

NOTICE AND AGENDA OF SPECIAL MEETING

BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN
EASTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY

HELD AT
SANTA YNEZ COMMUNITY SERVICES DISTRICT, MEETING ROOM
1070 FARADAY STREET, SANTA YNEZ, CALIFORNIA
6:30 P.M., THURSDAY, SEPTEMBER 26, 2024

Optional remote public participation is available via Telephone or TEAMS

To access the meeting via telephone, please dial: [+1 805-724-0311, 876317773#](tel:+18057240311)
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*** Please Note ***

The above teleconference option for public participation is being offered as a convenience only and may limit or otherwise prevent your access to and participation in the meeting due to disruption or unavailability of the teleconference line. If any such disruption of unavailability occurs for any reason the meeting will not be suspended, terminated, or continued. Therefore in-person attendance of the meeting is strongly encouraged.

AGENDA OF SPECIAL MEETING

1. Call to Order and Roll Call
2. Additions or Deletions to the Agenda
3. Public Comment (Any member of the public may address the Board relating to any non-agenda matter within the Board’s jurisdiction. The total time for all public comment shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Board at this meeting on any public comment item.)
4. Review and Consider Approval of Meeting Minutes of August 29, 2024
5. Review and Consider Approval of Contract Services Agreement with Aleshire & Wynder, LLP for General Counsel legal services to the Eastern Management Area (EMA) Groundwater Sustainability Agency (GSA)
6. Review and Consider Approval of Professional Services Agreement with Confluence Engineering Solutions for Executive Director services to the EMA GSA
7. Review and Consider Approval of Professional Services Agreement with Water Resources Economics, LLC for Rate Consultant services to the EMA GSA
8. Update on Nominations and Appointments of Agricultural Director and Alternate Agricultural Director for the EMA GSA Board of Directors
9. Update on Executive Order N-3-24 and Recission of Written Verification Requirements
10. Consideration and Possible Action on EMA GSA Resolution No. 2024-002: Resolution of the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency Authorizing the Opening of An Account at Five Star Bank
11. Consideration and Possible Action for EMA GSA Website Services
12. Consider Designation of Principal Office of the EMA GSA

13. Consider Date for Next Regular or Special Meeting of the EMA GSA
14. Director Reports and Requests for Future Agenda Items
15. Adjournment

[This agenda was posted at least 24 hours prior to the special meeting at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and SantaYnezWater.org in accordance with Government Code Section 54954. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Santa Ynez River Water Conservation District at (805) 693-1156. Advanced notification as far as practicable prior to the meeting will enable the GSA to make reasonable arrangements to ensure accessibility to this meeting.]

MEETING MINUTES

Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency August 29, 2024

A special meeting of the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency and first meeting of the Joint Powers Agency was held on Thursday, August 29, 2024, at 6:30 p.m. at Santa Ynez Community Services District Community Room, 1070 Faraday Street, Santa Ynez, California.

EMA GSA Directors Present: Elizabeth Orona, Joan Hartmann, Brett Marymee, and Brad Joos

EMA GSA Alternate Directors Members Present (in-person): Steve Jordan, Meighan Diethoff, and Michael Burchardi

Member Agency Staff Present (in-person): Bill Buelow, Randy Murphy, Paeter Garcia, Matt Young, and Kadie McShirley

Others Present (in-person): Mary Heyden, Dan Heimel, Keith Lemieux, and Kevin Merrill

Others Present (remote): Brian Macy, Carol Redhead, Scarlett Tovar, Taylor Blakslee, and Curtis Lawler

1. Call to Order and Roll Call

Board Chair Marymee called the meeting to order at 6:30 p.m. and asked Mr. Buelow to call roll. Four EMA GSA Directors and three Acting Alternate Directors were present providing a quorum.

2. Additions or Deletions to the Agenda

No additions or deletions were made.

3. Election or Appointment of Officers

The following Directors were appointed as officers by resolution: Brett Marymee (Chair), Brad Joos (Vice Chair), Elizabeth Orona (Secretary and Treasurer).

4. Public Comment

Carol Redhead announced that she is a candidate for the Director of the Santa Ynez River Water Conservation District Division No. 3 and stated her qualifications.

5. Review and Consider Approval of Meeting Minutes of June 27, 2024

The minutes of the EMA GSA Board meeting on June 27, 2024, were presented for Board consideration. There was no discussion or public comment. The minutes of the EMA GSA Board meeting on June 27, 2024 were approved by a roll call vote.

6. Review and Consider Approval of Financial Statements and Warrant List

Mr. Buelow presented the EMA GSA Balance Sheet as of June 30, 2024. Committee Vice Chair Joos had a question regarding the status of reimbursements from DWR. Mr. Buelow explained the funds are being held in a zero-interest account owned by SYRWCD on behalf of the GSAs, pending the full execution of the subgrant agreement. Board Chair Marymee asked if the subgrant agreement approval was imminent. Mr. Buelow reported that approval was on hold until counsel for the JPA was approved by the Board and was able to review. Director Hartmann made a MOTION to approve the Financial Statements and Warrant List. Board member Orona seconded the motion. There was no discussion. The motion passed unanimously.

7. Review and Consider Request for EMA GSA Written Verification Under Executive Order N-7-22 Revised Under Executive Order N-5-23 in the EMA for the Following Parcel: a. APN: 135-280-044 3160 Live Oak Rd. Santa Ynez (Majcher)

Mr. Buelow presented the new well application, proposed to be completed 800 feet below ground surface. Planned water production is 5-8 acre feet per year for irrigation and back up water supply. GSI's recommendation is that the GSA should provide a written verification to the County of Santa Barbara Department of Environmental Health for this application. Board Vice Chair Joos made a MOTION that the Board approve the verification. Board member Orona seconded. The motion passed unanimously.

8. Direct Member Agency Staff Regarding GSA Bank Account, and Authorize Signature Authority

Mr. Buelow reported that the SYRWCD has held a bank account on behalf of the EMA. Now that the GSA is a JPA, it can open its own bank account. The current account is with Five Star Bank. Once the Executive Director firm is under contract they can be added to the account. However, Mr. Buelow requested that all Board members have signature authority. There was no public comment. Board member Hartmann made a MOTION to stay with Five Star Bank, keep Amber Thompson's authority to transfer funds, and that the Chair and Vice Chair have all authorities and that the rest of the Board have authority to endorse checks. Board member Orona seconded. The motion passed unanimously.

9. Receive Member Agency Staff Memo Regarding Responses to Executive Director RFQ, and Potentially Direct Member Agency Staff to Contract with Executive Director

Mr. Young reported that member agency staff put out a Request for Qualifications (RFQ) for an Executive Director and received two responses: one from the Hallmark Group and one from Confluence Engineering Solutions, Inc. Both firms are highly qualified but Confluence has a more local presence and significantly lower rates. The Board discussed

Confluences’ qualifications and asked questions of staff. The Board discussed developing a “not to exceed” contract amount and whether or not the Executive Director will attend each meeting in person or Zoom. Board member Hartmann expressed preference on having the Executive Director attend in person as a default with exceptions. Board member Orona would like to see travel and expenses enumerated. There was no public comment. Board member Orona made a MOTION to have staff proceed in engaging Confluence Engineering Solutions with priority of in-person attendance with the flexibility to dial in. Board Vice Chair Joos seconded. The motion passed unanimously.

10. Receive Member Agency Staff Memo Regarding Responses to Legal Services RFQ, and Potentially Direct Member Agency Staff to Contract for Legal Services

Mr. Murphy reported that member agency staff received three proposals in response to the Legal Services Request for Qualifications. Staff recommended that Aleshire & Wynder, LLP be selected. The Board asked several questions of Keith Lemieux of Aleshire Wynder, LLP regarding rates and potential conflicts of interest. Public comment was provided. Board Chair Marymee made a MOTION to allow staff to enter into negotiations to hire Aleshire Wynder, LLP to provide legal services. Board member Hartmann seconded. The motion passed unanimously.

11. Receive Member Agency Staff Memo Regarding Responses to Rate Consultant RFQ, and Potentially Direct Member Agency Staff to Contract with a Rate Consultant

Mr. Garcia reported that member agency staff received three proposals in response to the Rate Consultant Request for Qualifications. All three firms were reported to be very competent and qualified, but the cost estimates separated the firms. Water Resources Economics (WRE) provided the lowest cost estimate. After discussion, the Board requested that a “not-to-exceed” contract amount be developed, and that travel and expense costs be detailed. Board Vice Chair Joos made a MOTION to direct staff to develop a contract with WRE to serve as rate consultant. Seconded by Board Chair Marymee. The motion passed unanimously.

12. Receive and Potentially Take Action on Member Agency Staff Memo Regarding GSA Insurance

Mr. Buelow presented a staff memo recommending Golden State Risk Management to provide insurance to the GSA. After Board discussion, Board Vice Chair Joos made a MOTION that the Board select Golden State Risk Management as the GSA insurance company. Board Chair Marymee seconded. The motion passed unanimously.

13. Receive Update from SYRWCD Staff on Subgrant Agreement for DWR Proposition 68 Grant

Mr. Buelow gave an update on the status of the subgrant agreement for the DWR Proposition 68 grant. He stated that the SYRWCD is not willing to administer the grant from the State without a subgrant agreement because it would expose them to risk. Each Santa Ynez GSA will need to sign the subgrant agreement. The EMA JPA attorney will review the subgrant agreement as soon as they are brought on.

14. Request that Santa Ynez Water Group Solicit Applications for an Agricultural Director, and Alternate, Pursuant to Section 7.2 of the EMA Joint Powers Agreement

Mr. Young reported that the JPA provides for a fifth Director and Alternate Director to be appointed representing agricultural interests in the basin, and recommended that the Board initiate the process as detailed in the Joint Powers Agreement. Board Vice Chair Joos stressed that it will be very important to have good documentation of the outreach conducted. Mr. Buelow stated it will be a two-year term. Board member Hartmann made a MOTION that we make the formal request to Santa Ynez Water Group to solicit nominees for the JPA Ag Director and Alternate Director. Board Chair Marymee seconded. The motion passed unanimously.

15. Review and Discuss Meeting Location and Schedule for Next Two Months

The Basin-Wide Joint GSA meeting on Friday, September 6th at the Buellton City Council Chambers was mentioned. Mr. Young mentioned two Special Meetings that are tentative: September 26th and October 24th. Member agency staff recommended that these special meeting be held given the number of items that need to be covered. There were no comments or questions from the Board or members of the public.

16. Director Reports and Requests for Future Agenda Items

Board member Hartmann commended Bill Buelow's staff work for getting us through this process. Board member Orona echoed that and commended all staff. Mr. Young mentioned that all the required filings for the JPA have been done. Board Chair Marymee mentioned that he and Bill attended the Urban Water Institute Conference in San Diego. Mr. Murphy reported that Jose Acosta will be returning to the City of Solvang.

17. Adjournment

Board Chair Marymee adjourned the meeting at 8:05 p.m.

Brett Marymee, Chairman

Elizabeth Orona, Secretary

**CONTRACT SERVICES AGREEMENT FOR
GENERAL COUNSEL LEGAL SERVICES
SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN EASTERN MANAGEMENT AREA
GROUNDWATER SUSTAINABILITY AGENCY**

This CONTRACT SERVICES AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES (“Agreement”) is effective as of the 26th day of September 2024 (“Effective Date”) by and between the law firm of ALESHIRE & WYNDER, LLP, a California limited liability partnership (“A&W”), and the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency, a California Joint Powers Authority (“Agency”). The governing body of the Agency is its BOARD OF DIRECTORS (“Board”).

1. APPOINTMENT

Agency hereby hires A&W to render the legal services as specified herein, under the direction of the Board. The Board shall designate an attorney from A&W to serve as General Counsel.

A&W represents that it employs, or will employ at its own expense, all personnel required for the satisfactory performance of all tasks and services set forth herein. A&W shall not replace the designated General Counsel (or any successors to such person) without the Board’s prior approval.

2. SCOPE OF WORK AND DUTIES

A. A&W will provide representation to Agency in all its general counsel and transactional legal matters except as otherwise designated hereby or by the Board. A&W will provide all other legal services as set forth herein and only as authorized by the Board.

B. General Counsel will keep Agency informed as to the progress and status of all pending matters in accordance with such procedures as the Agency may establish from time to time. General Counsel is expected to manage, control and oversee the delivery of legal services in a competent, professional, and cost-effective manner, and hereby agrees that all services performed shall be provided in a manner commensurate with competent professional standards. All legal services shall be properly supervised, and all personnel shall be qualified to handle the work assigned.

C. All legal services shall be coordinated under the direction of the Board. Nothing in this Agreement shall be construed in any manner as limiting the ultimate and absolute discretion of the Board, at any time, to assign or reassign any legal matter of Agency to or from A&W.

3. AGENCY DUTIES

Agency agrees to provide such information, assistance, cooperation, and access to books, records, and other information, as is necessary for A&W to effectively render its professional services under this Agreement. To the extent Agency desires services to be rendered on site,

Agency, at Agency's expense, will make available sufficient office space, furniture, telephones, computers, facsimile machines, and secretarial support, as approved by the Board as may be necessary therefor. Agency further agrees to abide by this Agreement, and to timely pay A&W's bills for fees, costs, and expenses as provided herein.

4. PERSONNEL

A&W will provide employees, attorneys and staff who are qualified and have the expertise to render legal services hereunder, as may be required from time to time. The Board appointed General Counsel retains the right and authority to select additional attorneys and staff in rendering legal services hereunder.

Assignments may be modified as provided in Section 2 above and except as so provided, A&W will exercise its discretion to utilize whichever attorney(s) and staff it determines to be best suited to its rendering of legal services under this Agreement, consistent with the competent and efficient rendering of legal services, and with a view toward rendering such services in an economically efficient manner.

5. COMPENSATION

A&W's fees for general counsel and transactional services will be charged on an hourly rate basis. All legal services authorized by the Agency shall be charged on an hourly basis for all time expended, as set forth in the compensation schedules shown in Exhibit "A" attached hereto and incorporated herein by this reference. The rates in Exhibit A would come into effect on September 26, 2024, and will remain in effect through June 30, 2025, as provided in Exhibit A. Travel time is billed, but where possible, fees and costs will be split on a pro-rata basis with other clients to reduce overall fees and costs between clients.

6. COSTS AND OTHER CHARGES

A&W may incur various costs and expenses in rendering the legal services required by this Agreement which, if customary and necessary for the performance of legal services hereunder, shall be reimbursable by Agency. These costs and expenses are described in more detail in Exhibit "A" and Agency agrees to reimburse A&W for these costs and expenses in addition to the fees for legal services. Reimbursable costs shall not include any overhead nor administrative charge by A&W, except as provided herein.

A&W may determine it necessary or appropriate to use one or more outside investigators, consultants, or experts in rendering the legal services required. Agency will be responsible for paying such fees and charges. A&W will not, however, retain the services of any outside investigators, consultants, or experts without the prior written approval of Agency. A&W, in consultation with Agency, will select any investigators, consultants, or experts to be hired.

The cost and expenses referred to herein include certain travel expenses, transportation, meals, and lodging, when incurred on behalf of the Agency. These will only be charged when outside of the area, and only with the prior agreement of Agency. Mileage calculations will be made from the office of the designated General Counsel.

Finally, periodically, when on-site, A&W personnel may be required to make local and long-distance telephone calls, or make photocopies, or incur other expenses on behalf of the Agency as well as other clients. A&W will not be charged for such expenses and, in exchange, will not charge the Agency for calls made from our office or other locations to or on behalf of the Agency.

7. STATEMENTS AND PAYMENT

A&W shall render to Agency a statement for fees, costs, and expenses incurred on a monthly basis. Such statement(s) shall indicate the basis of the fees, including the hours worked, the hourly rate(s) if applicable, and a brief description of the work performed. Separate billing categories can be established to track costs associated with Agency funding categories or to track project costs, or such other basis as the Agency may direct. Reimbursable costs shall be separately itemized.

Payments shall be made by Agency as set forth in Exhibit “A.”

8. PROHIBITION AGAINST SUBCONTRACTING OR ASSIGNMENT

The experience, knowledge, capability and reputation of A&W, its partners, attorneys, and employees, was a substantial inducement for Agency to enter into this Agreement. Therefore, A&W shall not contract with any other person or entity to perform, in whole or in part, the legal services required under this Agreement without the prior written approval of Agency. In addition, neither this Agreement, nor any interest herein, may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily, or by operation of law, whether for the benefit of creditors, or otherwise, without the prior written approval of Agency. Adding attorneys to A&W, changes in the partnership, name changes and similar changes shall not be deemed a transfer or assignment requiring approval of Agency or amendment hereof.

9. INDEPENDENT CONTRACTOR

A&W shall perform all legal services required under this Agreement as an independent contractor of Agency, and shall remain, always as to Agency, an independent contractor with only such obligations as are required under this Agreement. Neither Agency, nor any of its employees, consultants, contractors, or agents shall have any control over the manner, mode, or means by which A&W, its agents or employees, render the legal services required under this Agreement, except as otherwise set forth. Agency shall have no voice in the selection, discharge, supervision or control of A&W employees, representatives, or agents, or in fixing their number, compensation, or hours of service.

10. INSURANCE

A&W shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to Agency, during the entire term of this Agreement, including any extension thereof, the following policies of insurance:

(a) Comprehensive General Liability Insurance. A policy of comprehensive general liability insurance written on a per occurrence basis in an amount not less than a combined single limit of One Million Dollars (\$1,000,000.00), and One Million Dollars (\$1,000,000.00) products and completed operations.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both A&W and Agency against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Agency in the course of carrying out the work or services contemplated in this Agreement.

(c) Automobile Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than a combined single limit liability of One Million Dollars (\$1,000,000.00). Said policy shall include coverage for owner, non-owner, leased and hired cars.

(d) Errors and Omissions Insurance. A policy of professional liability insurance written on a claims made basis in an amount not less than Three Million Dollars (\$3,000,000.00).

Except for the policy of professional liability insurance, all the above policies of insurance shall be primary insurance and shall name Agency, its elected and appointed officials, officers, employees and agents as additionally insured. Except for the policy of professional liability insurance, the insurer shall waive all rights of subrogation and contribution it may have against the Agency, its elected and appointed officials, officers, employees and agents and their respective insurers. Except for the policy of professional liability insurance, all said policies of insurance shall provide that said insurance may not be amended or canceled without providing thirty (30) days prior written notice by registered mail to the Agency. In the event any of said policies of insurance are cancelled, A&W shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section to the Agency. Failure to do so is cause for termination of this Agreement.

11. INDEMNIFICATION

A&W agrees to indemnify Agency, its elected and appointed officials, officers, employees and agents against, and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the work, operations or activities of A&W, its agents, employees, subcontractors, or invitees, provided for herein or arising from the acts or omissions of A&W hereunder, or arising from A&W's performance of or failure to perform any term, provision, covenant or condition of this Agreement, except to the extent such claims or liabilities arise from the negligence or willful misconduct of Agency, its elected and appointed officials, officers, agents or employees.

12. NOTICES

Notices required pursuant to this Agreement shall be given by personal service upon the party to be notified, or by delivery of same into the custody of the United States Postal Service, or its lawful successor, or a reputable overnight courier service, postage prepaid and addressed as follows:

AGENCY: Santa Ynez River Valley Groundwater Basin Eastern Management
Area Groundwater Sustainability Agency
c/o Executive Director

[ADDRESS TBD]

A&W: Aleshire & Wynder, LLP
2659 Townsgate Road, Suite 226
Westlake Village, CA 92361
Attention: Keith Lemieux
Klemieux@awattorneys.com

Service of a notice by personal service shall be deemed to have been given as of the date of such personal service. Notice given by deposit with the United States Postal Service shall be deemed to have been given two (2) consecutive business days following the deposit of the same into the custody of said Postal Service. Notice by overnight courier shall be deemed to have been given one (1) business day following the deposit of the same into the custody of the overnight courier. Either party hereto may, from time to time, by written notice to the other, designate a different address or person which shall be substituted for that specified above.

13. NON-DISCRIMINATION

In connection with the execution of this Agreement, A&W shall not discriminate against any employee or applicant for employment because of race, religion, marital status, color, sex, disability, sexual orientation, gender identity, or national origin. A&W shall take affirmative action to ensure that applicants are employed, and that employees are treated fairly during their employment, without regard to their race, religion, marital status, color, sex, disability, sexual orientation, gender identity, or national origin. Such actions shall include, but not be limited to the following: employment, promotion, demotion, transfer, duties assignment; recruitment or recruitment advertising; layoff of termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

14. TERM, DISCHARGE AND WITHDRAWAL

The initial term of this Agreement shall commence on the Effective Date and shall continue in effect for a period not to exceed one year, subject to modification of fees as provided in Section 5. This Agreement may be terminated by either party hereto prior to expiration of the initial term in accordance with this Section 14. The term of this Agreement may be extended beyond the initial term upon written agreement of the Parties. During the initial term or any term thereafter, Agency

may discharge A&W at any time, with or without notice, with no right to hearing or notice. A&W may withdraw from Agency's representation at any time, to the extent permitted by law, and the California Rules of Professional Conduct, upon at least sixty (60) days' written notice to Agency.

In the event of such discharge or withdrawal, Agency will pay A&W professional fees and costs, in accordance with this Agreement, for all work done (and costs incurred) through the date of cessation of legal representation. Agency agrees to execute, upon request, a stipulation in such form as to permit A&W to withdraw as Agency's attorneys of record in any legal action then pending. A&W shall deliver all documents and records of Agency to Agency, or to legal counsel designated by Agency, and assist to the fullest extent possible in the orderly transition of all pending matters to Agency's counsel.

15. CONFLICTS

A&W has no present or contemplated employment which is adverse to the Agency. A&W agrees that it shall not represent clients in either litigation or non-litigation matters adverse to the Agency, except as provided below. A&W reserves the right to represent such clients in matters not connected with its representation of the Agency.

In accordance with the California Rules of Professional Conduct, if a potential conflict of interest arises in A&W's representation of Agency and another client, if such conflict is only speculative or minor, A&W shall seek written waivers from each client with regards to such concurrent representation. However, if actual conflicts exist, A&W would seek to withdraw from representing either client in the matter and respectively assist both clients in obtaining separate legal counsel in the matter.

16. ATTORNEY FEES AND COSTS

If any legal action is necessary to enforce any provision of this Agreement or for damages by reason of an alleged breach of any provision of this Agreement, the prevailing party shall be entitled to receive from the losing party all costs and expenses and such an amount as the court may adjudge to be reasonable attorney's fees.

17. VENUE

The venue of any action or claim brought by either party to this Agreement will be in Santa Barbara County. Each party hereby waives any law or rule of the court which would allow them to request or demand a change of venue.

18. INTEGRATED AGREEMENT; AMENDMENT

This Agreement contains the entire agreement of the parties and cannot be amended or modified except by written agreement. No prior oral or written understanding shall be of any force or effect with respect to those matters covered in this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

19. CORPORATE AUTHORITY

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that in so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have entered this Agreement as of the Effective Date first written above.

Dated: _____, 2024

**SANTA YNEZ RIVER VALLEY
GROUNDWATER BASIN EASTERN
MANAGEMENT AREA
GROUNDWATER SUSTAINABILITY
AGENCY**

By: _____
Brett Marymee, Board Chair

ATTEST:

By: _____
Elizabeth Orona, Board Secretary

Dated: _____, 2024

ALESHIRE & WYNDER, LLP

By: _____
Keith Lemieux, Equity Partner

EXHIBIT A - FEE AGREEMENT

A. GENERAL

Included below are typical hourly rates for legal services, including services outside of general counsel and transactional services. Hourly rate services typically are billed based upon the type of work and the attorney performing the work. We bill in time increments of one-tenth (0.1) of an hour, which is about six (6) minutes. We bill for travel time. We also utilize separate billing accounts based upon the Agency’s departments, litigation matters, development projects, construction projects, and other unique matters. The monthly billing statements for fees and costs shall indicate the basis of the fees, including a detailed and auditable breakdown of the hours worked, the billable rates charged if applicable, and description of the work performed, including the personnel who performed the work.

The fee arrangement for general counsel and transactional services will remain valid through June 30, 2025. Thereafter the rates will be subject to adjustment as agreed to between the Agency and A&W as set forth herein or as otherwise agreed to in writing. Where possible, fees and costs will be split on a pro-rata basis with other clients to reduce overall fees and costs between clients.

Our reimbursable expenses are as follows:

REIMBURSABLE	
In house photocopies and faxes	\$0.20 per page (copies)
Postage, Out-of-Pocket Expenses, Outsourced Reproduction	Billed at our cost with no mark up.
Travel Time Mileage	The current IRS mileage rate is the rate charged to the Agency.
Lodging/Meals	Actual lodging/meal expenses incurred, using typical business rates for the area.
Subcontractors	Should the Agency request that the Firm retain subcontractors, such as appraisers or expert witnesses or consultants, such costs will be billed at our cost with no mark up.

EXHIBIT A - FEE AGREEMENT

B. RATES*

PROPOSED RATES	
<p>1. Advisory Services & Transactional Services*: Advisory Services are general counsel services such as communications with the Agency on general legal issues, upcoming agendas, and Committee and Board meetings, with occasionally the need for limited legal or factual research. Transactional Services are those that require drafting of correspondence, memos, or contracts, which may require legal or factual research.</p>	<p>Partners & Of Counsel: \$350 Associates: \$300 Paralegal: \$180 Law Clerk: \$180 Document Clerk: \$110 Legal Assistant & Clerical Support: \$135</p>
<p>2. Litigation and Special Services: Litigation and Special Services include litigation in any court or tribunal, and administrative proceedings in federal, State, county, or local forums, and special services when approved by the Agency such as labor and employment, real estate transactions, major contract negotiations, toxics wastes, and similar services, as well as services that call for expenditures of time outside the normal and typical amounts of time spent on providing the Agency's services on a monthly basis.</p>	<p>Partners & Of Counsel: \$360 Associates: \$315 Paralegal: \$180 Law Clerk: \$180 Document Clerk: \$110 Legal Assistant & Clerical Support: \$135</p>
<p>3. Public Finance Rates: For Public Finance the fee structure shall be as follows:</p> <p>(i) one and one-half (1½) percent of the first \$1 million executed and delivered; three-quarters (¾) percent of the next \$4 million executed and delivered; one-third (1/3) percent of the next \$10 million; one-eighth (1/8) percent of the next \$10 million; and one-tenth (1/10) percent of any amount over \$25 million; subject to a minimum fee of Forty Thousand Dollars (\$40,000); and</p> <p>(ii) for land-based issues (e.g., CFDs and Assessment Agencies), a minimum additional fee of \$15,000 payable from a developer's deposit shall apply for the formation of each Agency or improvement area.</p> <p>If multiple series of bonds, loans or notes are issued, the foregoing fee schedule would be applied to each issue. Fees shall be contingent unless otherwise directed by the Agency. If contingent, payment of the fees is entirely contingent upon the successful execution and delivery of the bonds or notes to be payable on or after delivery except for out-of-pocket expenses. In addition to the foregoing, a fee of \$7,500 may be charged if a tax opinion is required. At the discretion of the Agency, Agency can choose a non-contingent structure in lieu of the above schedule at the rate of \$410 per hour on a blended rate for all attorney time incurred, \$160 for paralegals, and \$100 for law clerks. Fees may be adjusted upon negotiation with the Agency to the extent there are significant delays in the transaction, or the transaction is extremely complex.</p>	

Annual CPI Adjustment: Commencing July 1, 2025, and continuing annually thereafter, all rates set forth above shall increase using the positive change in the CPI-U calculation for the Los Angeles-Long Beach-Anaheim region for the prior May-May period, as calculated by the federal Bureau of Labor Statistics.

* Other rates may be subject to determination, such as where there is an opportunity to obtain cost recovery through a private party such as a developer.

EXHIBIT B
STATEMENT OF BILLING PRACTICES FOR LEGAL SERVICES

The Firm's fees are charged on an hourly basis for all time actually expended. The current hourly design rate for the attorneys and staff working on this matter will be set forth in the billing statement. Annually, you will be provided with the prevailing hourly design rates for the attorneys who will spend the predominate amount of time on this matter. It should be understood that hourly rates are reviewed, and when appropriate, adjusted to reflect increases in seniority and experience as well as inflationary factors. However, when rates are specified in the Contract Services Agreement between the Firm and the client, those rates control.

The Firm will incur various costs and expenses in performing legal services. These costs and expenses are separately billed to the client and may include fees fixed by law or assessed by public agencies, messenger and other delivery fees, postage, parking, and other local travel expenses, photocopying (charge of twenty cents (\$.20) per page) and other reproduction costs, clerical, staff overtime, computer-assisted research fees, travel costs, including mileage at the current IRS rate per mile, airfare, lodging, meals, and incidentals, and other similar items including deposition, reporter fees, and transcript fees. In addition, the Agency will be responsible for paying the fees of consultants and other outside experts who are retained after consultation (mileage, reproduction and other costs are periodically adjusted in accordance with the Firm's actual costs).

Travel costs including mileage (current IRS rate), parking, airfare, lodging, meals, and incidentals are charged in connection with administrative or judicial proceedings, or when traveling outside of Santa Barbara, Los Angeles, Riverside, San Bernardino or Orange Counties unless special arrangements are made. Travel time will also be charged.

The monthly billing statements for fees and costs shall indicate the basis of the charge, including the hours worked, the billable rates charged if applicable, and description of the work performed. Costs and expenses will be recorded monthly but shall be due for payment on the same schedule for fees set in Exhibit A. In the event any statement remains unpaid for more than thirty (30) days after the date of the statement, interest thereon at the rate of ten percent (10%) per annum shall be due and payable thereafter on the unpaid balance.

All bills are expected to be paid timely; if additional time is required, Agency should contact General Counsel as soon as practicable to discuss and document any alternative payment arrangement.

Subject to terms and conditions of the Contract Services Agreement between the Firm and the client, it is expressly understood that the client may discharge Firm at any time and that the Firm may withdraw from representation at any time to the extent permitted under the California Rules of Professional Conduct, upon specific written notice to the client. In the event of such discharge or withdrawal, client shall pay Firm fees and costs in accordance with this Agreement for all work done (and costs incurred) through the termination of Firm representation to the client. Upon such termination or withdrawal, Firm shall deliver to client all files developed as part of Firm's representation of client and any property in possession of Firm belonging to client.

**PROFESSIONAL SERVICES AGREEMENT
FOR CONSULTANT SERVICES**

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and among the Board of Directors of the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency, a California Joint Powers Agency ("Client"), and Confluence Engineering Solutions, Inc. (ConfluenceES), a California corporation (“Consultant”). Client and Consultant may be referred to in this Agreement collectively as the "Parties" or individually as a "Party."

2. RECITALS

- 2.1 Consultant represents that it is fully qualified to perform the professional services described in the Scope of Work by virtue of its experience and the training, education, and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility to perform such services in accordance with this Agreement.
- 2.2 Consultant represents that it has no known relationships with third parties, members of Client’s governing board, or employees of Client which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code section 1090, the Political Reform Act (Government Code sections 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, Client and Consultant agree as follows:

3. DEFINITIONS

- 3.1 “Scope of Work”: Such professional services as are set forth in Consultant’s proposal attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2 “Approved Fee Schedule”: Consultant’s compensation rates are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.
- 3.3 “Maximum Amount”: The highest total compensation and costs payable to Consultant by Client under this Agreement. The Maximum Amount under this Agreement is \$113,057 or as otherwise provided in the Scope of Work.
- 3.4 “Commencement Date”: _____, , 2024.

- 3.5 “Project Administrator”: The individual that shall manage Consultant’s performance of this Agreement on Consultant’s behalf. No change shall be made in Consultant’s project administrator without Client’s prior written consent.

4. **TERM**

The initial term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall continue for a period not to exceed one year. This Agreement may be terminated prior to expiration of the initial term in accordance with Section 13 (“Termination”) below, and may be extended beyond the initial term upon written agreement of the Parties.

5. **CONSULTANT’S DUTIES**

- 5.1 **Services.** Consultant shall perform the services identified in the Scope of Work. Client shall have the right to request, in writing, changes in the Scope of Work. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2 **Coordination with Client and Legal Counsel.** In performing services under this Agreement, Consultant shall coordinate all contact with Client and its legal counsel, if requested by Client.
- 5.3 **Budgetary Notification.** Consultant shall notify Client, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform Client of Consultant’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.
- 5.4 **Professional Standards.** Consultant shall perform all work to the standards of Consultant’s profession prevailing at the time and place the work is performed. Consultant shall comply with all applicable federal, state, and local laws and regulations. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict-of-interest provisions of Government Code section 1090, and the Political Reform Act (Government Code sections 81000 et seq.).
- 5.5 **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, Client may consent in writing to Consultant’s performance of such work.
- 5.6 **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Work. All such

services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. The Project Administrator shall have direct responsibility for management of Consultant's performance under this Agreement.

- 5.7 **Substitution of Personnel.** Any persons named in the proposal or Scope of Work constitutes a promise to the Client that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of Client. If Client and Consultant cannot agree as to the substitution of key personnel, Client may terminate this Agreement for cause.
- 5.8 **Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement.
- 5.9 **Notification of Organizational Changes.** Consultant shall notify the Client, in writing, of any change in name, ownership, or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.
- 5.10 **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to Client under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of Client. In addition, pursuant to Government Code section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of Client or as part of any audit of Client, for a period of three (3) years after final payment under this Agreement.
- 5.11 **Non-Disclosure.** All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement shall not be disclosed by Consultant without prior written consent by Client. Client shall grant such consent if disclosure is legally required. Upon request, all data of Client or of Client's legal counsel shall be returned to same, as the case may be, upon the termination or expiration of this Agreement.

6. **SUBCONTRACTING**

- 6.1 **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign

or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.

- 6.2 **Consultant Responsible.** Consultant shall be responsible to Client for all services to be performed under this Agreement.
- 6.3 **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit B. Any changes must be approved by Client in writing as an amendment to this Agreement.
- 6.4 **Compensation for Subcontractors.** Client shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost plus an approved mark-up as set forth in the Approved Fee Schedule, Exhibit B. Consultant shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. Client shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

- 7.1 **General.** Client agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by Client in advance.
- 7.2 **Invoices.** Consultant shall submit to Client an invoice, on a monthly basis or as otherwise agreed to by the Client, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.
- 7.3 **Payment by Client.** Client will pay undisputed amounts invoiced within 45 days of its receipt of the invoice.
- 7.4 **Taxes.** Client shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.5 **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Work unless prior written approval is given by the Client through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the Client.

- 7.6 **Client Satisfaction as Precondition to Payment.** Notwithstanding any other terms of this Agreement, no payments shall be made to Consultant until Client is satisfied that the services are satisfactory.
- 7.7 **Right to Withhold Payments.** If Consultant fails to provide a deposit or promptly satisfy an indemnity obligation described in Section 10, Client shall have the right to withhold payments under this Agreement to offset that amount.

8. **OWNERSHIP OF WRITTEN PRODUCTS**

All reports, documents, or other written material, and all electronic files, including computer-aided design files, developed by Consultant in the performance of this Agreement (such written material and electronic files are collectively known as “written products”) shall be and remain the property of Client without restriction or limitation upon its use or dissemination by Client except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

9. **RELATIONSHIP OF PARTIES**

- 9.1 **General.** Consultant is, and shall at all times remain as to Client, a wholly independent contractor.
- 9.2 **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of Client or otherwise to act on behalf of Client as an agent. Neither Client, nor any of its agents, shall have control over the conduct of Consultant or any of Consultant’s employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of Client.
- 9.3 **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to Client as an employer. Consultant shall not be entitled to any benefits. Client makes no representation as to the effect of this independent contractor relationship on Consultant’s previously earned California Public Employees Retirement System (“CalPERS”) retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers’ compensation, and other applicable federal and state taxes.
- 9.4 **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the Client, Consultant shall indemnify, defend, and hold harmless Client for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties

and interest on such contributions, which would otherwise be the responsibility of Client.

10. INDEMNIFICATION

- 10.1 **Definitions.** For purposes of this section, “Consultant” shall include Consultant, its officers, employees, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. “Client” shall include Client, its officers, agents, employees and volunteers.
- 10.2 **Consultant to Indemnify Client.** To the full extent permitted by law, Consultant shall indemnify, hold harmless, and defend Client, and its respective officers, agents, employees, and volunteers from and against any and all claims and losses, costs, or expenses for any damage due to death or injury to any person and injury to any property to the extent caused by the intentional, reckless, or negligent acts, errors, or omissions of Consultant or any of its officers, employees, agents, or subcontractors in the performance of this Agreement except the negligence of Client and its agents, officers, and employees.
- 10.3 **Material Term.** Consultant acknowledges that Client would not enter into this Agreement in the absence of Consultant’s commitment to indemnify and protect Client as set forth herein. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to Client.
- 10.4 **Subcontractor to Indemnify Client.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with, or on behalf of Consultant in the performance of this Agreement.
- 10.5 **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential, or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify Client for such loss or damage as is caused by the sole active negligence or willful misconduct of the Client.
- 10.6 **Attorneys Fees.** Consultant shall not be entitled to any refund of attorneys’ fees, defense costs, or expenses in the event that it is adjudicated to have been non-negligent.
- 10.7 **Waiver of Statutory Immunity.** The obligations of Consultant under this section are not limited by the provisions of any workers’ compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to Client.
- 10.8 **Insurance.** Consultant’s liability under this Section 10 (Indemnification) shall not exceed the insurance coverage required under Section 11 (Insurance).

10.9 **Consultant Cooperation in Defense of Claims.** In the event any claim or action is brought relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that Client may require.

11. INSURANCE

11.1 **Insurance Required.** Consultant shall maintain insurance as described in this section and Client and its officers, directors, employees and agents shall be named as addition insureds on all insurance policies required by this Agreement, and Consultant shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the Client shall not relieve or decrease any liability of Consultant. Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

11.2 **Documentation of Insurance.** Consultant shall file with Client complete, certified copies of all required insurance policies, including endorsements affecting the coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them.

11.3 **Comprehensive General Liability.** Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, comprehensive general liability and property damage insurance covering Consultant's performance under this Agreement in an amount of not less than Two Million Dollars (\$2,000,000), combined single limit coverage.

11.4 **Workers' Compensation.** Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, workers' compensation insurance covering its employees in Consultant's performance under this Agreement.

11.5 **Professional Liability.** Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, professional liability insurance in an amount not less than One Million Dollars (\$1,000,000) coverage.

11.6 **Duty to Defend and Indemnify.** Consultant's duties to defend and indemnify Client under this Agreement shall survive the expiration of this Agreement as well as expiration or early termination of this Agreement.

12. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile, or overnight courier service during Client's and Consultant's regular business hours; (ii) on the second business day following deposit in the United States mail if delivered by mail, postage prepaid, or (iii) the day of delivery if delivered by email, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to Client:

If to Consultant:

Dan HeimeI, President/Principal Engineer
Confluence Engineering Solutions, Inc.
Mailing Address: PO Box 7098,
Los Osos, CA 93412
danheimel@confluencees.com

13. TERMINATION

- 13.1 **Client Termination.** Client shall have the right to terminate this Agreement for any reason on five calendar days' written notice to Consultant.
- 13.2 **Consultant Termination.** Consultant shall have the right to terminate this Agreement for any reason on thirty calendar days' written notice to Client.
- 13.3 **Cessation of Work.** Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. Consultant shall upon payment of all sums due to Consultant, return to Client and its legal counsel all Client's or legal counsel's data, documents, objects, materials, or other tangible things upon the termination or expiration of this Agreement.
- 13.4 **Compensation Following Termination.** If Client terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

14. GENERAL PROVISIONS

- 14.1 **Governing Law and Venue.** This Agreement is entered into and performed in the State of California and is to be interpreted pursuant to the law of the State of California. Venue in any action arising out of this Agreement shall be in the Superior Court of California for the County of Santa Barbara. For litigation subject to United States District Court jurisdiction, venue shall be in the district court that is geographically closest to Santa Barbara, California.
- 14.2 **Entire Agreement.** The Parties agree that this Agreement contains the entire understanding concerning the subject matter among the Parties and supersedes and replaces all prior negotiations of proposed agreements, written or oral, if any. This Agreement shall not be amended or modified except in writing, executed and agreed to by all the Parties to this Agreement.
- 14.3 **Severability.** If any term, provision, covenant, or condition of this Agreement is held to be invalid, void, or unenforceable, the Parties shall amend this Agreement and/or take other action necessary to achieve the intent of this Agreement.

- 14.4 **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.
- 14.5 **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 14.6 **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 14.7 **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.
- 14.8 **Counterparts; Electronic Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

CLIENT

CONSULTANT

By: _____
 Brett Marymee
 Board Chair

By: _____
 Dan Heimel
 President/Principal Engineer

Date: _____

Date: _____

ATTEST:

By: _____
 Elizabeth Orona, Board Secretary

Exhibit A: Scope of Work

Consultant will provide Executive Director professional services, as directed by Client. Services to be undertaken by Consultant and associated fees for such services are further described in the attached Proposal to provide Executive Director professional services for the Santa Ynez Basin Eastern Management Area Groundwater Sustainability Agency.

Consultant is not an attorney or law firm and does not provide legal services. It doesn't in any manner whatsoever guarantee or insure any results or success in the representation. Consultant will rely on the data and information it is provided. The accuracy and sufficiency of the data and information provided by Client will be the sole responsibility of Client.



9/19/2024

To: Santa Ynez Basin Eastern Management Area Groundwater Sustainability Agency

Subject: Proposal to provide Executive Director professional services for the Santa Ynez Basin Eastern Management Area Groundwater Sustainability Agency

Confluence Engineering Solutions, Inc. (ConfluenceES) is pleased to provide the following proposal for providing Executive Director professional services for the Santa Ynez Basin Eastern Management Area Groundwater Sustainability Agency (EMA GSA). This proposal includes a scope of work and fee estimate to perform administrative and management duties necessary to support the EMA GSA Joint Powers Authority in fulfilling its mission to successfully implement its Groundwater Sustainability Plan (GSP) and comply with the requirements of the Sustainable Groundwater Management Act (SGMA) through the end of Fiscal Year 2024-25 (~9 months).

Scope of Work

Task 0 Project Management

0.1 Invoices and Progress Reports

- Prepare and provide monthly invoices and progress reports describing activities performed and professional services provided.

It is assumed that the level of effort to prepare invoices and progress reports will be approximately one (1) hour per month and the contract will last approximately nine (9) months.

Task 1 Administrative and Management Duties

1.1 EMA Administration/Representation

- Perform EMA GSA administrative and management tasks necessary to facilitate EMA GSA activities, including but not limited to:
 - Coordinate activities of the EMA GSA Agency Staff and Board of Directors (Board).
 - Coordinate on behalf of the EMA GSA with landowners, groundwater pumpers and other interested parties.
 - Facilitate coordination with EMA GSA Agencies, other Management Area Agencies and other stakeholders.
 - Represent the EMA GSA as directed to other entities, including the Department of Water Resources, State Water Resources Control Board, and other agencies, as needed.

It is assumed that the level of effort for this task will be approximately three (3) hours per month.

1.2 Consultant Coordination

- Assist in procuring consultant support (e.g. bookkeeping, Certified Public Accountant, etc.) for the EMA GSA.
- Track performance and manage consultant scope, schedules, and budgets.
- Coordinate activities amongst the consultant team supporting the EMA GSA.

It is assumed that the level of effort for this task will be approximately three (3) hours per month.

1.3 Website Management

- Update and maintain the EMA GSA Website.

It is assumed that the level of effort for this task will be approximately two (2) hours per month.

1.4 Compliance Tracking

- Oversee and track the EMA GSA's compliance with the Brown Act and other legal requirements, with input from EMA GSA Legal Counsel.

It is assumed that the level of effort for this task will be approximately one half (0.5) hours per month.

1.5 Financial Oversight

- Track financial transactions, prepare annual budgets, and monitor EMA GSA fund balances.
- Provide routine financial accounting summaries to the EMA GSA Agency Staff and Board.
- Facilitate periodic accounting audits by Certified Public Accountant (CPA).

It is assumed that bookkeeping and CPA services will be provided by a separate consultant and the level of effort for this task will be approximately two (2) hours per month.

Task 2 Meeting Coordination

2.1 Board Meetings

- In consultation with the EMA GSA Chair and Agency Staff, prepare agenda packets for and coordinate up to twelve (12) public EMA GSA Board meetings.
- Facilitate in-person and virtual participation for EMA GSA Board Meetings.
- Function as staff (including clerk) during EMA GSA Board Meetings, including providing appropriate technical input on questions from both Directors and the public.
- Prepare action style meeting minutes for EMA GSA Board meetings.
- Edit, upload and manage EMA GSA Board Meeting video recordings.

It is assumed that there will be one (1) Board Meeting per month and the level of effort for this task will be approximately eighteen (18) hours per meeting and includes preparation, travel, attendance, and follow-up time for two (2) ConfluenceES staff at each meeting.

2.2 Agency Staff Meetings

- Prepare EMA GSA Agency Staff Meeting agendas/agenda packets and other meeting materials.

- Facilitate EMA GSA Agency Staff Meetings and develop list of action items and key decision points.

It is assumed that there will be two (2) Agency Staff Meetings per month and the level of effort for this task will be approximately two and half (2.5) hours per meeting and includes preparation, attendance, and follow-up time for two (2) ConfluenceES staff at each meeting.

2.3 Basin-wide Coordination Meetings

- In consultation with the EMA GSA Chair and Agency Staff, assist in preparing for, participating in and following-up from Basin-wide Coordination Meetings.

It is assumed that there will be one (1) Basin-wide Coordination Meeting per quarter and the level of effort for this task will be approximately ten (10) hours per meeting and includes preparation, travel, attendance, and follow-up time for one (1) ConfluenceES staff at each meeting.

2.4 Community Advisory Group Meetings

- Prepare for, facilitate and follow-up from EMA GSA Community Advisory Group (CAG) Meetings.

It is assumed that there will be two (2) CAG Meetings per year and the level of effort for this task will be approximately eighteen (18) hours per meeting and includes preparation, travel, attendance, and follow-up time for two (2) ConfluenceES staff at each meeting.

Task 3 GSP Implementation and SGMA Compliance

The scope and level of effort estimate for these tasks includes the assumption that the Executive Director will initially work with EMA GSA Agency Staff to develop and present to the EMA GSA Board a GSP Implementation Plan that outlines a strategy for how the GSP initiatives and Prop 68 grant tasks can be completed and how they will be funded (e.g. EMA GSA, Prop 68 grant, Prop 26/218 fee, etc.). The Executive Director would then work with EMA GSA Agency Staff and Board to procure and/or award the necessary contracts to support the implementation of the GSP initiatives and Prop 68 grant tasks.

The GSP Implementation Plan may include recommendations that the Executive Director may be best suited to perform certain GSP initiatives and/or Prop 68 grant tasks. If these recommendations are approved then separate proposals will be prepared by the Executive Director and presented to the EMA GSA Board for approval consideration so that costs for these tasks can be tracked separately and reimbursed by the Prop 68 Grant, where applicable.

3.1 GSP Implementation Plan

- Coordinate with EMA GSA Agency Staff and Board to develop an implementation and funding plan for the GSP initiatives and Prop 68 Grant tasks (e.g. Well Extraction Measurement and Report, Rate Studies, Annual Reports and 5 Year Updates, Monitoring Improvement and Expansion, Alluvial Aquifer Action Plan, etc.).
- Present the GSP Implementation Plan to the EMA GSA Board for input and direction on the strategy for proceeding with implementation of the GSP initiatives and Prop 68 grant scope items.

It is assumed that the level of effort for this task will be approximately forty (40) hours.

3.2 Consultant Procurement and Coordination

- As directed by the EMA GSA Board and the GSP Implementation Plan, facilitate consultant procurement for implementation of GSP initiatives and Prop 68 grant scope items, including but not limited to providing the following as-needed services:
 - Prepare draft and final scopes of work.
 - Develop and distribute Requests for Proposals (RFP) and Qualifications (RFQ).
 - Prepare addendums and respond to questions.
 - Facilitate consultant proposal review, consultant interviews and coordinate development of consultant selection recommendations for the EMA GSA Board.
- Track performance and manage consultant scopes, schedules, and budgets.
- Coordinate activities amongst the consultant team supporting the EMA GSA.

It is assumed that the initial level of effort for this task will be approximately forty (40) hours. This level of effort may change depending upon the GSP implementation strategy determined by the EMA GSA Board.

Task 4 Other Activities

4.1 As-Needed Support Services

- Provide additional, as-needed support services for the EMA GSA (e.g. grant writing, permit applications, regulatory compliance, technical analysis, etc.)

It is assumed that the level of effort for this task will be approximately ten (10) hours per month.

Exhibit B: Fee Schedule

Fee Estimate

ConfluenceES proposes to provide the Executive Director professional services described above for the EMA GSA for a nine (9) month period on a time and materials basis (i.e. EMA GSA will only be charged for the amount of time required to provide the Executive Director services) with a not-to-exceed fee of \$113,057. A detailed breakdown of the level of effort and hourly rates for each task is provided in the table below.

Direct expenses (e.g. travel, mileage (per IRS Rates), delivery/copy services, subconsultant services) will be invoiced with a 10% processing fee. ConfluenceES reserves the right to revise our standard billing rates on an annual basis and personnel classifications may be added as necessary.

Fee Estimate Executive Director Professional Services Santa Ynez Basin Eastern Management Area Groundwater Sustainability Agency	ConfluenceES							
	Principal Engineer	Technical Advisor	Senior Hydrogeologist	Associate Engineer	Total Hours	Total Labor	Expenses	ConfluenceES Total
Task/Subtask	\$ 225	\$ 225	\$ 225	\$ 150			1%	
Task 0 - Project Management								
0.1 Invoices and Progress Reports	5	0	0	5	9	\$ 1,688	\$ 17	\$ 1,704
Task Total	4.5	0	0	4.5	9	\$ 1,688	\$ 17	\$ 1,704
Task 1 - Administrative and Management Duties								
1.1 EMA Administration/Representation	18	0	0	9	27	\$ 5,400	\$ 54	\$ 5,454
1.2 Consultant Coordination	18	0	0	9	27	\$ 5,400	\$ 54	\$ 5,454
1.3 Website Management	0	0	0	18	18	\$ 2,700	\$ 27	\$ 2,727
1.4 Compliance Tracking	0	0	0	4.5	4.5	\$ 675	\$ 7	\$ 682
1.5 Financial Tracking	9	0	0	9	18	\$ 3,375	\$ 34	\$ 3,409
Task Total	45	0	0	49.5	94.5	\$ 17,550	\$ 176	\$ 17,726
Task 2 - Meeting Coordination								
2.1 Board Meetings	63	18	0	81	162	\$ 30,375	\$ 304	\$ 30,679
2.2 Agency Staff Meetings	36	18	0	36	90	\$ 17,550	\$ 176	\$ 17,726
2.3 Basin-wide Coordination Meetings	18	6	0	6	30	\$ 6,300	\$ 63	\$ 6,363
2.4 Community Advisory Group Meetings	7	2	0	9	18	\$ 3,375	\$ 34	\$ 3,409
Task Total	124	44	0	132	300	\$ 57,600	\$ 576	\$ 58,176
Task 3 - GSP Implementation and SGMA Compliance								
3.1 GSP Implementation Plan	8	12	10	10	40	\$ 8,250	\$ 83	\$ 8,333
3.2 Consultant Procurement and Coordination	8	12	6	14	40	\$ 7,950	\$ 80	\$ 8,030
Task Total	16	24	16	24	80	\$ 16,200	\$ 162	\$ 16,362
Task 4 - Other Activities								
4.1 As-needed EMA GSA Support Services	36	27	9	18	90	\$ 18,900	\$ 189	\$ 19,089
Task Total	36	27	9	18	90	\$ 18,900	\$ 189	\$ 19,089
Total	226	95	25	228	574	\$111,938	\$ 1,119	\$ 113,057

**PROFESSIONAL SERVICES AGREEMENT
FOR RATE CONSULTANT SERVICES**

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and among the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency, a California Joint Powers Agency (“Client”), and Water Resources Economics, LLC, a California Limited Liability Company (“Consultant”). Client and Consultant may be referred to in this Agreement collectively as the “Parties” or individually as a “Party.”

2. RECITALS

- 2.1 Consultant represents that it is fully qualified to perform the professional services described in the Scope of Work by virtue of its experience and the training, education, and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility to perform such services in accordance with this Agreement.
- 2.2 Consultant represents that it has no known relationships with third parties, members of Client’s governing board, or employees of Client which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code section 1090, the Political Reform Act (Government Code sections 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, Client and Consultant agree as follows:

3. DEFINITIONS

- 3.1 “Scope of Work”: Such professional services as are set forth in Consultant’s proposal attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2 “Approved Fee Schedule”: Consultant’s compensation rates are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the Parties.
- 3.3 “Maximum Amount”: The highest total compensation and costs payable to Consultant by Client under this Agreement. The Maximum Amount under this Agreement is \$53,970.00 or as otherwise provided in the Scope of Work.
- 3.4 “Commencement Date”: September 26, 2024.

3.5 “Project Administrator”: The individual that shall manage Consultant’s performance of this Agreement on Consultant’s behalf. No change shall be made in Consultant’s Project Administrator without Client’s prior written consent.

4. **TERM**

The initial term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall continue for a period not to exceed one year. This Agreement may be terminated prior to expiration of the initial term in accordance with Section 13 (“Termination”) below, and may be extended beyond the initial term upon written agreement of the Parties.

5. **CONSULTANT’S DUTIES**

5.1 **Services.** Consultant shall perform the services identified in the Scope of Work. Client shall have the right to request, in writing, changes in the Scope of Work. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

5.2 **Coordination with Client and Legal Counsel.** In performing services under this Agreement, Consultant shall coordinate all contact with Client and its legal counsel, if requested by Client.

5.3 **Budgetary Notification.** Consultant shall notify Client, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform Client of Consultant’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.

5.4 **Professional Standards.** Consultant shall perform all work to the standards of Consultant’s profession prevailing at the time and place the work is performed. Consultant shall comply with all applicable federal, state, and local laws and regulations. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict-of-interest provisions of Government Code section 1090, and the Political Reform Act (Government Code sections 81000 et seq.).

5.5 **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, Client may consent in writing to Consultant’s performance of such work.

5.6 **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Work. All such

services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. The Project Administrator shall have direct responsibility for management of Consultant's performance under this Agreement.

- 5.7 **Substitution of Personnel.** Any persons named in the proposal or Scope of Work constitutes a promise to the Client that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of Client. If Client and Consultant cannot agree as to the substitution of key personnel, Client may terminate this Agreement for cause.
- 5.8 **Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement.
- 5.9 **Notification of Organizational Changes.** Consultant shall notify the Client, in writing, of any change in name, ownership, or control of Consultant's firm or of any subcontractor. Upon any change of ownership or control of Consultant's firm, Client in its sole discretion may terminate this Agreement or require written amendment to this Agreement.
- 5.10 **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to Client under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of Client. In addition, pursuant to Government Code section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of Client or as part of any audit of Client, for a period of three (3) years after final payment under this Agreement.
- 5.11 **Non-Disclosure.** All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement shall not be disclosed by Consultant without prior written consent by Client. Client shall grant such consent if disclosure is legally required. Upon request, all data of Client or of Client's legal counsel shall be returned to same, as the case may be, upon the termination or expiration of this Agreement.

6. SUBCONTRACTING

- 6.1 **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign

or transfer its interest in this Agreement or subcontract any services to be performed without a written amendment to this Agreement signed by the Parties.

- 6.2 **Consultant Responsible.** Consultant shall be responsible to Client for all services to be performed under this Agreement.
- 6.3 **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit B. Any changes must be approved by Client in writing as an amendment to this Agreement.
- 6.4 **Compensation for Subcontractors.** Client shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost plus an approved mark-up as set forth in the Approved Fee Schedule, Exhibit B. Consultant shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. Client shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

- 7.1 **General.** Client agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by Client in advance.
- 7.2 **Invoices.** Consultant shall submit to Client an invoice, on a monthly basis or as otherwise agreed to by the Client, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.
- 7.3 **Payment by Client.** Client will pay undisputed amounts invoiced within 45 calendar days of its receipt of the invoice.
- 7.4 **Taxes.** Client shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.5 **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Work unless prior written approval is given by the Client through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the Client.

- 7.6 **Client Satisfaction as Precondition to Payment.** Notwithstanding any other terms of this Agreement, no payments shall be made to Consultant until Client is satisfied that the services are satisfactory.
- 7.7 **Right to Withhold Payments.** If Consultant fails to provide a deposit or promptly satisfy an indemnity obligation described in Section 10, Client shall have the right to withhold payments under this Agreement to offset that amount.

8. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents, or other written material, and all electronic files, including computer-aided design files, developed by Consultant in the performance of this Agreement (such written material and electronic files are collectively known as “written products”) shall be and remain the property of Client without restriction or limitation upon its use or dissemination by Client except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

9. RELATIONSHIP OF PARTIES

- 9.1 **General.** Consultant is, and shall at all times remain as to Client, a wholly independent contractor.
- 9.2 **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of Client or otherwise to act on behalf of Client as an agent. Neither Client, nor any of its agents, shall have control over the conduct of Consultant or any of Consultant’s employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of Client.
- 9.3 **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to Client as an employer. Consultant shall not be entitled to any benefits. Client makes no representation as to the effect of this independent contractor relationship on Consultant’s previously earned California Public Employees Retirement System (“CalPERS”) retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers’ compensation, and other applicable federal and state taxes.
- 9.4 **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the Client, Consultant shall indemnify, defend, and hold harmless Client for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties

and interest on such contributions, which would otherwise be the responsibility of Client.

10. INDEMNIFICATION

- 10.1 **Definitions.** For purposes of this section, “Consultant” shall include Consultant, its officers, employees, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. “Client” shall include Client, its officers, agents, employees and volunteers.
- 10.2 **Consultant to Indemnify Client.** To the full extent permitted by law, Consultant shall indemnify, hold harmless, and defend Client, and its respective officers, agents, employees, and volunteers from and against any and all claims and losses, costs, or expenses for any damage due to death or injury to any person and injury to any property to the extent caused by the intentional, reckless, or negligent acts, errors, or omissions of Consultant or any of its officers, employees, agents, or subcontractors in the performance of this Agreement except the negligence of Client and its agents, officers, and employees.
- 10.3 **Material Term.** Consultant acknowledges that Client would not enter into this Agreement in the absence of Consultant’s commitment to indemnify and protect Client as set forth herein. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to Client.
- 10.4 **Subcontractor to Indemnify Client.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with, or on behalf of Consultant in the performance of this Agreement.
- 10.5 **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential, or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify Client for such loss or damage as is caused by the sole active negligence or willful misconduct of the Client.
- 10.6 **Attorneys Fees.** Consultant shall not be entitled to any refund of attorneys’ fees, defense costs, or expenses in the event that it is adjudicated to have been non-negligent.
- 10.7 **Waiver of Statutory Immunity.** The obligations of Consultant under this Section 10 are not limited by the provisions of any workers’ compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to Client.
- 10.8 **Insurance.** Consultant’s liability under this Section 10 shall not exceed the insurance coverage required under Section 11 (Insurance).

- 10.9 **Consultant Cooperation in Defense of Claims.** In the event any claim or action is brought relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that Client may require.

11. INSURANCE

- 11.1 **Insurance Required.** Consultant shall maintain insurance as described in this Section and Client and its officers, directors, employees and agents shall be named as addition insureds on all insurance policies required by this Agreement, and Consultant shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the Client shall not relieve or decrease any liability of Consultant. Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.
- 11.2 **Documentation of Insurance.** Consultant shall file with Client complete, certified copies of all required insurance policies, including endorsements affecting the coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them.
- 11.3 **Comprehensive General Liability.** Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, comprehensive general liability and property damage insurance covering Consultant's performance under this Agreement in an amount of not less than Two Million Dollars (\$2,000,000), combined single limit coverage.
- 11.4 **Workers' Compensation.** Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, workers' compensation insurance covering its employees in Consultant's performance under this Agreement.
- 11.5 **Professional Liability.** Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, professional liability insurance in an amount not less than One Million Dollars (\$1,000,000) coverage.
- 11.6 **Duty to Defend and Indemnify.** Consultant's duties to defend and indemnify Client under this Agreement shall survive the expiration of this Agreement as well as expiration or early termination of this Agreement.

12. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile, or overnight courier service during Client's and Consultant's regular business hours; (ii) on the second business day following deposit in the United States mail if delivered by mail, postage prepaid, or (iii) the day of delivery if delivered by email, to the addresses listed below (or to such other addresses as the Parties may, from time to time, designate in writing).

If to Client:

Eastern Management Area GSA
Attn: Executive Director
[ADD]
[ADD]
[ADD]

If to Consultant:

Sanjay Gaur, President
Water Resources Economics, LLC
10830 Pickford Way
Culver City, CA 90230
sgaur@water-economics.com

13. **TERMINATION**

- 13.1 **Client Termination.** Client shall have the right to terminate this Agreement for any reason on five (5) calendar days' written notice to Consultant.
- 13.2 **Consultant Termination.** Consultant shall have the right to terminate this Agreement for any reason on thirty (30) calendar days' written notice to Client.
- 13.3 **Cessation of Work.** Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. Consultant shall upon payment of all sums due to Consultant, return to Client and its legal counsel all Client's or legal counsel's data, documents, objects, materials, or other tangible things upon the termination or expiration of this Agreement.
- 13.4 **Compensation Following Termination.** If Client terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

14. **GENERAL PROVISIONS**

- 14.1 **Governing Law and Venue.** This Agreement is entered into and performed in the State of California and is to be interpreted pursuant to the law of the State of California. Venue in any action arising out of this Agreement shall be in the Superior Court of California for the County of Santa Barbara. For litigation subject to United States District Court jurisdiction, venue shall be in the district court that is geographically closest to Santa Barbara, California.
- 14.2 **Entire Agreement.** The Parties agree that this Agreement contains the entire understanding concerning the subject matter among the Parties and supersedes and replaces all prior negotiations of proposed agreements, written or oral, if any. This Agreement shall not be amended or modified except in writing, executed and agreed to by the Parties to this Agreement.
- 14.3 **Severability.** If any term, provision, covenant, or condition of this Agreement is held to be invalid, void, or unenforceable, the Parties shall amend this Agreement and/or take other action necessary to achieve the intent of this Agreement.

- 14.4 **No Presumption Against Drafter.** Each Party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any Party based on attribution of drafting to any Party.
- 14.5 **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the Parties.
- 14.6 **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 14.7 **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing Party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.
- 14.8 **Counterparts; Electronic Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The Parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.

TO EFFECTUATE THIS AGREEMENT, the Parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

CLIENT

CONSULTANT

By: _____
 Brett Marymee
 Board Chair

By: _____
 Sanjay Gaur
 President

Date: _____

Date: _____

ATTEST:

By: _____
 Elizabeth Orona, Board Secretary

Exhibit A: Scope of Work

Consultant will perform a rate study to support Client's adoption of rates, including appropriate groundwater extraction fees/charges/assessments as directed by Client. Services to be undertaken by Consultant and associated fees for such services are further described in the attached Scope of Work.

Consultant is not an attorney or law firm and does not provide legal services. It does not in any manner whatsoever guarantee or insure any results or success in the representation. Consultant will rely on data and information provided to Consultant. The accuracy and sufficiency of the data and information provided by Client will be the sole responsibility of Client.

Scope of Work

TASK 1: PROJECT MANAGEMENT AND INITIATION

Project Kick-off

A successful project starts with an organized and effective kick-off meeting. WRE will conduct a virtual kick-off to review the financial, legal, and political landscape of rates and to define the GSA's goals and challenges. Prior to the meeting, we will provide a data request list describing data items needed to conduct the study. Topics to be discussed during the kick-off meeting include the scope of work, the project schedule, GSA funding options, project roles and responsibilities, data items, and any other concerns that GSA staff may have.

Project Management

WRE's project team has extensive experience guiding the rate study process successfully from start to finish. Sanjay Gaur, as Project Manager, will be ultimately accountable for the successful execution of the scope of work. Our project management approach stresses the importance of clearly defining project roles, expectations, and responsibilities at or before the kickoff meeting. Additionally, we believe that establishing frequent and open communication between GSA staff and the WRE project team via phone, email, and/or meetings is critical. To adhere to the project schedule, the WRE team will work to schedule meetings with GSA staff well in advance of the target meeting date.

Quality Assurance Process

We pride ourselves on accurate, high-quality work, and we achieve this through a rigorous quality assurance process. Each project has multiple checkpoints to ensure the accuracy and validity of the data, technical analyses, and methodologies we use to develop the GSA's project deliverables.

Meetings: One virtual kick-off meeting with GSA staff

Deliverables: Data request list; kickoff meeting presentation; kickoff meeting minutes

TASK 2: POLICY WORKSHOPS

WRE will meet with GSA staff and stakeholders to discuss the policy objectives and identify possible fee structures to evaluate during the study. It is important to understand which objectives are most important so that WRE can develop the most appropriate rate/fee structure. During the meetings, WRE will discuss the regulatory requirements of Propositions 218 and/or 26 as it relates to the proposed fee structure.

Meetings: One in-person and one virtual policy discussion meeting with GSA staff and stakeholders

Deliverables: Presentation materials

TASK 3: BUDGET REVIEW AND/OR DEVELOPMENT

WRE will work closely with GSA staff to review and develop the GSA's multi-year budget during the financial planning period and provide input where necessary. Typically, GSA budgets consist of both

administrative costs and groundwater-related costs, as well as costs for the contracted Executive Director, consulting costs, and customer service costs. Categorizing these budget items will assist in latter portions of the study to determine the cost requirements for different types of fees.

Meetings: One virtual meeting with GSA staff

Deliverables: Presentation materials

TASK 4: FINANCIAL PLAN

WRE will develop a long-range financial plan for the GSA in order to determine the rate revenue requirement to sustain the GSA over a 3 to 5-year period. We will recommend a reserve policy based on industry standards, which will allow the GSA to build up adequate reserves over time that mitigate risks associated with operational cost changes, CIP spending, emergencies, etc.

Meetings: Up to two virtual meetings with GSA staff

Deliverables: Presentation materials

TASK 5: GSA RATE/TAX/FEE CALCULATION

WRE will work closely with GSA staff to evaluate various options for funding mechanisms. Typically, GSAs will adopt rates and fees in two phases. The first phase is an administrative fee, which recovers administrative costs associated with running the GSA rather than any capital or groundwater-related costs. The second phase is adding a groundwater assessment fee to the administrative fee in the first phase to recover operating and capital costs for groundwater sustainability, well mitigation, groundwater recharge, etc.

The final step is to calculate the GSA rates and fees that best meet the GSA's needs regarding funding mechanism and methodology. Taxes require voter approval and can be challenging to adopt. Rates and fees are under Proposition 218 or 26 and have procedural requirements related to the adoption process.

Meetings: Up to two virtual meetings with GSA staff

Deliverables: Presentation materials

TASK 6: PUBLIC OUTREACH WORKSHOP

WRE will conduct a public outreach workshop to educate stakeholders, encourage buy-in of key decisions, solicit feedback on important issues, and communicate the impacts of the proposed rates and fees. The feedback received during the workshop will help inform the rate and fee study results and will determine the most effective strategies to communicate with stakeholders throughout the study process.

Meetings: One in-person meeting with GSA staff and stakeholders

Deliverables: Presentation materials

TASK 7: REPORT DEVELOPMENT

Administrative Record

The rate study report will serve as the GSA's administrative record, which is a requirement of related case law for Proposition 218 (if the GSA decides to adopt a rate or fee that falls under Proposition 218). An administrative record is a technical document that describes the assumptions, methodologies, results, cost allocations, and calculations that are used to develop the proposed GSA rates and fees. WRE's reports are highly detailed and provide a clear nexus between the costs of the GSA and the rates charged to ratepayers.

Draft and Final Reports

WRE will draft a detailed rate study report that presents the proposed rate and fee development process. The report will highlight the major issues and decisions reached during the rate study and will provide detailed explanations of the financial plan projections, proposed rate and fee structures, and proposed rate and fee calculations. GSA staff and legal counsel will review and provide input on the draft report, which WRE will incorporate into a final report version. If necessary, WRE will schedule one virtual meeting with GSA staff and legal counsel to discuss comments and feedback on the draft report.

Meetings: One virtual meeting with GSA staff

Deliverables: Draft and final report versions in Microsoft Word and/or PDF

TASK 8: PUBLIC HEARING

WRE will attend an in-person Public Hearing, during which the goal is for the Board to adopt the proposed rates and fees. WRE will prepare a presentation and assist GSA staff with presenting a summary of the GSA rate study results. We will be available to answer any questions from the Board or the public that may arise during the meeting. In addition, WRE will provide guidance as requested on how to conduct and facilitate the Public Hearing based on best practices and past experiences with other agencies in California.

Meetings: One in-person public hearing meeting

Deliverables: Presentation materials

Exhibit B: Fee Schedule

Fees

WRE’s schedule of fees for this engagement is shown below. WRE proposes to complete the proposed scope of services based on the fee table shown below, with a not-to-exceed value of \$53,970. WRE will invoice the GSA based on time and materials. The travel costs are for in-person meetings to complete the negotiated scope of work. Reimbursable travel costs are billed without mark-up and include standard mileage rate, hotels, parking, and meals.

Task	Number of Meetings		Billable Hours		Proposed Fee		
	Virtual Meetings	In-person Meetings	Project Manager	Project Analyst	Reimbursable Travel Costs	Consultant Fees	Total Fee
Task 1: Project Management & Initiation	1	0	4	8	\$0	\$2,980	\$2,980
Task 2: Policy Workshops	1	1	14	10	\$720	\$6,650	\$7,370
Task 3: Budget Review and/or Development	1	0	8	16	\$0	\$5,960	\$5,960
Task 4: Financial Plan	2	0	8	24	\$0	\$7,640	\$7,640
Task 5: GSA Rate/Tax/Fee Calculation	2	0	8	20	\$0	\$6,800	\$6,800
Task 6: Public Outreach Workshop	0	1	12	8	\$720	\$5,580	\$6,300
Task 7: Report Development	1	0	8	36	\$0	\$10,160	\$10,160
Task 8: Public Hearing	0	1	16	4	\$720	\$6,040	\$6,760
Total	8	3	78	126	\$2,160	\$51,810	\$53,970

<u>Fee Details</u>
<i>Estimated Reimbursable Expenses per In-Person Meeting: \$720</i>
<i>Hourly Billing Rate - Project Manager: \$325</i>
<i>Hourly Billing Rate - Project Analyst: \$210</i>

From: Johnston, Jason

Sent: Friday, September 13, 2024 4:41 PM

To: Matthew Young <mcyoung@countyofsb.org>; Seifert, Lars <LSeifert@sbcphd.org>; JD Saucedo <jSaucedo@countyofsb.org>; Kelly Hubbard <khubbard@countyofsb.org>

Subject: FW: Water Well Permitting Update for Santa Barbara County

Good afternoon,

For your awareness the below message was sent to EHS' contacts at the Five [GSAs within Santa Barbara County](#), informing them of termination of the Urgency Ordinance. EHS has reverted to permitting wells in accordance with [Santa Barbara County Code Chapter 34A - Wells](#).

Thank you,
Jason

From: Johnston, Jason

Sent: Friday, September 13, 2024 4:35 PM

To:

Subject: Water Well Permitting Update for Santa Barbara County

Good afternoon,

With the Governors [proclamation](#) terminating the drought state of emergency in Santa Barbara amongst other counties (see notice below), and the resulting rescission of the related Executive Order's [N-7-22](#) and [N-3-23](#), the Urgency Ordinance for Santa Barbara County ([ORDINANCE NO. 5158](#)) has been terminated.

Well permitting in unincorporated areas of Santa Barbara County will revert to previous well permitting requirements ([Santa Barbara County Code Chapter 34A - Wells](#)). Environmental Health Services will no longer be requesting written verification from your groundwater sustainability agency as required by the executive orders. Consistent with current practice we will forward approved well permits to your agency for wells located within your basin.

Please let me know if you have any questions.

Thank you,
Jason Johnston
805-346-7348
www.countyofsb.org/phd/ehs

Confidentiality Notice: The information contained in this transmission may contain privileged and confidential information. It is intended only for the use of the person(s) named above. If you are not the intended recipient, you are hereby notified that any review, dissemination, distribution, or duplication of this communication is strictly prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message. [Please consider the environment before printing this email.](#)

From: SharedMail_DisasterRecovery@CalOES <DisasterRecovery@CalOES.ca.gov>
Sent: Friday, September 6, 2024 1:02 PM
Subject: Drought Emergency Provisions - Clarified Order

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Dear County Partners,

On September 4, 2024, in response to improved water conditions following two wet winters, Governor Newsom has taken corresponding action to narrow drought emergency provisions. This includes ending the drought state of emergency in the following 19 counties:

- Imperial
- Inyo
- Los Angeles
- Marin
- Mendocino
- Mono
- Monterey
- Orange
- Riverside
- San Bernardino
- San Diego
- San Francisco
- San Luis Obispo
- San Mateo
- Santa Barbara
- Santa Clara
- Santa Cruz
- Sonoma
- Ventura

A copy of the proclamation terminating the drought state of emergency in these counties can be found [here](#). As to the remaining 39 counties, the drought state of emergency remains in effect.

Along with the proclamation, the Governor issued an Executive Order which further narrows the drought state of emergency in the 39 counties where it remains in effect, rescinding orders which are no longer necessary under current conditions. A copy of the executive order can be found [here](#).

If you have questions regarding the above and any ongoing, drought-related projects, you can contact the following entities:

Department of Water Resources:

Ann K. B. Carroll
General Counsel
(916) 820-7791

Ann.Carroll@water.ca.gov

State Water Resources Control Board:

Michael A.M. Lauffer, Chief Counsel

State Water Resources Control Board
michael.lauffer@waterboards.ca.gov
Phone: 916.341.5183

Kind Regards,

ELI OWEN

Assistant Director, Recovery Operations
California Governor's Office of Emergency Services
M. (916) 845-8200

EMA GSA RESOLUTION NO. 2024-002

**A RESOLUTION OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN
EASTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY
AUTHORIZING THE OPENING OF AN ACCOUNT AT FIVE STAR BANK**

WHEREAS, the Eastern Management Area Groundwater Sustainability Agency (EMA GSA) for the Santa Ynez River Valley Groundwater Basin (Basin) was originally formed by Memorandum of Agreement (MOA) dated April 27, 2017;

WHEREAS, the Santa Ynez River Water Conservation District Board of Directors adopted Resolution No. 710 authorizing creation of an interest-bearing checking account specified for benefit of the EMA GSA at Five Star Bank on March 9, 2022;

WHEREAS, the Santa Ynez River Water Conservation District opened an interest-bearing checking account specified for benefit of the EMA GSA at Five Star Bank on March 15, 2022;

WHEREAS, effective July 16, 2024 the City of Solvang, the Santa Barbara County Water Agency, the Santa Ynez River Water Conservation District, and the Santa Ynez River Water Conservation District, Improvement District No.1 entered into a Joint Exercise of Powers Agreement (JPA Agreement) to form the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency, further referred to herein as the “EMA GSA” which, pursuant to the Sustainable Groundwater Management Act, is the exclusive Groundwater Management Agency withing the Eastern Management Area of the Basin; and

WHEREAS, because the EMA GSA is now established as a separate JPA agency, the EMA GSA desires to open its own bank account at Five Star Bank under its own Employer Identification Number; and

WHEREAS, the EMA GSA desires that the interest-bearing checking account opened by the Santa Ynez River Water Conservation District for benefit of the EMA GSA and funds therein be transferred to the EMA GSA as the holder of the account at Five Star Bank.

NOW, THEREFORE, the Board of Directors of the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency hereby resolves as follows:

1. The Board of Directors of the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency authorizes:
 - a. The creation of an interest-bearing checking account at Five Star Bank in the name of the EMA GSA;
 - b. The transfer of the account number and funds from the interest-bearing checking account specified for benefit of the EMA GSA to the same specified checking account type at Five Star Bank in the name of the EMA GSA;
 - c. The EMA GSA Secretary or Executive Director is authorized to execute the Contract for Deposit of monies.

2. The following persons and their duly appointed successors are authorized to sign on the account:

J. Brett Marymee, Chair	Santa Ynez River Water Conservation District
Brad Joos, Vice Chair	Santa Ynez River Water Conservation District, Improvement District No. 1
Elizabeth Orona, Treasurer	City of Solvang
Joan Hartmann, Director	Santa Barbara County Water Agency
Executive Director	Confluence Engineering Solutions

WE, THE UNDERSIGNED, being the duly qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency, do hereby certify that the above and foregoing EMA GSA Resolution No. 2024-002 was duly and regularly adopted and passed by the Board of Directors at a Special Meeting of the EMA GSA held on the 26th day of September 2024 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Brett Marymee, Chair

Elizabeth Orona, Secretary