

## WESTSIDE WATER AUTHORITY

### JOINT POWERS AGREEMENT

THIS JOINT POWERS AGREEMENT (**Agreement**) is made by and among BELRIDGE WATER STORAGE DISTRICT, a California water storage district (**Belridge**), BERRENDA MESA WATER DISTRICT, a California water district (**Berrenda Mesa**), LOST HILLS WATER DISTRICT, a California water district (**Lost Hills**), and DUDLEY RIDGE WATER DISTRICT (**Dudley Ridge**) effective as of January 1, 2020 to provide for the management of the Authority's<sup>1</sup> Members and their sharing of resources.

#### RECITALS

**A.** Article 1, Chapter 5, Division 7, Title 1 of the Government Code (the Joint Exercise of Powers Act, commencing with section 6500) authorizes two or more local public entities to jointly exercise, under an agreement, any power that is common to each of them.

**B.** Each Member is a supplier of water and is vitally interested in, among other things, (a) securing dependable and affordable sources of water, (2) the operation and maintenance of works designed to deliver water, and (3) efficient and cost-effective use of employee and equipment resources to operate their respective Districts.

**C.** Belridge, Berrenda Mesa, and Lost Hills entered into a Joint Powers Agreement with an effective date of January 1, 2012 (**Original Joint Powers Agreement**). The purpose of the Original Joint Powers Agreement was to provide for the common management and operation of those three Members. The boards of directors of Belridge, Berrenda Mesa, and Lost Hills have found and determined that operations of those three districts under the Original Joint Powers Agreement has been beneficial to their districts, and that it is in the best interest of them to continue their joint relationship.

**D.** Dudley Ridge is composed of landowners and water supplies common to Belridge, Berrenda Mesa, and Lost Hills. The board of directors of that district, and the boards of directors of Belridge, Berrenda Mesa, and Lost Hills, have determined that the addition of Dudley Ridge to their joint relationship will bring further efficiencies and economies of scale.

THEREFORE, in consideration of the recitals set forth above and the mutual promises, covenants and conditions hereinafter set forth, it is agreed by and among Belridge, Berrenda Mesa, Dudley Ridge, and Lost Hills as follows:

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<sup>1</sup> Unless otherwise defined in this Agreement, capitalized terms and phrases in this Agreement are defined in Article I hereof, and those definitions govern the interpretation of this Agreement.

**ARTICLE I  
DEFINITIONS**

As used in this Agreement, unless the context requires otherwise, the meaning of the following terms will be as follows:

**1.00. Administrative Services.** “Administrative Services” means the administrative and clerical services necessary to operate the separate offices of the Authority and each of the Members.

**1.01. Administrative Staff.** “Administrative Staff” means administrative staff to assist and support the General Manager, Administrator and Controller, as this staff may exist from time to time.

**1.02. Administrator.** “Administrator” means a person to supervise and provide Administrative Services to each of the Members in conjunction with Administrative Staff.

**1.03. Agreement.** “Agreement” means this Joint Powers Agreement.

**1.04. Associate Members.** “Associate Members” means public water agencies admitted under this Agreement that are not Members, but whose association with the Authority is beneficial to the Authority and its Members.

**1.05. Authority.** “Authority” means the Westside Water Authority, which is the separate entity created by this Agreement.

**1.06. Authority Board.** “Authority Board” means the Authority’s governing body as established under Article VI of this Agreement.

**1.07. Authority Board Member.** “Authority Board Member” means a member of the Authority Board.

**1.08. Authority Employees.** “Authority Employees” means the general employees of the Authority.

**1.09. Belridge.** “Belridge” means BELRIDGE WATER STORAGE DISTRICT, a California water storage district.

**1.10. Berrenda Mesa.** “Berrenda Mesa” means BERRENDA MESA WATER DISTRICT, a California water district.

**1.11. Contribution Amounts.** “Contribution Amounts” means the following proportionate contribution rates of the Members expressed as a percentage:

<u>Member</u>	<u>Rate</u>
Belridge	30
Berrenda Mesa	30
Dudley Ridge	10
Lost Hills	30

**1.12. Controller.** “Controller” means a qualified person to provide Controller Services to the Authority and each of the Members.

**1.13. Controller Services.** “Controller Services” means the usual and customary duties and functions historically provided by a District controller.

**1.14. District or Districts.** “District” or “Districts” means each district that is a Member.

**1.15. District Board.** “District Board” means the governing body of each District.

**1.16. Dudley Ridge.** “Dudley Ridge” means DUDLEY RIDGE WATER DISTRICT, a California water district.

**1.17. Equipment.** “Equipment” means, as the case may be, tools, vehicles, office supplies, and any other personal property required or deemed convenient by (a) the General Manager to provide General Management Services, (b) the Administrative Staff to provide Administrative Services, and (c) the Field Operations Employees to provide Field Operations Services.

**1.18. Field Operations Employees.** “Field Operations Employees” means operations and maintenance superintendents, water tenders, electricians, dispatchers, mechanics, and other field workers, including any replacements of those positions.

**1.19. Field Operations Services.** “Field Operations Services” means the usual and customary duties and functions historically provided by the Members’s Field Operations Employees.

**1.20. Fiscal Year.** “Fiscal Year” means the 12-month period beginning January 1 and ending December 31.

**1.21. General Manager.** “General Manager” means a qualified person to provide General Management Services for the Authority and each of the Members.

**1.22. General Management Services.** “General Management Services” means the usual and customary duties and functions historically provided by a District general manager.

**1.23. Lost Hills.** “Lost Hills” means LOST HILLS WATER DISTRICT, a California water district.

**1.24. Member.** “Member” means the member agencies of the Authority, which initially consist of Belridge, Berrenda Mesa, Dudley Ridge, and Lost Hills, but excludes any party that withdraws from the Authority.

**1.25. Personnel Costs.** “Personnel Costs” means salary and fringe benefits paid to Authority Employees.

**ARTICLE II  
CREATION OF WESTSIDE WATER AUTHORITY**

Belridge, Berrenda Mesa, Dudley Ridge, and Lost Hills hereby create a public agency pursuant to the Joint Exercise of Powers Act, separate and apart from each District, now to be known as the Westside Water Authority.

**ARTICLE III  
PURPOSE**

The purpose of this Agreement is to establish an organization that is separate from the Members and is responsible for the administration of this Agreement among the Members.

**ARTICLE IV  
POWERS OF THE AUTHORITY**

**4.00. Powers.** The Authority is authorized, in its own name, to exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or as otherwise authorized by law, including the power to (a) make and enter into contracts; (b) incur debts, liabilities and obligations; (c) acquire, hold or dispose of real and personal property; (d) sue and be sued in its own name; (e) employ agents and employees; (f) lease real or personal property including leasing from a Member; and (g) receive, collect, invest and disburse monies. Notwithstanding the foregoing, unless delegated to the Authority, Members will at all times retain control and authority, independent of the Authority, over their own internal matters, including expenses and revenues, water supplies, facilities, and water supply projects, and the Authority may not interfere with a Member's use or management of a Member's water or water supply.

**4.01. Restrictions on Powers.** In accordance with Government Code section 6509, the powers enumerated in section 4.00 above are subject to the restrictions upon the manner of exercising these powers pertaining to Lost Hills as specified in the California Water District Law, Division 13 of the Water Code, commencing at section 34000.

**ARTICLE V  
AUTHORITY WORKFORCE**

**5.00. General Manager.** The Authority shall employ a General Manager.

**5.01. Office Staff.**

(a) **Administrator.** The Authority shall employ an Administrator. The Administrator will assist the General Manager in providing General Management Services and provide the Members with their usual and customary administrative support.

(b) **Controller.** The Authority shall employ a Controller.

(c) **Administrative Staff.** The Authority shall employ sufficient Administrative Staff. The Authority Board may, from time to time, following consultation with the Members, revise the job descriptions, and create or eliminate positions for the Administrative Staff.

**5.02. Field Operations Employees.** The Authority shall employ sufficient Field Operations Employees. The Authority Board may, following consultation with the Members, revise from time to time the job descriptions and positions of any Field Operations Employees providing Field Operations Services.

**5.03. Allocation of Workforce Resources.** The General Manager may allocate, and reallocate among the Members, (a) General Management Services, (b) Administrative Services, (c) Controller Services, and (d) Field Operations Services. The General Manager is responsible for assigning and directing Authority Employees to provide those services.

**5.04. Employer-Employee Relationship.**

(a) **Employer-Employee Relationship of Authority Employees.** Each of the Authority Employees will be the general employee of the Authority, will appear on the Authority's payroll, and will receive any insurance and retirement benefits through the Authority.

(b) **No Employee or Independent Contractor Status.** The Members recognize that this Agreement does not create an employer—employee or independent contractor relationship between any of the Authority Employees and any Member. Authority Employees are not entitled to participate in any Member benefits, including any remuneration, benefits, or expenses other than as specifically provided for in this Agreement. A Member is not liable for taxes, worker's compensation, unemployment insurance, employers' liability, employer's FICA, social security, withholding tax, or other taxes or withholding for or on behalf of any Authority Employees. These costs are the responsibility of the Authority, subject to the contribution obligation of each Member under this Agreement.

(c) **Berrenda Mesa Employees.** Field Operations Employees employed directly by Berrenda Mesa will continue as general employees of Berrenda Mesa until agreed to otherwise by Berrenda Mesa and the Authority Board, and those employees will provide all Members with the usual and customary services of Field Operations Employees as allocated by the General Manager. Each current Berrenda Mesa employee will appear on that Member's payroll, and will receive any insurance and retirement benefits, which employees of that Member enjoy. Berrenda Mesa shall comply with all rules, regulations, and statutes governing employers with respect to its employees. The Members recognize that this Agreement does not create an employer—employee relationship between any Berrenda Mesa employee and the Authority or any Member other than Berrenda Mesa. Berrenda Mesa employees are not entitled to participate in any of the Authority's or non-employing Member's benefits, including any remuneration, benefits, or expenses other than as specifically provided for in this Agreement. Neither the Authority nor any non-employing Member is liable for taxes, worker's compensation, unemployment insurance, employers' liability, employer's FICA, social security, withholding tax, or other taxes or withholding for or on behalf of any Berrenda Mesa employee. These costs are the sole responsibility of Berrenda Mesa.

**ARTICLE VI**  
**SERVICES PROVIDED TO MEMBERS**

**6.00. General Management Services.** The Authority shall provide General Management Services to the Members. Each Member is entitled to the share of the services provided by the General Manager, Administrator, Controller and Administrative Staff as the General Manager determines is appropriate under the circumstances. The Authority Board shall oversee the services being provided and their allocation among Members, and shall direct the General Manager as necessary to ensure optimal allocation.

**6.01. Field Operations Employee Services.** The Authority shall provide Field Operation Services to the Members. Each Member is entitled to the share of the services provided by the Field Operations Employees as the General Manager determines is appropriate under the circumstances. The General Manager must allocate services performed by the Field Operations Employees to ensure that optimal Field Operations Services are provided to each Member. The Authority Board shall oversee the services being provided and their allocation among Members, and shall direct the General Manager as necessary to ensure optimal allocation.

**6.02. Administrative and Controller Services.** The Authority shall provide Administrative Services and Controller Services to the Members. Each Member is entitled to the share of the services provided by the Administrator and Controller as the General Manager determines is appropriate under the circumstances. The General Manager must allocate services performed by the Administrator and Controller to ensure that optimal Office Administration Services and Controller Services are provided to each Member. The Authority Board shall oversee the services being provided and their allocation among Members, and shall direct the General Manager as necessary to ensure optimal allocation.

**6.02. Equipment for Services.** The Authority shall provide sufficient Equipment to perform the General Management Services, Office Administration Services, and Controller Services. The Authority shall also provide the Equipment, by ownership or separate agreement with a Member to use its Equipment, to perform the Field Operations Services.

**ARTICLE VII**  
**FINANCIAL ADMINISTRATION**

**7.00. Establishment of Personnel Costs and Acquisition of Equipment.** The Authority Board shall negotiate and set the Personnel Costs for each of the Authority Employees. The Authority shall notify the Members within 10 days after the Authority has adjusted any Personnel Costs. The Authority Board shall also provide for the acquisition of the necessary Equipment (by purchase, lease or other right to use) to provide the required services under this Agreement.

**7.01. Allocation of Personnel and Equipment Costs for General Manager, Administrator, Controller and Office Staff.** Personnel Costs and Equipment costs of the General Manager, Administrator, Controller and Office Staff will be shared among the Members according to the Contribution Amounts. This allocation may be adjusted from time to time by the Authority Board to reflect a different allocation for particular events or periods of time. Each Member shall contribute to the Authority by the first day of each calendar quarter its estimated share of 25 percent of the annual Personnel Costs and Equipment expenses for the General Manager, Administrator, Controller and Office Staff. The

Authority shall then disburse funds as necessary from the contributions to pay the Personnel Costs and Equipment costs of the General Manager, Administrator, Controller and Office Staff. The Authority shall create a separate fund for Personnel Costs and Equipment costs and expenses to account for receipts of contributions and disbursements to satisfy its Personnel Costs and Equipment costs.

**7.02. Allocation of Personnel Costs for Field Operations Employees.** The Authority shall allocate Personnel Costs of Field Operations Employees among the Members according to actual hours worked by Field Operations Employees for each Member. Each Member shall contribute to the Authority by the first day of each calendar quarter 25 percent of its estimated share of the annual Personnel Costs for the Field Operations Employees. The General Manager may “true up” and make allocations or reallocations retroactively for up to 90 days after Field Operations Services have been rendered.

**7.03. Allocation of Equipment Costs and Expenses for Field Operations Employees.** The Authority shall allocate the capital costs attributable to acquiring and making significant repairs to Equipment used by Field Operations Employees among the Members according to the Contribution Amounts. The Authority shall allocate operation and maintenance expenses for that Equipment among the Members according to the actual usage of the particular Equipment. These costs and expenses include sums owing to Members by the Authority under agreements for the use of Member-owned Equipment. Each Member shall contribute to the Authority, at times or according to a frequency determined by the General Manager, its share of Equipment costs and expenses under this section 7.03.

**7.04. Books and Records.** The Authority Board, in coordination with the General Manager and the Controller, shall make and keep books, records, and accounts that, in reasonable detail, accurately and fairly reflect in all material respects (a) activities and time spent by the General Manager, Administrator, Controller, Administrative Staff and Field Operations Staff in the provision of services under this Agreement; and (b) Personnel Costs allocated among the Members.

## **ARTICLE VIII WESTSIDE WATER AUTHORITY BOARD**

**8.00. Composition.** The Authority will be governed by a seven person board of directors composed of (a) two representatives each from Belridge, Berrenda Mesa, and Lost Hills, and (b) one representative from Dudley Ridge.

**8.01. Initial and Subsequent Appointment of Authority Board Members.** Belridge, Berrenda Mesa, and Lost Hills may each appoint one director from its District Board and one additional person, who may or may not be a director, to be a member of the Authority Board. Dudley Ridge may appoint one director from its District Board or another person, who may or may not be a director, to be a member of the Authority Board. Upon a vacancy on the Authority Board, the Member that lost its representative shall appoint another representative consistent with this section, within 60 days after the vacancy is created.

**8.02. Alternates.** If an Authority Board Member is unable to attend any meeting, his or her District Board may appoint an alternate to attend the meeting in the Authority Board Member's stead, and the alternate may discuss, deliberate, and vote on any action before the Authority Board as if the alternate was the absent Authority Board Member.

**8.03. Term of Office.** Each Authority Board Member will serve at the pleasure of his or her appointing Board. A Member shall notify the other Members and the Authority Board within 10 days of a change in its appointed Authority Board Member.

**8.04. Compensation.** Authority Board Members may be compensated from the Authority, but only as directed and funded solely by the Member appointing that Board Member.

**8.05. Bylaws.** The Authority Board may adopt such bylaws as it may deem necessary to regulate the affairs of the Authority in accordance with this Agreement. The Authority Board may amend the bylaws from time to time as it may deem necessary.

**8.06. Officers.** The Authority Board must elect or appoint a Chair, Vice-chair, Secretary, and Treasurer from the Authority Board Members. These officers will serve two-year terms, but may be re-elected or re-appointed to the same or different office without limit.

**8.07. Committees.** The Authority Board may establish such committees as needed to accomplish its objectives, and authorize the committee to undertake such activities as may be necessary. The Chair of the Authority Board may establish advisory ad hoc committees, but only the Authority Board may establish standing committees.

**8.08. Auditor.** The Authority Board shall retain an auditor, who must be a certified public accountant. The auditor shall make an annual audit as required by law. The Members shall share the expense of the auditor according to the Contribution Amounts.

**8.09. Filing.** The Secretary shall cause to be filed all required notices with the California Secretary of State, in accordance with Government Code sections 6503.5 and 53051.

**8.10. Board Meetings.** Meetings of the Authority Board will be held as follows:

(a) **Frequency.** The Authority Board will meet from time to time as it deems appropriate, but no less frequently than quarterly.

(b) **Quorum.** A quorum is required for any action of the Authority Board to be taken at a meeting. There will be no quorum at any meeting of the Authority Board unless there is in attendance both a majority of Authority Board Members *and* at least one Authority Board Member representative from three of the Members.

(c) **Voting.** Each Authority Board Member is entitled to one vote. The Authority Board will act only by a concurrence of a majority of the representatives of the Members of the Authority present and voting on such matter, except as otherwise provided in this Agreement or by law.

(d) **Times and Location.** Regular meetings of the Authority Board will occur at such time and place as may be agreed to by the Authority Board. The location of regular meetings must be within the boundary of one of the Members.

(e) **Open Meetings.** All meetings of the Authority Board will be conducted in accordance with the Ralph M. Brown Act, commencing with Government Code section 54950. Any special meeting of the Authority Board, however, may be called by a Member, in addition to the presiding officer or a majority of the Authority Board, following the notice required under that Act.

## **ARTICLE IX TERM**

This Agreement is effective and binding upon each joining Member until (1) the Authority is terminated, (2) the Member withdraws from the Authority, or (3) the Member is terminated from the Authority.

## **ARTICLE X ADMISSION, WITHDRAWAL, AND TERMINATION OF MEMBERS**

**10.00. Documentation.** Admission, withdrawal, or termination of a Member must be documented by written addendum to this Agreement that reflects such admission, withdrawal, or termination.

**10.01. Admission of Additional Members and Associate Members.** Additional qualified public water agencies may join in this Agreement and become Members or Associate Members upon the unanimous approval of the Authority Board. Associate Members may be admitted on terms and conditions established unanimously by the Authority Board. Representatives of Associate Members may not serve on the Authority Board, and representatives of Associate Members will be non-voting, their presence will not be counted in determining whether a quorum is present, and they will not be permitted in closed sessions of the Board of Directors unless requested by the Authority Board. Before becoming a new Member or Associate Member, a joining agency must execute an addendum to this Agreement agreeing to be bound by the terms of this Agreement as if the party had been an original signatory.

**10.02. Withdrawal.** Any Member may withdraw from this Agreement by giving 120 days written notice of its election to do so, which shall be given to the Authority Board; provided that such withdrawal does not in any way impair any contracts, resolutions, indentures or other obligations of the Authority then in effect. In the event of a disagreement between the Authority Board and the withdrawing party as to whether such withdrawal will cause the impairment of any contracts, resolutions, indentures, or other obligations of the Authority, such determination must be made by the vote of two-thirds of the Authority Board representing the non-withdrawing Members present and voting.

**10.03. Termination.** Membership of a Member may be terminated by a unanimous vote of the Authority Board, excluding the representative(s) from the Member subject to termination, and upon termination, the terminated Member will no longer be a member of the Authority.

**10.4. Notice of Termination.** Prior to any vote to terminate a Member, written notice of the proposed termination and the reason(s) for such termination must be presented at a Authority Board meeting with opportunity for discussion. At the next Authority Board meeting and prior to a vote regarding termination, the Member subject to possible termination must have the opportunity to respond to any reasons and allegations cited as a basis for termination. A withdrawing or terminated member remains liable for its proportionate share of (a) any call for funds or assessment incurred by the Authority prior to the date of withdrawal or termination and (b) the amount of any annual budget approved prior to the date of withdrawal or termination.

**10.05. Liabilities Upon Withdrawal or Termination.** Any withdrawing or terminated member remains liable for any liability of the Authority to the extent such liability arises from any action or inaction of that member occurring during the period in which the withdrawing or terminated member was a member of the Authority. A withdrawing or terminated member is liable for its share of the approved expense as of the date of its withdrawal or termination; provided, that such share is reduced by a percentage as determined by multiplying the number of months within the Fiscal Year for which such withdrawing or terminated member was not a member during any part of such month, divided by twelve. Any amounts advanced by a Member prior to withdrawal will be applied to reduce any amounts owed. Any advance by the Member in excess of amounts owed by the Member shall be refunded to the Member. If a Member withdraws from the Authority in violation of any provision of this Agreement, then such Member will not receive a refund of any amounts advanced by such Member prior to the date of its withdrawal.

## **ARTICLE XI DISPOSITION OF PROPERTY**

**11.00. Termination of Authority.** This Agreement may be terminated by consent of all Members, and upon full and complete liquidation of all liabilities. Upon the date of termination, payment of any and all obligations and division of any and all assets of the Authority shall be conducted subject to the then-applicable requirements of the law, and this Agreement.

**11.01. Successor Entity.** In the event of termination of the Authority where there is a successor public entity that will conduct all of the activities of the Authority and will assume all of its obligations, any and all Authority assets and liabilities remaining upon termination of the Authority shall be transferred to the successor public agency. In that instance, no additional termination terms apply.

**11.02. Sale of Property.** The Authority Board must first offer any properties, works, rights and interests of the Authority for sale to the Members. If no such sale is consummated, then the Authority Board must offer the properties, works, rights and interests of the Authority for sale to any governmental agency, private entity or persons for good and adequate consideration. The net proceeds from any sale must be distributed among the Members equally or, if different, in proportion to the Members' contributions for the purchase of the property. If no such sale is consummated, then all of the properties, works, rights and interests of the Authority must be allocated to the Members in the same manner as the allocation of the net proceeds from the sale.

## **ARTICLE XII FINANCIAL PROVISIONS**

**12.00. Additional Officers.** The Authority Board must from time to time designate the officers and persons, in addition to the Secretary and Treasurer, who have charge of, handle, or have access to any property of the Authority. Each such officer and person must file a bond in an amount designated by the Authority Board. This designation is subject to ratification by the parties in compliance with Government Code section 6505.1.

**12.01. Budget.** By a date set by the Authority Board each Fiscal Year, the Authority Board will adopt a budget for the Authority.

**12.02. Title.** The Authority shall own and hold title to all funds, property and works acquired by it during the term of this Agreement.

### **ARTICLE XIII AGREED UPON SHARE OF LIABILITY OR JUDGMENT FOR DAMAGES**

**13.00. Contribution.** The parties to this Agreement are not obligated either jointly or severally for the debts, liabilities, or obligations of the Authority, except as may be specifically provided for in Government Code section 895.2 as amended or supplemented. Funds of the Authority may be used to defend, indemnify, and hold harmless the Authority, each Member, each Authority Board Member, and any officers, agents and employees of the Authority for their actions taken within the course and scope of their duties while acting on behalf of the Authority. To the fullest extent permitted by law, the Authority agrees to save, indemnify, defend and hold harmless each Member 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 in any way attributable in whole or in part to, acts or omissions of the Authority or its employees, officers or agents or negligent acts or omissions (not including gross negligence or wrongful conduct) of the employees, officers or agents of any Member, while acting within the course and scope of a Member relationship with the Authority. But if the Members of the Authority are, under any applicable law, held liable for the acts or omissions of the Authority caused in the performance of this Agreement, caused by negligent or wrongful acts or omissions occurring in the performance of this Agreement, such Members are entitled to contribution from each of the other Members so that, after said contribution, each Member party shall bear a share according to the Contribution Amounts.

**13.01. Insurance.** The Authority shall carry, keep in full force and effect, and pay the premiums on public liability and property damage insurance to indemnify all the Members, jointly and individually, against liability on account of the actions or omissions of Authority employees, for injury or damage to persons or property, in companies and in amounts satisfactory to the Members, shall add each of the Members as an additional named insured to any existing policy properly endorsed to provide such insurance with respect to the acts or omissions of Authority employees as special employees, and shall furnish to the Members certificates or other evidence showing that such insurance and endorsement are in full force and effect, that the premiums thereon have been paid, and that such insurance and endorsement will not be amended, cancelled, or terminated unless the company will give the Members 30 days' written notice of such expiration, alteration, or termination.

### **ARTICLE XIV MISCELLANEOUS PROVISIONS**

**14.00. Amendment.** This Agreement may be amended from time to time by the concurrence of each Member.

**14.01. Severability.** If the participation of any Member, 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 will not be affected.

**14.02. Assignment.** Except as otherwise provided in this Agreement, the rights and duties of the Members may not be assigned or delegated without the advance approval of the Authority Board.

**14.03. Execution in Parts or Counterparts.** This Agreement may be executed in parts or counterparts, and all parts or counterparts are considered as constituting one complete original and may be attached together when executed by the Members.

**14.04. Notices.** Notices authorized or required to be given under this Agreement must be in writing and are deemed to have been given (i) when received if given in person, or by facsimile or e-mail, (ii) on the date of acknowledgment of receipt if sent overnight courier, or (iii) five days after being deposited in the U.S. mail, certified or registered mail - return receipt requested, postage prepaid to the addresses set forth below, or to such other changed addresses communicated to the Authority and the Members in writing:

If to Belridge, addressed as follows:

Belridge Water Storage District  
21908 Seventh Standard Road  
McKittrick, CA 93251

If to Berrenda Mesa, addressed as follows:

Berrenda Mesa Water District  
14823 Hwy 33  
Lost Hills, CA 93249-9734

If to Lost Hills, addressed as follows:

Lost Hills Water District  
800 East Aqueduct Street  
Lost Hills, CA 93249

If to Dudley Ridge, addressed as follows:

Dudley Ridge Water District  
286 W. Cromwell Ave.  
Fresno, CA 93711-6162

If to the Authority, addressed to each of the above.

Each notice given to a Member shall be concurrently given to the then President of the Member's Board at his or her business address.

**14.05. Headings.** The headings preceding the text of sections of this Agreement, and any attachments or exhibits, are for convenience only and are not part of this Agreement.

**14.06. Further Assurances.** Each Member will, at the reasonable request of any other Member, execute and deliver further instruments, assignments, assurances and other documents, and take such actions as the other party may reasonably request in connection with the carrying out of this Agreement.

**14.07. Waiver; Estoppel.** The failure of a Member to require performance of any provision of this Agreement will not affect its right at a later time to enforce performance. No waiver by a Member of any condition or of any breach of any term contained in this Agreement is effective unless in writing, and no waiver in any one or more instances will be deemed to be a further or continuing waiver of the condition or breach previously waived.

**14.08. Construction.** The language in this Agreement is construed according to its fair meaning. The Members acknowledge that each of them and their counsel have reviewed and revised this Agreement, and that the normal rule of construction that ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement.

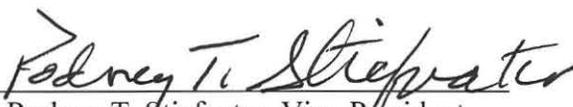
**14.09. Remedies Cumulative.** No remedy set forth in this Agreement or otherwise conferred upon or reserved to any Member is exclusive of any other remedy available to it, but instead remedies are distinct, separate, and cumulative.

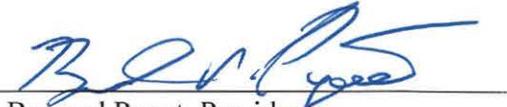
**14.10. Entire Understanding.** This Agreement sets forth the entire agreement and understanding of the Members with respect to the transactions contemplated, and supersedes all prior agreements, arrangements, and understandings relating to the subject matter. There have been no representations or statements, oral or written, that have been relied on by any party, except those expressly set forth in this Agreement.

IN WITNESS WHEREOF, the parties to this Agreement do agree, and do bind their respective districts, by and through the authorized representatives of the Districts, as of the effective date first written above.

BELRIDGE WATER STORAGE DISTRICT

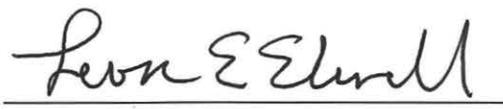
LOST HILLS WATER DISTRICT

By:   
Rodney T. Stiefvater, Vice-President

By:   
Bernard Puget, President

BERRENDA MESA WATER DISTRICT

DUDLEY RIDGE WATER DISTRICT

By:   
Leon E. Elwell, Vice- President

By:   
Dale K. Melville, Manager-Engineer