



San Gorgonio Pass Water Agency

A California State Water Project Contractor
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April 19, 2017

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John Jeter

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Blair Ball

Subject: Notice of Election to Jointly Form and Become a Groundwater Sustainability Agency in the San Gorgonio Pass Subbasin

Ron Duncan
David Fenn
Leonard Stephenson

Dear Mr. Nordberg:

**General Manager
& Chief Engineer:**
Jeff Davis, PE

Pursuant to California Water Code Section 10723.8 of the Sustainable Groundwater Management Act (SGMA), the San Gorgonio Pass Water Agency (SGPWA), on behalf of itself, the City of Banning (Banning), Cabazon Water District (CWD), and the Banning Heights Mutual Water Company (BHMWC), hereby provides notice to the Department of Water Resources (DWR) regarding the joint formation of the Groundwater Sustainability Agency (GSA) referred to as the San Gorgonio Pass GSA ("SGP-GSA") pursuant to a Memorandum of Agreement (MOA) as expressly authorized by SGMA Section 10723.6. A copy of the MOA is included as **Attachment A**. As further described below and as set forth in the documentation and electronic files submitted herewith, the boundaries of the SGP-GSA cover almost the entire portion of the San Gorgonio Pass Subbasin (Basin), designated by DWR as Subbasin No. 7-21.04 of the Coachella Valley Groundwater Basin in Riverside County. Also described below, the remaining portions of the Basin subject to SGMA are being covered by two other GSAs. Pursuant to SGMA, Banning, CWD, BHMWC, and SGPWA intend to ensure sustainable groundwater management within the boundaries of the SGP-GSA and coordinated groundwater management throughout the Basin.

Legal Counsel:
Jeffry Ferre
Best Best & Krieger

The joint formation of the SGP-GSA will ensure that the entire portion of the Basin that is subject to SGMA is covered by one or more GSAs. As reflected in the MOA and information submitted herewith, the boundaries of the SGP-GSA include the entire Basin except: (i) that portion of the Basin covered by the Desert Water Agency GSA (the "DWA-GSA"), wherein DWA is the exclusive GSA pursuant to SGMA Section 10723(c)(1)(C); (ii) that portion of the Basin to be covered by the GSA that is being established by SGPWA and the Mission Springs Water District (MSWD) for an approximately one-square mile of the Basin (the "Verbenia-GSA"); and (iii) that portion of the Basin that is subject to the Beaumont Basin adjudication and Judgment

in the case referred to as *San Timoteo Watershed Management Authority v. City of Banning, et al.*, Riverside County Superior Court Case No. RIC 389197, which pursuant to SGMA Section 10720.8(a)(1) generally is not subject to the requirements of SGMA. Notably, the boundaries of the SGP-GSA, the DWA-GSA, and the Verbenia-GSA will not overlap, and as set forth in the MOA the three GSAs will coordinate and cooperate with each other in preparing and implementing one or more Groundwater Sustainability Plans to carry out the policy, purposes, and requirements of SGMA to sustainably manage the Basin. To this end, the parties to the MOA are particularly thankful for the cooperative and ongoing voluntary efforts of the Morongo Band of Mission Indians to discuss and plan for sustainable groundwater management throughout the tribal lands within the Basin.

As indicated above, this notice pertains specifically to the joint formation of the SGP-GSA, the members of which are Banning, CWD, BHMWC, and SGPWA. Each of these entities has followed the requirements of SGMA and other applicable law to adopt a Resolution and enter the MOA to jointly form the SGP-GSA.

Boundaries of the SGP-GSA. In accordance with guidance materials published by DWR, various GIS shape files are being submitted electronically with this notice to depict (i) the respective service area boundaries of Banning, CWD, BHMWC, and SGPWA, (ii) the portion of the Basin to be covered and managed within the boundaries of the SGP-GSA, and (iii) the portions of the Basin to be covered and managed by GSAs formed and to be formed in the Basin by other agencies, as further described in the MOA. In addition to the GIS shape files submitted herewith, the respective service area boundaries of Banning, CWD, BHMWC, and SGPWA are depicted in the materials included as **Attachment B** hereto. The materials in **Attachment B** also depict (i) the overall boundaries of the Basin, (ii) the portion of the Basin that is covered by the SGP-GSA, and (iii) the boundaries of the SGP-GSA relative to the boundaries of the DWA-GSA and the Verbenia-GSA that is being established. As noted above, the collective boundaries of the SGP-GSA, the DWA-GSA, and the Verbenia-GSA will cover the entire portion of the Basin that is subject to SGMA.

City of Banning Process. Banning is a municipal agency, organized and operating under the Banning Municipal Code. Banning overlies a portion of the Basin and has water supply, water management, and land use responsibilities within its jurisdictional boundaries, and is a local agency as defined by SGMA Section 10721(n). In accordance with SGMA Section 10723(b) and Government Code Section 6066, Banning caused notices of its public hearing to be published in a newspaper of general circulation regarding Banning's consideration to approve a Resolution to enter the MOA and jointly form the SGP-GSA as specified in the MOA. Proof of the notices published by Banning are included herewith in **Attachment C**. On March 28, 2017, the Banning City Council held its public hearing. No written comments were received prior to the public hearing, and no written comments or objections were received at the public hearing. Following the public hearing, the Banning City Council adopted Resolution No. 2017-35, electing to enter the MOA and jointly form and establish the SGP-GSA as specified in the MOA. A copy of Banning's Resolution No. 2017-35 is included herewith in **Attachment C**.

CWD Process. CWD is a County Water District organized and operating under the County Water District Law, California Water Code section 30000 et seq. CWD overlies a portion of the

Basin and has water supply and water management responsibilities within its jurisdictional boundaries, and is a local agency as defined by SGMA Section 10721(n). In accordance with SGMA Section 10723(b) and Government Code Section 6066, CWD caused notices of its public hearing to be published in a newspaper of general circulation regarding CWD's consideration to approve a Resolution to enter the MOA and jointly form the SGP-GSA as specified in the MOA. Proof of the notices published by CWD are included herewith in **Attachment D**. On March 21, 2017, the CWD Board of Directors held its public hearing. No written comments were received prior to the public hearing, and no written comments or objections were received at the public hearing. Following the public hearing, the CWD Board of Directors adopted Resolution No. 01-2017, electing to enter the MOA and jointly form and establish the SGP-GSA as specified in the MOA. A copy of CWD's Resolution No. 01-2017 is included herewith in **Attachment D**.

BHMWC Process. BHMWC is a mutual water company organized and operating under the BHMWC Articles of Incorporation and Bylaws. BHMWC overlies a portion of the Basin and has water supply and water management responsibilities within its water service boundaries. BHMWC is not a local agency as defined by SGMA Section 10721(n), however BHMWC is authorized by SGMA Section 10723.6(b) to participate in the SGP-GSA through the MOA. On March 13, 2017, BHMWC conducted a general business meeting during which it duly considered and approved a Resolution to enter the MOA and jointly form the SGP-GSA as specified in the MOA. A copy of BHMWC's Resolution No. 2017-01 is included herewith in **Attachment E**.

SGPWA Process. SGPWA is a special act agency of the State of California, organized and operating under the San Geronio Pass Water Agency Act, California Water Code Appendix, Chapter 101. The boundaries of SGPWA encompass virtually the entire Basin. SGPWA has water supply and water management responsibilities within its jurisdictional boundaries, and is a local agency as defined by SGMA Section 10721(n). In accordance with SGMA Section 10723(b) and Government Code Section 6066, SGPWA caused notices of its public hearing to be published in a newspaper of general circulation regarding SGPWA's consideration to approve a Resolution to enter the MOA and jointly form the SGP-GSA as specified in the MOA. Proof of the notices published by SGPWA are included herewith in **Attachment F**. On March 20, 2017, the SGPWA Board of Directors held its public hearing. No written comments were received prior to the public hearing, and no written comments or objections were received at the public hearing. Following the public hearing, the SGPWA Board of Directors adopted Resolution No. 2017-02, electing to enter the MOA and jointly form and establish the SGP-GSA as specified in the MOA. A copy of SGPWA's Resolution No. 2017-02 is included herewith in **Attachment F**.

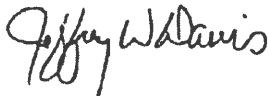
The SGP-GSA is not proposing any new bylaws, ordinances, or other authorities at this time in connection with the formation of the SGP-GSA.

Pursuant to SGMA Section 10723.8, an initial list of interested parties developed pursuant to SGMA Section 10723.2 and an explanation of how their interests will be considered in the development and operation of the SGP-GSA and the development and implementation of a Groundwater Sustainability Plan that will be adopted by the SGP-GSA is provided in **Attachment G**. As specifically provided in the MOA, the parties to the SGP-GSA and other

parties to the MOA have agreed to work together in ensuring public outreach and involvement of the public and other interested stakeholders throughout the SGMA process, including but not limited to all beneficial uses and users of groundwater, and those responsible for implementing Groundwater Sustainability Plans in the Basin, as provided in SGMA Section 10723.2. The parties to the SGP-GSA have been actively engaged in SGMA-related discussions with each other and with many of the stakeholders and entities listed in Attachment G, and will continue to consider and involve the interests of all entities and stakeholders to the extent practicable, including those already identified and others that may be identified in the future, by establishing a collaborative, open, and inclusive process for implementing SGMA throughout the Basin. Among other things, in accordance with SGMA Section 10723.4, the SGP-GSA will establish and maintain a list of persons interested in receiving notices regarding the preparation of any Groundwater Sustainability Plan for the Basin, meeting announcements, and the availability of draft plans, maps, and other relevant documents.

If you have any questions or require additional information, please contact me immediately at (951) 845-2577.

Sincerely,



Jeff Davis
General Manager

Attachments A-G

Electronic Submittals: GIS Shape Files

cc: John Covington, Morongo Band of Mission Indians (via email)
Art Vela, City of Banning (via email)
Perry Gerdes, City of Banning (via email)
Calvin Louie, Cabazon Water District (via email)
Ellie Lemus, Cabazon Water District (via email)
Julie Hutchinson, Banning Heights Mutual Water Company (via email)
Larry Ellis, Banning Heights Mutual Water Company (via email)
Mark Krause, Desert Water Agency (via email)
Aaron Carlsson, Desert Water Agency (via email)
Arden Wallum, Mission Springs Water District (via email)
Stan Houghton, High Valleys Water District (via email)

Notice of Election to Jointly Form and Become a
Groundwater Sustainability Agency in the San
Gorgonio Pass Subbasin

ATTACHMENT A

MEMORANDUM OF AGREEMENT TO FORM A GROUNDWATER SUSTAINABILITY AGENCY FOR A PORTION OF THE SAN GORGONIO PASS SUBBASIN AND TO COORDINATE WITH OTHER GROUNDWATER SUSTAINABILITY AGENCIES

This 2017 Memorandum of Agreement (MOA) is entered into by and among Cabazon Water District (CWD), City of Banning (Banning), Banning Heights Mutual Water Company (BHMWC), San Gorgonio Pass Water Agency (SGPWA), Mission Springs Water District (MSWD), and Desert Water Agency (DWA), which may be referred to herein individually as a “Party” and collectively as the “Parties.”

Pursuant to the Sustainable Groundwater Management Act (SGMA) and as further set forth herein, the purposes of this MOA are to form a Groundwater Sustainability Agency (GSA) for a portion of the San Gorgonio Pass Subbasin, as described in greater detail below (Basin), the members of which GSA shall be CWD, Banning, BHMWC, and SGPWA (herein, the SGP-GSA), and to establish that the SGP-GSA will coordinate and cooperate with other GSAs that already exist and will be formed in the Basin.

WHEREAS, on September 16, 2014, Governor Jerry Brown signed into law Senate Bills 1168 and 1319, and Assembly Bill 1739, collectively known as the Sustainable Groundwater Management Act (SGMA), codified in certain provisions of the California Government Code, commencing with Section 65350.5, and in Part 2.74 of Division 6 of the California Water Code, commencing with Section 10720; and

WHEREAS, SGMA went into effect on January 1, 2015; and

WHEREAS, various clarifying amendments to SGMA were signed into law in 2015, including Senate Bills 13 and 226, and Assembly Bills 617 and 939, allowing, among other things, mutual water companies and water corporations regulated by the Public Utilities Commission to participate in a GSA through a memorandum of agreement or other legal agreement; and

WHEREAS, the San Gorgonio Pass Subbasin (Basin), as further depicted in **Exhibit A** to this MOA, is identified by the California Department of Water Resources (DWR) Bulletin 118 as Subbasin No. 7-21.04 of the Coachella Valley Groundwater Basin, and is designated by DWR as medium priority, and therefore, except as provided by SGMA, the Basin is subject to the requirements of SGMA; and

WHEREAS, the Parties recognize and agree that a portion of the Basin (the “Adjudicated Area”) is subject to the Beaumont Basin adjudication and Judgment in the case referred to as *San Timoteo Watershed Management Authority v. City of Banning, et al.*, Riverside County Superior Court Case No. RIC 389197, and that pursuant to SGMA Section 10720.8(a)(1), said portion of the Basin generally is not subject to the requirements of SGMA and will not be managed by the SGP-GSA; and

WHEREAS, SGMA Section 10720.7 requires the Basin, as a medium priority basin which is not designated by DWR as being subject to critical conditions of overdraft, to be managed by a Groundwater Sustainability Plan (GSP) or coordinated GSPs by January 31, 2022; and

WHEREAS, SGMA Section 10727(b) authorizes (1) a single GSP covering the entire Basin developed and implemented by one GSA, (2) a single GSP covering the entire Basin developed and

implemented by multiple GSAs, or (3) multiple GSPs developed and implemented by multiple GSAs and coordinated pursuant to a single coordination agreement that covers the entire Basin; and

WHEREAS, SGMA Section 10735.2 requires the formation of a GSA or multiple GSAs for the Basin by June 30, 2017; and

WHEREAS, SGMA Section 10723.6(a) authorizes a combination of local agencies to form a GSA pursuant to a joint powers agreement, a memorandum of agreement, or other legal agreement, and SGMA Section 10723.6(b) authorizes a water corporation regulated by the Public Utilities Commission or a mutual water company to participate in a GSA through a memorandum of agreement or other legal agreement; and

WHEREAS, for purposes of forming the SGP-GSA, as further depicted in **Exhibit B** to this MOA, CWD, Banning, and SGPWA are local agencies as defined by SGMA, and BHMWC is a mutual water company, wherein each overlies at least a portion of the Basin and each has respective water supply, water management, and/or land use responsibilities within the Basin, and thus each is authorized by SGMA to become part of the SGP-GSA; and

WHEREAS, pursuant to SGMA Section 10723(c)(1)(C), DWA has been established as the exclusive GSA for a certain portion of the Basin (herein, the DWA-GSA), as further specified and depicted in **Exhibit C** to this MOA; and

WHEREAS, on or about September 28, 2016, MSWD filed an amended notice of intent to be a GSA for an approximately one-square mile area in the northeastern portion of the Basin that lies within the service areas of MSWD and SGPWA, which one-square mile area is further specified and depicted in **Exhibit D** to this MOA and is referred to herein as the “Verbenia Area”; and

WHEREAS, on or about January 10, 2017, SGPWA also filed a notice of intent to be a GSA for the Verbenia Area, as further specified and depicted in **Exhibit D** to this MOA; and

WHEREAS, on or about January 13, 2017, DWR designated the Verbenia Area to be in overlap for purposes of the competing GSA notices filed by MSWD and SGPWA, and thus MSWD and SGPWA are working together to establish a separate GSA for the Verbenia Area (herein, the Verbenia-GSA); and

WHEREAS, in accordance with the terms of this MOA, and in furtherance of the shared intent of the Parties to maximize funding opportunities for the Basin and avoid potential intervention in the Basin by the State Water Resources Control Board, the Parties agree that the SGP-GSA formed by this MOA will cover the entire Basin except (A) that portion of the Basin covered by the DWA-GSA wherein DWA is the exclusive GSA, (B) that portion of the Basin to be covered by the Verbenia-GSA to be established by MSWD and SGPWA, and (C) the Adjudicated Area portion of the Basin, and the Parties mutually desire and intend that the SGP-GSA, the DWA-GSA, and the Verbenia-GSA will cooperate and coordinate in subsequently preparing and implementing one or more GSPs for sustainable management of the Basin; and

WHEREAS, the Parties mutually desire and intend to work with local stakeholders and interested entities in the Basin that are not Parties to this MOA, including but not limited to the Morongo Band of Mission Indians (MBMI), the County of Riverside, High Valleys Water District,

overlying landowners, and others, and as further specified in this MOA, to carry out the policy, purposes, and requirements of SGMA in the Basin; and

WHEREAS, in accordance with SGMA Section 10720.3 and other applicable law, the Parties mutually understand and agree that nothing in SGMA and nothing in this MOA grants or confers any new or additional authority, discretion, or jurisdiction to any of the Parties over any Tribal lands or activities of the MBMI, and that any ongoing or continued participation by MBMI in relation to this MOA or the Parties' implementation of SGMA in the Basin is completely voluntary on the part of MBMI.

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, it is mutually understood and agreed as follows:

I. Incorporation of Recitals

The Recitals stated above are incorporated herein by reference.

II. Purposes

The purposes of this MOA are as follows:

- A. To form the SGP-GSA for a portion of the Basin as specified herein and as depicted in **Exhibit B** to this MOA pursuant to applicable provisions and requirements of SGMA, including but not limited to SGMA Sections 10723 and 10723.6; and
- B. To establish initial terms for the SGP-GSA, the DWA-GSA, and the Verbenia-GSA to cooperate and coordinate with each other in preparing and implementing one or more GSPs for the Basin and carrying out the policy, purposes, and requirements of SGMA in the Basin.

III. Approval of MOA and Formation of the SGP-GSA

Approval of this MOA and formation of the SGP-GSA shall be accomplished as follows:

- A. CWD, Banning, and SGPWA each will hold its own noticed public hearing pursuant to SGMA Section 10723(b) and Government Code Section 6066 and at such hearing will consider approval of a Resolution by its governing board to enter this MOA and jointly form the SGP-GSA as specified in this MOA;
- B. BHMWC will conduct an official meeting in accordance with any articles of incorporation, bylaws, or other laws applicable to BHMWC and at such meeting will consider approval of a Resolution by its governing board to enter this MOA and jointly form the SGP-GSA as specified in this MOA;
- C. DWA and MSWD each will hold its own regular or special meeting and at such meeting will consider approval of a Resolution by its governing board to enter this MOA;

- D. Upon the foregoing approvals by CWD, Banning, BHMWC, and SGPWA, there shall be established the San Gorgonio Pass Subbasin Groundwater Sustainability Agency (SGP-GSA), the members of which shall be CWD, Banning, BHMWC, and SGPWA as provided in this MOA.

IV. Definitions

The following terms, whether used in the singular or plural, and when used with initial capitalization, shall have the meanings specified herein. The Parties agree that any definitions set forth herein are intended to be consistent with SGMA, and in the event of any discrepancy between a defined term in this MOA and a defined term in SGMA, the terms of SGMA shall control.

- A. **Adjudicated Area** refers to that portion of the Basin that is subject to the Beaumont Basin adjudication and Judgment in the case referred to as *San Timoteo Watershed Management Authority v. City of Banning, et al.*, Riverside County Superior Court Case No. RIC 389197.
- B. **Basin** refers to the San Gorgonio Pass Subbasin, designated by the California Department of Water Resources Bulletin 118 as Subbasin No. 7-21.04, as further specified and depicted in **Exhibit A** to this MOA.
- C. **Banning** means the City of Banning.
- D. **BHMWC** means the Banning Heights Mutual Water Company.
- E. **CWD** means the Cabazon Water District.
- F. **DWA** means the Desert Water Agency.
- G. **DWR** means the California Department of Water Resources.
- H. **DWA-GSA** refers to the GSA that has been established for a certain portion of the Basin pursuant to SGMA Section 10723(c)(1)(C), wherein DWA has been designated as the exclusive GSA, as further specified and depicted in **Exhibit C** to this MOA.
- I. **GSA** means Groundwater Sustainability Agency, as defined by SGMA.
- J. **GSP** means Groundwater Sustainability Plan, as defined by SGMA.
- K. **MBMI** means the Morongo Band of Mission Indians.
- L. **Memorandum of Agreement** or **MOA** refers to this Memorandum of Agreement.
- M. **MSWD** means the Mission Springs Water District.
- N. **Party** or **Parties** refers individually or collectively to Cabazon Water District, City of Banning, Banning Heights Mutual Water Company, Mission Springs Water District, San Gorgonio Pass Water Agency, and Desert Water Agency, as signatories to this MOA.

- O. **SGMA** refers to the Sustainable Groundwater Management Act.
- P. **SGP-GSA** refers to the San Gorgonio Pass Subbasin GSA formed under this MOA, the members of which GSA are CWD, Banning, BHMWC, and SGPWA.
- Q. **SGPWA** means the San Gorgonio Pass Water Agency.
- R. **Verbenia-GSA** refers to a GSA to be formed by MSWD and SGPWA for an approximately one-square mile area in the northeastern portion of the Basin that lies within the service areas of MSWD and SGPWA, as further specified and depicted in **Exhibit D** to this MOA.

V. **Boundaries of GSAs**

- A. The boundaries of the SGP-GSA shall be the entire Basin except (A) that portion of the Basin covered by the DWA-GSA wherein DWA is the exclusive GSA, as further specified and depicted in **Exhibit C** to this MOA, (B) that portion of the Basin to be covered by the Verbenia-GSA to be established by MSWD and SGPWA, as further specified and depicted in **Exhibit D** to this MOA, and (C) that portion of the Basin constituting the Adjudicated Area.
- B. The boundaries of DWA-GSA are that portion of the Basin within which DWA is the exclusive GSA pursuant to SGMA Section 10723(c)(1)(C), as further specified and depicted in **Exhibit C** to this MOA.
- C. The boundaries of the Verbenia-GSA are the approximately one-square mile area in the northeastern portion of the Basin that lies within the service areas of MSWD and SGPWA, as further specified and depicted in **Exhibit D** to this MOA.
- D. The Parties understand and agree that pursuant to SGMA Section 10720.8, the portion of the Basin which is subject to the Beaumont Basin adjudication and Judgment in the case referred to as *San Timoteo Watershed Management Authority v. City of Banning, et al.*, Riverside County Superior Court Case No. RIC 389197, generally is not subject to the requirements of SGMA.
- E. The Parties understand and agree in accordance with SGMA Section 10720.3 and other applicable law that nothing in SGMA and nothing in this MOA grants or confers any new or additional authority, discretion, or jurisdiction to any of the Parties over any Tribal lands or activities of the MBMI, and that any ongoing or continued participation by MBMI in relation to this MOA or the Parties' implementation of SGMA in the Basin is completely voluntary on the part of MBMI.

VI. **Coordination and Cooperation**

- A. Continued Cooperation. The Parties to this MOA will continue to meet, confer, coordinate, and collaborate to discuss and develop technical, managerial, financial, and other criteria and procedures for the preparation, governance, and implementation of a GSP or coordinated GSPs in the Basin and to carry out the policy, purposes, and requirements of SGMA in the Basin.

- B. Points of Contact. Each Party shall designate a principal contact person for that Party, who may be changed from time to time at the sole discretion of the designating Party. The principal contact person for each Party shall be responsible for coordinating with the principal contact persons for the other Parties in scheduling meetings and other activities under this MOA.
- C. Management Areas. The Parties acknowledge that SGMA, and provisions of the SGMA regulations promulgated by DWR, including but not limited to Section 354.20 (23 C.C.R. § 354.20), authorize the establishment of management areas for the development and implementation of sustainable groundwater management within the Basin, and accordingly the Parties acknowledge and agree that the establishment of management areas within the Basin is a governance alternative that the Parties may explore.

VII. Roles and Responsibilities

- A. The Parties agree to jointly establish their roles and responsibilities for implementing a GSP or coordinated GSPs for the Basin in accordance with SGMA.
- B. The Parties agree to work in good faith and coordinate all activities to carry out the purposes of this MOA in implementing the policy, purposes, and requirements of SGMA in the Basin.
- C. CWD, Banning, BHMWC, and SGPWA, as members of the SGP-GSA, shall coordinate with each other to cause all applicable noticing and submission of required information to DWR regarding formation of the SGP-GSA.
- D. SGPWA shall continue to undertake ongoing CASGEM reporting activities in the Basin as provided by terms outside of this MOA.
- E. As provided in this MOA, the Parties will continue to meet, confer, coordinate, and collaborate to discuss and develop governance, management, technical, financial, and other matters, including respective roles and responsibilities for activities such as, but not limited to, the following:
 - i. Modeling;
 - ii. Metering;
 - iii. Monitoring;
 - iv. Hiring consultants;
 - v. Developing and maintaining list of interested persons under SGMA Section 10723.4;
 - vi. Budgeting; and
 - vii. Other initial tasks as determined by the Parties.

VIII. Funding and Budgeting

The Parties agree to cooperate and coordinate in pursuing state and/or federal grant and loan funding opportunities that may apply to carrying out SGMA in the Basin. The Parties shall mutually develop reasonable budgets and cost sharing agreements or arrangements for work to be undertaken in carrying out SGMA in the Basin.

IX. Stakeholder Access

- A. The Parties agree to work together in ensuring public outreach and involvement of the public and other interested stakeholders throughout the SGMA process, including but not limited to all beneficial uses and users of groundwater as provided in SGMA Section 10723.2.
- B. The Parties acknowledge, agree, and desire that the preparation, adoption, and implementation of one or more GSPs for the Basin, and the ongoing process of ensuring compliance with the requirements of SGMA in the Basin, will involve close coordination and cooperation with the Morongo Band of Mission Indians.

X. Term, Termination, and Withdrawal

- A. Term. This MOA shall continue and remain in effect unless and until terminated by the unanimous written consent of the Parties, or as otherwise provided in this MOA or as authorized by law.
- B. Withdrawal. Any Party may decide, in its sole discretion, to withdraw from this MOA by providing ninety (90) days written notice to the other Parties. A Party that withdraws from this MOA shall remain obligated to pay its share of costs and expenses incurred or accrued under this MOA and any related cost sharing agreement or arrangement up to the date the Party provides its notice of withdrawal as provided herein. Withdrawal by a Party shall not cause or require the termination of this MOA or the existence of the SGP-GSA with respect to the non-withdrawing Parties.
 1. In the event of withdrawal by BHMWC from this MOA and the SGP-GSA, CWD, Banning, and SGPWA, as the local agency parties to the SGP-GSA, shall meet and confer regarding: (i) whether the SGP-GSA wishes to retain its GSA status over the affected portion of the Basin; (ii) whether one or more of the local agency parties of the SGP-GSA wishes to retain GSA status over the affected portion of the Basin; or (iii) whether to address the GSA issues in a different manner. Any resolution of such and other GSA issues shall be undertaken in a manner that satisfies all requirements of SGMA and DWR, including any requirement to file new GSA notices.
 2. In the event of withdrawal by CWD, Banning, or SGPWA from this MOA and the SGP-GSA, said three local agency parties shall meet and confer regarding whether the withdrawing local agency party wishes to seek GSA status for a portion of the Basin underlying the service area or management area of the withdrawing party. Said three local agency parties also shall meet and confer regarding: (i) whether the SGP-GSA, or one or both of the non-withdrawing

local agency parties, wishes to retain GSA status over the affected portion of the Basin; (ii) whether to enter a co-GSA management or other arrangement with the withdrawing party; or (iii) whether to address the GSA issues in a different manner. Any resolution of such and other GSA issues shall be undertaken in a manner that satisfies all requirements of SGMA and DWR, including any requirement to file new GSA notices.

3. Any decision by DWA or MSWD not to execute this MOA, or any decision by DWA or MSWD to withdraw after executing this MOA shall not cause or require the termination of this MOA and shall not affect the formation or continued existence of the SGP-GSA.

XI. Notice Provisions

All notices required by this MOA shall be made in writing and delivered to the respective representatives of the Parties at their respective addresses as follows:

Banning Heights Mutual Water Company
President
7091 Bluff Street
Banning, CA 92220, Fax: 951-849-6068

Desert Water Agency
General Manager
1200 S Gene Autry Trail
Palm Springs, CA 92264, Fax: 760-325-6505

City of Banning
City Manager
99 East Ramsey Street
Banning, CA 92220, Fax: 951-922-3128

San Geronio Pass Water Agency
General Manager
1210 Beaumont Avenue
Beaumont, CA 92223, Fax: 951-845-0281

Cabazon Water District
General Manager
14618 Broadway
P.O. Box 297
Cabazon, CA 92230, Fax: 951-849-2519

Mission Springs Water District
General Manager
66575 Second Street
Desert Hot Springs, CA 92240, Fax: 760-329-2482

Any Party may change the address to which notices are to be given under this MOA by providing the other Parties with written notice of such change at least fifteen (15) calendar days prior to the effective date of the change. All notices shall be effective upon receipt and shall be deemed received upon confirmed personal service, confirmed facsimile delivery, confirmed courier service, or on the fifth (5th) calendar day following deposit of the notice in registered first class mail.

XII. General Terms

- A. Amendments. Amendments to this MOA require unanimous written consent of all Parties and approval by the Parties' respective governing boards; provided, however, that amendments to this MOA pertaining to the SGP-GSA only require unanimous written consent and board approval of the members of the SGP-GSA.
- B. Successors and Assigns. The terms of this MOA shall be binding upon all successors in interest and assigns of each Party; provided, however, that no Party shall assign its

rights or obligations under this MOA without the signed written consent of all other Parties to this MOA.

- C. Waiver. No waiver of any provision of this MOA by any Party shall be construed as a further or continuing waiver of such provision or any other provision of this MOA by the waiving Party or any other Party.
- D. Authorized Representatives. Each person executing this MOA on behalf of a Party hereto affirmatively represents that such person has the requisite authority to sign this MOA on behalf of the respective Party.
- E. Exemption from CEQA. The Parties recognize and agree that, pursuant to SGMA Section 10728.6 and Public Resources Code Section 21065, neither this MOA nor the preparation or adoption of a GSP constitutes a “project” or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines, and therefore this MOA is expressly exempt from CEQA review.
- F. Governing Law and Venue. This MOA shall be governed by and construed in accordance with the laws of the State of California. Any suit, action, or proceeding brought under the scope of this MOA shall be brought and maintained to the extent allowed by law in the County of Riverside, California.
- G. Attorney’s Fees, Costs, and Expenses. In the event of a dispute among any or all of the Parties arising under this MOA, each Party shall assume and be responsible for its own attorney’s fees, costs, and expenses.
- H. Entire Agreement/Integration. This MOA constitutes the entire agreement among the Parties regarding the specific provisions of this MOA, and the Parties hereto have made no agreements, representations or warranties relating to the specific provisions of this MOA which are not set forth herein.
- I. Construction and Interpretation. The Parties agree and acknowledge that this MOA has been developed through a negotiated process among the Parties, and that each Party has had a full and fair opportunity to review the terms of this MOA with the advice of its own legal counsel and to revise the terms of this MOA, such that each Party constitutes a drafting Party to this MOA. Consequently, the Parties understand and agree that no rule of construction shall be applied to resolve any ambiguities against any particular Party as the drafting Party in construing or interpreting this MOA.
- J. Force Majeure. No Party shall be liable for the consequences of any unforeseeable force majeure event that (1) is beyond its reasonable control, (2) is not caused by the fault or negligence of such Party, (3) causes such Party to be unable to perform its obligations under this MOA, and (4) cannot be overcome by the exercise of due diligence. In the event of the occurrence of a force majeure event, the Party unable to perform shall promptly notify the other Parties in writing to the extent practicable. It shall further pursue its best efforts to resume its obligations under this MOA as quickly as possible and shall suspend performance only for such period of time as is necessary as a result of the force majeure event.


- K. Execution in Counterparts. This MOA may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument.
- L. No Third Party Beneficiaries. This MOA is not intended, and will not be construed, to confer a benefit or create any right on a third party or the power or right of any third party to bring an action to enforce any of the terms of this MOA.
- M. Timing and Captions. Any provision of this MOA referencing a time, number of days, or period for performance shall be measured in calendar days. The captions of the various articles, sections, and paragraphs of this MOA are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, terms, or intent of this MOA.

IN WITNESS WHEREOF, the Parties hereto have approved and executed this MOA as of the respective dates specified in the adopting Resolution of each Party as provided above in Article III of this MOA.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the Parties hereto have approved and executed this MOA as of the respective dates specified in the adopting Resolution of each Party as provided above in Article III of this MOA.

CITY OF BANNING

By: 
Michael Rock, City Manager

Dated: 4-13-17

IN WITNESS WHEREOF, the Parties hereto have approved and executed this MOA as of the respective dates specified in the adopting Resolution of each Party as provided above in Article III of this MOA.

CABAZON WATER DISTRICT

By: 
Robert Lynk, Board Chair

IN WITNESS WHEREOF, the Parties hereto have approved and executed this MOA as of the respective dates specified in the adopting Resolution of each Party as provided above in Article III of this MOA.

BANNING HEIGHTS MUTUAL WATER COMPANY

By: Julie L. Hutchinson
Julie L. Hutchinson
Board President

By: Lawrence E. Ellis
Lawrence E. Ellis
Director

IN WITNESS WHEREOF, the Parties hereto have approved and executed this MOA as of the respective dates specified in the adopting Resolution of each Party as provided above in Article III of this MOA.

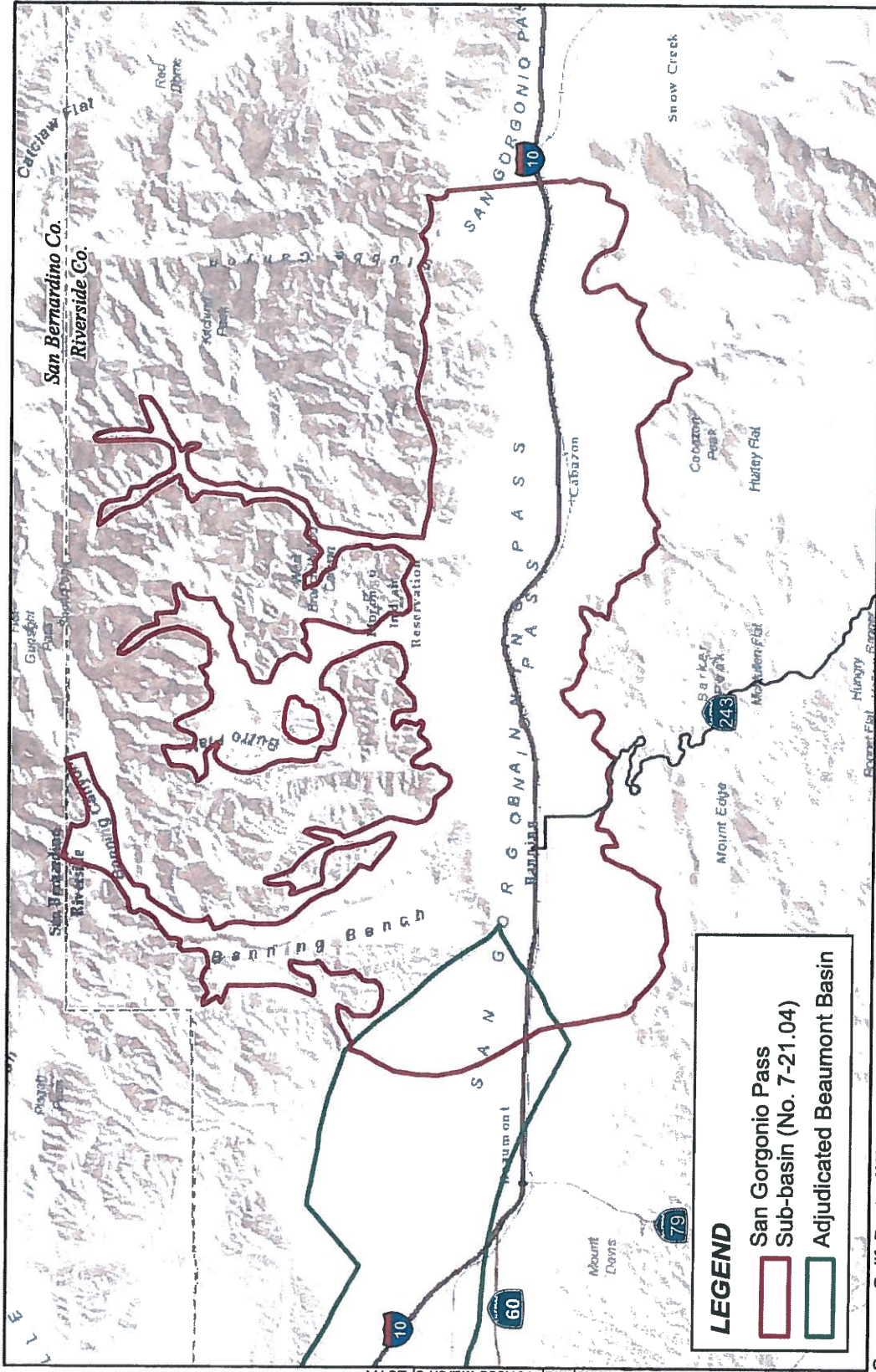
SAN GORGONIO PASS WATER AGENCY

By: Jeffrey W Davis

IN WITNESS WHEREOF, the Parties hereto have approved and executed this MOA as of the respective dates specified in the adopting Resolution of each Party as provided above in Article III of this MOA.

DESERT WATER AGENCY

By: Mark A. Krause



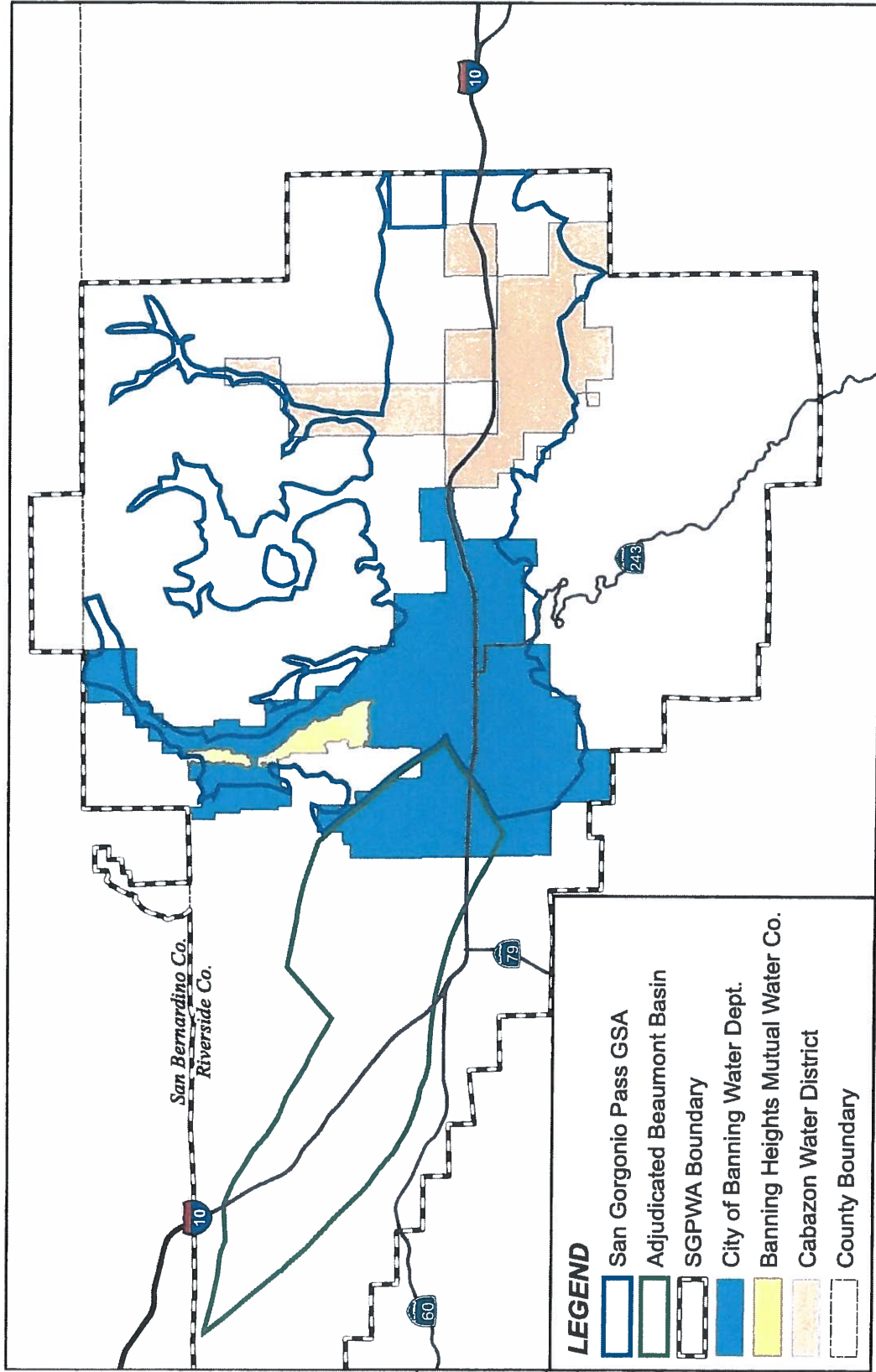
G:\2008\08-0007\GIS\SGMA Ex A.mxd: Map revised March 9, 2017.

Sources: Calif. Dept. of Water Resources, 2016; Riverside Co. GIS, 2016.

Exhibit A





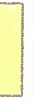


San Geronimo Pass Sub-basin





G:\2008\08-0007\GIS\SGMA Ex B.mxd; Map revised March 9, 2017.

LEGEND

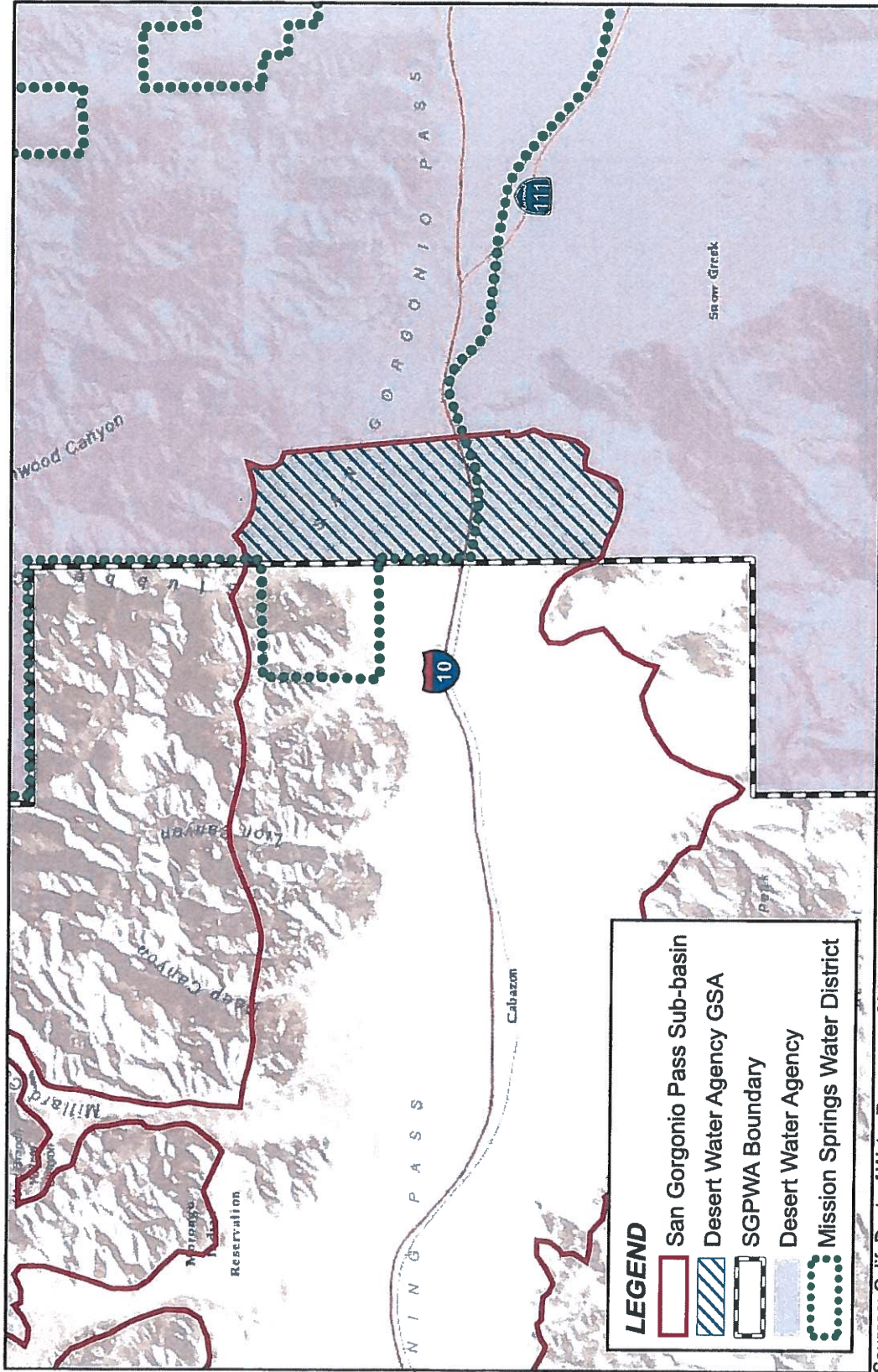
-  San Gorgonio Pass GSA
-  Adjudicated Beaumont Basin
-  SGPWA Boundary
-  City of Banning Water Dept.
-  Banning Heights Mutual Water Co.
-  Cabazon Water District
-  County Boundary

Sources: Calif. Dept. of Water Resources, 2016; LAFCO 2010; Riverside Co. GIS, 2017.



Exhibit B
SGP GSA Portion of Sub-basin





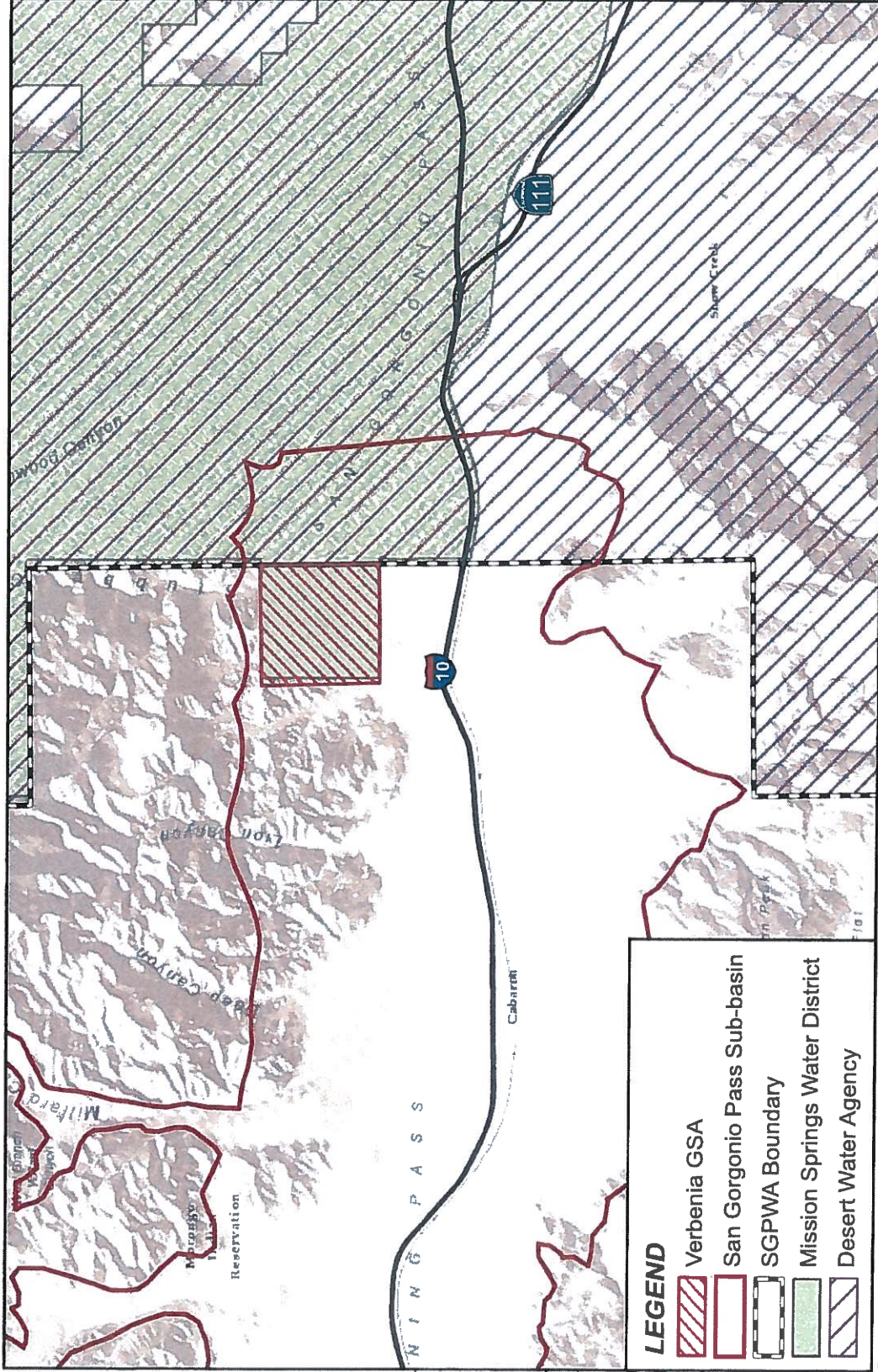
G:\2008\08-0007\GIS\GMA Ex C.mxd; Map revised March 9, 2017.

Sources: Calif. Dept. of Water Resources, 2016;
Riverside Co. GIS, 2016.



Exhibit C
Desert Water Agency GSA





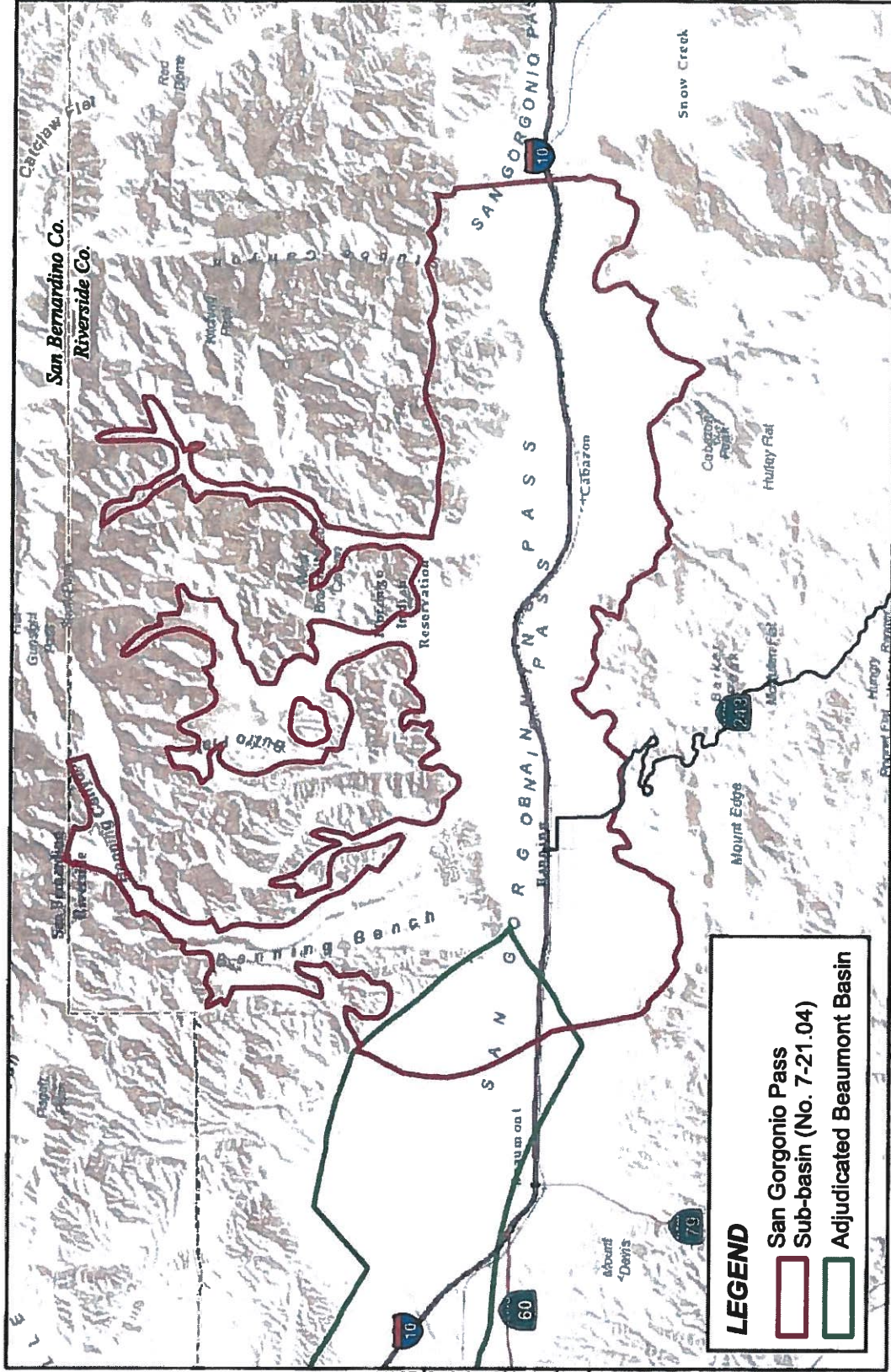
G:\2008\08-0007\GIS\GMA Ex D.mxd; Map revised March 2, 2017.

Sources: Calif. Dept. of Water Resources, 2016; LAFCO 2010; Riverside Co. GIS, 2017.



Notice of Election to Jointly Form and Become a
Groundwater Sustainability Agency in the San
Gorgonio Pass Subbasin

ATTACHMENT B



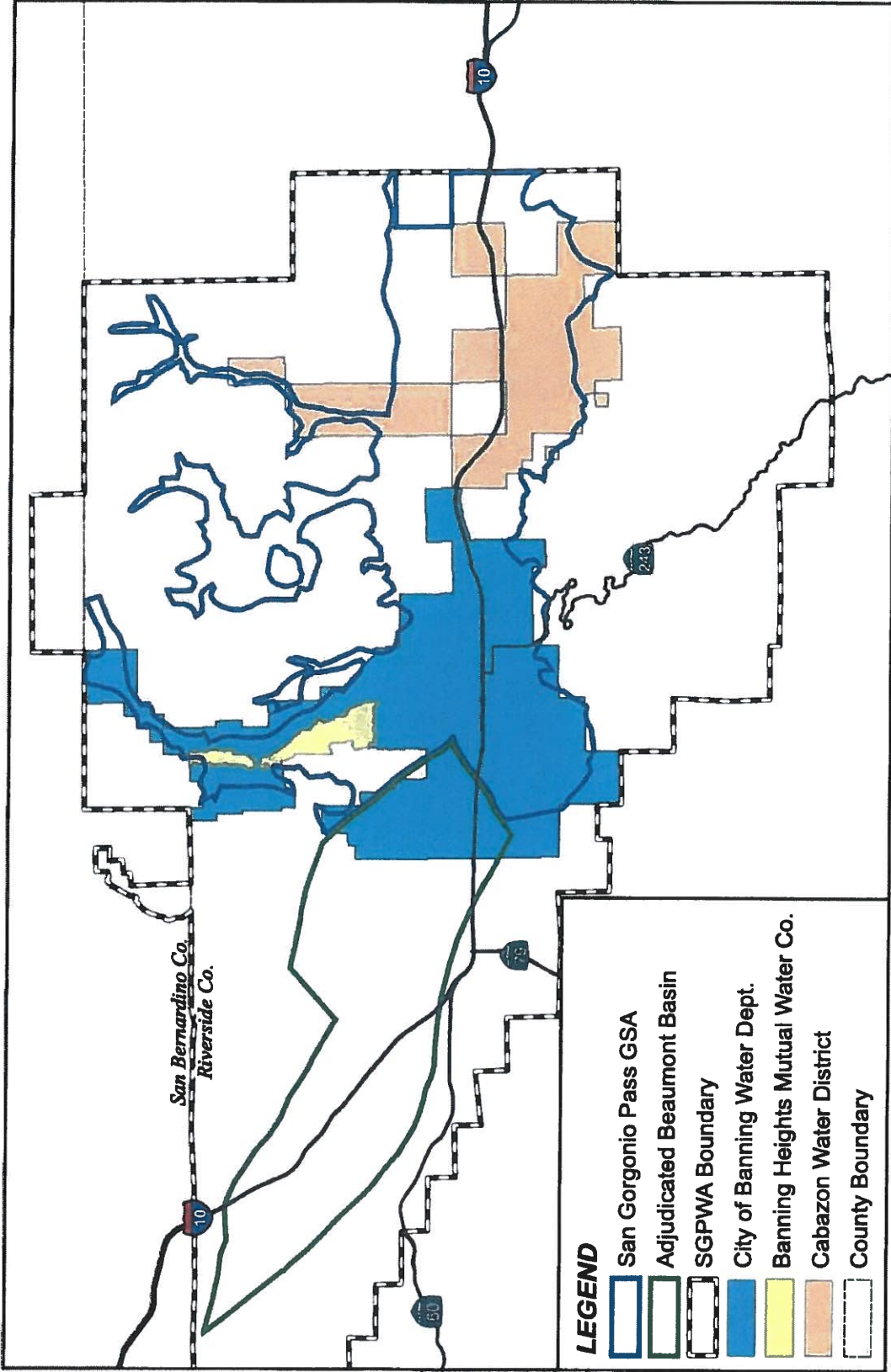
G:\2008\08-0007\GIS\SGMA Ex A.mxd; Map revised March 9, 2017.

Sources: Calif. Dept. of Water Resources, 2016;
Riverside Co. GIS, 2016.



Exhibit A San Geronimo Pass Sub-basin





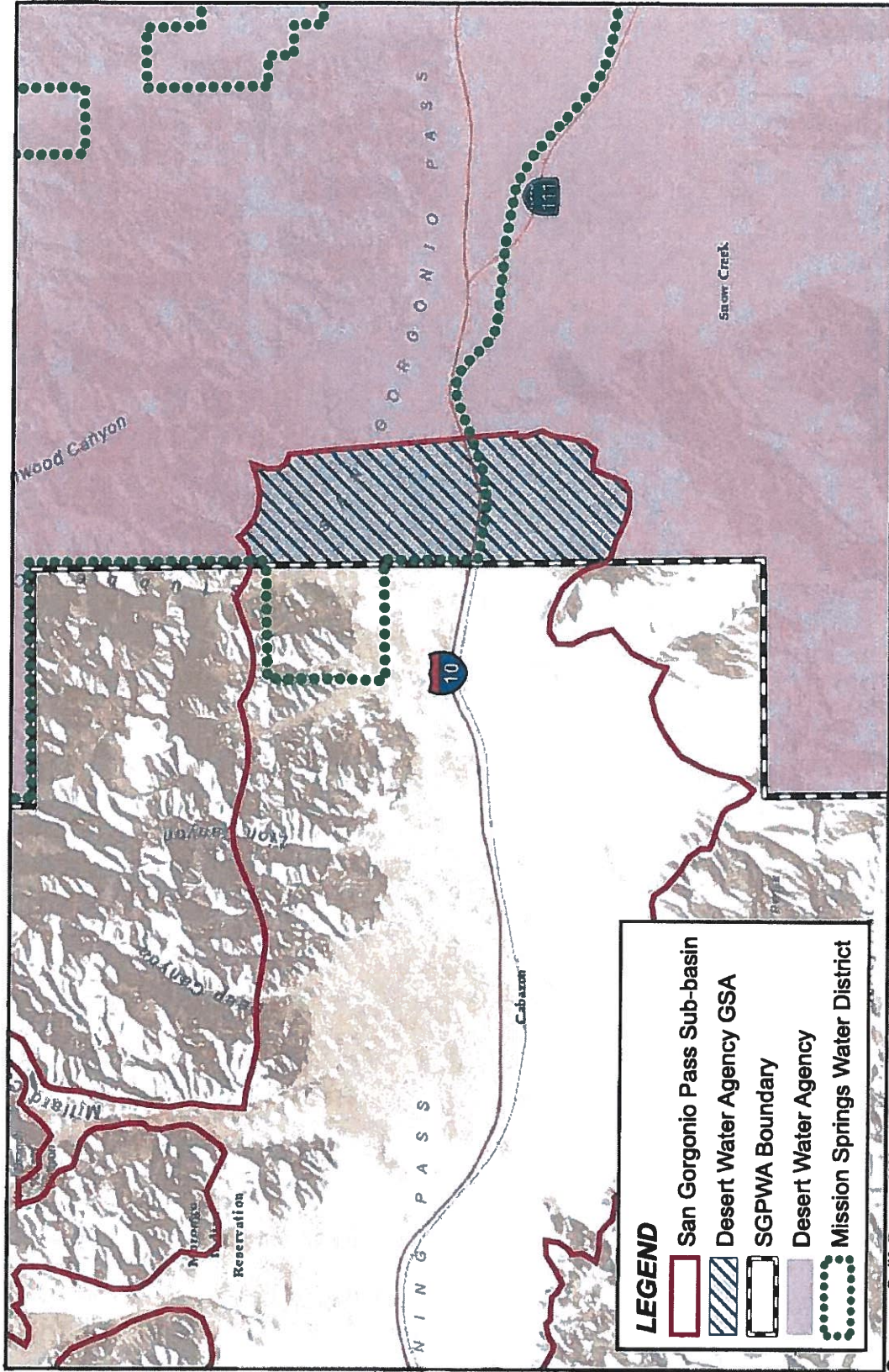
G:\2008\108-0007\GIS\SGMA_ Ex B.mxd; Map revised March 9, 2017.

Sources: Calif. Dept. of Water Resources, 2016; LAFCO 2010; Riverside Co. GIS, 2017.



Exhibit B
SGP GSA Portion of Sub-basin





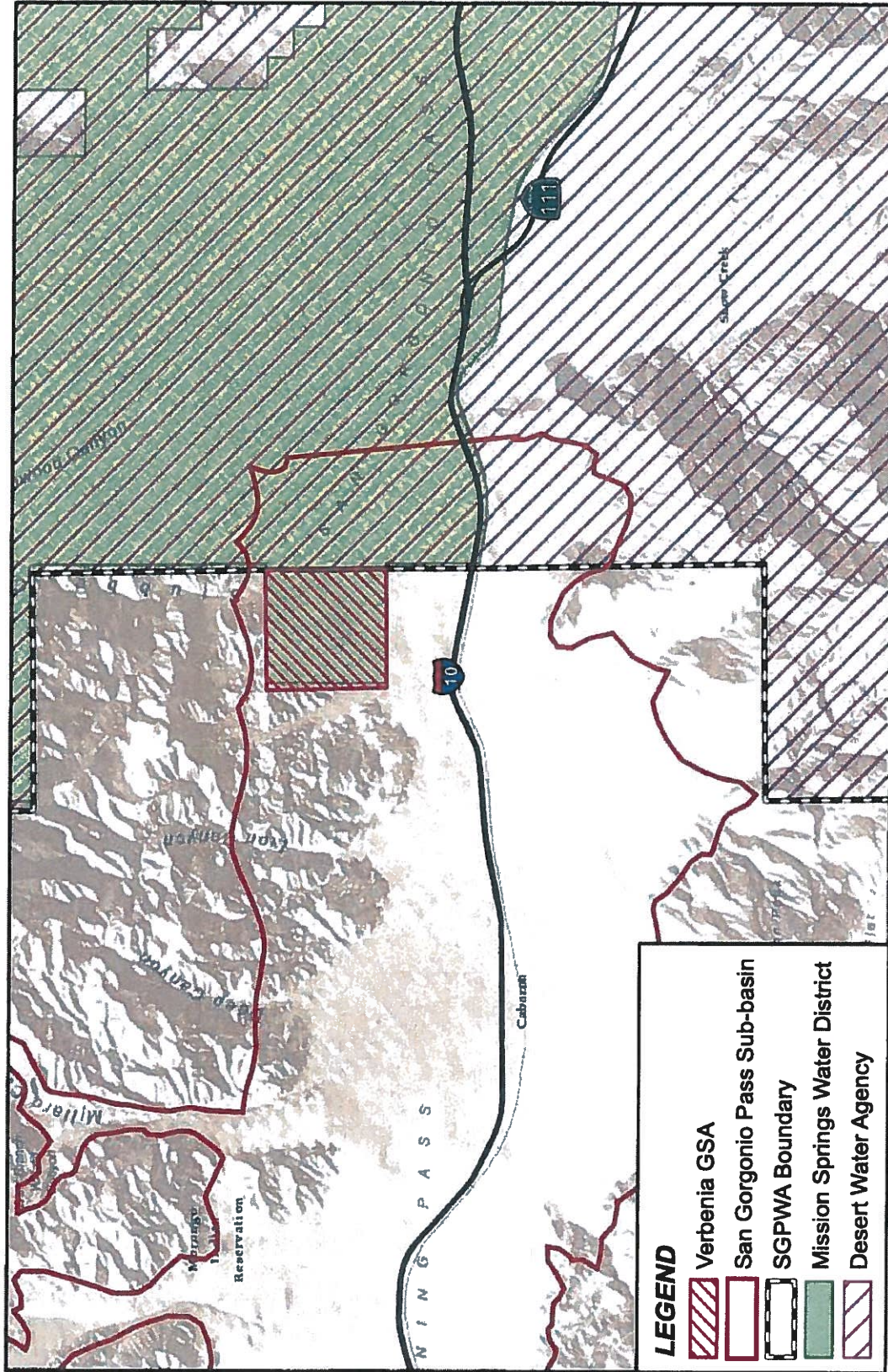
G:\2008\08-0007\GIS\SGMA Ex_C.mxd: Map revised March 9, 2017.

Sources: Calif. Dept. of Water Resources, 2016; Riverside Co. GIS, 2016.



Exhibit C
Desert Water Agency GSA





G:\2008\08-0007\GIS\SGMA Ex D.mxd: Map revised March 2, 2017.

Sources: Calif. Dept. of Water Resources, 2016; LAFCO 2010; Riverside Co. GIS, 2017.



Notice of Election to Jointly Form and Become a
Groundwater Sustainability Agency in the San
Gorgonio Pass Subbasin

ATTACHMENT C

RESOLUTION 2017-35

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, APPROVING THE MEMORANDUM OF AGREEMENT TO FORM A GROUNDWATER SUSTAINABILITY AGENCY FOR A PORTION OF THE SAN GORGONIO PASS SUB-BASIN AND TO COORDINATE WITH OTHER GROUNDWATER SUSTAINABILITY AGENCIES

WHEREAS, the Sustainable Groundwater Management Act of 2014 (SGMA) was signed into law on September 16, 2014 and went into effect on January 1, 2015; and

WHEREAS, SGMA provides for the sustainable management of groundwater basins at the local level through the formation of Groundwater Sustainability Agencies (GSAs) and through preparation and implementation of Groundwater Sustainability Plans (GSPs); and

WHEREAS, the San Gorgonio Pass Subbasin (Basin) is identified by the California Department of Water Resources (DWR) Bulletin 118 as Subbasin No. 7-21.04 of the Coachella Valley Groundwater Basin, and is designated by DWR as medium priority, and therefore, except as provided by SGMA, the Basin is subject to the requirements of SGMA; and

WHEREAS, SGMA authorizes a combination of local agencies as defined by SGMA to form a GSA pursuant to a joint powers agreement, a memorandum of agreement, or other legal agreement, and SGMA also authorizes a water corporation regulated by the California Public Utilities Commission or a mutual water company to participate in a GSA through a memorandum of agreement or other legal agreement; and

WHEREAS, the City of Banning, Cabazon Water District, Banning Heights Mutual Water Company, San Gorgonio Pass Water Agency, Mission Springs Water District, and Desert Water Agency have prepared a Memorandum of Agreement (MOA), attached hereto, for a cooperative process to form and coordinate multiple GSAs for the Basin, and to carry out the policy, purposes, and requirements of SGMA in the Basin, including the City of Banning's ability to protect and effectively manage its interests and obligations with groundwater management. Toward that end, the City requests that the San Gorgonio Pass Water Agency, as a wholesale importer of water supplies, be designated an ex-officio member of the GSA with non-voting rights; and

WHEREAS, among other things, the MOA establishes the San Gorgonio Pass GSA (SGP-GSA) for a portion of the Basin, as further set forth and depicted in the MOA, the members of which SGP-GSA are the City of Banning, the Cabazon Water District, the Banning Heights Mutual Water Company, and the San Gorgonio Pass Water Agency; and

WHEREAS, the MOA further establishes that efforts of the SGP-GSA will be coordinated with the efforts of the Desert Water Agency GSA (DWA-GSA) that already has been established for a portion of the Basin, and the efforts of the Verbenia Area GSA (Verbenia-GSA) that is being established for another portion of the Basin; and

WHEREAS, the Parties to the MOA mutually desire and intend that the SGP-GSA, the DWA-GSA, and the Verbenia-GSA will cooperate and coordinate in subsequently preparing and implementing one or more GSPs for sustainable management of the Basin in accordance with SGMA; and

WHEREAS, the City of Banning is committed to the sustainable management of groundwater resources within the Basin in accordance with SGMA; and

WHEREAS, pursuant to the requirements of SGMA, the City of Banning held a public hearing on this date after publications of notice pursuant to California Government Code section 6066 to consider adoption of this Resolution; and

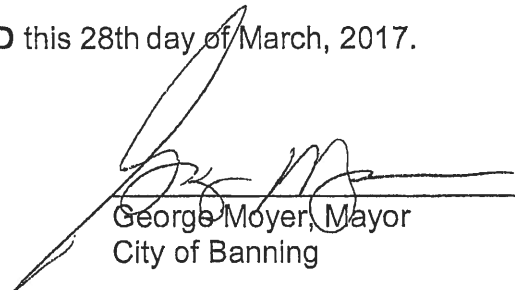
WHEREAS, pursuant to SGMA Section 10728.6 and Public Resources Code Section 21065, neither this Resolution, nor the MOA, nor the preparation or adoption of a GSP constitutes a project or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning as follows:

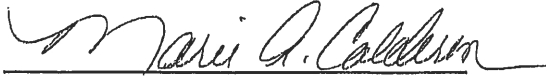
SECTION 1. The City Council hereby approves the Memorandum of Agreement (MOA) to form a Groundwater Sustainability Agency for a portion of the San Gorgonio Pass Subbasin and to coordinate with other Groundwater Sustainability Agencies (GSAs).

SECTION 2. The City Manager is hereby authorized to execute the MOA and directed to coordinate with the other members of the SGP-GSA to submit a copy of this Resolution and other applicable information to the California Department of Water Resources regarding the formation of the SGP-GSA.

PASSED, APPROVED AND ADOPTED this 28th day of March, 2017.



George Moyer, Mayor
City of Banning

ATTEST:



Marie A. Calderon, City Clerk
City of Banning

**APPROVED AS TO FORM AND
LEGAL CONTENT:**


John C. Cotti, Interim City Attorney
Jenkins & Hogin, LLP

**CERTIFIED TO BE A TRUE AND CORRECT
COPY OF THE ORIGINAL DOCUMENT ON
FILE IN THE OFFICE OF THE CITY CLERK.**

BY *Marie A. Calderon*
TITLE *CITY CLERK*
DATE *4-10-17*

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution 2017-35, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 28th day of March, 2017, by the following vote, to wit:

AYES: Councilmembers Andrade, Franklin, Welch, Mayor Moyer

NOES: None

ABSTAIN: None

ABSENT: Councilmember Peterson



Marie A. Calderon, City Clerk
City of Banning, California

Advertising Order Confirmation

03/09/17 10:47:56AM
Page 2

The Press Enterprise

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External Ad Number:

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AdBooker

Production Notes:

NOTICE OF PUBLIC HEARING TO CONSIDER CITY OF BANNING APPROVAL OF A MEMORANDUM OF AGREEMENT TO FORM A GROUNDWATER SUSTAINABILITY AGENCY WITH OTHER SUBBASIN AND COORDINATE WITH OTHER GROUNDWATER SUSTAINABILITY AGENCIES

NOTICE IS HEREBY GIVEN pursuant to Section 10722(b) of the California Water Code and Section 6066 of the California Government Code that the City of Banning City Council will hold a public hearing to consider approving a Memorandum of Agreement (MOA) with the San Geronimo Pass Water Agency, San Geronimo Pass Water Agency, Mutual Water Company, and San Geronimo Pass Groundwater Sustainability Agency (SGP-GSA) pursuant to the Sustainable Groundwater Management Act (SGMA). If the City of Banning City Council and the other SGP-GSA entities approve the MOA, the SGP-GSA will be authorized to be formed over a certain portion of the San Geronimo Pass Water Agency's subbasin (Subbasin) in the Coachella Valley Water District and Desert Water Agency as parties because those agencies have established or intend to establish separate groundwater sustainability agencies in the eastern portion of the Subbasin with whom the SGP-GSA will coordinate under SGMA. The public hearing of the City of Banning to consider approving the MOA will take place on March 28, 2017 at 5:00 p.m. in the City Council Chambers located at City Hall, 99 East Ramsey Street, Banning, California, 92220.

ALL INTERESTED PARTIES are invited to attend said hearing and present oral or written testimony on the matter or send their written comments to the City Clerk, P.O. Box 998, Banning, California 92220.

Information regarding the foregoing can be obtained by contacting the City Clerk, P.O. Box 998, Banning, California 92220. This information is available for public viewing at 951-922-3130. Data relevant to this matter will be available for public viewing at Banning City Hall, 99 E. Ramsey Street, Banning, California for the period of 14 days prior to the Public Hearing.

If you challenge any decision regarding the above proposal in court, you may be limited to raising only those issues you or someone else raised in the City Council hearing. The City Council makes its decision on the proposal, or if a public hearing is held on the proposal, you or someone else must have raised those issues at the public hearing or in written correspondence delivered to the hearing body at, or prior to, the hearing (California Government Code, Section 65069).

BY ORDER OF THE CITY CLERK of the City of Banning, California.
/s/ Marie A. Calderon, City Clerk
City of Banning, California

DATED: March 9, 2017
PUBLISHED: March 14, 2017 and May 21, 2017

Product	Requested Placement	Requested Position	Run Dates	# Inserts
PE Riverside: Full Run	Legals CLS	City Notices - 1076~	03/14/17, 03/21/17	2

Order Charges:

Net Amount	Tax Amount	Total Amount	Payment Amount	Amount Due
428.40	0.00	428.40	0.00	\$428.40

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Please note: To meet our printer's deadline, we must have your proof returned by the published deadline, and as indicated by your sales rep.

Advertising Order Confirmation

The Press Enterprise

<u>Ad Order Number</u> 0010914721	<u>Customer</u> BANNING, CITY OF	<u>Payor Customer</u> BANNING, CITY OF	<u>PO Number</u>
<u>Sales Representative</u> Nick Eller	<u>Customer Account</u> 5209534	<u>Payor Account</u> 5209534	<u>Ordered By</u> Holly Stuart
<u>Order Taker</u> Nick Eller	<u>Customer Address</u> 99 E RAMSEY ST BANNING, CA 92220	<u>Payor Address</u> 99 E RAMSEY ST BANNING, CA 92220	<u>Customer Fax</u>
<u>Order Source</u> Select Source	<u>Customer Phone</u> 951-922-3130	<u>Payor Phone</u> 951-922-3130	<u>Customer EMail</u>
<u>Current Queue</u> Ready	<u>Invoice Text</u> SGMA Banning	<u>Ad Order Notes</u>	
<u>Tear Sheets</u> 0	<u>Affidavits</u> 0	<u>Promo Type</u>	<u>Special Pricing</u>
	<u>Blind Box</u>	<u>Materials</u>	

Notice of Election to Jointly Form and Become a
Groundwater Sustainability Agency in the San
Gorgonio Pass Subbasin

ATTACHMENT D

RESOLUTION NO. 01-2017

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CABAZON WATER DISTRICT
TO APPROVE THE MEMORANDUM OF AGREEMENT TO FORM A
GROUNDWATER SUSTAINABILITY AGENCY FOR A PORTION OF THE SAN
GORGONIO PASS
SUB-BASIN AND TO COORDINATE WITH OTHER GROUNDWATER
SUSTAINABILITY AGENCIES**

WHEREAS, the Sustainable Groundwater Management Act of 2014 (SGMA) was signed into law on September 16, 2014 and went into effect on January 1, 2015; and

WHEREAS, SGMA provides for the sustainable management of groundwater basins at the local level through the formation of Groundwater Sustainability Agencies (GSAs) and through preparation and implementation of Groundwater Sustainability Plans (GSPs); and

WHEREAS, the San Gorgonio Pass Subbasin (Basin) is identified by the California Department of Water Resources (DWR) Bulletin 118 as Subbasin No. 7-21.04 of the Coachella Valley Groundwater Basin, and is designated by DWR as medium priority, and therefore, except as provided by SGMA, the Basin is subject to the requirements of SGMA; and

WHEREAS, SGMA authorizes a combination of local agencies as defined by SGMA to form a GSA pursuant to a joint powers agreement, a memorandum of agreement, or other legal agreement, and SGMA also authorizes a water corporation regulated by the California Public Utilities Commission or a mutual water company to participate in a GSA through a memorandum of agreement or other legal agreement; and

WHEREAS, the Cabazon Water District, City of Banning, Banning Heights Mutual Water Company, San Gorgonio Pass Water Agency, Mission Springs Water District, and Desert Water Agency have prepared a Memorandum of Agreement (MOA), attached hereto as **Exhibit A**, for a cooperative process to form and coordinate multiple GSAs for the Basin, and to carry out the policy, purposes, and requirements of SGMA in the Basin; and

WHEREAS, among other things, the MOA establishes the San Gorgonio Pass GSA (SGP-GSA) for a portion of the Basin, as further set forth and depicted in the MOA, the members of which SGP-GSA are the Cabazon Water District, the City of Banning, the Banning Heights Mutual Water Company, and the San Gorgonio Pass Water Agency; and

WHEREAS, the MOA further establishes that efforts of the SGP-GSA will be coordinated with the efforts of the Desert Water Agency GSA (DWA-GSA) that already has been established for a portion of the Basin, and the efforts of the Verbenia Area GSA (Verbenia-GSA) that is being established for another portion of the Basin; and

WHEREAS, the Parties to the MOA mutually desire and intend that the SGP-GSA, the DWA-GSA, and the Verbenia-GSA will cooperate and coordinate in subsequently preparing and implementing one or more GSPs for sustainable management of the Basin in accordance with SGMA; and

WHEREAS, the Cabazon Water District is committed to the sustainable management of groundwater resources within the Basin in accordance with SGMA; and


WHEREAS, pursuant to the requirements of SGMA, Cabazon Water District held a public hearing on this date after publications of notice pursuant to California Government Code section 6066 to consider adoption of this Resolution; and

WHEREAS, pursuant to SGMA Section 10728.6 and Public Resources Code Section 21065, neither this Resolution, nor the MOA, nor the preparation or adoption of a GSP constitutes a project or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CABAZON WATER DISTRICT THAT:


1. Cabazon Water District hereby approves the Memorandum of Agreement to Form a Groundwater Sustainability Agency for a Portion of the San Gorgonio Pass Subbasin and to Coordinate with Other Groundwater Sustainability Agencies (MOA), a copy of which is attached hereto as **Exhibit A**.
2. Pursuant to the MOA and as authorized by SGMA, Cabazon Water District elects to jointly form and participate as a member of the San Gorgonio Pass Groundwater Sustainability Agency (SGP-GSA) for a portion of the Basin as further set forth and depicted in the MOA.
3. The General Manager of Cabazon Water District is hereby authorized and directed to coordinate with the other members of the SGP-GSA to submit a copy of this Resolution and other applicable information to the California Department of Water Resources regarding the formation of the SGP-GSA.

PASSED AND ADOPTED at a Meeting of the Board of Directors of the Cabazon Water District held this 21 st day of March, 2017.



Robert Lynk, Chair, Board of Directors
Cabazon Water District

ATTEST:



Secretary, Board of Directors
Cabazon Water District

Record Gazette
218 N. Murray St.
Proof of Publication
(2015.5 C.C.P.)

141443 PUBLIC HEARING GSA MOA

State of California)
County of Riverside) ss.

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above matter. I am the principal clerk of the printer and publisher of Record Gazette, a newspaper published in the English language in the City of Banning, County of Riverside, and adjudicated a newspaper of general circulation as defined by the laws of the state of California by the Superior Court of the County of Riverside, under the date October 14, 1966, Case No. 54737. That the notice, of which the annexed is a copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

March 3, 10, 2017

Executed on: 03/10/2017

At Banning , CA

I certify (or declare) under penalty of perjury that the foregoing is true and correct.



Signature

NOTICE OF PUBLIC HEARING TO CONSIDER CABAZON WATER DISTRICT APPROVAL OF A MEMORANDUM OF AGREEMENT TO FORM A GROUNDWATER SUSTAINABILITY AGENCY WITH OTHER AGENCIES FOR A PORTION OF THE SAN GORGONIO PASS SUB-BASIN AND TO COORDINATE WITH OTHER GROUNDWATER SUSTAINABILITY AGENCIES

NOTICE IS HEREBY GIVEN pursuant to Section 10723(b) of the California Water Code and Section 6086 of the California Government Code that the Board of Directors of Cabazon Water District (CWD) will hold a public hearing to consider approving a memorandum of agreement (MOA) with the City of Banning, Banning Heights Mutual Water Company, and San Gorgonio Pass Water Agency approving the establishment of the San Gorgonio Pass Groundwater Sustainability Agency (GSA). If the governing boards of CWD and the other public entities approve the MOA, the GSA will be authorized to be formed over a designated portion of the San Gorgonio Pass Subbasin of the Coachella Valley Groundwater Basin (the Subbasin). The MOA will also include Mission Springs Water District and Desert Water Agency as parties because those agencies have established or intend to establish separate groundwater sustainability agencies in the eastern portion of the Subbasin with whom the GSA will coordinate. The meeting of CWD to consider approving the MOA will take place on March 21, 2017 at 6:00 p.m., in the Boardroom of its headquarters, located at 14618 Broadway St., Cabazon, CA 92230.

The purpose of the public hearing will be to hear and receive comments from the public regarding CWDs proposed approval of the MOA.

The draft MOA and related documentation are on file with the Secretary to the Board of Directors of CWD and are available for inspection during regular business hours at the office of the CWD at 14618 Broadway St., Cabazon, CA 92230.

To publish March 3, 2017 and March 10, 2017.

Published in
The Record Gazette
No. 141443
03/03, 10, 2017

RECEIVED
MAR 13 2017

BY: _____

Notice of Election to Jointly Form and Become a
Groundwater Sustainability Agency in the San
Gorgonio Pass Subbasin

ATTACHMENT E

RESOLUTION 2017 - 01

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BANNING HEIGHTS MUTUAL WATER COMPANY
TO APPROVE THE MEMORANDUM OF AGREEMENT TO FORM A GROUNDWATER
SUSTAINABILITY AGENCY FOR A PORTION OF THE SAN GORGONIO PASS
SUB-BASIN AND TO COORDINATE WITH OTHER GROUNDWATER
SUSTAINABILITY AGENCIES

WHEREAS, the Sustainable Groundwater Management Act of 2014 (SGMA) was signed into law on September 16, 2014 and went into effect on January 1, 2015; and

WHEREAS, SGMA provides for the sustainable management of groundwater basins at the local level through the formation of Groundwater Sustainability Agencies (GSAs) and through preparation and implementation of Groundwater Sustainability Plans (GSPs); and

WHEREAS, the San Gorgonio Pass Subbasin (Basin) is identified by the California Department of Water Resources (DWR) Bulletin 118 as Subbasin No. 7-21.04 of the Coachella Valley Groundwater Basin, and is designated by DWR as medium priority, and therefore, except as provided by SGMA, the Basin is subject to the requirements of SGMA; and

WHEREAS, SGMA authorizes a combination of local agencies as defined by SGMA to form a GSA pursuant to a joint powers agreement, a memorandum of agreement, or other legal agreement, and SGMA also authorizes a water corporation regulated by the California Public Utilities Commission or a mutual water company to participate in a GSA through a memorandum of agreement or other legal agreement; and

WHEREAS, the Cabazon Water District, City of Banning, Banning Heights Mutual Water Company, San Gorgonio Pass Water Agency, Mission Springs Water District, and Desert Water Agency have prepared a Memorandum of Agreement (MOA), attached hereto as **Exhibit A**, for a cooperative process to form and coordinate multiple GSAs for the Basin, and to carry out the policy, purposes, and requirements of SGMA in the Basin; and

WHEREAS, among other things, the MOA establishes the San Gorgonio Pass GSA (SGP-GSA) for a portion of the Basin, as further set forth and depicted in the MOA, the members of which SGP-GSA are the Cabazon Water District, the City of Banning, the Banning Heights Mutual Water Company, and the San Gorgonio Pass Water Agency; and

WHEREAS, the MOA further establishes that efforts of the SGP-GSA will be coordinated with the efforts of the Desert Water Agency GSA (DWA-GSA) that already has been established for a portion of the Basin, and the efforts of the Verbenia Area GSA (Verbenia-GSA) that is being established for another portion of the Basin; and

WHEREAS, the Parties to the MOA mutually desire and intend that the SGP-GSA, the DWA-GSA, and the Verbenia-GSA will cooperate and coordinate in subsequently preparing and

implementing one or more GSPs for sustainable management of the Basin in accordance with SGMA; and

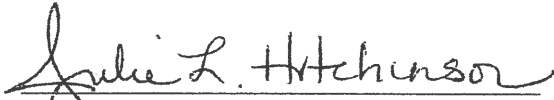
WHEREAS, the Banning Heights Mutual Water Company is committed to the sustainable management of groundwater resources within the Basin in accordance with SGMA; and

WHEREAS, pursuant to SGMA Section 10728.6 and Public Resources Code Section 21065, neither this Resolution, nor the MOA, nor the preparation or adoption of a GSP constitutes a project or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines,

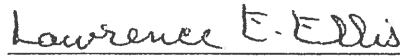
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BANNING HEIGHTS MUTUAL WATER COMPANY that:

1. Banning Heights Mutual Water Company hereby approves the Memorandum of Agreement to Form a Groundwater Sustainability Agency for a Portion of the San Geronio Pass Subbasin and to Coordinate with Other Groundwater Sustainability Agencies (MOA), a copy of which is attached hereto as **Exhibit A**.
2. Pursuant to the MOA and as authorized by SGMA, Banning Heights Mutual Water Company elects to jointly form and participate as a member of the San Geronio Pass Groundwater Sustainability Agency (SGP-GSA) for a portion of the Basin as further set forth and depicted in the MOA.
3. Banning Heights Mutual Water Company will coordinate with the other members of the SGP-GSA to submit a copy of this Resolution and other applicable information to the California Department of Water Resources regarding the formation of the SGP-GSA.

PASSED, APPROVED, AND ADOPTED this 13th day of March, 2017.


Julie L. Hutchinson, President
Banning Heights Mutual Water Company

ATTEST


Lawrence E. Ellis, Director
Banning Heights Mutual Water Company

CERTIFICATION


I, Terri Farris, Company Secretary of the Banning Heights Mutual Water Company, do hereby certify that the foregoing Resolution Number 2017-01 as duly adopted by the Board of Directors of the Banning Heights Mutual Water Company at the general business meeting thereof held on the 13th day of March, 2017, by the following vote, to wit:

AYES: 4

NOES: 0

ABSTAIN: 0

ABSENT: 1


Terri Farris, Company Secretary
Banning Heights Mutual Water Company

Notice of Election to Jointly Form and Become a
Groundwater Sustainability Agency in the San
Gorgonio Pass Subbasin

ATTACHMENT F

RESOLUTION 2017 - 02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY TO APPROVE THE MEMORANDUM OF AGREEMENT TO FORM A GROUNDWATER SUSTAINABILITY AGENCY FOR A PORTION OF THE SAN GORGONIO PASS SUB-BASIN AND TO COORDINATE WITH OTHER GROUNDWATER SUSTAINABILITY AGENCIES

WHEREAS, the Sustainable Groundwater Management Act of 2014 (SGMA) was signed into law on September 16, 2014 and went into effect on January 1, 2015; and

WHEREAS, SGMA provides for the sustainable management of groundwater basins at the local level through the formation of Groundwater Sustainability Agencies (GSAs) and through preparation and implementation of Groundwater Sustainability Plans (GSPs); and

WHEREAS, the San Gorgonio Pass Subbasin (Basin) is identified by the California Department of Water Resources (DWR) Bulletin 118 as Subbasin No. 7-21.04 of the Coachella Valley Groundwater Basin, and is designated by DWR as medium priority, and therefore, except as provided by SGMA, the Basin is subject to the requirements of SGMA; and

WHEREAS, SGMA authorizes a combination of local agencies as defined by SGMA to form a GSA pursuant to a joint powers agreement, a memorandum of agreement, or other legal agreement, and SGMA also authorizes a water corporation regulated by the California Public Utilities Commission or a mutual water company to participate in a GSA through a memorandum of agreement or other legal agreement; and

WHEREAS, the Cabazon Water District, City of Banning, Banning Heights Mutual Water Company, San Gorgonio Pass Water Agency, Mission Springs Water District, and Desert Water Agency have prepared a Memorandum of Agreement (MOA), attached hereto as **Exhibit A**, for a cooperative process to form and coordinate multiple GSAs for the Basin, and to carry out the policy, purposes, and requirements of SGMA in the Basin; and

WHEREAS, among other things, the MOA establishes the San Gorgonio Pass GSA (SGP-GSA) for a portion of the Basin, as further set forth and depicted in the MOA, the members of which SGP-GSA are the Cabazon Water District, the City of Banning, the Banning Heights Mutual Water Company, and the San Gorgonio Pass Water Agency; and

WHEREAS, the MOA further establishes that efforts of the SGP-GSA will be coordinated with the efforts of the Desert Water Agency GSA (DWA-GSA) that already has been established for a portion of the Basin, and the efforts of the Verbenia Area GSA (Verbenia-GSA) that is being established for another portion of the Basin; and

WHEREAS, the Parties to the MOA mutually desire and intend that the SGP-GSA, the DWA-GSA, and the Verbenia-GSA will cooperate and coordinate in subsequently preparing and implementing one or more GSPs for sustainable management of the Basin in accordance with SGMA; and

WHEREAS, the San Gorgonio Pass Water Agency is committed to the sustainable management of groundwater resources within the Basin in accordance with SGMA; and


WHEREAS, pursuant to the requirements of SGMA, the San Gorgonio Pass Water Agency held a public hearing on this date after publications of notice pursuant to California Government Code section 6066 to consider adoption of this Resolution; and

WHEREAS, pursuant to SGMA Section 10728.6 and Public Resources Code Section 21065, neither this Resolution, nor the MOA, nor the preparation or adoption of a GSP constitutes a project or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY that:

1. The San Gorgonio Pass Water Agency hereby approves the Memorandum of Agreement to Form a Groundwater Sustainability Agency for a Portion of the San Gorgonio Pass Subbasin and to Coordinate with Other Groundwater Sustainability Agencies (MOA), a copy of which is attached hereto as **Exhibit A**.
2. Pursuant to the MOA and as authorized by SGMA, the San Gorgonio Pass Water Agency elects to jointly form and participate as a member of the San Gorgonio Pass Groundwater Sustainability Agency (SGP-GSA) for a portion of the Basin as further set forth and depicted in the MOA.
3. The General Manager of the San Gorgonio Pass Water Agency is hereby authorized and directed to coordinate with the other members of the SGP-GSA to submit a copy of this Resolution and other applicable information to the California Department of Water Resources regarding the formation of the SGP-GSA.

I HEREBY CERTIFY that the foregoing is a true, full and correct copy of Resolution 2017-02 that was duly introduced, passed and adopted at a regular meeting of the Board of Directors of the San Gorgonio Pass Water Agency, at its regular meeting on March 20, 2017.


David L. Feng, Board President
San Gorgonio Pass Water Agency

ATTEST:


Jeffrey Davis, Secretary

Notice of Election to Jointly Form and Become a
Groundwater Sustainability Agency in the San
Gorgonio Pass Subbasin

ATTACHMENT G

Pursuant to Section 10723.8(a)(4) of the Sustainable Groundwater Management Act (SGMA), following is an initial list of interested parties in the San Gorgonio Pass Subbasin (Basin) developed pursuant to SGMA Section 10723.2 and an explanation of how their interests will be considered in the development and operation of the SGP-GSA and the development and implementation of a Groundwater Sustainability Plan that will be adopted by the SGP-GSA. This supplements the information provided in the accompanying Notice of Election to Jointly Form and Become a Groundwater Sustainability Agency in the San Gorgonio Pass Subbasin (Notice Letter).

1. Holders of overlying groundwater rights

- a. Agricultural users – Very little documented overlying agricultural use occurs in the Basin. Most land uses in the Basin are municipal and industrial in nature. A more comprehensive survey of overlying agricultural users in the Basin and steps to actively involve them as stakeholders will be undertaken throughout the SGMA process.
- b. Domestic well owners – Very few domestic users in the Basin are served by individual overlying wells. Instead, most domestic users are served by municipal and other public water systems in the Basin. A more comprehensive survey of overlying domestic well owners in the Basin and steps to actively involve them as stakeholders will be undertaken throughout the SGMA process.
- c. Other well users – A few well users exist in the Basin that produce groundwater for irrigation, industrial, and other purposes, including but not limited to Robertson Ready Mix and the Summit Cemetery District. A more comprehensive survey of such other groundwater users in the Basin and steps to actively involve them as stakeholders will be undertaken throughout the SGMA process.

2. Municipal well operators – The City of Banning (Banning) is the only municipal well operator in the unadjudicated portion of the Basin. As set forth in the Notice Letter, Banning is a member agency of the San Gorgonio Pass Groundwater Sustainability Agency (SGP-GSA) that has been formed in the Basin pursuant to the Memorandum of Agreement (MOA).

3. Public water systems – Several public water systems provide water service in unadjudicated portion of the Basin, including the Banning Heights Mutual Water Company (BHMWC), Cabazon Water District (CWD), Mission Springs Water District (MSWD), Desert Water Agency (DWA), and High Valleys Water District (HVWD). In addition, the San Gorgonio Pass Water Agency (SGPWA) is a wholesale water supplier within the Basin. As set forth in the Notice Letter, BHMWC, CWD, and SGPWA are additional member agencies of the SGP-GSA that has been formed for most of the Basin. DWA is the exclusive GSA for a certain portion of the Basin, and MSWD and SGPWA are coordinating to establish the Verbenia-GSA for the remaining portion of the Basin. HVWD is an active stakeholder in the SGP-GSA as provided in the MOA.

4. Local land use planning agencies – Land use planning agencies that overlie the unadjudicated portion of the Basin include Banning, the County of Riverside, and the County of San Bernardino. As further noted below, the Morongo Band of Mission Indians (MBMI) also overlies a portion of the Basin and carries out land use planning for MBMI lands.
5. Environmental users of groundwater – Currently no environmental users of groundwater have been identified in the Basin. A more comprehensive survey of any such users and steps to actively involve them as stakeholders will be undertaken throughout the SGMA process.
6. Surface water users, if there is a hydrologic connection between surface and groundwater bodies – Currently no surface water users with a hydrologic connection to groundwater have been identified in the Basin. A more comprehensive survey of any such users and steps to actively involve them as stakeholders will be undertaken throughout the SGMA process.
7. The federal government, including, but not limited to, the military and managers of federal lands – As noted below, the federal government may have interests in the Basin vis-à-vis its relationship to the MBMI.
8. California Native American tribes – As noted above, the MBMI overlies a portion of the Basin and carries out various activities related to groundwater resources, including but not limited to land use planning for MBMI lands, domestic water service, and a land lease to a water bottling operation.
9. Disadvantaged communities, including, but not limited to, those served by private domestic wells or small community water systems – Certain areas within the Basin have been designated as disadvantaged communities, including but not limited to areas within Cabazon and the City of Banning.
10. Entities listed in Section 10927 that are monitoring and reporting groundwater elevations in all or a part of the basin managed by the groundwater sustainability agency – The San Gorgonio Pass Water Agency is the CASGEM monitoring and reporting agency for the Basin.

As described in the Notice Letter and the MOA, a portion of the Basin is subject to the Beaumont Basin adjudication and Judgment in the case referred to as *San Timoteo Watershed Management Authority v. City of Banning, et al.*, Riverside County Superior Court Case No. RIC 389197, which pursuant to SGMA Section 10720.8(a)(1) generally is not subject to the requirements of SGMA and accordingly will not be managed under SGMA by the SGP-GSA. Notwithstanding, parties to the Beaumont Basin adjudication and Judgment and groundwater users in that portion of the Basin will be considered in the development and operation of the SGP-GSA and the development and implementation of a Groundwater Sustainability Plan that will be adopted by the SGP-GSA.

As specifically provided in the MOA, the parties to the SGP-GSA and other parties to the MOA have agreed to work together in ensuring public outreach and involvement of the public and other interested stakeholders throughout the SGMA process, including but not limited to all beneficial uses and users of groundwater, and those responsible for implementing Groundwater Sustainability Plans in the Basin, as provided in SGMA Section 10723.2. The parties to the SGP-GSA have been actively engaged in SGMA-related discussions with each other and with many of the above-listed stakeholders and entities, and will continue to consider and involve the interests of all entities and stakeholders to the extent practicable, including those identified above and others that may be identified in the future, by establishing a collaborative, open, and inclusive process for implementing SGMA throughout the Basin. Among other things, in accordance with SGMA Section 10723.4, the SGP-GSA will establish and maintain a list of persons interested in receiving notices regarding the preparation of any Groundwater Sustainability Plan for the Basin, meeting announcements, and the availability of draft plans, maps, and other relevant documents.