FIRST AMENDMENT TO COOPERATION AGREEMENT BETWEEN THE ROCK CREEK RECLAMATION DISTRICT GROUNDWATER SUSTAINABILITY AGENCY AND THE VINA GROUNDWATER SUSTAINABILITY AGENCY

This FIRST AMENDMENT ("Amendment") for the allocation of implementation costs among Rock Creek Reclamation District acting in its capacity as a Groundwater Sustainability Agency ("GSA") and Vina Groundwater Sustainability Agency ("Vina GSA") (collectively the "Parties" or individually a "Party" or "GSA") is made and entered into and effective upon the date of full execution below.

Recitals

WHEREAS, each Party is a Groundwater Sustainability Agency in the Vina Subbasin, as defined by the Sustainable Groundwater Management Act ("SGMA"); and

WHEREAS, in 2020, the Parties entered into a Cooperation Agreement establishing cooperation in the development and implementation of the Vina Subbasin Groundwater Sustainability Plan ("GSP"); and

WHEREAS, under Article 8.1 of the Cooperation Agreement, the Cooperation Agreement may be amended by written agreement of the Parties; and

WHEREAS, in December of 2021, the Parties adopted the Vina Subbasin GSP pursuant to SGMA; and

WHEREAS, staff from the Butte County Department of Water and Resource Conservation and from the Vina GSA have worked in cooperation with Rock Creek Reclamation District to carry out the intent of the Cooperation Agreement and fulfill obligations pursuant to SGMA, including GSP implementation and submission of annual reports; and

WHEREAS, pursuant to Article 6.3 of the Cooperation Agreement, each of the Parties is responsible for funding its participation in the Agreement; and

WHEREAS, an amendment to the Cooperation Agreement is necessary to allow for proportional cost sharing among the Vina Subbasin GSAs; and

WHEREAS, the Parties desire to cover the costs of SGMA compliance and GSP implementation, including costs associated with the preparation and submittal of annual reports, technical and administrative support, and basin management; and

WHEREAS, each Party shall be responsible for its own attorneys' fees, litigation costs, and agency-specific costs.

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

1. **Restatement of Cooperation Agreement.** Each and every term of the Cooperation Agreement is incorporated herein by reference and restated as if fully set forth herein.

2. **SGMA Compliance and Implementation Costs.** As used in this Amendment, "SGMA Compliance and Implementation Costs" shall mean costs of preparation and submission of annual reports, costs of preparation of and submission of the five year GSP Update, the GSP Program Manager's costs, public outreach costs, consultant and professional costs associated with the foregoing, and other costs necessary to comply with and implement SGMA when such costs are not funded by grant or state, federal, or county funds. "SGMA Compliance and Implementation Costs" shall not include reserve funds, contingency funds, fees for legal services or attorney services, litigation costs and fees, costs associated with an agency's collection of landowner fees, agency-specific auditing costs, agency-specific bank fees, agency-specific insurance fees, agency-specific website costs, and costs or fees fully funded by grant or by state, federal, or county funds. Notwithstanding the foregoing, "SGMA Compliance and Implementation Costs" shall not include costs of a SGMA project or management action, except with the consent of both Parties by majority vote of their respective governing boards.

3. **Proportional Cost Sharing.** Each GSA shall be responsible for a percentage of actual SGMA Compliance and Implementation Costs equal to the acres in the jurisdictional boundary of their respective GSA divided by the total acres in the Vina Subbasin. Based upon the GSA boundaries in existence at the time of this amendment, the foregoing percentages are as follows: Rock Creek Reclamation District GSA = 2.44%; Vina GSA = 97.56%. In the event of a GSA boundary modification of either Vina GSA or Rock Creek Reclamation District GSA, the proportional percentages shall be adjusted accordingly.

4. **Annual Approval and Payment.** The Vina GSA shall annually forward a projected budget to Rock Creek Reclamation District detailing budgeted SGMA Compliance and Implementation Costs. Rock Creek Reclamation District shall have an opportunity to review and approve such budget for the purpose of implementing this Amendment The Vina GSA shall annually account for and forward to the Rock Creek Reclamation District a statement of actual incurred SGMA Compliance and Implementation Costs for the annual period. Upon receipt of a statement of actual incurred costs, Rock Creek Reclamation District shall deliver payment of its proportion of costs (as described in section 3) to the Vina GSA, due within 90 days of receipt of the statement. The Parties may agree in writing to a different payment schedule or interval, or to the use of budgeted amounts in lieu of actual incurred amounts.

   In the event that Rock Creek Reclamation District does not approve of any portion of such budget, it shall inform the Vina GSA in writing of the dispute, and the Parties shall meet and confer in an attempt to resolve the dispute. If the dispute is not resolved, the cost share obligation and responsibility for payment described herein shall not take effect for that annual period, and each Party will be responsible for its own SGMA Compliance and Implementation Costs for that annual period.

5. **Additional Cost Allocations.** Nothing in this Amendment shall be construed as a limitation on the right of the Parties to agree to other and further cost allocations as may be necessary to cover GSP implementation and administration costs.

6. **Representation**. The undersigned representatives warrant and represent that they are fully authorized and empowered to execute this Amendment on behalf of their respective Parties. The undersigned representatives further warrant that they have attained any necessary approvals required by each Party's governing body or designee pursuant to that Party's contract approval procedures.

IN WITNESS WHEREOF, the parties hereto, pursuant to resolutions duly and regularly adopted by their respective governing boards, have caused their names to be affixed by their proper and respective officers as of the date of execution of this Amendment.

By:_____ Date:_____
Chair of the Board of Trustees, Rock Creek Reclamation District

By:_____ Date:_____
Chair of the Board of Directors, Vina Groundwater Sustainability Agency