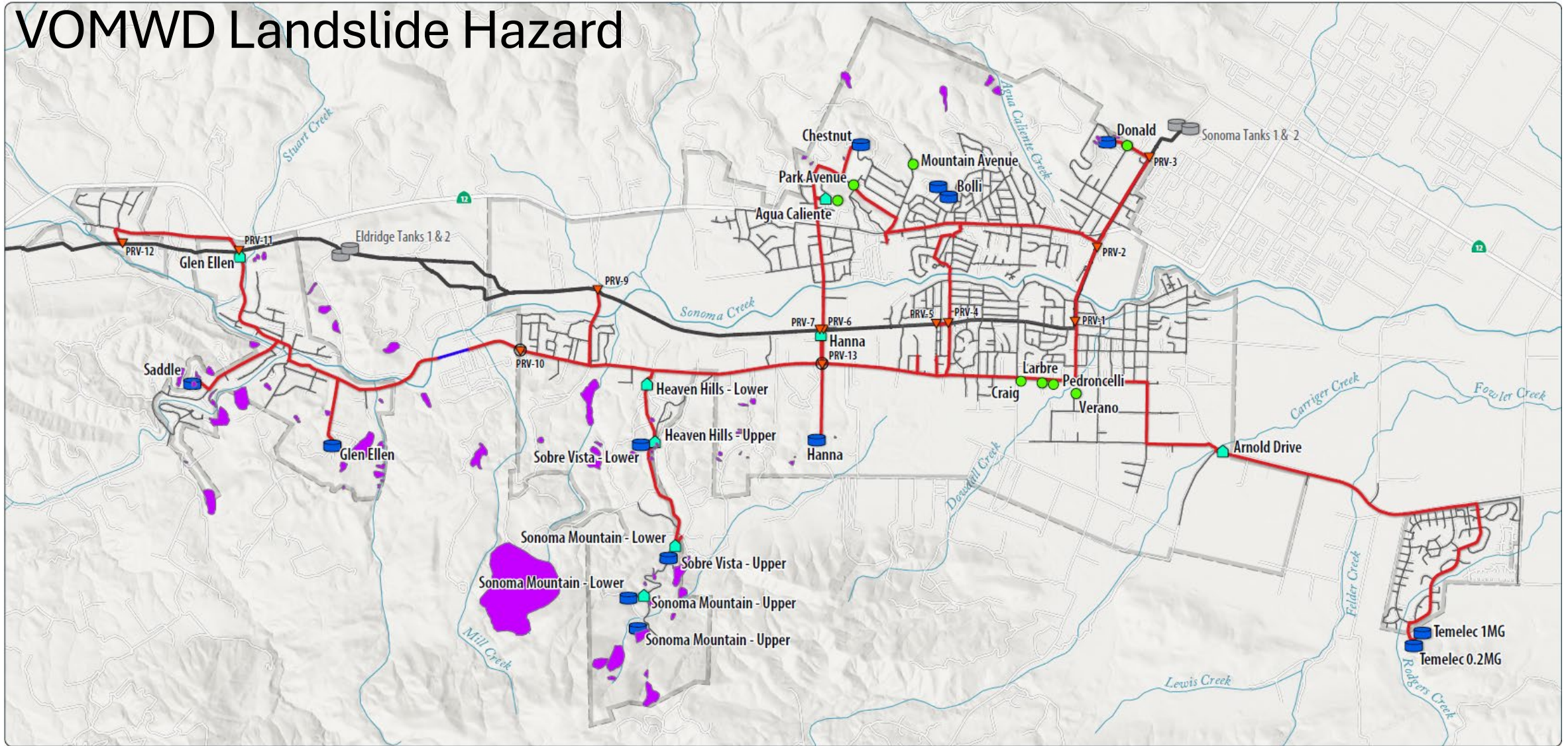
Map Projection: NAD 1983 StatePlane California II FIPS 0402 Feet









VALLEY OF THE MOON WATER DISTRICT
Seismic Vulnerability Assessment

Plate 11: Liquefaction Zonation for Project Area

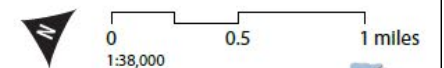
VOMWD Landslide Hazard



Legend

- | | |
|---|--|
|  Water main |  VOMWD boundary |
|  Sonoma aqueduct |  Sonoma tank |
|  Backbone pipeline |  Turnout |
|  Well |  Regulating valve |
|  Pump station |  Mapped landslide |
|  Storage tank | |

Map Projection: NAD 1983 StatePlane California II FIPS 0402 Feet



VALLEY OF THE MOON WATER DISTRICT
Seismic Vulnerability Assessment

Plate 13: Mapped Landslides within the Project Area

Earthquake Damage to Pipelines



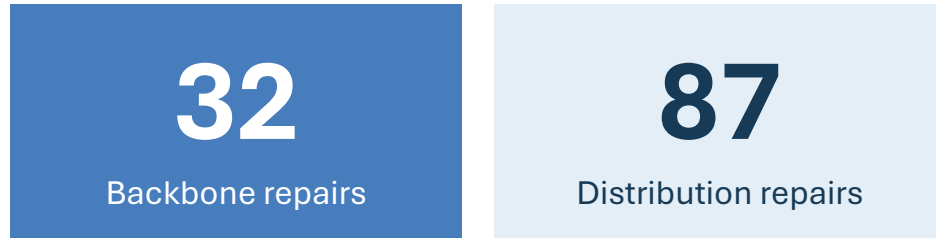
Asbestos Cement (AC)



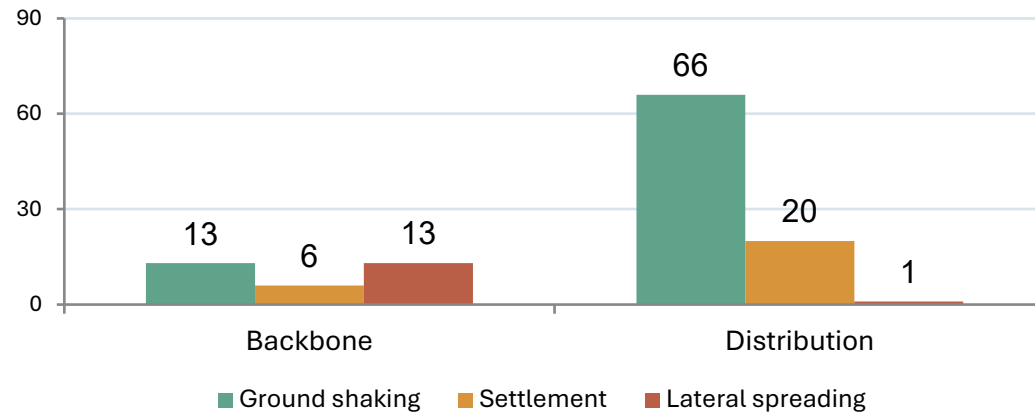
PVC

Pipeline Damage and Service Restoration

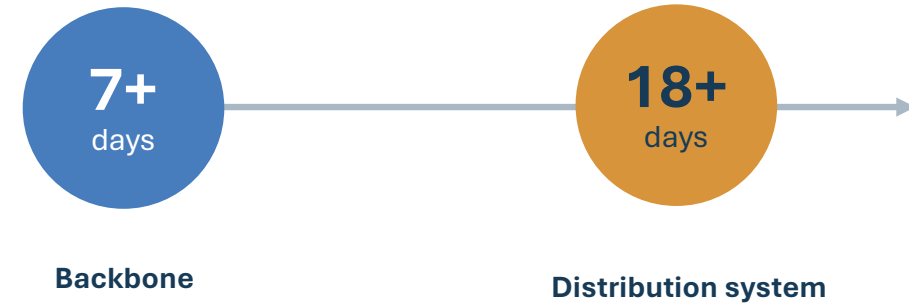
M7.2 Rodgers Creek scenario, 84th percentile ground motions



Repairs by damage source

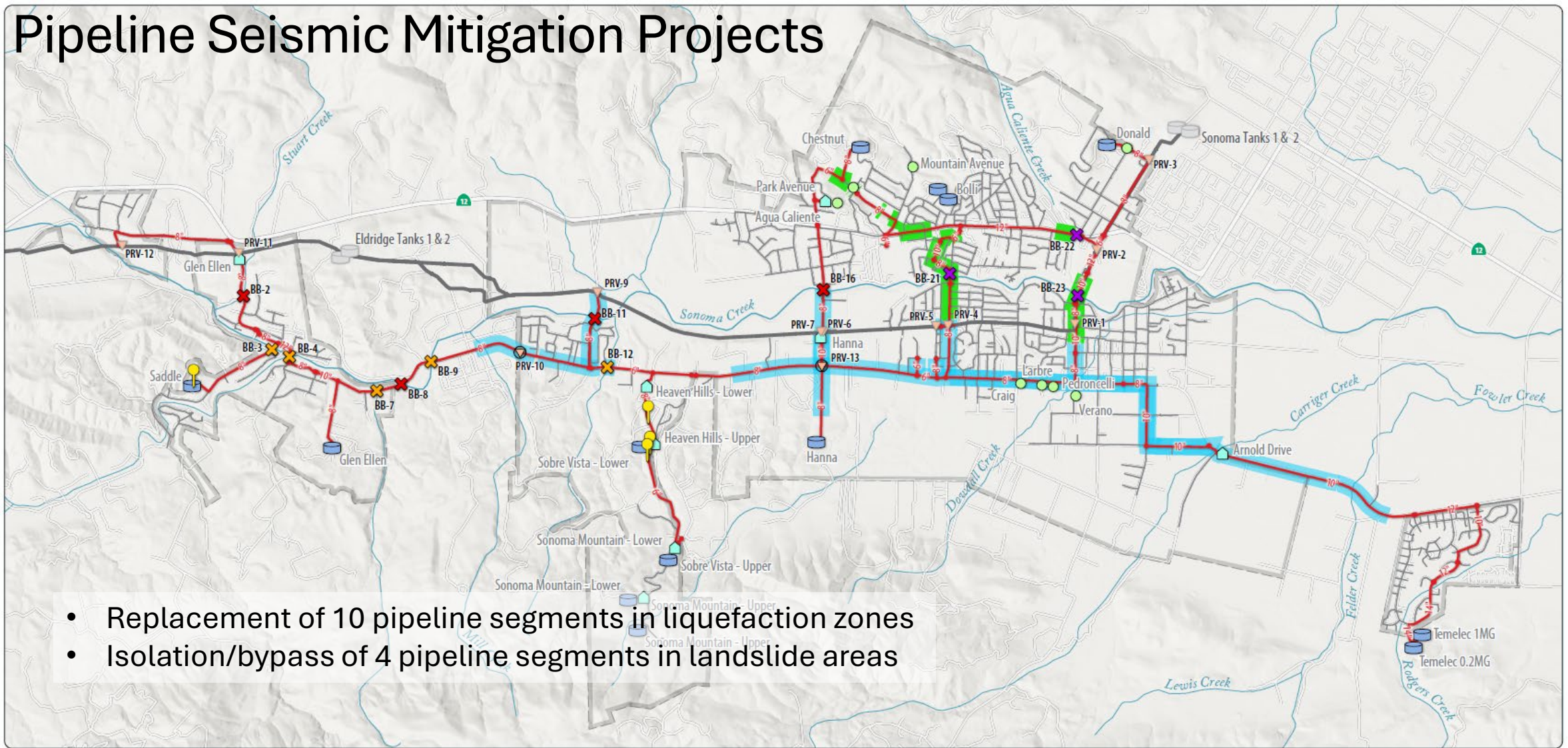


Estimated repair effort



Estimate based on access and availability of VOMWD repair staff, equipment, and material

Pipeline Seismic Mitigation Projects

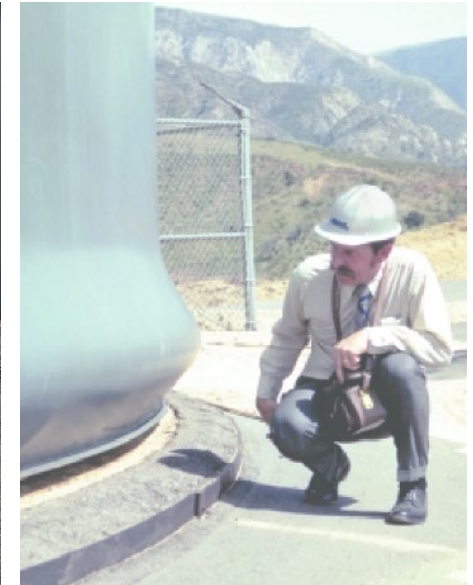


- Replacement of 10 pipeline segments in liquefaction zones
- Isolation/bypass of 4 pipeline segments in landslide areas

Legend		Retrofit Projects (Stream Crossings)	Retrofit Project Areas	Map Projection: NAD 1983 StatePlane California II FIPS 0402 Feet
Water main	VOMWD boundary	High (Priority 1)	Priority 1 project	 1:38,000
Sonoma aqueduct	Sonoma tank	Moderate-High (Priority 1)	Priority 2 project	
Backbone pipeline	Turnout	Moderate (Priority 2)		
Well	Regulating valve			
Pump station	Landslide mitigation			
Storage tank				

Seismic Assessment Results for VOMWD Tanks

- Anchorage retrofits for 5 tanks
- Flexible piping retrofits for 2 tanks
- Additional analysis for 3 tanks



Capital Project Summary

Planning-level costs for recommended seismic mitigation projects

\$15.8M–\$16.9M

total identified retrofit / mitigation projects

Approximate share of identified project cost



■ Pipelines ≈ 94% ■ Tanks ≈ 6% ■ Well <1%

Recommended capital projects

Category	Recommended work	Priority	Cost
Backbone pipelines	Replace 10 liquefaction-vulnerable segments and provide isolation/bypass for 4 landslide-prone segments	High	\$14.8M–\$15.9M
Water tanks	Flexible piping at Donald and Temelec 200K; anchorage at five tanks; detailed FE analyses for Glen Ellen and Bolli tanks	High	\$948K
Mountain Ave Well	Install anchorage between the foundation and above-ground structure	Low	\$50K
System resilience	Generators, flexible hose systems, pipe stockpile, on-call contracts, post-earthquake repair and FEMA documentation protocols	Support	TBD

Next Steps

Target highest uncertainty before committing to major capital projects

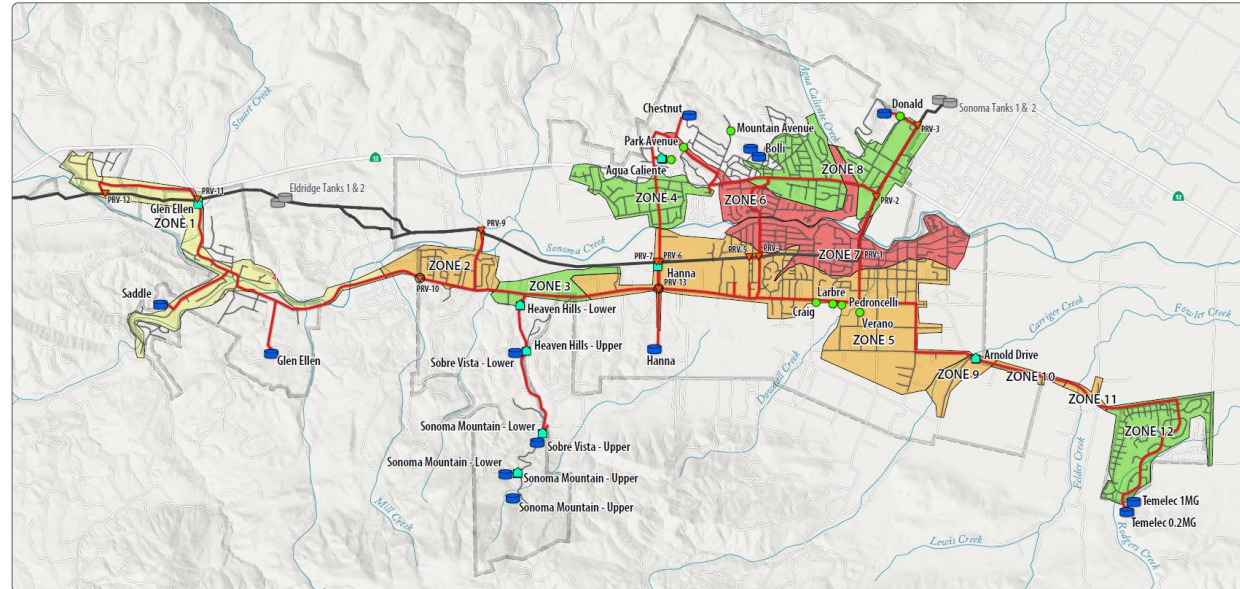
Why do this next?

\$14.5M–\$15.5M

current Priority 1 pipeline replacement estimate

- Current project limits are based on regional mapping, available subsurface data, LiDAR, and screening-level PGD estimates.
- Targeted field review and/or CPTs can confirm, reduce, or refine recommended replacement lengths.
- Initial focus: Priority 1 backbone segments and Sonoma Creek stream crossings.

Liquefaction-zone uncertainty drives the proposed pipeline projects



Optional Task 9 comparison

Option	Budget	Main approach	Schedule
Option 1	\$40K	Field reconnaissance, geomorphic mapping, existing-data review, and sensitivity analyses; no new CPTs or borings.	4–6 weeks
Option 2	\$120K	Approximately 10 CPTs, updated liquefaction and lateral-spread analyses, and revised pipeline mitigation limits.	12 to 14 weeks after permitting and site access requirements are completed

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Oscar Madrigal, Finance Manager

SUBJECT: Monthly Financial Reports & Disbursements for May 2026

Revenue

- May's operating revenue was \$668,523, which was over budget by \$9,963 when periodized, and under budget by \$138,389 when using a straight-line average. May's operating revenue was \$73,140, higher than the same period last fiscal year.
- May's water deliveries experienced a slight decrease and did not meet our projections.

Salaries

- Salaries were under budget by \$43,783 (2%) in May. Salaries are periodized, accounting for employees' step increases and other earnings paid at set times throughout the year. Grant-funded project reimbursements cover a portion of wages, contributing to savings.

Purchased Water

- Purchased water for May was under budget by \$79,261 when periodized.
- Water production had an increase in May. Well-water production and agency-purchased water both increased in May compared with the previous month.

Transfer to/from Reserves

- The annual O&M allocation to CIP is \$2,702,995. Year-to-date, the District has transferred \$2,477,745 to the CIP.
- O&M is anticipated to have a budget deficit of \$24,125 at the end of the fiscal year. A budgeted transfer from undesignated reserves is intended to cover the O&M deficit.

CIP

- YTD expenditures for CIP as of May 31, 2026, are \$1,980,827. This includes \$613,899 in expenditures for rollover CIP projects from FY 2024/25.

Report of Investment

- The Undesignated Reserves are positive at \$2,010,089
- There is \$10,000 in retention funds pending from the grant.
- The Undesignated Reserves will help fund the capital plan for the next fiscal year.

Expenses

- Expenses without purchased water were under budget by 10%. Some expense accounts are over budget because budgeted items were purchased early in the fiscal year or due to unforeseen expenses. Total expenses are 19% under budget.

Audit Update

- We continue to review the asset and inventory components of the financial statements to ensure subsequent fiscal years are also reconciled. Once the draft FY 2021–2022 audit report is completed, we will expedite the remaining audits.

Recommendation:

Receive and approve, by roll call vote, the monthly financial reports and disbursements in the amount of \$542,706.36 for the month of May.

Attachments:

Monthly Financial Disbursements

Board of Directors Disbursements

Monthly Revenue & Expense Comparison Report

Report of Investments

Capital Improvement Project Summary

Capital Improvement Project – ASR Well Reports

VALLEY OF THE MOON WATER DISTRICT

Monthly Financial Disbursements

May 2026

The following demands made against the District are listed for approval and authorization to pay, in accordance with Section 31302 of the California Water Code, being a part of the County Water District Law:

CK #	Vendor Name	Invoice Description	Amount
931	AT&T	TELEPHONE - ADMIN OFFICES 03/22/26-04/21/26	62.26
932	CAL-WEST RENTALS INC.	RENTAL - DUMP TRUCK 5 YARD	1,082.77
933	CHECKRITE BACKFLOW SVC.	BF REPAIRS & MATERIALS : 171 SIESTA WAY	470.00
934	CINTAS	SERVICE TO REPLENISH EMERGENCY SUPPLIES & AED LEASE AGREEMENT (APR)	293.54
935	CSW/ST2 ENGINEERING GROUP, INC	PROF SRVCS RENDERED THRU MAR 2026:LOMITA FF IMPROV	9,772.00
936	EKI ENVIRONMENT & WATER	PROJ#C30174.00 - ALTIMIRA FIRE FLOW IMPROVEMENT & PROJ#C50208.00 - 2025 URBAN WATER MANAGEMENT PLAN	19,085.72
937	FRIEDMAN'S HOME IMPROVEMENT	NEW SRVCS-SLEEVING: PVC PIPE, COUPLING; PVC BUSHING MXF; WATER TRTMNT-RUBBING ALCOHOL; STRAW WATTLE	373.85
938	ISOLVED BENEFIT SERVICES	PREM COLLECT&COBRA NOTICES ADMIN 06/01/26-05/31/27	1,570.39
939	INFOSEND, INC	APRIL STATEMENT : POSTAGE & BILL PROCESSING	2,512.12
940	INSOURCE SOFTWARE SOLUTIONS, I	TOPVIEW SOFTWARE SUPPORT RENEWAL & AVEVA STANDARD RENEWAL	4,545.00
941	ITRON, INC.	MILESTONE 2:COMPLETION OF INTERFACE ASSESSMENT	28,593.85
942	MARIN POOL SERVICE	CHLORINE : 1 PALLET, 144 GAL & PALLET FEE	2,285.34
943	NICK BARBIERI TRUCKING, LLC	FUEL	1,416.80
944	PACE SUPPLY CORP.	ERT'S; SRVC REPLACE; TEM HOA BF PARTS; HYDRANT & MAIN REPAIRS; CHESTNUT METER INSTALL-BOLT SET BLUE COATED	4,907.98
945	PACIFIC GAS & ELECTRIC CO	UTILITIES (APR)	13,946.13
946	POWERPLAN	TRACTOR MAINTENANCE	2,908.07
947	PRES TECH	HATCH DOOR RAM	1,095.33
948	RECOLOGY SONOMA MARIN	TRASH DISPOSAL (APR)	574.15
949	SAFETY-KLEEN CORP.	SHOP PARTS WASHER	702.05
950	SANTA ROSA FIRE EQUIPMENT	FIRE EXTINGUISHER SERVICE	806.94
951	SEVERSON HEATING & COOLING	AC SERVICE	312.00
952	NEW ANSWERNET, INC.	ANSWERING SERVICES	80.00
953	STATIONARY ENGINEERS, LOCAL 39	UNION DUES FOR 0&M (APR)	1,024.03
954	STAPLES ADVANTAGE DEPT SNA	OFFICE SUPPLIES	114.75
955	SOILAND CO., INC.	ROCK MATERIAL : 3/4"	1,151.74
956	WATER NET SURVEY	LEAK DETECTION SURVEY 04/13/26-04/24/26	31,480.00
957	W.K. MCLELLAN COMPANY	PAVING-NEW SRVC:12311ADINE CT, 700 MICHAEL DR; SRVC REPAIR:590 VERANO AVE; SRVC REPLACE: 711 ARROYO RD	12,802.33
958	SPRINGBOOK HOLDING COMPANY,LLC	STANDARD PROFESSIONAL SERVICES	5,562.50
959	THOMAS BAKKE	CUSTOMER REFUND	100.60
960	KATHLEEN KIERNAN	CUSTOMER REFUND	63.31
961	KARINA LOZA	CUSTOMER REFUND	107.95
962	DIANE TERMINI	CUSTOMER REFUND	72.37
964	ACWA/JPIA	GROUP INSURANCES (JUNE)	3,019.83
965	BURKE, WILLIAMS & SORENSEN, LL	ATTORNEY FEES (APR); SDC WATER SUPPLY ASSESSMENT (APR); LABOR NEGOTIATIONS (APR)	18,277.50
966	CALTEST LABORATORY	ROUTINE WATER TESTING (APR)	2,291.90
967	CERVANTES LANDSCAPE, LLC	LANDSCAPING SERVICES (APR)	250.00
968	COMCAST	INTERNET SERVICES (MAY)	401.11
969	CORE UTILITIES, INC.	CONSULTING SERVICES (APR)	6,765.00
970	EKI ENVIRONMENT & WATER	PROJ#C50208.00 - 2025 URBAN WATER MANAGEMENT PLAN	13,533.25
971	INFRATERRA, INC	SEISMIC VULNERABILITY ASSESSMENT (MAR & APR)	8,407.63
972	NICK BARBIERI TRUCKING, LLC	FUEL	1,697.47
973	THE RENTAL PLACE	BRUSHCUTTER HEAD - RENTAL	152.73
974	PITNEY BOWES BANK INC RESERVE	PREPAID POSTAGE	500.00
975	SMILE BUSINESS PRODUCTS	MONTHLY PRINTER LEASE 05/10/26-06/09/26	36.38
976	NAPA AUTO PARTS	NAPAGOLD OIL FILTER, 10W30 MOTOR OIL	23.04
977	SONOMA CO. WATER AGENCY	WATER PURCHASES 03/30/26-04/30/26	95,286.79
978	SONOMA VALLEY PEST CONT.	OUTSIDE SERVICES - MONTHLY CONTROL (COC)	110.00
979	SOILAND CO., INC.	ROCK MATERIAL : 3/4"	224.69
980	JUSTIN THOMPSON	WASHING MACHINE REBATE	50.00
981	USA BLUEBOOK	DECHLORINATION TABLETS	1,055.49
982	U.S. BANK EQUIPMENT FINANCE	EQUIPMENT REPLACEMENT - SHARP COPIER	104.42
983	VERIZON WIRELESS	CELLPHONE SERVICE 04/04/26-05/03/26	592.83
984	VERTEXONE SOFTWARE, LLC	WATERSMART PLATFORM 06/01/26-05/31/27	16,555.40
985	W.K. MCLELLAN COMPANY	SRVC LINE REPLACE PAVING : 864 LORNA DR; 16456 ARNOLD DR; 20824 VIA COLUMBARD CT	9,623.35
ACH	CALIFORNIA EMPLOYMENT DEVELOPM	STATE PAYROLL TAXES 05/14/26	4,079.22
ACH	CALIFORNIA EMPLOYMENT DEVELOPM	STATE PAYROLL TAXES 05/28/26	4,152.05
ACH	EFTPS FEDERAL TAX WITHHOLDING	FEDERAL PAYROLL TAXES 05/14/26	18,517.78
ACH	EFTPS FEDERAL TAX WITHHOLDING	FEDERAL PAYROLL TAXES 05/28/26	19,098.77
ACH	EXPERTPAY.COM	PERSONNEL-RELATED DISBURSEMENT PAYROLL 05/14/26 & PAYMENT FEE	139.04
ACH	EXPERTPAY.COM	PERSONNEL-RELATED DISBURSEMENT PAYROLL 05/28/26 & PAYMENT FEE	139.04
ACH	FIRST BANKCARD CENTER	EE RELATIONS & OFFICE SUPPLIES	396.06
ACH	PAYMENTUS CORPORATION	TRANSACTION FEES FOR MAY 2026	1,184.65

VALLEY OF THE MOON WATER DISTRICT

Monthly Financial Disbursements

May 2026

CK # Vendor Name	Invoice Description	Amount
ACH PERS	CLASSIC RETIREMENT CONTRIBUTION PAYROLL 05/14/26	1,902.28
ACH PERS	CLASSIC RETIREMENT CONTRIBUTION PAYROLL 05/28/26	1,902.28
ACH PERS	DEFERRED COMP CONTRIBUTION PAYROLL 05/14/26	2,150.00
ACH PERS	DEFERRED COMP CONTRIBUTION PAYROLL 05/28/26	2,150.00
ACH PERS	PEPRA RETIREMENT CONTRIBUTION PAYROLL 05/14/26	9,716.19
ACH PERS	PEPRA RETIREMENT CONTRIBUTION PAYROLL 05/28/26	9,763.32
ACH PERS	HEALTH INSURANCE PREMIUM (MAY)	34,947.05
ACH RETIREES	RETIREES BENEFITS (MAY)	3,517.63
ACH VALIC	401A CONTRIBUTION PAYROLL 05/14/26	250.00
ACH VALIC	401A CONTRIBUTION PAYROLL 05/28/26	250.00
ACH VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 05/14/26	700.00
ACH VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 05/28/26	700.00
ACH WESTAMERICA BANK	<u>APR STMT</u> : OFFICE DUES, SUPPLIES, SUBSCRIPTIONS; EE RELAT; UNLOADER, SEATCOVERS; WORKBOOTS; PRYS/MTRLS	1,925.67
ACH WESTAMERICA BANK	<u>MAY STMT</u> : OFFICE DUES, SUPPLIES, SUBSCRIPTIONS; GENERATOR FUEL TRTMENTS; AH NOTARY RENEWAL; ADVERTISING	1,715.07

Net Payroll (After Deductions) 94,575.58

BOARD PRESIDENT

542,706.36

GENERAL MANAGER

Board of Directors
May Disbursement

	Pay Date	Bryant	Caniglia	Foreman	Williams	Yudin-Cowan
Regular Board Meeting 05/05/2026	5/14/2026	227.00	227.00		227.00	227.00
WSCC Meeting 03/24/26 & 04/20/26	5/28/2026			454.00		
WAC/TAC Meeting 04/06/26	5/28/2026			227.00		
WAC/TAC Meeting 05/04/26	5/28/2026			227.00		
Ad Hoc Budget Subcommittee Meeting 05/19/26	5/28/2026		227.00			
Special Board Meeting 05/12/2026	5/28/2026	227.00	227.00	227.00	227.00	227.00
Total		454.00	681.00	1135.00	454.00	454.00

VALLEY OF THE MOON WATER DISTRICT
 MONTHLY REVENUE AND EXPENSE COMPARISON
 PERIOD ENDING MAY 31, 2026

8 % of year remaining

	Actual	Actual	Approved Budget	Approved Budget (Monthly)	Current Month Actual	Variance (Mo)	Budget (YTD)	Fiscal Year To Date Actual	Variance (YTD)	Budget Remaining	% Remaining	Forecasting Notes & Significant Changes for 2025-2026
	23-24	24-25	25-26	MAY	MAY	MAY	07/25-06/26	07/25-06/26	07/25-06/26	25-26	25-26	
Revenues												
Interest Income	\$ 173,071	\$ 213,242	\$ 224,858	\$ 18,738	8,614	(10,124)	\$ 206,120	\$ 246,868	\$ 40,748	\$ (22,010)	-10%	
Gain on Sale of Assets	-	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -	-	
Operating Revenue	7,593,965	8,798,103	9,682,951	\$ 658,560	668,523	9,963	\$ 8,765,385	8,236,727	\$ (528,658)	1,446,224	15%	
Backflow Testing Revenue	46,341	46,500	51,596	\$ 4,300	2,283	(2,017)	\$ 47,296	54,808	\$ 7,512	(3,212)	-6%	This account offsets the backflow outside service expense account
Customer Penalties & Fees	64,715	62,408	23,640	\$ 1,970	5,584	3,614	\$ 21,670	64,452	\$ 42,782	(40,812)	-173%	
Misc. Income	129,803	32,811	12,000	\$ 1,000	4,206	3,206	\$ 11,000	66,765	\$ 55,765	(54,765)	-456%	
Leak Adjustments	(7,923)	(9,601)	(9,613)	\$ (654)	(59)	594	\$ (8,702)	(8,853)	\$ (151)	(760)	8%	
Total Revenue	7,999,972	9,143,463	9,985,432	683,914	689,151	5,237	9,042,769	8,660,767	(382,002)	1,324,665	13%	
Expenses												
Salaries:												
O&M - Operating Wages	1,016,310	929,744	1,167,868	\$ 90,400	79,250	(11,150)	\$ 1,077,159	1,018,212	(58,948)	149,656	13%	
Stand-By	32,150	35,371	35,354	\$ 2,946	2,673	(273)	\$ 32,408	32,420	12	2,934	8%	
Net O&M Operating Wages	1,048,460	965,115	1,203,222	93,346	81,923	(11,423)	1,109,567	1,050,632	(58,935)	152,590	13%	
Administration	705,553	760,806	834,827	64,743	62,862	(1,881)	\$ 770,083	770,608	525	64,219	8%	
Temporary Employees	-	-	-	-	-	-	\$ -	-	-	-	-	
Total Salaries	1,754,013	1,725,921	2,038,048	158,089	144,785	(13,304)	1,879,651	1,821,240	(58,411)	216,808	11%	
Weighted Wages Transferred to Capital Projects	(438,503)	(431,480)	(509,512)	(39,439)	(36,196)	3,243	(469,938)	(455,310)	14,628	(54,202)	11%	
Net Operating Wages	1,315,510	1,294,441	1,528,536	118,650	108,589	(10,061)	1,409,712	1,365,930	(43,783)	162,606	11%	Net Wages used to calculate Net Position

VALLEY OF THE MOON WATER DISTRICT
MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING MAY 31, 2026

8 % of year remaining

	Actual	Actual	Approved Budget	Approved Budget (Monthly)	Current Month Actual	Variance (Mo)	Budget (YTD)	Fiscal Year To Date Actual	Variance (YTD)	Budget Remaining	% Remaining	Forecasting Notes & Significant Changes for 2025-2026
	23-24	24-25	25-26	MAY	MAY	MAY	07/25-06/26	07/25-06/26	07/25-06/26	25-26	25-26	
Benefits:												
O&M - Operating & Maintenance	232,769	249,413	260,745	21,729	22,306	577	\$ 239,016	238,491	(525)	22,254	9%	
Administration	125,741	131,384	140,000	11,667	12,018	351	\$ 128,333	128,566	233	11,434	8%	
Retirees	49,141	65,186	69,268	5,772	5,818	46	\$ 63,496	63,522	26	5,746	8%	
Total Benefits	407,651	445,983	470,013	39,168	40,142	974	430,845	430,579	(266)	39,434	8%	
Mandatory Costs												
Workers Comp:												
Operating & Maintenance	50,116	27,745	41,875	3,490	-	(3,490)	\$ 38,385	38,719	334	3,156	8%	The premium increase is higher than estimated
Acct/Administration	7,329	4,225	6,234	519	-	(519)	\$ 5,714	6,026	312	208	3%	The premium increase is higher than estimated
FICA/Medicare:												
Operating & Maintenance	79,679	83,768	91,128	7,594	6,220	(1,374)	\$ 83,534	80,005	(3,529)	11,123	12%	
Administration	48,139	52,032	59,563	4,964	4,977	13	\$ 54,599	52,538	(2,061)	7,025	12%	
District Portion/Retirement:												
Operating & Maintenance	97,007	95,651	102,581	8,548	7,236	(1,312)	\$ 94,033	92,411	(1,622)	10,170	10%	
Administration	77,011	83,851	89,748	7,479	7,025	(454)	\$ 82,269	82,594	325	7,154	8%	
CalPERS Accrued Liability	229,834	271,613	311,936	25,995	25,931	(63)	\$ 285,941	285,246	(695)	26,690	9%	
Total Mandatory Costs	589,115	618,885	703,064	58,589	51,389	(7,199)	644,475	637,539	(6,937)	65,525	9%	
Travel & Training												
Operating & Maintenance	13,239	13,270	14,192	1,183	-	(1,183)	\$ 13,009	7,002	(6,007)	7,190	51%	
Administration	6,629	12,998	8,735	728	67	(661)	\$ 8,007	6,325	(1,682)	2,410	28%	ACWA Conference
Total Travel & Training	19,868	26,268	22,927	1,911	67	(1,844)	21,017	13,327	(7,690)	9,600	42%	
Board of Directors:												
Meeting Compensation	16,276	15,939	19,440	1,620	3,178	1,558	\$ 17,820	17,311	(509)	2,129	11%	
Travel & Training	1,887	592	3,704	309	-	(309)	\$ 3,396	3,538	142	166	4%	ACWA Conference
Total Board Expenses	\$ 18,163	\$ 16,531	\$ 23,144	\$ 1,929	3,178	1,249	21,215	20,849	(366)	2,295	10%	
Purchased Water												
Purchased Water	\$ 2,247,293	\$ 2,553,322	\$ 2,826,468	200,587	121,326	(79,261)	\$ 2,637,979	1,407,484	(1,230,495)	1,418,984	50%	
GSA Fee	7,465	15,383	21,422	1,785	1,489	(296)	\$ 19,637	16,384	(3,253)	5,038	24%	
Total Purchased Water	\$ 2,254,758	\$ 2,568,705	\$ 2,847,890	\$ 202,373	\$ 122,815	\$ (79,558)	\$ 2,657,616	\$ 1,423,868	\$ (1,233,748)	\$ 1,424,022	50%	

VALLEY OF THE MOON WATER DISTRICT
MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING MAY 31, 2026

8 % of year remaining

	Actual	Actual	Approved Budget	Approved Budget (Monthly)	Current Month Actual	Variance (Mo)	Budget (YTD)	Fiscal Year To Date Actual	Variance (YTD)	Budget Remaining	% Remaining	Forecasting Notes & Significant Changes for 2025-2026
	23-24	24-25	25-26	MAY	MAY	MAY	07/25-06/26	07/25-06/26	07/25-06/26	25-26	25-26	
Services & Supplies												
Safety & Clothing Allowance	19,960	8,155	16,398	1,366	-	(1,366)	\$ 15,031	6,437	(8,594)	9,961	61%	
Vehicle Maintenance	22,279	13,915	17,130	1,428	598	(830)	\$ 15,703	22,469	6,766	(5,339)	-31%	Dump truck rental
Election Costs	-	21,598	-	-	-	-	\$ -	-	-	-	-	
Employee Relations	4,229	5,945	5,823	485	260	(225)	\$ 5,338	2,958	(2,380)	2,865	49%	
Legal Fees	106,375	78,884	82,031	6,836	-	(6,836)	\$ 75,195	76,668	1,473	5,363	7%	FERC
SDC Expenses	14,559	11,311	82,160	6,847	34,763	27,916	\$ 75,313	84,873	9,559	(2,713)	-3%	
HR Expenses	3,605	2,943	77,025	6,419	-	(6,419)	\$ 70,606	29,166	(41,441)	47,860	62%	
Engineering General Support	7,275	-	2,708	226	-	(226)	\$ 2,482	-	(2,482)	2,708	100%	
Advertising	6,834	19	1,027	86	200	114	\$ 941	202	(739)	825	80%	
Outside Services	24,837	26,722	79,148	6,596	1,129	(5,467)	\$ 72,553	40,764	(31,789)	38,384	48%	
Outside Services Backflow	57,429	37,299	51,596	4,300	-	(4,300)	\$ 47,296	38,601	(8,695)	12,995	25%	This account offsets the backflow testing revenue account
Annual Audit	-	10,427	22,270	1,856	-	(1,856)	\$ 20,414	830	(19,584)	21,440	96%	
Bad Debts/Collections	8,135	20,686	17,479	1,457	7,680	6,223	\$ 16,023	21,369	5,346	(3,890)	-22%	
Building MTNC.	21,195	25,079	44,157	3,680	-	(3,680)	\$ 40,477	43,742	3,265	415	1%	Parking Lot asphalt repair and seal
Dues and Subscriptions	25,991	29,193	29,504	2,459	2,091	(368)	\$ 27,046	28,990	1,944	514	2%	
Equipment MTNC./Repairs	25,162	29,560	25,023	2,085	4,656	2,571	\$ 22,938	46,987	24,049	(21,964)	-88%	Diesel Tank Cleaning
Fees (County/State)	66,595	73,168	74,963	6,247	598	(5,649)	\$ 70,735	70,735	2,019	4,228	6%	Annual Service Connection Fees
Fuel	36,475	33,858	31,717	2,643	5,475	2,832	\$ 29,074	36,171	7,097	(4,454)	-14%	
Bank Charges	19,072	19,432	14,397	1,200	1,198	(2)	\$ 13,197	14,688	1,491	(291)	-2%	
Liability Ins. (Incl. Losses)	88,758	99,918	109,135	9,095	10,987	1,892	\$ 100,041	112,679	12,638	(3,544)	-3%	
Postage	22,666	24,325	26,600	2,217	2,436	219	\$ 24,383	22,868	(1,515)	3,732	14%	
Public Information	4,346	5,218	16,268	1,356	-	(1,356)	\$ 14,912	5,816	(9,096)	10,452	64%	
Service Contracts	64,458	77,032	94,780	7,898	7,066	(832)	\$ 86,881	96,323	9,442	(1,543)	-2%	
Office Supplies	6,630	9,838	16,951	1,413	52	(1,361)	\$ 15,538	18,280	2,742	(1,329)	-8%	Computer upgrades
Telephone-Internet	16,720	23,888	21,681	1,807	1,793	(14)	\$ 19,874	19,496	(378)	2,185	10%	
Small Tools & Equipment	30,869	24,182	30,932	2,578	340	(2,238)	\$ 28,355	11,664	(16,691)	19,268	62%	
Trash Disposal	7,025	9,116	7,222	602	574	(28)	\$ 6,620	6,407	(213)	815	11%	
Utilities - PG&E	200,358	215,324	199,244	16,604	15,652	(952)	\$ 182,640	186,213	3,573	13,031	7%	
Professional Services	47,093	30,469	200,187	16,682	3,475	(13,207)	\$ 183,505	127,135	(56,370)	73,052	36%	
Water Testing	36,787	59,870	46,925	3,910	15,866	11,956	\$ 43,015	74,334	31,319	(27,409)	-58%	
Water Main Maintenance	7,525	38,089	38,831	3,236	4,480	1,244	\$ 35,595	21,586	(14,009)	17,245	44%	
Service Line Maintenance	3,957	8,938	11,255	938	-	(938)	\$ 10,317	9,924	(393)	1,331	12%	
Hydrant Repairs	175	262	2,054	171	-	(171)	\$ 1,883	993	(890)	1,061	52%	
Misc. System Maintenance	21,542	9,245	5,674	473	161	(312)	\$ 5,201	7,854	2,653	(2,180)	-38%	
Wells Maintenance	9,598	12,354	39,446	3,287	-	(3,287)	\$ 36,159	44,259	8,100	(4,813)	-12%	
Pump Maintenance	21,306	9,399	28,360	2,363	79	(2,284)	\$ 25,997	11,303	(14,694)	17,057	60%	
Storage Tank Maintenance	12,909	6,388	63,674	5,306	-	(5,306)	\$ 58,368	21,156	(37,212)	42,518	67%	
Water Conservation Program	6,599	23,669	74,166	6,180	1,738	(4,442)	\$ 67,985	40,094	(27,891)	34,072	46%	
Equipment Replacement	1,373	2,631	3,047	254	104	(150)	\$ 2,793	1,149	(1,644)	1,898	62%	
Total Services & Supplies	1,080,700	1,138,349	1,710,987	142,582	123,451	(19,132)	\$ 1,568,405	1,405,183	(163,222)	305,804	18%	
Total Expenses	5,685,765	6,109,161	7,306,562	565,201	449,631	(115,570)	\$ 6,753,285	5,297,274	(1,456,011)	2,009,287	27%	
Revenues Less Expenses	2,314,207	3,034,301	2,678,870	118,714	239,520	120,806	\$ 2,289,483	3,363,492	1,074,009	(684,622)	-26%	
O&M Allocation to CIP	(682,323)	(2,069,401)	(2,702,995)	(225,250)	(225,250)	-	\$ (2,477,745)	(2,477,745)	-	(225,250)	8%	
Transfer to/from Undesignated Reserves	\$ 1,631,884	\$ 964,900	\$ (24,125)	\$ (106,536)	\$ 14,270	\$	\$ (188,262)	\$ 885,747	\$	\$ (909,872)	3772%	

VALLEY OF THE MOON WATER DISTRICT
 REPORT OF INVESTMENTS AND RESERVES
 For the Month Ended May 2026

Start of Fiscal Year

	LAIF	\$	2,798,746
	SCIP		133,955
	TVI		2,175,032
Westamerica Bank Checking/Petty Cash			39,040
Five Star Bank Checking/Money Market			1,336,232
Total Beginning Cash	\$		<u>6,483,005</u>

			<u>Average Rate of Interest</u>
<u>Year To Date</u>			
	LAIF	\$	2,887,252
	SCIP		138,096
	TVI		2,237,845
Westamerica Bank Checking/Petty Cash			37,135
Five Star Bank Checking/Money Market			2,609,628
Total ending Cash	\$		<u>7,909,957</u>

		\$	(120,314)
Adjusted Cash/Investment Balance			<u>7,789,643</u>
<hr/>			
(1) Board Designated Reserves (Board Approved with 25/26 Budget)			
(a) Operations & Maintenance Reserve (3 Months Operations)			(1,826,640)
(b) Rate Stabilization Reserve			(806,913)
(c) Capital Improvement Program			(980,000)
Total Board Designated Reserves			<u>(3,613,553)</u>
Remaining Cash/Investment Balance	\$		4,176,090
<hr/>			
Previous Capacity Fees Balance			(455,876)
(2) Year To Date Capacity Fees Collected FY 25/26			(336,592)
Capacity Fees to CIP FY 25/26			374,400
Total Capacity Fees Restricted Funds			<u>(418,068)</u>
<hr/>			
(3) FY 2025-2026 Board Approved Capital Projects			(3,077,395)
Year to Date Capital Project Disbursements			1,366,928
Remaining Transfer of Current Year Revenues to Capital Project Fund			256,450
Rollover Projects FY24-25			(907,814)
Year to Date Rollover Projects Disbursements			613,899
YTD Capital Project Unexpended funds			<u>(1,747,933)</u>
<hr/>			
Undesignated Reserves- funding for remaining 5-Year Capital Plan	\$		2,010,089
<hr/>			
Pending Grant Expense Reimbursements	\$		-
Adjusted Undesignated Reserves	\$		<u>2,010,089</u>
<hr/>			
Remaining 5-Year Capital Plan	\$		<u>14,279,441</u>

Project #	Project	Improvement Description	CIP Roll Over	Current CIP Budget	Total CIP Budget	Current Month - MAY	YTD Expenditures	Budget Remaining	% Remaining
			2024/25	2025/26	2025/26				
Facilities and Maintenance Projects									
CIP-5107	County of Sonoma Paving Projects requiring adjustments and or relocation of District facilities	Work done by the County of Sonoma affecting District facilities on Cherry Avenue and Riverside Drive.	-	110,793	110,793	15,136	124,146	(13,353)	-12%
CIP-6001	New Services	Customer pays 100%.	-	-	-	(4,751)	49,314		
CIP-6004	All Service Replacements	All service replacements combined.	-	59,000	59,000	4,379	37,514	21,486	36%
CIP-8100	Valve Replacement Program	Valve replacement for system reliability and control.	-	59,000	59,000	-	14,356	44,644	76%
CIP-9300	Meter Replacement Program	Fiscal year 2025/26 represents replacing the AMI servers to keep the existing system operational. Beginning in year FY2028/29, the district will pilot a new AMI system and begin replacing all meters and end-points in subsequent years.	-	180,000	180,000	28,594	102,047	77,953	43%
CIP-3047	Seismic Vulnerability Assessment (LHMP)	From LHMP. District to pay 100% of assessment. District will seek FEMA grant funds for resulting projects.	208,097	-	208,097	-	167,514	40,583	20%
CIP-3070	Small Dump Truck Replacement	Move to Diesel	-	77,025	77,025	-	87,483	(10,458)	-14%
CIP-3071	Replace Small Ranger	Buy a used Chevy Bolt (or like), include computer, light, radio, megaphone	-	35,945	35,945	-	17,561	18,384	51%
CIP-3072	Facility assessment and cameras replace all/ same brand	Year 1 system-wide security assessment. Year 2 equipment upgrades (\$50K place holder, actual cost TBD)	-	20,540	20,540	168	168	20,372	99%
CIP-3053	Spare Generator purchase	In case of faillure in generator (The District operates many older generators that may fail at any time).	108,722	7,189	115,911	-	97,637	18,274	16%
CIP-2991	GPS Facilities	Finish GPSing the meters and valves. Assumes \$50 per location.	-	30,000	30,000	1,722	38,969	(8,969)	-30%
CIP-3057	1-1/2 & 2" PB service line replacement	Re-evaluate after first year for future funding.	-	30,000	30,000	5,610	18,469	11,531	38%
CIP-3060	SDC Evaluation	Evalute water treatment plant and transmission systems for needed upgrades and provide OPC for construction.	125,000	287,560	412,560	-	98,452	314,108	76%
Total Facilities and Maintenance Projects			441,820	897,052	1,338,871	50,857	853,630	485,241	36%
Pipeline Projects									
CIP-3022	WMP: P-7. Altamira Middle School Fire Flow Improvement and P-31 Arnold Drive and Agua Caliente Road Roundabout Improvement	Replace existing 6-inch and 8-inch PVC and ACP water mains with new 12-inch PVC water mains along Arnold Drive, replace existing 6-inch pipe with new 8 and 12-inch pipe adjacent to Altamira Middle School, replace 15 existing service connections, and replace three existing fire hydrants. This project will be combined with P-31 for efficiency. Replace existing 8-inch ACP water mains with new 12-inch PVC water mains and relocate the existing Hannah Lower PRV out of the center of the new roundabout. This project has been identified as high priority due to the safety concerns with operating this PRV. This project could be combined with P-7 for efficiency.	111,954	1,084,021	1,195,974	11,722	57,185	1,138,789	95%
CIP-3069	Lomita Avenue Commercial Fire Flow Improvement	Replace existing 6-inch ACP water main with new 12-PVC water main along Lomita Avenue, replace two service connections, and replace one hydrant.	-	48,783	48,783	-	17,046	31,737	65%
Total Pipeline Projects			111,954	1,132,803	1,244,757	11,722	74,231	1,170,526	94%

Project #	Project	Improvement Description	CIP Roll Over	Current CIP Budget	Total CIP Budget	Current Month - MAY	YTD Expenditures	Budget Remaining	% Remaining
			2024/25	2025/26	2025/26				
Wells, Pumping, & Supply									
CIP-2989	Redrill Park	Drilled next to & operated with existing well. Develop a minimum 100gpm District owned Well.	325,906	-	325,906	-	167,920	157,986	48%
CIP-3046	Pump Station Battery Wall - Hanna and Glen Ellen Boosters	A battery wall would operate the remote site during power outages unless a large power demand occurs (i.e. water pumps are called by SCADA) in which case the existing generator would turn on and supply the needed power. This would reduce the number of fuel deliveries needed in an emergency , increasing the District's staff time to respond to the emergency in other ways (i.e. leak response/system inspections etc.)	28,135	-	28,135	-	25,190	2,945	10%
CIP-3073	Glen Ellen Booster pump, VFD and check valve	Replace Softronics Slow Close system and include one new pump and motor.	-	41,080	41,080	46	46,787	(5,707)	-14%
CIP-3074	Replace Generator at AC Booster	This Generator is now 24 years old and is beginning to experience mechanical issues. It is proposed that this generator be replaced with a Blue Star Final Tier 4 generator.	-	30,810	30,810	-	22,971	7,839	25%
Total Wells			354,041	71,890	425,931	46	262,869	163,062	38%
Tanks									
CIP-3029	Bolli Tanks Recoating & Railing/Solar Retrofit	Original interior coating is failing. Good time to add the required handrails and add solar mounting brackets. Includes \$50K for two electric water mixers.	-	975,650	975,650	3,623	790,097	185,553	19%
Total Tanks			-	975,650	975,650	3,623	790,097	185,553	19%
		Total	FY 23-24	FY 24-25	FY 24-25	Current Month - MAY	YTD Expenditures	Budget Remaining	% Remaining
		Total Water System Improvements:	\$ 907,814	\$ 3,077,395	\$ 3,985,209	\$ 66,248	\$ 1,980,827	\$ 2,004,382	50%
ASR Projects									
CIP-3038	Park Well ASR	Grant Funded Projects	-	-	-	-	(21,902)	-	-
CIP-3039	Verano Well ASR	Grant Funded Projects	-	-	-	-	(6,888)	-	-
Total ASR Projects			-	-	-	-	(28,789)	-	-

**MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING MAY 31, 2026**

	Current Month Actual	Project To Date Actual	
PARK WELL ASR - CIP 3038	May-26	Jun 2022 - May 2026	Notes
Revenues			
Grant Revenue	-	1,259,461	
Total Revenue	-	1,259,461	
Expenses			
Salaries:			
O&M - Operating Wages	-	33,912	
Administration	-	2,862	
Total Salaries	-	36,773	
Services & Supplies			
Services & Supplies	-	1,200,786	
Total Services & Supplies	-	1,200,786	
Total Expenses	-	1,237,559	
Revenues Less Expenses	-	21,902	

MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING MAY 31, 2026

VERANO WELL ASR - CIP 3039	Current Month Actual	Project To Date Actual	Notes
	May-26	Jun 2022 - May 2026	
Revenues			
Grant Revenue	-	960,682	
Total Revenue	-	960,682	
Expenses			
Salaries:			
O&M - Operating Wages	-	29,080	
Administration	-	4,942	
Total Salaries	-	34,022	
Services & Supplies			
Services & Supplies	-	919,772	
Total Services & Supplies	-	919,772	
Total Expenses	-	953,794	
Revenues Less Expenses	-	6,888	

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Amanda Hudson, Administration Manager

SUBJECT: Administrative Report

The following are some areas the Administrative Department has been focusing on:

Regulation

Consumer Confidence Report (CCR)

- The District's CCR (water quality report) for the 2025 reporting year is available in the office and on our website at <https://www.vomwd.org/waterquality>

Plans

Local Hazard Mitigation Plan

- CalOES completed their review of the Local Hazard Mitigation Plan (LHMP) and submitted it to FEMA on June 12, 2026.
- On July 1, 2026, FEMA provided their approval pending adoption notice. The resolution for Board adoption will be provided at the next Board meeting.

Grants

DWR

Urban and Multibenefit Drought Relief Grant

- The District is still awaiting the final retention billing check (\$10,914.14)

FEMA

Saddle Tank project \$659,422

- On 4/29/2026, staff received a letter rejecting the additional funds requested for the construction of Saddle Tank. FEMA is **not** de-obligating from the \$659,422, but is rejecting the request for the additional \$463,023.91.
- Next steps: staff has to respond to the letter sent by FEMA to move forward with the closeout request for the \$659,422. On 5/6/2026, the District's CalOES closeout specialist confirmed that the CalOES team would confirm with FEMA at their biweekly meeting what an appropriate response to the letter would be.
- As of June 16, 2026, the closeout specialist has not received an update on how to respond from FEMA.

Admin time toward FEMA projects \$56,291.68

- In February, CalOES contacted us requesting information supporting the admin time spent on managing our FEMA projects.
- Staff is working to fulfill the detailed FEMA request.

Donald Hillside Stabilization project \$8,543.60

- On January 26th, CalOES forwarded a response from FEMA stating that they approve the total eligible funding request for the District's disaster application submitted in December 2017.

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

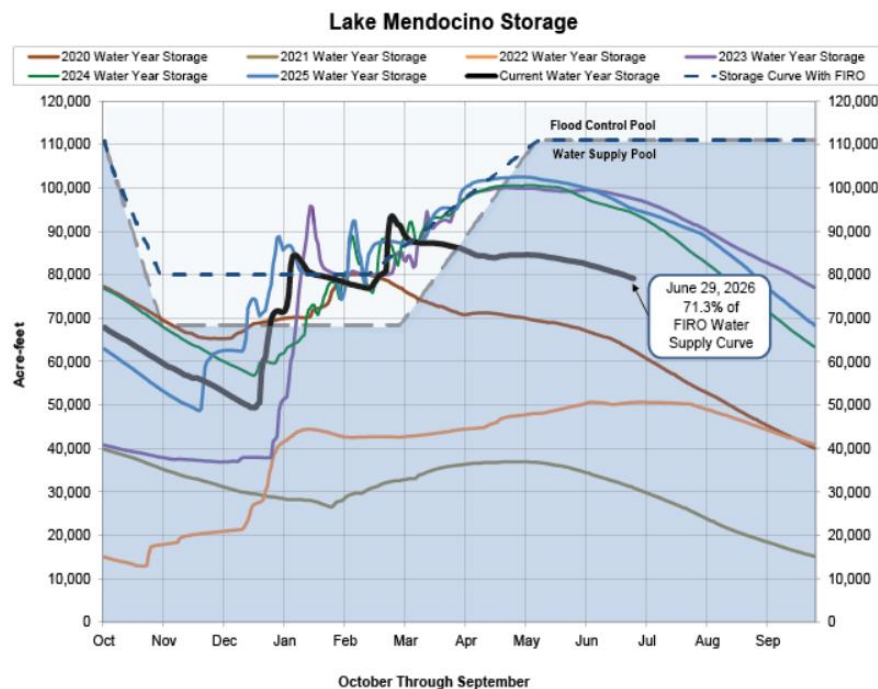
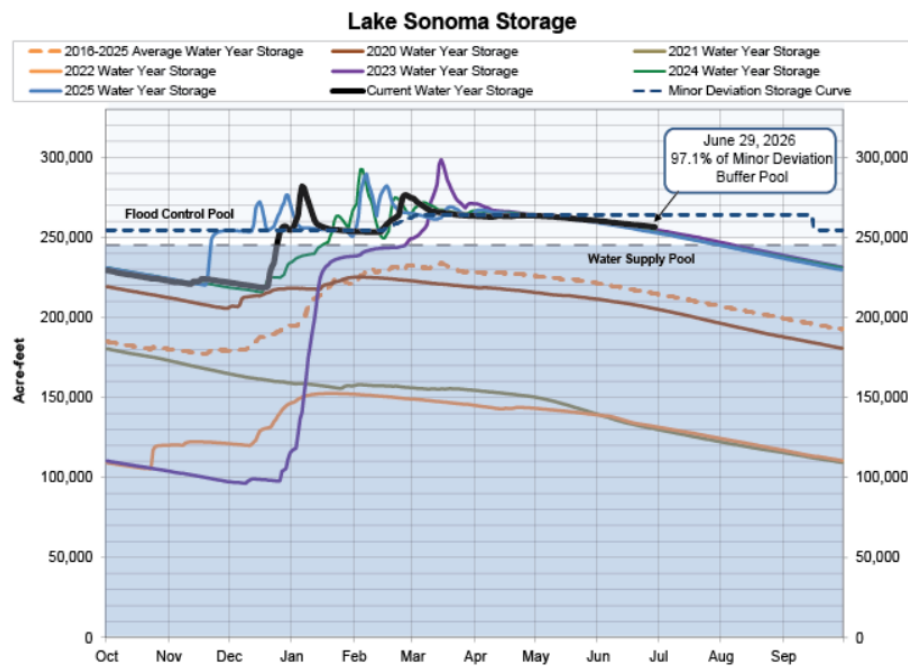
FROM: Clayton Church, Water System Manager

SUBJECT: Water Supply & Water Source Update

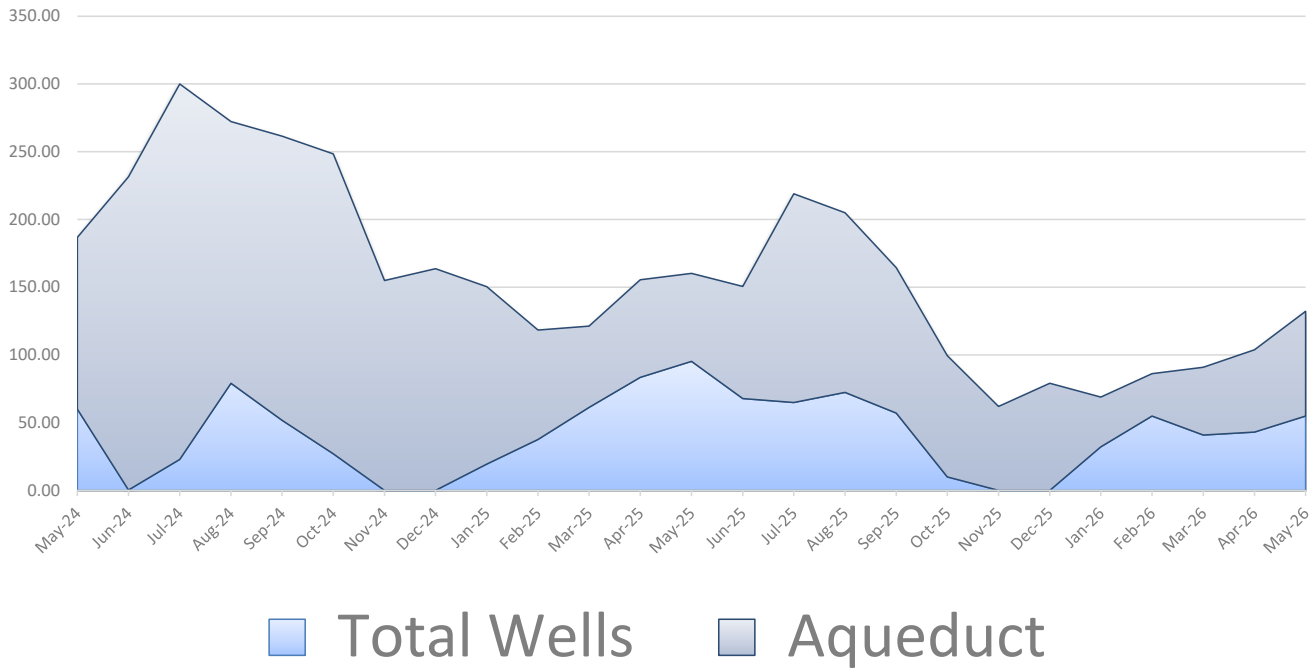
Water source report:

The wells produced 41.48% of the District’s overall demand for the month of May 2026.

Lake Sonoma was at 97.1% of the minor deviation buffer pool, and Lake Mendocino was at 71.3% of the FIRO Target Curve as of June 29th, 2026.

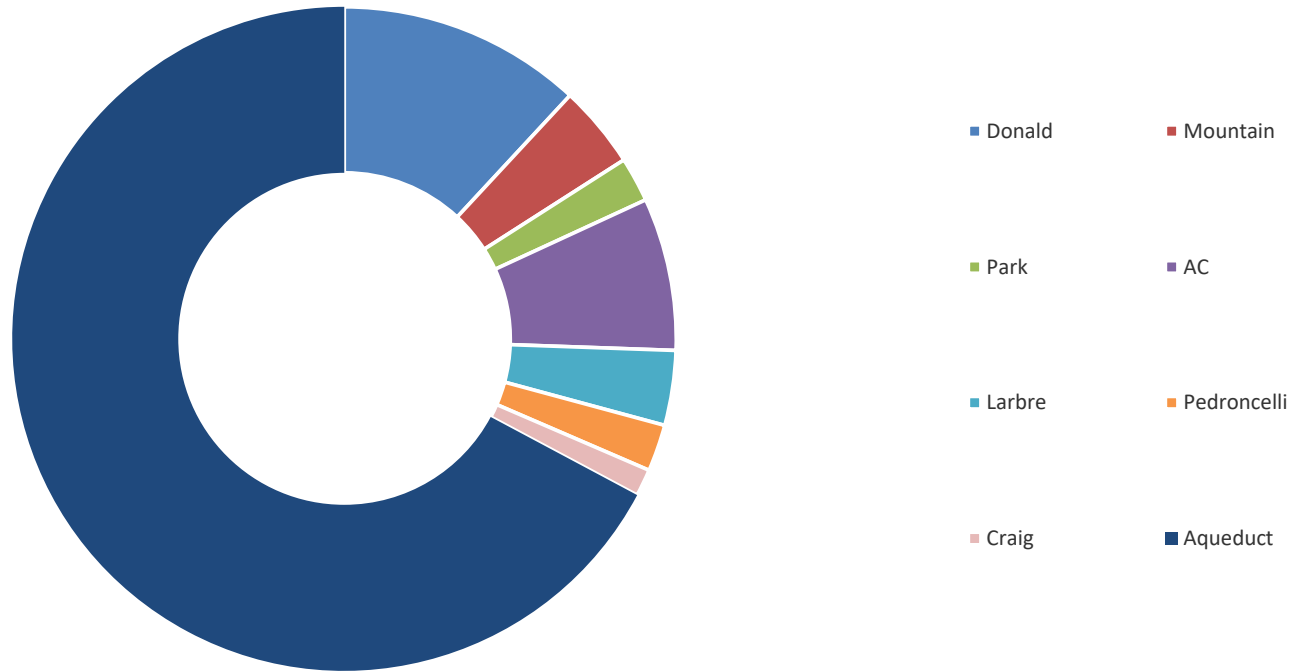


Water Supply Sources - Valley of the Moon Water District Acre Feet Per Month



Month	Donald	Mt Ave	Park Ave	Agua Cal	Larbre	Pedroncelli	Craig	Aqueduct	Total Wells	Wells %	Total AF Produced	Total AF Deliveries
May-24	11.33	8.34	6.14	9.90	13.02	0.00	11.28	126.64	60.02	32.15%	186.67	127.34
Jun-24	0.22	0.00	0.00	0.01	0.00	0.00	0.00	231.19	0.23	0.10%	231.42	207.41
Jul-24	4.94	2.58	2.51	6.03	6.82	0.00	0.01	277.11	22.89	7.63%	300.00	210.69
Aug-24	17.10	10.17	7.84	14.06	15.35	0.00	14.56	193.17	79.08	29.05%	272.25	295.04
Sep-24	12.97	4.15	5.74	10.95	10.43	0.00	7.52	209.67	51.76	19.80%	261.43	231.01
Oct-24	6.32	3.86	3.37	5.41	4.64	0.00	3.35	221.38	26.96	10.86%	248.33	262.02
Nov-24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	154.90	0.00	0.00%	154.90	195.76
Dec-24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	163.67	0.00	0.00%	163.67	172.44
Jan-25	0.00	4.93	0.00	7.97	0.00	0.00	6.42	131.10	19.32	12.84%	150.42	119.90
Feb-25	0.00	4.72	0.00	12.38	2.09	4.66	13.77	80.67	37.62	31.80%	118.28	118.01
Mar-25	10.01	8.73	0.00	8.17	5.13	14.13	15.10	60.05	61.27	50.50%	121.32	106.81
Apr-25	15.93	8.78	5.45	12.00	12.38	15.40	13.50	72.06	83.44	53.66%	155.50	116.02
May-25	19.05	8.55	10.68	16.54	12.42	19.17	8.89	64.86	95.30	59.50%	160.16	138.45
Jun-25	15.07	7.52	8.57	12.76	9.08	8.34	6.47	82.69	67.80	45.05%	150.50	212.05
Jul-25	14.70	7.56	8.54	12.34	8.59	7.34	5.71	154.14	64.78	29.59%	218.92	188.41
Aug-25	17.67	7.35	10.18	14.53	10.04	6.38	6.25	132.48	72.39	35.34%	204.87	272.82
Sep-25	13.70	7.61	8.42	11.38	8.17	3.13	4.57	107.37	56.98	34.67%	164.35	212.50
Oct-25	2.50	1.32	1.48	2.04	1.40	0.41	0.74	89.55	9.89	9.94%	99.44	262.54
Nov-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	61.95	0.00	0.00%	61.95	177.37
Dec-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	79.03	0.00	0.00%	79.03	132.98
Jan-26	10.23	0.00	0.00	8.04	8.18	5.73	0.00	36.69	32.18	46.72%	68.87	120.94
Feb-26	18.27	6.63	0.00	11.72	11.34	6.93	0.00	31.26	54.89	63.72%	86.15	118.34
Mar-26	21.18	8.05	0.00	11.61	0.00	0.00	0.00	50.13	40.83	44.89%	90.96	103.79
Apr-26	25.30	6.34	0.00	11.46	0.00	0.00	0.00	60.72	43.10	41.52%	103.82	157.54
May-26	32.42	8.07	0.00	14.31	0.00	0.00	0.00	77.31	54.79	41.48%	132.11	156.41
FY to date (Acre Feet)	155.98	52.92	28.62	97.43	47.71	29.92	17.27	880.63	429.84	32.80%	1,310.47	1,903.63

Water Production



Actual Month	Wells								Total	Aqueduct	Total	Wells %	Aqueduct flow rate*
	Donald	Mountain	Park	AC	Larbre	Pedroncelli	Craig	Total					
Jul-25	14.70	7.56	8.54	12.34	8.59	7.34	5.71	65	154.14	219	30%	1.62	
Aug-25	17.67	7.35	10.18	14.53	10.04	6.38	6.25	72	132.48	205	35%	1.39	
Sep-25	13.70	7.61	8.42	11.38	8.17	3.13	4.57	57	107.37	164	35%	1.17	
Oct-25	2.50	1.32	1.48	2.04	1.40	0.41	0.74	10	89.55	99	10%	0.94	
Nov-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	61.95	62	0%	0.67	
Dec-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	79.03	79	0%	0.83	
Jan-26	10.23	0.00	0.00	8.04	8.18	5.73	0.00	32	36.69	69	47%	0.39	
Feb-26	18.27	6.63	0.00	11.72	11.34	6.93	0.00	55	31.26	86	64%	0.36	
Mar-26	21.18	8.05	0.00	11.61	0.00	0.00	0.00	41	50.13	91	45%	0.53	
Apr-26	25.30	6.34	0.00	11.46	0.00	0.00	0.00	43	60.72	104	42%	0.66	
May-26	32.42	8.07	0.00	14.31	0.00	0.00	0.00	55	77.31	132	41%	0.81	
Jun-26								0		0	0%	0.00	
Sub-Total	156	53	29	97	48	30	17	430	881	1,310	33%		

* Average daily rate of flow during the month (in millions of gallons per day)

Annual Target	94	55	64	89	65	53	60	480	1,856	2,335	21%
% of Target	165%	97%	45%	109%	74%	56%	29%	90%	47%	56%	

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Clayton Church, Water System Manager

SUBJECT: Operations Update

Background:

The month of June was focused on completing and mobilizing for O&M and in-house CIP projects. Project and routine maintenance for the year continue. Below, please see a brief list and description of these items.

- **CIP 3022 Altimira Fire Flow Improvement:** The District has completed its review of the 100% plans and specs and has advertised the project. The pre-bid meeting was held on 6-29-2026 with six contractors attending. Bids for this project are due 07-14-2026.
- **CIP 3072 Facility Security Camera Assessment:** Staff has gone through the scope of work needed at each site to install or update the existing security system. Punch lists were developed, and the ordering of parts has started. All needed antennas are on hand, and required hardware has been ordered, satisfying this year's CIP budget for security assessment. In the new FY, the infrastructure will be installed, cameras ordered and installed as well.
- **CIP 2991 System GPS:** Continues to progress. GPS of all system assets is approximately 50% complete. Staff continues to GPS assets, moving onto service lines and identifying next best steps for the asset management program for budget recommendations. The GPS crew continues developing shutdown plans and coordinating asset management for multiple ongoing maintenance projects. Training and development of SOPs to integrate GPS practices into daily duties continues; most recently, the GPS team has engaged with management in preparation for the upcoming year.
- **Backflow Prevention Assembly RFQ:** The District advertised an RFQ for Backflow Prevention Assembly (BPA) testing. The RFQ was advertised 05/20/2026 with questions due 06/10/2026, and all quotes due 6/22/2026. The District then issued an addendum extending the advertisement to 06-29-2026. The District has started its review of quotes received and plans to award contracts in the middle of July.
- **CIP 3073 Glen Ellen Booster Pump, VFD and CV:** Staff has completed the installation of the VFD with the completion of **3046 Pump Station Battery Wall- Glen Ellen Booster**. Staff has completed the installation of the new pump.
- **CIP 3029 Bolli Tanks Recoating & Railing Project:** Both tanks were inspected. Tank B had a minor repair on the floor near the east manway. Both tanks have been disinfected and put back online. Solar panels and all other appurtenances have been installed.
- **CIP 3070 Dump Truck Replacement:** The District has replaced the larger dump truck with a 2023 Freightliner dump truck. The vehicle is being outfitted with beacon lights and a radio.
- **Fuel Tank Conditioning and Fuel Polishing:** Staff continues to compete with fuel contamination problems at various sites. Staff has employed Stroupe Petroleum for the cleaning and treatment of the Office Generator for heavy contamination. Staff has generated a short-term and long-term plan to manage fuel issues. In the short term, all tanks will be maintained full, all tanks will undergo sludge treatment, and all tanks will be monitored weekly. In the long term, staff has put a project package together for the purchase of a portable fuel polishing unit and related filter components. The dolly-mounted fuel polishing unit has been ordered; it has a 12-14 week lead time.

- **Vegetation abatement at all sites:** Vegetation abatement for fire and comms clearance was done at the beginning of the month. A final round of touch-up at all sites was done at the end of June.
- **Leak Survey:** The District contracted with WaterNet Survey for leak detection. Five leaks were located. Three service line leaks and two main line leaks have been repaired or scheduled for repair.
- **ARV inventory and repairs:** Staff are working their way through the system, inventorying, GPSing, and conducting needed repairs to all the District ARVs. Staff have inventoried over 100 ARVs, and currently, there are repair parts on order to repair the existing 20+ devices. All other devices that didn't require repairs were taken offline, thoroughly cleaned, and the gaskets replaced.
- **Safety:** The focus of the training calendar for 2026 is to satisfy all JPIA's commitment to excellence criteria. This month's training focuses on new MMS functions, Hazardous Materials Training, Heat Illness Training, and the Heat Illness Prevention Plan.

The month of July will be focused on 3072 Facility Assessment and Cameras, prep for FY 26/27 in-house CIP, PRV maintenance, continued tracking, and progress on numerous preventative maintenance projects and programs. GPS, MMS, and CCCP activities will continue with coordination supporting the mobilization of the Cross-Connection Control Program and asset tracking of all District assets. Staff will also be working with the administration staff to launch the Hazard Self Assessments per the CCCP. Numerous staff are pursuing advanced certification; staff and management alike take the time to support and encourage advanced certification and education. Staff continue to gain ground on work orders, catch up on equipment maintenance, and manage various RFIs the District is currently engaged in.

The table below shows a subjective percentage completed for each of the CIP projects based on an estimate of the time requirement remaining. The percentage will not match the one shown on the CIP budget update, because that number accounts only for the budget remaining.

Project Number and Description	Percent Complete
Project 2989: Park Well Drilling	100%
Project 2991: GPS Facilities	100%
Project 3022: Altamira Fire Flow Improvement & P-31 Arnold Dr & Aqua Caliente Rd Roundabout Improvement	100%
Project 3029: Bolli Tanks recoating & Railing /Solar Retro	100%
Project 3046: Pump Station Battery Wall- Glen Ellen Booster	100%
Project 3047: Seismic Vulnerability Assessment (LHMP)	100%
Project 3053: Spare Generator purchase	100%
Project 3057: 1-1/2 & 2" PB service line replacement	100%
Project 3060: SDC Evaluation	50%
Project 3069: Lomita Ave Commercial Fire Flow Improvement	40%
Project 3070: Small Dump Truck purchase	100%
Project 3071: Replace Small Ranger	100%
Project 3072: Facility Assessment security camera assessment	100%
Project 3073: Glen Ellen Booster Pump, VFD and check valve	100%
Project 3074: Replace Generator at AC Booster	100%
Project 5107: County of Sonoma Paving Project requiring adjustment and/or relocation of District facilities	100%
Project 8100: Valve Replacement Program	100%
Average Percent Complete	94%

Date: July 7th, 2026
Item: 5.E

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Clayton Church, Water System Manager

SUBJECT: Update from the 2026 AWWA ACE Conference Washington, DC.

Background

During the 2026 American Water Works Association (AWWA) Annual Conference & Exposition (ACE26), I attended educational sessions focused on PFAS treatment and regulatory compliance, PFAS treatment pilot studies, small utility management, source water management and protection, artificial intelligence (AI) in the water industry, and emergency preparedness. A common theme throughout the conference was the increasing emphasis on proactive regulatory compliance, asset management, and operational resilience. Presentations highlighted practical approaches to preparing for emerging drinking water regulations, implementing PFAS treatment strategies, strengthening source water protection, and improving emergency response capabilities. Sessions on AI ranged from developing effective prompts and practical workplace applications to understanding governance, cybersecurity, and the risks associated with implementing AI technologies in the water industry.

The conference reinforced that Valley of the Moon Water District is well-positioned in several key areas, including regulatory planning and water system operations, while also identifying opportunities to further strengthen long-term resilience and infrastructure planning. Information gathered at the conference is being evaluated for applicability to current District projects and future capital improvement planning, particularly as it relates to PFAS preparedness, regulatory compliance, emergency response, operational efficiency, and the responsible adoption of emerging technologies, including artificial intelligence. Several concepts presented at ACE26 will be evaluated for incorporation into ongoing District initiatives, including PFAS treatment planning, source water protection efforts, emergency preparedness, future capital improvement projects, and identifying appropriate opportunities to responsibly leverage AI to improve operational efficiency, data management, and decision-making while maintaining appropriate governance and cybersecurity safeguards. Participation also provided valuable opportunities to exchange ideas with peer utilities from across the country and bring back industry best practices that support the District's commitment to providing safe, reliable, and sustainable drinking water service.

Date: July 7th, 2026
Item 7.A

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: June 6th Technical Advisory Committee (TAC) Meeting Update

General Manager Fullner will be attending the July 6th TAC meeting and will provide a verbal update at the Board meeting.

Date: July 7, 2026
Item: 8.A

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Consider Approval of a Maintenance Agreement for the Former SDC Water System Between the District and California Department of General Services (DGS).

Background

As the Board is aware, the Sonoma Developmental Center (SDC) closed down in 2019. Ownership and management of the property, including the water system, have been transferred to the California Department of General Services (DGS) while long-term planning for the site's redevelopment continues. Over the past year, the District has worked collaboratively with DGS to respond to several water system failures at the site.

This situation highlighted the benefits of utilizing District personnel, equipment, and expertise to respond to future leaks in a timely and cost-effective manner. DGS and District staff and legal counsel have subsequently worked to develop the attached agreement, which establishes the roles and responsibilities of each party and provides a formal mechanism for the District to perform leak response services on behalf of the State. The agreement would also provide the District with defined authority, access rights, indemnification protections, and compensation for services performed.

Additional provisions of the agreement include:

- Authority to perform up to fifty (50) person-hours of work for each leak event before additional authorization from DGS is required.
- Future authorization for individual fire hydrant repairs or replacements following completion of a DGS hydrant condition assessment.
- Right of entry onto State property, including access through secured gates and use of a staging area for District personnel, equipment, and materials.
- Reimbursement for labor, equipment, and materials based on District billing rates and actual material costs.
- An indemnification provision requiring DGS to defend and indemnify the District for claims arising from the condition of the State's water system or other underground

infrastructure, except to the extent caused by the District's sole negligence or willful misconduct.

District staff's first responsibility will continue to be the operation and maintenance of the District's own water system. The agreement expressly recognizes that the District may decline or delay responding to SDC incidents if District operational needs require staff resources elsewhere.

The Board has consistently expressed its interest in playing a leadership role in the future management of the Sonoma Developmental Center water system. While this agreement is limited in scope, it represents an important first step in formalizing the District's operational involvement with the State and provides a framework for continued collaboration as long-term solutions are evaluated.

Recommendation

Authorize the General Manager to execute the Agreement with the California Department of General Services, including any minor, non-substantive revisions that do not materially alter the rights, responsibilities, or financial obligations of the District.

Attached

Draft agreement for leak response services between DGS and the District

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER 25-310412	PURCHASING AUTHORITY NUMBER (If Applicable)
--------------------------------------	---

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

Real Estate Services Division - Asset Management Branch

CONTRACTOR NAME

Valley of the Moon Water District

2. The term of this Agreement is:

START DATE

June 15, 2026 or upon DGS/OBAS approval whichever is later

THROUGH END DATE

June 14, 2027

3. The maximum amount of this Agreement is:

\$125,000.00- One Hundred Twenty Five Thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	6
Exhibit A, Attachment 1	The Property - APN Numbers	1
Exhibit B	Budget Details and Payment Provisions	2
Exhibit B, Attachment 1	Cost Sheet	1
Exhibit C	Modified General Terms and Conditions	6
Exhibit D	Special Terms and Conditions	5
Exhibit E	Prevailing Wage	2

Items shown with an asterisk (), are hereby incorporated by reference and made part of this agreement as if attached hereto.*

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Valley of the Moon Water District

CONTRACTOR BUSINESS ADDRESS

PO Box 280

CITY

El Verano

STATE

CA

ZIP

95433

PRINTED NAME OF PERSON SIGNING

Matt Fullner

TITLE

General Manager

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER 25-310412	PURCHASING AUTHORITY NUMBER (If Applicable)
-------------------------------	---

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Department of General Services

CONTRACTING AGENCY ADDRESS

707 Third Street

CITY

West Sacramento

STATE

CA

ZIP

95605

PRINTED NAME OF PERSON SIGNING

Renee O'Connor

TITLE

Supervisor I

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

Exempt from DGS/OLS approval per DGS

Exemption Letter

EXHIBIT A

SCOPE OF WORK

The Sonoma Developmental Center (SDC), closed on December 31, 2018, and was under the jurisdiction of the Department of Developmental Services (DDS). The SDC is located on three parcels (APNs 054-090-001, 054-150-005, and 054-150-010) (Property), shown in Exhibit A, Attachment 2, Property. Effective July 1, 2019, the jurisdiction of the Property was transferred from DDS to the Department of General Services (DGS).

The Valley of the Moon Water District (Contractor) is a county water district created pursuant to the County Water District Law, California Water Code Sections 30000, et seq., that provides water distribution and other related services to various communities located in Sonoma County. Contractor's drinking water system is located both North and South of the Property and the District also owns and operates a pipeline connecting those two areas within the public road, Arnold Drive, that bisects the Property.

Until final disposition of the SDC, the Real Estate Division (RESA), Asset Management Branch (AMB) is responsible for ongoing management services and oversight of the SDC. To improve operations, DGS and Contractor wish to cooperate in the identification and implementation of solutions to address leaks of the water distribution system within the Property serving the former SDC (Water System). The Water System is located within the former SDC property (as shown in Exhibit A, Attachment 2, Property). This is an agreement between the State of California, by and through DGS, and Contractor. DGS and Contractor each may individually be referred to as "party," and collectively may be referred to as "parties."

1. LOCATION

A. The services will be performed at the following location:

Sonoma Developmental Center
15000 Arnold Drive
Eldridge, CA 95431
(APNs 054-090-001, 054-150-005, and 054-150-010)

2. PROJECT REPRESENTATIVES

A. The project representatives during the term of this Agreement shall be:

DGS/RESD AMB Contract Administrator
Department of General Services Suzanne Swanson, Contract Administrator 707 3 rd Street West Sacramento, CA 95605 916-376-1813 Suzanne.Swanson@dgs.ca.gov

Contractor's Contract Administrator
Valley of the Moon Water District Matt Fullner, General Manager PO Box 280 El Verano, CA 95433 707-996-1037 MFullner@vomwd.org

3. PAYMENT

A. Contractor is to be paid in accordance with Exhibit B Attachment 1, Cost Sheet, which shall stay in effect for the entire term of the Agreement.

4. DESCRIPTION OF WORK

A. Ongoing Leak Response Activities by Contractor

- 1) Contractor may respond to visible leaks of the Water System including, but not limited to:
 - a. Water main breaks;
 - b. Fire hydrant leaks;
 - c. Service line and isolation valve leaks; and
 - d. Reported leaks communicated by DGS, the public, or observed by Contractor.
- 2) Contractor will only perform leak detection services for the purpose of locating visible or reported leaks of the Water System. Contractor will not conduct system-wide leak detection surveys of the Water System.
- 3) Leak response activities performed by Contractor herein may include, but not be limited to, investigation, excavation, repair, and/or isolation. DGS acknowledges that Contractor may determine that the appropriate method of response to a leak event will be isolation of a portion of the Water System (as opposed to making a repair). DGS authorizes Contractor to make such determinations for the isolation of a portion of the Water System as appropriate.

B. Fire Hydrant Repair and Replacement Activities by Contractor

- 1) DGS will prepare a hydrant condition report.
- 2) Upon completion of DGS's hydrant condition report, DGS may provide a written request and authorization to Contractor to perform individual fire hydrant replacements and/or repairs.
- 3) DGS acknowledges that Contractor may determine that to repair or replace an individual hydrant will require Contractor to isolate hydrants and/or portions of the Water System during such hydrant repair and replacement activities. DGS acknowledges that Contractor may determine that replacing and/or repairing a hydrant is not feasible and that it will need to isolate hydrants and/or portions of the Water System. DGS authorizes Contractor to make such determinations for the isolation of hydrants and/or portions of the Water System as appropriate.

C. Plans, Records, and Site Information

- 1) DGS shall provide Contractor with all available plans, maps, engineering drawings, and as-built records for underground infrastructure at the Property, including but not limited to:
 - a. Water System;
 - b. Sewer and stormwater systems;
 - c. Chilled water, steam, and heating systems;
 - d. Natural gas; and
 - e. Electrical, telecom, and other utility related infrastructure.
- 2) DGS acknowledges that other unknown or unmapped underground infrastructure may exist at the Property.
- 3) Contractor will maintain records of all leak response and fire hydrant replacement and repair activities and will provide copies to DGS upon request.

D. Contractor Availability and Priority of Service

- 1) DGS acknowledges and accepts that Contractor's primary obligation is to operate and maintain its own water system.
- 2) In the event that Contractor, in its sole discretion, determines that it will not respond to a leak on the Property or will not be promptly available to respond to a leak, Contractor shall notify DGS. DGS may

retain another qualified contractor or request Contractor's assistance when Contractor determines it is available to respond to the leak.

E. Work Performed by Contractor Personnel and Equipment

- 1) All leak response and fire hydrant replacement and repair activities shall be performed by qualified Contractor personnel using equipment appropriate to the nature of the activity.
- 2) Contractor's vehicles or equipment may be used as needed to perform leak response and fire hydrant replacement and repair activities. Costs associated with the use of Contractor's vehicles or equipment shall be billed and paid pursuant to the Cost Sheet in Exhibit B, Attachment 1.

F. Authorization Threshold for Leak Response Activities

- 1) When Contractor performs leak response activities, Contractor is authorized to perform up to fifty (50) person-hours per event. If additional work beyond this threshold is needed, Contractor will notify DGS and obtain written authorization before continuing.

G. Notifications and Reporting

- 1) Contractor shall promptly notify DGS of any significant leaks, hazards, abnormal conditions, or operational concerns encountered during Contractor's performance of leak response and fire hydrant replacement and repair activities.
- 2) Contractor will provide DGS a monthly summary report of its leak response activities.

H. Completion Notices

- 1) Upon completion of work for each leak event or individual fire hydrant replacement or repair, the finished condition of the area within which the work is completed shall meet standards determined safe and appropriate for the location and surrounding area by Contractor. For any area in which work is performed under this Agreement, Contractor shall have no obligation to return that area to its original condition upon completion of the work performed. The finished condition for pipelines shall generally include backfill material up to the ground level with three-fourth inch (3/4") of drain rock or base rock.

- 2) After completing work for each leak event or individual fire hydrant replacement or repair, Contractor shall provide DGS a written notice of completion.
- 3) In the event DGS wants one or more changes to the work completed by Contractor, DGS must provide Contractor a request in writing within ten (10) business days of the date of the notice of completion identifying the change(s) requested. Contractor will make any changes it determines to be feasible.

5. TERM, TERMINATION AND SAFETY MEASURES

- A. This Agreement is effective upon approval by DGS. This agreement shall terminate when the SDC is transferred to a private party, unless terminated earlier as provided herein.
- B. Either party may terminate this Agreement with thirty (30) days' written notice submitted to the other party.
- C. In the event this Agreement is terminated for any reason whatsoever during Contractor's performance of leak response activities to an event or replacement or repair activities of an individual fire hydrant, Contractor will be allowed to put in place any safety measures it determines in Contractor's sole discretion to be necessary to cease work prior to completion.

6. RIGHT OF ENTRY AND STAGING AREA

- A. DGS hereby grants to Contractor and its employees the right to enter onto the Property for the purpose of performing the leak response and hydrant replacement and repair activities under this Agreement. DGS shall provide Contractor with keys to the main gates for the Property. DGS shall provide keys to any other areas or buildings on the Property upon request by Contractor.
- B. Contractor shall be allowed to designate an area on the Property for Contractor's staging area for equipment and for the placement of materials to be used by Contractor to perform the leak response and hydrant replacement and repair activities under this Agreement.
- C. DGS shall have access at all times to the Property. Contractor and DGS will coordinate access to ensure Contractor can safely perform the leak response and hydrant replacement and repair activities under this Agreement and to minimize any impairment of access to the Property or disruption of DGS activities on the Property.

7. INDEMNIFICATION

- A. To the fullest extent permitted by law, DGS shall hold harmless, indemnify, and defend Contractor from any and all claims (including all litigation, demands, damages, liabilities, costs and expenses, and including court costs and attorneys' fees) resulting from or arising under this Agreement, which shall include, but not be limited to, the condition and/or location of the Water System, the condition and/or location of other infrastructure (whether or not owned by DGS) within the Property, and the isolation of hydrants and/or portions of the Water System, except to the extent caused by Contractor's sole negligence or willful misconduct.

8. CONTROLLING DOCUMENT

- A. If any provision of Exhibit A conflicts with any provision of any other exhibits of this Agreement, the provision of this Exhibit A shall control and prevail.

EXHIBIT A, ATTACHMENT 1

THE PROPERTY – APN's

APNs: 054-090-001, 054-150-005, and 054-150-010

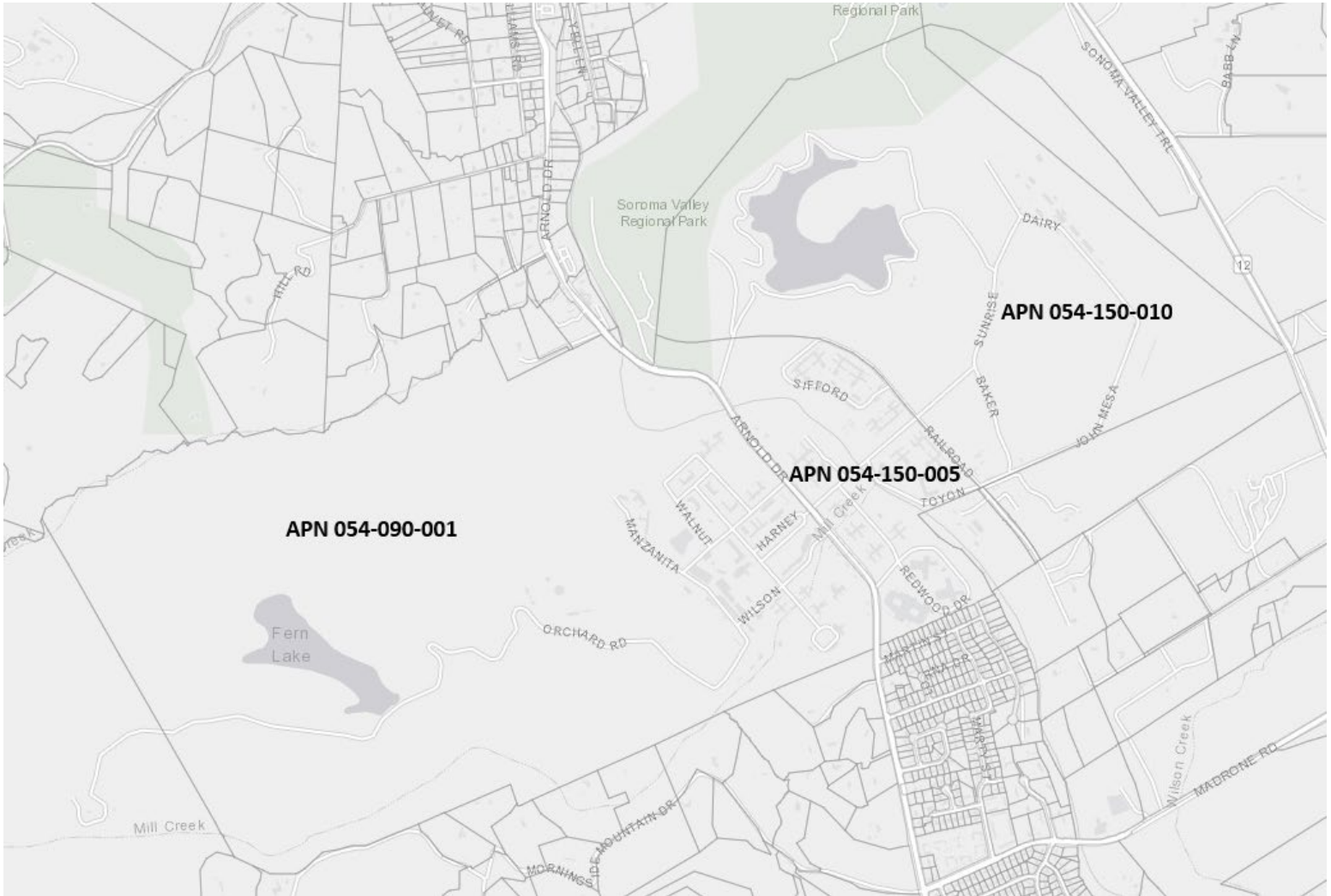


EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. INVOICING AND PAYMENT

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor in accordance with the rates specified in Exhibit B, Attachment 1, Cost Sheet.
- B. Itemized invoices shall be submitted monthly in arrears of the service performed. Invoices must be submitted with the Contractor's letterhead information exactly matching the Contractor name on the Standard Agreement 213 and be signed by an authorized representative.
- C. Invoices will include:
- 1) Contract Number
 - 2) Date of Invoice
 - 3) Date of Service
 - 4) Location of Service
 - 5) Description of Service(s), applicable rate(s) and total dollar amount
 - 6) Contact phone number for billing questions
- D. The DGS Supplier Payment Page includes detailed information on how to submit invoices to DGS and how to check the status of payments:
- <https://www.dgs.ca.gov/OFS/Services/Page-Content/Office-of-Fiscal-Services-Services-List-Folder/DGS-Supplier-Payment>
- E. There are 3 options for submitting invoices to DGS as follows:
- 1) Through the Invoice Payment Portal (this is the preferred method of delivery)
https://dgs.service-now.com/dgs_ssp
 - 2) By Mail
Department of General Services
Office of Fiscal Services
707 3rd Street, MS 413
West Sacramento, CA 95605
 - 3) By Email
 - i. For the appropriate email address, please visit the DGS Supplier Payment page above and select "How to Submit Invoices to DGS"

- F. Should an invoice be disputed, Contractor will correct any/all disputed items on the invoice and resubmit the invoice as indicated above. Failure to provide and resubmit corrected invoice will result in a delay of payment. Under no circumstances will a credit memo be accepted in lieu of a corrected invoice.

2. BUDGET CONTINGENCY CLAUSE

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to the Contractor or to furnish any other considerations under this Agreement and the Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement Amendment to the Contractor to reflect the reduced amount.
- C. This contract is subject to any additional restrictions, limitations or conditions enacted by the Legislature that may affect the provisions, terms or funding of this contract in any manner.

3. PROMPT PAYMENT CLAUSE

- A. Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with section 927.

4. CONTRACTOR OVERPAYMENTS

- A. If the State determines that an overpayment has been made to the Contractor, the State will seek recovery immediately upon discovery of the overpayment by: (a) calling the Contractor's accounting office to request a refund of the overpayment amount, or (b) offsetting subsequent Contractor payments by the amount of the overpayment if Contractor repayment or credit is not received within thirty (30) days from the date of notice.
- B. If Contractor discovers it has received an overpayment, Contractor must notify the State and refund the overpayment immediately

EXHIBIT B, ATTACHMENT 1

COST SHEET

DESCRIPTION	COST	
Personnel Costs	Billed at Contractor regular and overtime hourly rates for the time work performed.	
	2025-26 Regular Rate* (per hour)	2025-26 Overtime Rate* (per hour)
Water System Operator 1	\$101.71	\$127.37
Water System Operator 2	\$115.59	\$147.60
Water System Operator 3	\$120.34	\$154.60
Senior Water System Operator	\$127.45	\$165.22
Water System Manager	\$132.44	\$177.49
Billing/Office Support	\$94.00	\$119.85
Equipment Costs		
District Owned Vehicle/Equipment	\$0.70/mile or ½ hour, whichever is greater	
Materials		
All materials	Actual cost plus 10% (for handling)	

*2025-26 Rates are for informational purposes only. Rates shall be the rates calculated for Contractor personnel at the time work is performed.

EXHIBIT C

MODIFIED GENERAL TERMS AND CONDITIONS (GTC 02/2025)

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.
6. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.
7. INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement,

shall act in an independent capacity and not as officers or employees or agents of the State.

8. RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

9. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)

Contractor shall include the nondiscrimination and compliance

- provisions of this clause in all subcontracts to perform work under the Agreement.
10. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.
 11. TIMELINESS: Time is of the essence in this Agreement.
 12. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.
 13. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.
 14. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.
 - a. The Government Code Chapter on Antitrust claims contains the following definitions:
 - 1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
 - 2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
 - b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall

be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

- c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
- d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

15. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

- a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

16. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.
17. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
18. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:
 - a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)
 - b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)
19. LOSS LEADER: If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

20. GENERATIVE AI DISCLOSURE OBLIGATIONS:

- a. The following terms are in addition to the defined terms and shall apply to the Contract:
 - 1) "Generative AI (GenAI)" means an artificial intelligence system that can generate derived synthetic content, including text, images, video, and audio that emulates the structure and characteristics of the system's training data. (Gov. Code § 11549.64.)
- b. Contractor shall immediately notify the State in writing if it: (1) intends to provide GenAI as a deliverable to the State; or (2), intends to utilize GenAI, including GenAI from third parties, to complete all or a portion of any deliverable that materially impacts: (i) functionality of a State system, (ii) risk to the State, or (iii) Contract performance. For avoidance of doubt, the term "materially impacts" shall have the meaning set forth in State Administrative Manual (SAM) § 4986.2 Definitions for GenAI.
- c. Notification shall be provided to the State designee identified in this Contract.
- d. At the direction of the State, Contractor shall discontinue the provision to the State of any previously unreported GenAI that results in a material impact to the functionality of the System, risk to the State, or Contract performance, as determined by the State.
- e. If the use of previously undisclosed GenAI is approved by the State, then Contractor will update the Deliverable description, and the Parties will amend the Contract accordingly, which may include incorporating the GenAI Special Provisions into the Contract, at no additional cost to the State.
- f. The State, at its sole discretion, may consider Contractor's failure to disclose or discontinue the provision or use of GenAI as described above, to constitute a material breach of Contract when such failure results in a material impact to the functionality of the System, risk to the State, or Contract performance. The State is entitled to seek any and all remedies available to it under law as a result of such breach, including but not limited to termination of the contract.

EXHIBIT D

SPECIAL TERMS AND CONDITIONS

1. STANDARD CONDITIONS OF SERVICE

- A. Contractor will abide by all State and Federal laws in performance of this contract. In addition, the Contractor agrees and understands that local counties and cities where the services are being performed may have further restrictions (e.g., codes, ordinances, etc.) that also must be abided by.
- B. The Contractor shall maintain all license(s) required by law for accomplishing any work required with this agreement. In the event any license(s) expire at any time during the term of this agreement, Contractor agrees to provide to the State a copy of the renewed license(s) within thirty (30) days following the expiration date. In the event the Contractor fails to keep in effect at all times all required license(s), the State may, in addition to any other remedies it may have, terminate this agreement upon occurrence of such event.
- C. The Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Contract for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- D. If signing this contract as a sole proprietor, Contractor certifies that it is not an alien that is ineligible for state and local benefits, as defined in Subtitle B of the Personal Responsibility and Work Opportunity Act (8 U.S.C. § 1601 et seq.).
- E. Pursuant to Public Contract Code section 10295.4, persons or companies identified as the largest tax delinquents by the Franchise Tax Board (FTB) or the California Department of Tax and Fee Administration (CDTFA) are ineligible to enter into any contract with the state for non-IT goods or services. Any contract entered into in violation of section 10295.4 is void and unenforceable.
- F. If contract activities include collection of organic waste, the Contractor must be aware and adhere to Public Resources Code § 42649.1 et. seq. concerning organic waste recycling requirements. Organic waste includes: food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste.

- G. Pursuant to Government Code (GC) 7928.801, this contract, including price and terms of payment, is a public record and subject to disclosure. Any provision in a written agreement to exclude disclosure and consider it confidential or proprietary is void and unenforceable by law.
2. EXCISE TAX: The State of California is exempt from Federal Excise Taxes, and no payment will be made for any taxes levied on employees' wages.
3. RIGHT TO TERMINATE
- A. The State reserves the right to cancel all or a portion of the service for any reason, subject to thirty (30) days written notice to the Contractor.
- B. This agreement can be immediately terminated for cause. The term "for cause" means that the Contractor fails to meet the terms, conditions, and/or responsibilities of the contract. In this instance, the contract termination shall be effective as of the date indicated on the State's notification to the Contractor.
4. RESOLUTION OF CONTRACT DISPUTES
- A. In the event of a dispute, Contractor will attempt resolution with the RESD-AMD Contract Administrator with a written explanation of the situation. If no resolution is found, Contractor shall file a "Notice of Dispute" with the Department of General Services within ten (10) days of the failed resolution at the following address:
- Attn: RESD Chief
Department of General Services, RESD-AMB
707 3rd Street
West Sacramento, CA 95605
- B. RESD Chief or designee shall meet with the Contractor for purposes of resolving the dispute. The decision of the RESD Chief or the designee shall be final. In the event of a dispute, the language contained within this agreement and its attendant Exhibits shall prevail over any other language.
- C. Neither the pendency of a dispute nor its consideration by the RESD Chief will excuse the Contractor from full and timely performance in accordance with the terms of the Agreement.

5. HEALTH AND SAFETY PROVISIONS

- A. Contractor and all subcontractors shall abide by all health and safety mandates issued by federal, state, and local governments and/or public health officers as well as those issued by DGS agency, and worksite specific mandates. If multiple mandates exist, the Contractor and subcontractors shall abide by the most restrictive mandate. The term “employee”, “worker”, “state worker” or “state employee” in health and safety mandates includes contractor and subcontractor personnel.
- B. Costs associated with adhering to health and safety mandates are the responsibility of the Contractor. Contractor is responsible for the tracking and compliance of health and safety mandates and may be audited upon request.

6. SUBCONTRACTORS

- A. Subcontracting is not allowed on this contract.

7. INSURANCE REQUIREMENT

- A. General Provisions Applying to All Policies
 - 1) Coverage Term – Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least thirty (30) days prior to the expiration of this insurance. Any new insurance must still comply to the original terms of the contract.
 - 2) Policy Cancellation or Termination & Notice of Non-Renewal – Contractor is responsible to notify the State within 5 business days of any cancellation, non-renewal or material change that affects required insurance coverage. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.
 - 3) Deductible – Contractor is responsible for any deductible or self-insured retention contained within their insurance program.
 - 4) Primary Clause – Any required insurance contained in this contract shall be primary, and not excess or contributory, to any other insurance carried by the State.
 - 5) Insurance Carrier Required Rating – All insurance companies must carry a rating acceptable to the Office of Risk and Insurance Management. If the Contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.

- 6) Endorsements – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
 - 7) Inadequate Insurance – Inadequate or lack of insurance does not negate the Contractor's obligations under the contract.
- B. Commercial General Liability – Contractor and any subcontractors shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limits shall apply separately to this project/location, or the general aggregate limit shall be twice the required occurrence limit. If the aggregate applies “per project/location” it shall so state on the certificate. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability. **The policy must be endorsed to include the State of California, its officers, agents and employees as additional insured, but only with respect to work performed under the contract. The additional insured endorsement shall be provided with the certificate of insurance.**
- C. Automobile Liability – Contractor shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. **The policy must be endorsed to include the State of California, its officers, agents and employees as additional insured, but only with respect to work performed under the contract. The additional insured endorsement shall be provided with the certificate of insurance.**
- D. Workers Compensation and Employers Liability – Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Contract. Employer's liability limits of \$1,000,000 are required. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the State.**

- E. Certificate of Insurance - The Contractor shall furnish a Certificate of Insurance. The Certificate of Insurance will provide the above listed liability coverages and the Certificate Holder shall read:

Department of General Services, The Ziggurat
Attn: CSS Contract Administrator – 25-310412
Mailstop: 508
707 Third Street
West Sacramento, CA 95605

8. RUSSIAN SANCTION ORDERS: On March 4, 2022, Governor Gavin Newsom issued Executive Order (EO) N-6-22 regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.
9. NEWS RELEASES: News releases or statements to the media pertaining to award of, or work performed as a result of, contract may not be made without prior written approval of:

The Public Information Officer
707 Third Street, MS 101
West Sacramento, CA 95605
Phone: (916) 376-5037
Email: DGSPublicAffairs@dgs.ca.gov

EXHIBIT E

PREVAILING WAGE

The following provisions apply as required by law. These provisions are applicable only to work performed under contract, and are not applicable to work carried out by a public agency with its own forces.

1. The Contractor shall comply with Labor Code Sections 1774 and 1775. Pursuant to Section 1774, the Contractor and every subcontractor, regardless of tier, shall pay not less than the specified prevailing wage rates to all workers employed in the execution of the Contract. In accordance with Section 1775, the Contractor and any subcontractor under the Contractor shall forfeit to the State up to \$200 for each day, or portion thereof, for each worker paid less than the prevailing wage rates for the work or craft in which the worker is employed for any work executed under the Contract by the Contractor or by any subcontractor, regardless of tier, in violation of the provisions of the Labor Code; and, in particular, Labor Code Sections 1770 to 1780, inclusive. In addition to such forfeiture, the difference between such stipulated prevailing wage rates and the amount paid to each worker for each day, or portion thereof, shall be paid to each underpaid worker by the Contractor or subcontractor. This provision shall not apply to properly registered apprentices.
2. Pursuant to Labor Code, Section 1770, the Director of the Department of Industrial Relations (DIR) has ascertained the general prevailing rate of per diem wages and a general prevailing rate for legal holiday and overtime work for each craft required for execution of the Contract. The Contractor shall obtain copies of the prevailing rate of per diem wages from:

Department of Industrial Relations, Division of Labor Statistics & Research
PO Box 420603
San Francisco, CA 94142-0603
(415) 703-4780

Or wage rates may be accessed on the internet at
http://www.dir.ca.gov/OPRL/statistics_research.html.

The Contractor is responsible to read, understand and comply with all the guidelines, including the fine print in the prevailing wage determinations; and shall post a copy of the prevailing wage rates, specific to the Project, at the Project site.

3. Wage rates set forth are the minimum that may be paid by the Contractor. Nothing herein shall be construed as preventing the Contractor from paying more than the minimum rates set. No extra compensation will be allowed by the State due to the inability of the Contractor to hire labor at minimum rates, nor for necessity for payment by the Contractor of subsistence, travel time, overtime, or other added compensations, all of which possibilities are elements to be considered and ascertained to the Contractor's own satisfaction in preparing their Cost Sheet and will be applicable for the term of the contract.
4. If it becomes necessary to employ crafts other than those listed in DIR's General Prevailing Wage Rate booklet, the Contractor shall contact the Division of Labor Statistics and Research as noted above. The rates thus determined shall be applicable as minimum for the contract and incorporated in the Cost Sheet. When the wage determination shows an expiration date (noted by a double asterisk**), to expire during the term of the contract, the Contractor must call or write the DIR to obtain the new rates and will have incorporated them into their Cost Sheet and will then be applicable for the term of the contract.
5. The Contractor and each subcontractor, regardless of tier, shall keep an accurate payroll record showing the names, addresses, social security numbers, work classifications, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the Contractor and/or subcontractor in connection with the Work. Payroll records shall be certified and shall be on forms provided by the Division of Labor Standards Enforcement, or shall contain the same information as those forms. The Contractor's and subcontractor's certified payroll records for each employee shall be submitted with each payment request, covering the period of the payment request unless requested otherwise by the Labor Commissioner of the Department of Industrial Relations pursuant to Labor Code Section 1771.4(c)(2)(b). If this contract was awarded on or after April 1, 2015, monthly payrolls should be sent directly to the Department of Industrial Relations in the current prescribed electronic format. Refer to <http://www.dir.ca.gov/Public-Works/PublicWorks.html> for access to the electronic Certified Payroll Application.
6. Labor Compliance Monitoring and Enforcement: This project is subject to monitoring and enforcement by the Department of Industrial Relations (DIR), Compliance Monitoring Unit if awarded after January 1, 2015. All Contractors and subcontractors, regardless of tier, shall be required to comply with the Monitoring and Enforcement Program, including, but not limited to, contractor registration, submittal of electronic certified payroll reports directly to the DIR and cooperation with on-site monitoring by DIR personnel. Refer to Labor Code 1771.4 et seq.

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Consider Approval of the Amended and Restated Sonoma Valley Groundwater Sustainability Agency Joint Exercise of Powers Agreement by adoption of Resolution No. 260701

Background

The Sonoma Valley Groundwater Sustainability Agency (SVGSA) Board has approved a series of updates to its Joint Exercise of Powers Agreement and has requested approval by each member agency governing board. Under Section 12.02 of the current JPA, amendments require the unanimous written consent of all member agencies acting through their governing bodies before becoming effective. The proposed amendments are intended to clarify governance, improve administrative efficiency, and better reflect the Agency's current operations after nearly nine years of implementing the Sustainable Groundwater Management Act (SGMA). The proposed amendments do not change the District's role as a member agency or the fundamental purpose of the GSA.

The Valley of the Moon Water District is one of the member agencies that formed the Sonoma Valley Groundwater Sustainability Agency through a Joint Exercise of Powers Agreement executed in 2017. The current JPA requires periodic review of the agreement following key milestones, including completion of the initial fee study and adoption of the Groundwater Sustainability Plan. Following those milestones, GSA staff, legal counsel, and member agency staff conducted a comprehensive review of both the JPA and the Agency's Bylaws to determine whether revisions were appropriate based on nearly a decade of operational experience.

On June 22, 2026, the SVGSA Board adopted Resolution SV-003-2026 approving an amended and restated JPA and directing staff to obtain approval from each member agency governing board.

The proposed amendments are primarily administrative and governance-related. Significant changes include:

- Allowing each member agency to appoint a Second Alternate Director to improve attendance and maintain quorums.
- Changing Board officer elections from annual to biennial terms to provide leadership continuity.
- Clarifying supermajority voting requirements for Advisory Committee composition.
- Providing additional flexibility in the annual budget adoption schedule.
- Establishing an expedited process for future minor administrative amendments while preserving unanimous member approval for substantive changes.
- Updating definitions, administrative language, and other provisions to better reflect the Agency's current governance and operations.

The SVGSA Board determined these revisions improve clarity and operational efficiency while maintaining appropriate protections for member agencies. Any substantive future amendments affecting Agency powers, Board composition, or voting requirements would continue to require unanimous approval of all member agencies.

Staff has reviewed the proposed amended JPA and believes the revisions are reasonable, improve governance, and do not materially alter the District's rights or obligations as a member agency.

Recommendation

Adopt Resolution No. 260701 approving the Amended and Restated Joint Exercise of Powers Agreement (JPA) for the Sonoma Valley Groundwater Sustainability Agency (SVGSA) and authorizing the Board's SVGSA Representative to execute the Agreement on behalf of the District.

Attachments

1. Resolution Approving the Amended and Restated Joint Exercise of Powers Agreement
2. Amended and Restated Joint Exercise of Powers Agreement

Resolution No. 260701

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY OF THE MOON WATER DISTRICT APPROVING THE AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT OF THE SONOMA VALLEY GROUNDWATER SUSTAINABILITY AGENCY AND AUTHORIZING EXECUTION THEREOF

WHEREAS, the Valley of the Moon Water District ("District") is a member agency of the Sonoma Valley Groundwater Sustainability Agency ("SVGSA"), a joint powers authority formed pursuant to the Joint Exercise of Powers Act (Government Code section 6500 et seq.) and the Sustainable Groundwater Management Act (Water Code section 10720 et seq.); and

WHEREAS, the District is a signatory to the Joint Exercise of Powers Agreement that established the Sonoma Valley Groundwater Sustainability Agency, effective May 30, 2017; and

WHEREAS, following a periodic review of the Joint Exercise of Powers Agreement and the Agency's governance structure, the SVGSA Board of Directors approved Resolution No. SV-003-2026 on June 22, 2026, approving an Amended and Restated Joint Exercise of Powers Agreement and directing that the proposed amendments be submitted to each member agency for approval in accordance with Section 12.02 of the existing Agreement; and

WHEREAS, the proposed amendments are intended to clarify governance, improve administrative efficiency, provide additional operational flexibility, and better reflect the Agency's current governance and administrative practices, while preserving the rights and responsibilities of the member agencies; and

WHEREAS, the Board of Directors of the Valley of the Moon Water District has reviewed the proposed Amended and Restated Joint Exercise of Powers Agreement and finds that approval of the Agreement is in the best interests of the District and the continued effective governance of the Sonoma Valley Groundwater Sustainability Agency;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Valley of the Moon Water District does hereby resolve as follows:

1. The Board of Directors hereby approves the Amended and Restated Joint Exercise of Powers Agreement for the Sonoma Valley Groundwater Sustainability Agency, attached hereto as Exhibit A.
2. The Board hereby authorizes the District's designated representative to the Sonoma Valley Groundwater Sustainability Agency to execute the Amended and Restated Joint Exercise of Powers Agreement on behalf of the Valley of the Moon Water District.
3. The General Manager, or designee, is hereby authorized to take all actions necessary to carry out the intent of this Resolution, including transmitting the executed Agreement and a certified copy of this Resolution to the Sonoma Valley Groundwater Sustainability Agency.
4. This Resolution shall take effect immediately upon its adoption.

THIS RESOLUTION PASSED AND ADOPTED THIS 7th DAY OF JULY 2026 by the following votes:

Director Caniglia _____ By _____
President

Director Bryant _____

Director Foreman _____

Director Yudin-Cowan _____ By _____
Secretary

Director Williams _____

AYES

NOES

ABSENT

ABSTAIN

I HEREBY CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of the Board of Directors of Valley of the Moon Water District held on the 7th day of July 2026, of which meeting all Directors were notified and at which meeting a quorum was present at all times and acting.

By _____
Secretary

AMENDED AND
RESTATED
JOINT EXERCISE OF
POWERS AGREEMENT

of the

SONOMA VALLEY
GROUNDWATER
SUSTAINABILITY AGENCY

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Amended and Restated

**SONOMA VALLEY GROUNDWATER
SUSTAINABILITY AGENCY JOINT EXERCISE OF
POWERS AGREEMENT**

This **JOINT EXERCISE OF POWERS AGREEMENT** (“**Agreement**”) forming the Sonoma Valley Groundwater Sustainability Agency (“**Agency**”) is made and entered into as of December 31, 2026 (“**Effective Date**”), by and among the public agencies listed on the attached Exhibit “A” (collectively “**Members**” and individually “**Member**”) for the purpose of forming a Groundwater Sustainability Agency (“**GSA**”) and achieving groundwater sustainability in the Sonoma Valley Groundwater Basin.

RECITALS

WHEREAS, the comprehensive groundwater legislation collectively enacted and referred to as the “Sustainable Groundwater Management Act” (“**SGMA**”) initially became effective on January 1, 2015.

WHEREAS, the stated purpose of SGMA, as set forth in California Water Code section 10720.1, is to provide for the sustainable management of groundwater basins at a local level by providing local groundwater agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater.

WHEREAS, SGMA requires the designation of Groundwater Sustainability Agencies (“**GSAs**”) for the purpose of achieving groundwater sustainability through the adoption and implementation of Groundwater Sustainability Plans (“**GSPs**”) or an alternative plan for all medium and high priority basins as designated by the California Department of Water Resources.

WHEREAS, each Member is a local agency, as defined by SGMA, within the Napa-Sonoma Valley Groundwater Basin, Sonoma Valley Subbasin (“**Basin**”) which is designated basin number 2-02.02 in Department of Water Resources Bulletin No. 118 and which is designated as a high priority basin.

WHEREAS, SGMA requires that the Basin have a designated GSA by no later than June 30, 2017 and an adopted GSP by no later than January 31, 2022.

WHEREAS, SGMA authorizes a combination of local agencies to form a GSA by entering into a joint powers agreement.

WHEREAS, the Members are authorized by the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code) (“**Act**”) to create the Agency for the purpose of jointly exercising those powers granted by the Act and any additional powers which are common among them.

WHEREAS, the Members, individually and collectively, have the goal of cost effective sustainable groundwater management that considers the interests and concerns of all beneficial uses and users of groundwater.

WHEREAS, in order to promote efficiency and sharing of resources, the Members, individually and collectively, encourage coordination between GSAs in Sonoma County.

WHEREAS, the Members hereby enter into this Agreement to establish this Joint Powers Authority to form a GSA and undertake the management of groundwater resources pursuant to SGMA.

WHEREAS, on May 30, 2017, the Members entered into a Joint Power Agreement as authorized by the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code) (“**Act**”), thereby forming the Agency, and under which the Agency has since been operating.

WHEREAS, the Members have now unanimously determined, pursuant to those same recitals, that 2017 Joint Powers Agreement should be amended so that this Amended and Restated Joint Powers Agreement accurately reflects the Agency’s governance and administrative structure, thereby becoming, as of the Effective Date, the Joint Powers Agreement that shall govern the GSA.

AGREEMENT TERMS

NOW THEREFORE, in consideration of the matters recited and the mutual promises, covenants, and conditions set forth in this Agreement, the Members hereby agree as follows:

Article I: Definitions

Section 1.01 - Definitions.

As used in this Agreement, unless the context requires otherwise, the meaning of the terms hereinafter set forth shall be as follows:

(a) “Act” shall mean the Joint Exercise of Powers Act, set forth in Chapter 5 of Division 7 of Title I of the California Government Code, sections 6500, *et seq.*, including any amendments thereto.

(b) “Agreement” means this Sonoma Valley Groundwater Sustainability Agency Joint Exercise of Powers Agreement.

(c) “Agency” shall mean the Sonoma Valley Groundwater Sustainability Agency, which is a separate entity created by this Agreement pursuant to the provisions of California Government Code sections 6500 *et seq.*

(d) “Basin” shall mean the Sonoma Valley Groundwater Subbasin which is designated basin number 2-02.02 in Department of Water Resources’ Bulletin No. 118 and as its boundaries

may be modified from time to time through the procedures described in California Water Code section 10722.2 or by the Department of Water Resources under its separate authority.

(e) “Board of Directors” or “Board” shall mean the governing body of the Agency as established by Section 6.01 of this Agreement.

(f) “Bylaws” shall mean the bylaws adopted by the Board of Directors pursuant to Section 9.05 of this Agreement to govern the day-to-day operations of the Agency.

(g) “Director” shall mean each person appointed by each Member pursuant to Section 6.02 to exercise the rights and duties of a Director as defined by this Agreement, which shall include a “Primary Director,” “Alternate Director,” and “Second Alternate Director,” as appropriate.

(h) “Fiscal Year” shall mean July 1 through June 30 pursuant to Section 10.03 of this Agreement.

(i) “Groundwater Sustainability Agency” or “GSA” shall have the meaning set forth in California Water Code section 10721 (j).

(j) “Groundwater Sustainability Plan” or “GSP” shall have the meaning set forth in California Water Code section 10721(k).

(k) “Local Agency” or “Local Agencies” shall have the meaning set forth in California Water Code Section 10721(n).

(l) “Member” or “Members” shall mean the local agencies listed in the attached Exhibit “A” that have executed this Agreement, including any new Members that may subsequently join this Agency with the authorization of the Board, pursuant to Section 5.02 of this Agreement.

(m) “Plan Manager” shall mean the person designated by the Board to oversee the preparation and implementation of the GSP and who has been delegated management authority for submitting the GSP, GSP amendments, annual reports, and five-year assessments and serving as the point of contact between the Agency and the Department of Water Resources. The Plan Manager shall be a professional engineer, professional geologist or certified hydrogeologist.

(n) “Sustainable Groundwater Management Act” or “SGMA” shall mean the comprehensive groundwater legislation collectively enacted and referred to as the “Sustainable Groundwater Management Act” (“**SGMA**”) as codified in California Water Code Sections 10720 et seq. and as may be amended in the future.

Article II: Agency Creation

Section 2.01 - Creation of the Agency.

There is hereby created a joint powers agency known as the Sonoma Valley Groundwater Sustainability Agency (“Agency”). The Agency shall be, to the extent provided by law, a public entity separate from the Members of this Agreement.

Section 2.02 - Purpose of the Agency.

The purpose of this Agreement, and the creation of the Agency, is to provide for the joint exercise of powers common to the Members, to specifically include powers granted by SGMA, for the purpose of cooperatively carrying out the requirements of SGMA. including, but not limited to, serving as the GSA for the Basin and developing, adopting and implementing a GSP that achieves groundwater sustainability in the Basin.

Article III: Term

Section 3.01 - Term.

This Agreement shall become operative on the Effective Date provided that at least two of the Members listed in Exhibit A have executed this Agreement by said date.

This Agreement shall remain in effect until terminated by the unanimous written consent of all then active Members or until there are less than two Members remaining in the Agency; provided, however, that this Agreement shall remain in effect during the term of any contractual obligation or indebtedness of the Agency that was previously approved by the Board.

Article IV: Powers

Section 4.01 - Powers.

The Agency shall possess the ability to exercise those powers specifically granted by the Act and SGMA. Additionally, the Agency shall possess the ability to exercise the common powers of its Members related to the purposes of the Agency, including, but not limited to, the following:

4.01.01 To designate itself the GSA for the Basin pursuant to SGMA.

4.01.02 To adopt rules, regulations, policies, bylaws and procedures governing the operation of the Agency and the adoption and implementation of the GSP.

4.01.03 To develop, adopt and implement a GSP for the Basin pursuant to SGMA.

4.01.04 To employ agents and employees.

4.01.05 To obtain legal, financial, accounting, technical, engineering, and other services needed to carry out the purposes of this Agreement.

4.01.06 To conduct studies, collect and monitor all data related and beneficial to the development, adoption and implementation of the GSP for the Basin.

4.01.07 To perform periodic reviews of the GSP including submittal of annual reports.

4.01.08 To register and monitor wells within the Basin.

4.01.09 To issue revenue bonds or other appropriate public or private debt and incur debts, liabilities or obligations.

4.01.10 To exercise the powers permitted under Government Code section 6504 or any successor statute.

4.01.11 To levy taxes, assessments, charges and fees as provided in SGMA or otherwise provided by law.

4.01.12 To regulate and monitor groundwater extractions as permitted by SGMA, provided that this Agreement does not extend to a Member's operation of its system to distribute water once extracted or otherwise obtained, unless and to the extent required by other laws now in existence or as may otherwise be adopted.

4.01.13 To establish and administer projects and programs for the benefit of the Basin.

4.01.14 To cooperate, act in conjunction and contract with the United States, the State of California, or any agency thereof, counties, municipalities, special districts, groundwater sustainability agencies, public and private corporations of any kind (including without limitation, investor-owned utilities and mutual water companies), and individuals, or any of them, for any and all purposes necessary or convenient for the full exercise of the powers of the Agency.

4.01.15 To accumulate operating and reserve funds and invest the same as allowed by law for the purposes of the Agency and to invest funds pursuant to California Government Code section 6509.5 or other applicable State Law.

4.01.16 To apply for and accept grants, contributions, donations and loans under any federal, state or local programs for assistance in developing or implementing any of its projects or programs in connection with any project undertaken in the Agency's name for the purposes of the Agency.

4.01.17 To acquire by negotiation, lease, purchase, construct, hold, manage, maintain, operate and dispose of any buildings, property, water rights, works or

improvements within and without the respective boundaries of the Members necessary to accomplish the purposes describe herein.

4.01.18 To sue or be sued in its own name.

4.01.19 Any additional powers conferred under SGMA or the Act or under applicable law, insofar as such powers are needed to accomplish the purposes of SGMA, including all powers granted to the Agency under Article 4 of the Act which are in addition to the common powers of the Members, including the power to issue bonds or otherwise incur debts, liabilities or obligations to the extent authorized by the Act or any other applicable provision of law and to pledge any property or revenues of the rights thereto as security for such bonds and other indebtedness.

4.01.20 Any power necessary or incidental to the foregoing powers in the manner and according to the procedures provided for under the law applicable to the Members to this Agreement and to perform all other acts necessary or proper to fully carry out the purposes of this Agreement.

Section 4.02 - Exercise of Powers.

In accordance with California Government Code section 6509, the foregoing powers shall be subject to the restrictions upon the manner of exercising such powers pertaining to the County of Sonoma.

Section 4.03 - Water Rights and Consideration of all Beneficial Uses and Users of Groundwater in the Basin.

As set forth in California Water Code section 10723.2, and any future amendments to SGMA, the GSA shall consider the interests of all beneficial uses and users of groundwater in the Basin, as well as those responsible for implementing the GSP. Additionally, as set forth in California Water Code section 10720.5(a), and any future amendments to SGMA, any GSP adopted pursuant to this Agreement shall be consistent with Section 2 of Article X of the California Constitution and nothing in this Agreement modifies the rights or priorities to use or store groundwater consistent with Section 2 of Article X of the California Constitution, with the exception that no extraction of groundwater between January 1, 2015 and the date the GSP is adopted may be used as evidence of, or to establish or defend against, any claim of prescription. Likewise, as set forth in California Water Code section 10720.5(b), and any future amendments to SGMA, nothing in this Agreement or any GSP adopted pursuant to this Agreement determines or alters surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights.

Section 4.04 - Preservation of Powers.

Nothing set forth in this Agreement is intended to abrogate the powers of any Member, independent of the Agency, including but not limited to police power, as applicable. The adopted GSP shall not authorize any water supply augmentation to the Basin with groundwater extracted

from another groundwater basin within the jurisdiction of a Member without the express consent of that Member.

Section 4.05 - Coordination between Basins.

In order to maintain consistency and the efficient use of resources, to the extent feasible, the Agency shall endeavor to coordinate between and among the other Sonoma County GSAs for administration, matters involving public communication and outreach, and for developing frameworks to support groundwater management, which may include agreement to certain areas of coordination, provided that the Agency retain its own authority and that such recommendations are ratified by the Board. The Agency may clarify and acknowledge coordination among the other GSAs through a document or agreement if deemed appropriate.

Section 4.06 - Public Meeting for Periodic Review of Agreement.

To ensure that the Agency's governance structure addresses the interests and concerns of those affected by its activities, the Board shall conduct a public meeting at the following milestones to review the terms and conditions of this Agreement and discuss whether any amendments to this Agreement are necessary or advisable:

- Upon completion of an initial fee study
- Within three years of submittal of the GSP to DWR
- At least once every ten years after adoption of the GSP

At such public meeting the Administrator and Agency Counsel shall make a report to the Board recommending any amendments to the Agreement, and if directed by the Board shall draft proposed amendments to this Agreement for consideration by the governing boards of each Member. This section shall not preclude the Members from making amendments of this Agreement at other times as deemed necessary or appropriate by the Members. in accordance with Section 12.02 of this Agreement.

Article V: Membership

Section 5.01 - Members.

The Members of the Agency shall be the local agencies listed on the attached Exhibit "A", so long as their Membership has not been withdrawn or terminated pursuant to the provisions of Article XI of this Agreement.

Section 5.02 - New Members.

Upon submittal of an application for membership, new Members shall be admitted to the Agency so long as: 1) the new Member is located or has jurisdictional boundaries within the Basin; 2) the new Member is a local public agency or another entity authorized by SGMA that is qualified to join the Agency under the provisions of SGMA and the Act; and 3) the new Member agrees to

the terms of this Agreement, including applicable financial obligations, which may be determined based at no more than an equal share of the unreimbursed Funding Commitments of the other Members pursuant to Section 10.02 or as established pursuant to Section 10.07.

Once an application is accepted by the Board of Directors, this Agreement is executed by an authorized representative of the new Member, and the new Member satisfies any applicable financial obligations of the new Member, the attached Exhibit “A” shall be amended to reflect the new Member, and such action by the Board shall not be subject to the requirements of Section 12.02.

Article VI: Directors and Officers

Section 6.01- Board of Directors.

The Agency shall be governed and administered by a Board of Directors (“**Board**”) which is hereby established and which shall be composed of one voting seat per Member. The governing board shall be known as the “Board of Directors of the Sonoma Valley Groundwater Sustainability Agency” All voting power shall reside in the Board

Section 6.02 - Directors and Alternates.

Each Member shall appoint one Primary Director and one Alternate Director to the Board. The Alternate Director shall serve and assume the rights and duties of the Primary Director when the Primary Director is absent or recused from a Board meeting. The Primary Director and Alternate Director shall, at all times, be an elected or appointed official of their respective Member.

Each Member may also appoint one Second Alternate Director who shall serve and assume the rights and duties of the Primary Director in the absence or recusal of both that Member’s Primary Director and Alternate Director. The appointed Second Alternate Director shall, at all times, be an elected or appointed official of their respective Member, or executive staff of their respective Member. The Second Alternate Director shall, at all times, be an individual whose duties require reporting to their respective Member’s governing body. Executive staff shall include a City Manager, General Manager, Executive Director, Department Head, Chief Administrative Officer, or a substantially similar position. Executive staff shall not include independent contractors, consultants, temporary staff, or third parties. The Second Alternate Director shall be limited to attending no more than two (2) of the Agency’s meetings during any calendar year.

Each appointed Primary, Alternate, and Second Alternate Director who assumes the rights and duties of the Primary Director shall, at all times, be subject to the Agency’s Conflict of Interest Codes and applicable state law, including, but not limited to, Government Code § 1090, the Political Reform Act, and the Brown Act. Each appointed Primary, Alternate, and Second Alternate Director shall serve at the pleasure of the Member appointing them, and they may be removed at any time, with or without cause, in the sole discretion of their respective Member. Each Primary, Alternate, and Second Alternate Director shall hold office until their successor is selected by their Member and the Agency has been notified of the succession.

In the event that the Primary or Alternate Director ceases to be an elected or appointed official of their Member's governing body, that position shall become vacant and the respective Member shall appoint a new Primary or Alternate Director. In the event that the Second Alternate Director ceases to be an elected or appointed official of their Member's governing body or a member of the respective Member's executive staff, that position shall become vacant and the Respective Member may appoint a new Second Alternate Director.

Section 6.03 - Officers of the Board.

Officers of the Agency's Board shall consist of a Chairperson and Vice-Chairperson. The Chairperson shall preside at all meetings of the Board, while the Vice-Chairperson shall perform the duties of the Chairperson in the absence or disability of the Chairperson. The Chairperson and Vice-Chairperson shall exercise and perform such other powers and duties as may be assigned by the Board.

Section 6.04 - Appointment of Officers of the Board.

The Board shall elect the Officers of the Board from the Primary Directors every other calendar year. Officers of the Board shall hold office for a term of two years commencing on January 1 of every other calendar year and they may serve for multiple consecutive terms. Officers of the Board may be removed and replaced at any time, with or without cause by a Board vote. In the event that an Officer of the Board loses their position as a Primary Director, that Officer of the Board position shall become vacant and the Board shall elect a new Officer from existing Primary Directors to serve the remaining Officer term.

Article VII: Board Meetings and Actions

Section 7.01 - Initial Meeting.

The initial meeting of the Board, which shall be held for purpose of meeting the requirements of California Water Code Section 10723, including decision of the Agency to serve as the GSA for the Basin, shall be held at a location overlying the Basin no later than June 30, 2017.

Section 7.02- Regular Meeting Schedule.

The Board shall establish by ordinance, resolution, bylaws, or other procedure a regular meeting time and place at the initial meeting of the Board. The Board may vote to change the regular meeting time and place provided that the new location remains at a place overlying the Basin.

Section 7.03 - Conduct of Board Meetings.

Meetings of the Board of Directors shall be noticed, held, and conducted in accordance with the provisions of The Brown Act (California Government Code sections 54950, *et seq.*).

Section 7.04 - Quorum,

A quorum of the Board shall consist of a majority of the Directors representing the then current Members.

Section 7.05 - Voting.

Each Director shall have one vote. A majority vote of the Board is needed for the adoption of any action, except those which require a supermajority two-thirds vote or a unanimous vote.

Section 7.06 - Supermajority Voting Requirement.

A supermajority vote is two-thirds of the Board. Items that require a supermajority vote to pass consist of the following, which, except for those items described in Section 12.02.02, may be amended from time to time by the Board by a supermajority vote, or as may otherwise be required by this Agreement (See Sections 11.06 and 12.02.01) or by law, consist of the following:

- Bylaws adoption, modification or alteration
- GSP adoption, modification or alteration
- Modifications to the composition of the Advisory Committee as set forth in Section 6.3(b) of the Bylaws, including changes to the total number of Advisory Committee members, Member appointees, and interest-based appointees, including changes to the categories of interest-based appointees.
- Adoption of assessments, charges and fees as provided in SGMA
- Adoption of regulations and ordinances
- Adoption or modification of annual budget including provisions of Section 10.07
- Appointment of Treasurer, subject to the provisions of Section 9.03 and/or Section 10.04
- Minor, administrative amendments to this Agreement pursuant to Section 12.02.01, but not including other amendments described Section 12.02.02

Section 7.07 - Unanimous Voting Requirement.

Items that require a unanimous vote of the Directors of the Board to pass include the following which may be amended from time to time by the Board by a unanimous vote, or are otherwise required by law:

- Financial commitments imposed on Members, whether through the budget approval process or otherwise

Article VIII: Board Committees

Section 8.01 - Committees of the Board.

The Board of Directors may from time to time establish one or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objects of the Authority. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them.

Section 8.02 - Advisory Committee.

The Board shall establish an Advisory Committee. Meetings of the Advisory Committee shall be noticed, held, and conducted in accordance with the provisions of The Brown Act (California Government Code sections 54950, *et seq.*). Through the use of the Advisory Committee, the Board shall ensure that the development of the GSP includes the meaningful participation of all beneficial uses and users of groundwater and other interested parties in the Basin.

Composition of the Advisory Committee is intended to represent the beneficial uses and users of groundwater identified in SGMA. Committee members may not serve concurrently on the GSA Board. A Committee member's participation shall not violate the California Political Reform Act of 1974 (Gov. Code, § 81000 *et seq.*), the provisions of California Government Code section 1090 *et seq.*, or any other applicable law. The Advisory Committee's purpose and membership is described in Exhibit "B."

Article IX: Operations and Management

Section 9.01 - Administrator and Plan Manager.

9.01.01 Administrator: The Agency may appoint an Administrator, from time-to-time as and when it deems appropriate. The appointed Administrator may be an employee of one of the Members, in accordance with Sections 9.03 and 11.04. If appointed, the Administrator shall serve at the pleasure of the Board of Directors and their duties and responsibilities shall be set forth by a vote of the Board.

9.01.02 Plan Manager: The Board shall designate a Plan Manager. The Administrator and Plan Manager may be the same individual. The Plan Manager shall serve at the pleasure of the Board of Directors and their duties and responsibilities shall be set forth by the Board.

Section 9.02 - Legal Counsel and Other Officers.

The Agency may appoint General Legal Counsel who shall serve at the pleasure of the Board. Subject to the limits of the Agency's approved budget, the Board shall also have the power to appoint and contract by a vote of the Board for the services of other officers, consultants,

advisers and independent contractors as it may deem necessary or convenient for the business of the Agency, all of whom shall serve at the pleasure of the Board. The appointed General Legal Counsel and/or other appointed officers of the Agency may be employees or contractors of one of the Members, in accordance with Sections 9.03 and 11.04. Appointment of a General Legal Counsel from among Member employees or contractors shall be subject to all applicable Rules of Professional Responsibility, and notwithstanding anything to the contrary in this Agreement, each of the Members expressly reserve and do not waive their rights to approve or disapprove of potential conflicts of Agency General Legal Counsel.

Section 9.03 - Employees and Management.

In addition to, or in lieu of, hiring employees. the Agency may engage one or more Members to manage any or all of the business of the Agency on terms and conditions acceptable to the Board of Directors. Any Member so engaged shall have such responsibilities as are set forth in the contract for such Member's services, which shall be approved by a majority vote of the Directors representing the non-contracting Members.

Section 9.04 - Principal Office.

At the initial meeting of the Board. the Board shall establish a principal office for the Agency, which shall be located at a place overlying the Basin. The Board may change the principal office from time to time as the Board sees fit so long as that principal office remains at a location overlying the Basin.

Section 9.05 - Bylaws.

The Board shall adopt and maintain Bylaws governing the conduct of meetings and the day-to-day operations of the Agency.

Section 9.06 - Official Seal and Letterhead.

The Board may adopt, and/or amend, an official seal and letterhead for the Agency by a vote of the Directors.

Section 9.07 - Conflict of Interest Code.

The Board shall adopt and file a Conflict of Interest Code pursuant to the provisions of the Political Reform Act of 1974. The Board may review and revise the Conflict of Interest Code from time to time as appropriate or when required by law.

Article X: Financial Provisions

Section 10.01 - Establishment of Funds.

The Board shall establish and maintain such funds and account as may be required by generally accepted public agency accounting practices. The Agency shall maintain strict accountability of all funds and report all receipts and disbursements of the Agency on no less than a quarterly basis.

Section 10.02 - .Initial Agency Funding Commitments.

In order to initially fund the Agency, the Members shall each provide the funding commitment amounts listed in the table below (“**Funding Commitment**”), with the Funding Commitment to be paid by the identified due dates in the table below. Such Funding Commitments may be made by payment to the Agency, providing services to the Agency through an agreement with the Agency, or through a combination of both. If any portion of a Member’s Funding Commitment is to be provided through a services agreement, such Member shall strive to enter into a services agreement with the Agency by the initial due date.

Member	Total Initial FY 2017-18 Commitment	Due by July 31,2017
Sonoma Resource Conservation District	\$ 20,000	\$6,600
North Bay Water District	\$ 20,000	\$ 6,600
City of Sonoma	\$ 97,767	\$32,590
Valley of the Moon Water District	\$ 97 767	\$32,590
County of Sonoma	\$117,233	\$39,078
Sonoma County Water Agency	\$117,233	\$ 39,07

The timeframe for payment of any remainder amounts shall be determined by the Board of Directors based on the funding and operational needs of the Agency, and shall be due and payable within thirty (30) days of request for funds as issued by the Agency

To the extent the Agency is able to secure other funding sources in the future, and to the extent permitted by law, the Agency shall reimburse the Funding Commitment amount to each Member as follow :

1. Each Member shall be reimbursed first for any amount paid over \$20,000.
2. When all commitments over \$20,000 have been reimbursed, should additional funds be available for reimbursement. such funds will be reimbursed equally to each Member.

Section 10.03 - Fiscal Year.

The Fiscal Year of the Agency shall be July 1 to June 30.

Section 10.04 -Treasurer and Annual Audit.

The Sonoma County Auditor-Controller-Treasurer-Tax Collector shall act as the initial Treasurer for the Agency. The Treasurer shall perform all usual and customary duties of their offices for the Agency, including but not limited to receiving all deposits, issuing warrants per direction. and other duties specified in Government Code section 6505.S. The Board may transfer the responsibilities of the Treasurer, by two-thirds supermajority vote of the Board, to any other person or entity as the law may provide at the time (see e.g., Government Code section 6505.5). The Board shall cause an independent annual audit to be made by a certified public accountant, or public accountant, in compliance with Government Code section 6505.

Section 10.05 - Funds: Property; Bonds.

The Board may from time to time designate the officers and persons, in addition to those specified in Section 10.04 above, who shall have charge of, handle, or have access to any funds and/or property of the Agency. Pursuant to California Government Code section 6505.1, each such officer and person shall file a bond in an amount designated by the Board.

Section 10.06 - Budget.

In all cases, the Board shall adopt a final budget no later than the start of the ensuing Fiscal Year. If, however, the Agency's administrative costs for the ensuing Fiscal Year are proposed to be directly funded by Member contributions, the Board shall adopt a preliminary budget for the Agency for the ensuing Fiscal Year no later than sixty (60) days before the start of that ensuing fiscal year. The Board may authorize mid-year budget adjustments as needed.

Section 10.07 - Payments To The Agency.

All fees, costs and expenses incurred by the Agency may be funded from: (i) voluntary contributions from third parties, such as grants; (ii) advances or loans from the Members or other sources; (iii) bond revenue; (iv) taxes, assessments, fees and/or charges levied by the Agency under the provisions of SGMA or otherwise provided by law; and, (v) subject to the unanimous vote of the Board, assessments on the Members to carry out the activities of the Agency generally applicable to all Members.

Article XI: Relationship of Agency And Its Members

Section 11.01 -Separate Entity.

In accordance with California Government Code Sections 6506 and 6507, the Agency shall be a public entity separate and apart from the parties to this Agreement.

Section 11.02 -Liabilities of Agency Not Liabilities of Members.

In accordance with California Government Code section 6508.1, the debt, liabilities and obligations of the Agency shall be the debts, liabilities and obligations of the Agency alone and not of its Members. To the maximum extent permitted by law, including, but not limited to, California Government Code Section 895.2 and following, as such statutes may be amended or supplemented, and notwithstanding any contrary provision in this Agreement, the Members do not intend hereby to be obligated either jointly or severally for the debts, liabilities or obligations of the Agency.

Section 11.03 - Indemnity and Insurance.

11.03.01 **Indemnity.** Funds of the Agency may be used to defend, indemnify, and hold harmless the Agency, each Member, each Director, and any officers, agents and employees of the Agency for their actions taken within the course and scope of their duties while acting on behalf of the Agency. To the fullest extent permitted by law, the Agency agrees to save, indemnify, defend and hold harmless each Member, each Director, and any officers, agents and employees of the Agency from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are attributable in whole or in part to the conduct, activities, operations, acts, and omissions of the Agency.

11.03.02 **Insurance.** The Agency shall be required to obtain insurance, or join a self-insurance program in which one or more of the Members participate, appropriate for its operations. Any and all insurance coverages provided by the Agency, and/or any self-insurance programs joined by the Agency, shall name each and every Member as an additional insured for all liability arising out of or in connection with the operations by or on behalf of the named insured in the performance of this Agreement. Minimum levels of the insurance or self-insurance program shall be set by the Agency in its ordinary course of business. The Agency shall also require all of its contractors and subcontractors to have insurance appropriate for their operations.

Section 11.04 – Agreements with Member Agencies

The Board may approve agreements with one or more Members that agree to undertake activities to benefit the Agency and further its purposes by a majority vote of the Directors representing the non-contracting Members.

Section 11.05 - Withdrawal of Members.

Any Member shall have the ability to withdraw by providing ninety (90) days written notice of its intention to withdraw. Said notice shall be given to the Board and to each of the other Members.

A Member shall not be fiscally liable for the adopted budget provided that the Member provides written notice ninety (90) days prior to the adoption of the budget.

In the event of a withdrawal, this Agreement shall continue in full force and effect among the remaining members as set forth in Section 11.07 below.

Section 11.06 - Termination of Members.

Any Member's failure to meet its funding obligations pursuant to Sections 10.02 or 10.07 of this Agreement may be treated as a breach of this Agreement and the Board may vote to terminate such Member. Such termination shall be approved by unanimous consent of all Directors except the Director of the Member proposed to be terminated. In lieu of termination, the Board may in its discretion vote to suspend a Member's voting privileges for failure to meet its funding obligations pursuant to Section 10.02 or 10.07 until the Member has satisfied its funding obligations. Such suspension of voting privileges shall be approved by a supermajority vote, as defined in Section 7.06 above but excepting the Director of the Member proposed to have its voting privileges suspended. In the event a Member's voting privileges are suspended, that Member shall not be counted for purposes of determining a majority or supermajority vote in accordance with Sections 7.05 and 7.06. In the event of termination of a Member, this Agreement shall continue in full force and effect among the remaining members as set forth in Section 11.07 below, and such action by the Board shall not be subject to the requirements of Section 12.02. Before terminating a Member for breach pursuant to this section, the Board must satisfy the meet and confer requirements under Section 12.04. As part of the meet and confer process, the Board and the Member proposed to be terminated may conduct mediation in accordance with Section 12.04.

Any Member's failure to be represented by a Director, Alternate Director, or Second Alternate Director of the Member for three consecutive meetings (regular or special) of the Board may be considered a breach of this Agreement for which the Board may vote to suspend a Member's voting privileges for one or more meetings of the Board. Such suspension of voting privileges shall be approved by a supermajority vote, as defined in Section 7.06 above but excepting the Director of the Member proposed to have its voting privileges suspended. In the event a Member's voting privileges are suspended, that Member shall not be counted as a member of the Board for purposes of determining a majority or supermajority vote in accordance with Sections 7.05 and 7.06.

Suspension of a Member's voting privileges under this section shall not excuse that Member from its obligations under this Agreement, including but not limited to, continuing financial commitments to the Agency and attendance at Board meetings.

Section 11.07 - Continuing Obligations upon Withdrawal or Termination.

Except as provided for in Section 11.05, any withdrawal or termination of a Member, shall not relieve the withdrawing or terminating Member of its financial obligations arising under this Agreement prior to the effective date of the withdrawal or termination, including but not limited to financial obligations or guarantees for loans provided by individual Members, if applicable.

The withdrawal or termination of one or more Members shall not terminate this Agreement or result in the dissolution of the Agency. This Agreement shall remain in full force and effect among the remaining members, following the withdrawal or termination of any Member. and the Agency shall remain in operation provided that there are at least two Members remaining in this Agreement.

Section 11.08 - Dissolution.

The Agency may be dissolved at any time upon the unanimous vote of the Board and approval of the Members' governing boards. However, the Agency shall not be dissolved until all debts and liabilities of the Agency have been eliminated. Upon Dissolution of the Agency, each Member shall receive its proportionate share (in proportion to the contributions made by each Member) of any remaining assets after all Agency liabilities and obligations have been paid in full. The distribution of remaining assets may be made "in kind" or assets may be sold and the proceeds thereof distributed to the Members. This distribution shall occur within a reasonable time after dissolution. No former member which previously withdrew or was terminated shall be entitled to a distribution upon dissolution.

Section 11.09 - Disposition of Property Upon Termination of Agency or Board Determination of Surplus.

Upon termination of this Agreement or upon determination by the Board that any surplus money is on hand, such surplus money shall be returned to the then Members of the Agency that contributed such monies in proportion to their contributions or such surplus money may be applied to a Board designated reserve account. The Board shall first offer any surplus properties, works, rights and interests of the Agency for sale to the individual Member and the sale shall be based on highest bid. If no such sale is consummated, the Board shall offer the surplus properties, works, rights and interests of the Agency for sale in accordance with applicable law to any governmental agency, private entity or persons for good and adequate consideration.

Article XII: Miscellaneous Provisions

Section 12.01 - Agreement Complete.

The foregoing constitutes the full and complete Agreement of the Members. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

Section 12.02 - Amendment.

12.02.01 Minor Amendments. Minor, administrative amendments to this Agreement may be made by supermajority vote pursuant to Section 7.06.

12.02.02 Other Amendments. Amendments to this Agreement related to the following items require unanimous written consent of the Members acting through their governing bodies, and may be amended from time to time by the unanimous consent of the Members, acting through their governing bodies.

- Any change in Powers
- Any change in Board composition, except as already provided for in this Agreement
- Any change in Voting requirements
- Any changes to Liabilities and Indemnification provisions
- Any changes to Termination and Withdrawal provisions
- Elimination of the Advisory Committee
- Any other item expressly requiring unanimous as described elsewhere in this Agreement, including Sections 3.01, 7.07, 11.06, and 11.08

Section 12.03 - Successors and Assigns.

The rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void. Any assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of any contracts, resolutions or indentures of the Agency then in effect.

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Members hereto. This section does not prohibit a Member from entering into an independent agreement with another agency regarding the financing of that Member's contributions to the Agency or the disposition of proceeds, which that Member receives under this Agreement so long as such independent agreement does not affect, or purport to affect the rights and duties of the Agency or the Members under this Agreement.

Section 12.04 - Dispute Resolution.

In the event there are disputes and/or controversies relating to the interpretation, construction, performance, termination, breach of, withdrawal from, or other issue related to this Agreement, the Members that are party to the dispute (the "**Disputing Parties**") agree to meet and confer in a good faith attempt to resolve the dispute. On the request of any Disputing Party to meet and confer, the other Disputing Parties agree to provide available dates within 21 days of the meet and confer request. The Disputing Parties may agree to schedule additional meet and confer sessions. If the Disputing Parties are unable to resolve the dispute by meeting and conferring, they shall mediate the dispute. The cost of any such mediation will be borne equally by the Disputing Parties. If the Disputing Parties cannot agree on a mediator, they may select a mediator by

alternately striking names from a list of available mediators from JAMS or a similar mediation service provider. The Disputing Parties will provide all other Members written notice of any scheduled mediation and the issues subject to mediation at least 10 business days prior to the mediation. One representative for each Member not party to the dispute and one Agency staff representative may attend any mediation under this section to represent the Members' and the Agency's interests related to the mediation. The cost of such representatives' attendance shall be borne by the Members and the Agency so represented. The mediator may, in the mediator's sole discretion limit the participation of representatives of Members not party to the dispute and/or any Agency representative in the interest of successfully mediating the dispute. No settlement of a dispute subject to this section will bind the Agency or any Members not party to the dispute except to the extent the settlement is approved by the Agency Board by unanimous vote of the Directors of the non-disputing Members.

Section 12.05 - Execution In Parts Or Counterparts.

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Members hereto. Facsimile or electronic signatures shall be binding.

Section 12.06 - Member Authorization.

The governing bodies of the Members have each authorized execution of this Agreement, as evidenced by their respective signatures below.

Section 12.07 - No Predetermination or Irretrievable Commitment of Resources.

Nothing herein shall constitute a determination by the Agency or any of Members that any action shall be undertaken or that any unconditional or irretrievable commitment of resources shall be made, until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, have been completed.

Section 12.08 - Notices.

Notices authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the addresses set forth for each of the Members hereto on Exhibit "A" of this Agreement, or to such other changed addresses communicated to the Agency and the Members in writing.

Section 12.09 - Severability And Validity Of Agreement.

Should the participation of any Member to this Agreement, or any part, term or provision of this Agreement be decided by the courts or the legislature to be illegal, in excess of that Member's authority, in conflict with any law of the State of California, or otherwise rendered

unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each Member hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

Section 12.10 - Singular Includes Plural.

Whenever used in this Agreement, the singular form of any term, includes the plural form and the plural form includes the singular form.

IN WITNESS WHEREOF, the Members hereto, pursuant to resolutions duly and regularly adopted by their respective Board of Directors or governing board, have caused their names to be affixed by their proper and respective officers as of the day and year first above-written.

SIGNATURE LINES

<p>CITY OF SONOMA:</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>COUNTY OF SONOMA:</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
<p>NORTH BAY WATER DISTRICT:</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>SONOMA COUNTY WATER AGENCY:</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
<p>SONOMA RESOURCE CONSERVATION DISTRICT:</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>VALLEY OF THE MOON WATER DISTRICT:</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

EXHIBIT A

MEMBERS

City of Sonoma

County of Sonoma

North Bay Water District

Sonoma County Water Agency

Sonoma Resource Conservation District

Valley of the Moon Water District

EXHIBIT B

Advisory Committee to the Agency Board of Directors

The advisory committee will have twelve (12) members based on the interest group and member agency designations described below:

Members shall each appoint one (1) at-large member.

Six (6) interest-based appointees shall be appointed by the Board:

1. Environmental representative (from an organization with a presence in the Basin)
2. Rural residential well owner
3. Business community
4. Agricultural interest (surface water or groundwater user)
5. At-large community representative (hydrologist/geologist preference)
6. At-large community representative

The Board will appoint members to fill the interest-based seats. Members must live or work within the Basin or represent an organization with a presence in the Basin. Notwithstanding the foregoing, the Board may choose to appoint one of the interest-based members of the Advisory Committee from outside the Basin, provided such member resides, works or represents an organization with a presence in the watershed which contributes to the Basin. Interested individuals from the community or local organizations may apply to the Board, designating in the application the seat that the applicant would intend to fill. Each Member's governing body will appoint its at-large seat.

The Board encourages interest groups to work together to recommend a single candidate to fill that interest's seat. The Board will give strong consideration to appointing candidates that have the backing of multiple organizations or individuals within that interest group and familiarity with groundwater and its management. The Board will also give preference to applicants with experience working with diverse community-based groups.

For the at-large community representative, the Board will give strong preference to a representative who lives or works within a Sonoma Valley Disadvantaged Community (as defined in SGMA), and will in any case give preference to appointees that can represent the interests of disadvantaged populations or interests that are otherwise under-represented on the Advisory Committee.

The Board will establish a timeline and process for appointment of the initial advisory committee following Agency formation. The initial Advisory Committee appointments will include six seats with three-year terms (interest-based categories) and six two-year terms (at-large). Following initial committee appointment, all terms will be two years. Appointees are not term limited, however, they must apply for each term. If a vacancy occurs for an interest-based seat before the end of the term, the Board will appoint a new individual to complete the term. At-large vacancies shall be filled by the appointing Member. By supermajority vote, the Board may add one or more additional interest-based appointee positions to the Advisory Committee.

The Board can remove an interest-based committee member by vote if member is not performing his or her responsibilities.

The purpose of the committee is to advise the Board on groundwater sustainability plan development and implementation and Agency policies. The intent of the committee is to provide community perspective and participation in the Agency. The Advisory Committee will review and/or provide recommendations to the Board on groundwater- related issues that may include:

- Development, adoption or amendment of the GSP
- Sustainability goals, measurable thresholds, and objectives
- Technical and Reporting Standards, including Best Management Practices, data management and reporting
- Monitoring programs
- Annual Work Plans and Reports (including mandatory 5-year milestone reports)
- Modeling activities
- Inter-basin coordination activities
- Project and Management Actions
- Grant funding proposals
- Community outreach
- SGMA Regulations
- Fee proposals
- General advisory

Pursuant to Board direction, Agency staff will develop the annual work plan and schedule for committee meetings. The Advisory Committee will adopt a charter and will appoint a chair and vice-chair.

To inform Board decision making, the Advisory Committee will provide written recommendations in reports. The recommendation reports will identify areas of agreement and disagreement. The committee will strive for consensus when possible, but reaching consensus is not necessary. Consensus means that everyone can at least “live with it.” When unable to reach consensus on recommendations, the committee will outline the areas in which it does not agree, providing some explanation to inform Board decision- making.

The committee may request that one or more committee members present its recommendations to the Board. including areas of agreement and disagreement, consistent with committee deliberations. The Board will consider advisory committee recommendations when making decisions. If the Board does not agree with the recommendation of the Advisory Committee, the Board shall state the reasons for its decision.