



UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

Regular Meeting AGENDA

County of Mendocino Supervisors Chamber ♦ 501 Low Gap Rd. ♦ Ukiah, CA 95482

To participate or view the virtual meeting, go to the following link: <https://us06web.zoom.us/j/86074412428>

Or you can call in using your telephone only:

- Call (toll free) 1-669-444-9171
- Enter the Access Code: 860 7441 2428
- To Raise Hand enter *9
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June 11, 2026 - 1:00 PM

1. CALL TO ORDER AND ROLL CALL

2. APPROVAL OF AGENDA

3. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

The Groundwater Sustainability Agency (GSA) Board welcomes input from the audience. If there is a matter of business on the agenda that you are interested in, you may address the Board when this matter is considered. If you wish to speak on a matter that is not on this agenda that is within the subject matter jurisdiction of the GSA Board, you may do so at this time. In order for everyone to be heard, please limit your comments to three (3) minutes per person and not more than ten (10) minutes per subject. The Brown Act regulations do not allow action to be taken on audience comments in which the subject is not listed on the agenda.

4. DISCUSSION AND POSSIBLE ACTION ITEMS

- 4.a. Consideration of the Fiscal Year 20256 - 2027 Operating Budget of the Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA).
Recommended Action: Approve of the proposed Fiscal Year 2026 - 2027 operating budget of the Ukiah Valley Basin Groundwater Sustainability Agency.

Attachments:

1. UVBGSA Budget FY26 27

- 4.b. Review and Discuss Updating the Ukiah Valley Basin Groundwater Sustainability Agency's Governing Documents per the Stantec Technical Memo Relating to Governing Document Amendments and per Recommendations from the Technical Advisory Committee, and Make Any Associated Recommendations to Staff.
Recommended Action: Provide direction to Staff to complete final drafts, in coordination with legal services, incorporating targeted amendments to the Bylaws, JPA, and TAC MOU, for Board adoption at a future board meeting.

Attachments:

1. Stantec UVBGSA Governance and Operations Document Review Memo_2026-02-02
 2. UVB Bylaws - Amended 6 2026
 3. Ukiah-Valley-Basin-GSA-JPA
 4. TAC MOU Amended 6 2026
- 4.c. Receive Update on the Groundwater Sustainability Plan 2027 Periodic Evaluation.
Recommended Action: Receive update from Staff and consultants on the 2027 Groundwater Sustainability Plan Periodic Evaluation.
- 4.d. Receive Update on the Upper Russian River Groundwater Dependent Ecosystem (GDE) and Interconnected Surface Water (ISW) Study.
Recommended Action: Receive update from Staff and consultants on the Upper Russian River Groundwater Dependent Ecosystem and Interconnected Surface Water Study.
- 4.e. Consideration of a Groundwater Sustainability Fee Appeal Submitted by Fred Sagehorn & Son, Inc.
Recommended Action: Receive the appeal submitted by Fred Sagehorn & Son, Inc., consider the information provided by the appellant, and provide direction to Staff regarding the disposition of the appeal.
Attachments:
1. Sagehorn Fee Appeal 6-1-2026
- 4.f. Consideration of Adoption of Resolution and Corresponding Policy Electing to Participate in the California Uniform Public Construction Cost Accounting Act (CUPCCAA), and Consolidate with the City of Ukiah to Maintain the Required List of Registered Contractors.
Recommended Action: Adopt Resolution and Corresponding Policy Electing to Participate in the California Uniform Public Construction Cost Accounting Act (CUPCCAA), and Consolidate with the City of Ukiah to Maintain the Required List of Registered Contractors.
Attachments:
1. CUPCCAA - Manual
2. Proposed Resolution
3. Proposed UVBGSA Policy No 001

5. CONSENT CALENDAR

The following items listed are considered routine and will be enacted by a single motion and roll call vote by the GSA Board. Items may be removed from the Consent Calendar upon request of a Board Member or a citizen, in which event the item will be considered at the completion of all other items on the agenda. The motion by the Board Members on the Consent Calendar will approve and make findings in accordance with Staff recommendations.

- 5.a. Approval of the Minutes for the March 12, 2026, UVBGSA Regular Meeting.
Recommended Action: Approve the Minutes for the March 12, 2026, UVBGSA Regular Meeting.
Attachments:
1. 2026-03-12 GSA Draft Minutes
- 5.b. Consideration of Authorization of the General Manager to Execute Vendor Agreements/Amendments with Existing Contractors; California Land Stewardship Institute (CLSI), and Kronick Moskovitz Tiedemann & Girard (KTMG) Through June 2027, and for Mendocino County Resource Conservation District (MCRCD) Through June 2028, all with Minor Changes to Scope and/or Compensation.
Recommended Action: Authorize the General Manager, in collaboration with legal counsel and the GSA Board Chair, to execute agreements/amendments with the existing Contractors: California Land Stewardship Institute (CLSI), and Kronick Moskovitz Tiedemann & Girard (KTMG) Through June 2027, and for Mendocino County Resource Conservation District (MCRCD) Through June 2028, all with Minor Changes to Scope and/or Compensation.
Attachments:
1. UVBGSA Agreement 2026-2027 1 yr signed CLSI 4.25.26

2. 2026-05-27 Proposed Amendment No. 3 to UVBGSA-Kronick Legal Services Agreement and Exhibits
 3. Agreement_With_MCRCDC_for_Groundwater_Monitoring_Services_(3-Year)
- 5.c. Consideration Amendment No. 5 to Professional Services Agreement with West Yost (Agreement No. 23-01) for Term Extension.
Recommended Action: Approve Amendment No. 5 to Agreement No. 23-01 with West Yost extending the term of the agreement through June 30, 2026, with no change to the total compensation amount, and authorize the General Manager to execute the amendment.
 Attachments:
1. UVBGSA Amendment No. 5 to Professional Services Agreement with West Yost FINAL
- 5.d. Consideration Amendment No. 1 to Professional Services Agreement with the Mendocino County Resource Conservation District (Agreement No. 26-05) for Term Extension.
Recommended Action: Approve Amendment No. 1 to Agreement No. 26-05 with MCRCDC extending the term of the agreement through April 30, 2028, with no change to the total compensation amount, and authorize the General Manager to execute the Amendment.
 Attachments:
1. UVBGSA Amendment No. 1 to Agreement with MCRCDC for Groundwater Monitoring Services (CDFW Funds)
- 5.e. Consider Approval of Amendment No. 1 to the Administrative Services Agreement with the City of Ukiah to Clarify Procedures and Update the General Manager Information.
Recommended Action: Approve Amendment No. 1 to the Administrative Services Agreement with the City of Ukiah and authorize the Board Chair to execute the amendment.
 Attachments:
1. UVBGSA Amendment No. 1 to Admin Services Agreement with City of Ukiah
- 5.f. Consider Adoption of a Resolution Setting Groundwater Sustainability Fees for Fiscal Year 2026-2027.
Recommended Action: Adopt Resolution setting Groundwater Sustainability Fees for Fiscal Year 2026-2027, and authorizing implementation of the fee collection process.
 Attachments:
1. GSA Reso - Setting Groundwater Sustainability Fees for FY 26-27
 2. April 29 2026 HEC Fee Memo UVBGSA

6. STAFF AND PARTNER UPDATES

- 6.a. Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA/GSA) General Manager Update.
Recommended Action: Receive Updates and Provide Direction if Needed.
 Attachments:
1. GM Report 6 11 2026
 2. Factsheet Small GSA Coalition_MAY 2026
 3. Ukiah GSA factsheet DRAFT
 4. UVBGSA Financial Report FY26 Q3
- 6.b. Updates from GSA Legal Counsel

7. FUTURE AGENDA ITEMS AND SET NEXT MEETING DATE

- 7.a. Discussion and Consideration of Future Agenda Items and Scheduling of Next Meeting Date with Meeting to be Held at the County of Mendocino, Board of Supervisors Chamber, 501 Low Gap Rd., Ukiah, CA 95482, at 1:00 p.m.

Recommended Action: Consensus to hold the next regular meeting on the scheduled date of August 13, 2026, at 1:00 p.m. at the Supervisors Chamber, located at 501 Low Gap Rd., Ukiah, CA.

8. ADJOURNMENT

Please be advised that the Ukiah Valley Basin Groundwater Sustainability Agency (GSA) Board needs to be notified 24 hours in advance of a meeting if any specific accommodations or interpreter services are needed in order for you to attend. The GSA Board complies with ADA requirements and will attempt to reasonably accommodate individuals with disabilities upon request. Materials related to an item on this Agenda submitted to the GSA Board Members after distribution of the agenda packet are available for public inspection at the front counter at the Ukiah Civic Center, 300 Seminary Avenue, Ukiah, CA 95482, during normal business hours, Monday through Friday, 8:00 am to 5:00 pm. Any handouts or presentation materials from the public must be submitted to the clerk 48 hours in advance of the meeting; for handouts, please include 10 copies.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Ukiah City Hall, located at 300 Seminary Avenue, Ukiah, California; and at 501 Low Gap Rd., Ukiah, CA 95482; not less than 72 hours prior to the meeting set forth on this agenda.

Kristine Lawler, CMC

Dated: 6/4/26



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT: Consideration of the Fiscal Year 20256 - 2027 Operating Budget of the Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA).

PREPARED BY: Maya Simerson, Senior Management Analyst

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. UVBGSA Budget FY26 27

Summary: Staff will present the proposed FY 2026/2027 Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) budget, and recommends Board approval, which funds essential activities required to comply with the Sustainable Groundwater Management Act (SGMA) and maintain local control of the Ukiah Valley groundwater basin.

Background:

The Sustainable Groundwater Management Act (SGMA), passed in 2014, requires the Ukiah valley groundwater basin to prepare and implement a Groundwater Sustainability Plans (GSP) that guides the Ukiah valley basin towards sustainability. The project and management actions (PMAs) identified in the GSP are conducted for the sole purpose of complying with the requirements of SGMA. It is acknowledged that historically, this basin has operated sustainably. However, changes in water transfers from the Eel River and climate change pose certain risks that may need to be addressed in the future management of local groundwater.

UVBGSA staff met with the Ad-Hoc Budget Committee (Directors Gaska and Bailey) to develop the proposed FY 2026/2027 budget to fund activities needed to stay in compliance with SGMA and maintain local control of the groundwater basin. The proposed budget in Attachment 1 aligns with the projected fiscal impacts developed to support the PMA's and adheres to sound fiscal management principles.

Discussion:

Revenues

UVBGSA revenues remain increased for this next fiscal year due to the grant revenue from the California Department of Fish & Wildlife as the Interconnected Surface Water Study.

The only other notable adjustment is a 3.21% increase to the groundwater sustainability fee to keep pace with inflation.

Expense

A detailed review of expenditures was conducted by staff and the Ad-Hoc Budget Committee. The agreed upon expenses were limited to those necessary to perform essential functions of the UVBGSA for sigma compliance and for work on the Interconnected Surface Waters and Groundwater Dependent Ecosystems (ISWGDE) study.

The committee reviewed the various expenses and recommended those listed in the budget in the attached budget. Total expenditures are anticipated to increase largely due to the CDFW grant work and rollovers from FY25-26 for consultant led projects that were initiated but not completed. The last notable increase was in legal fees, which were impacted by a 5% increase.

The UVBGSA Administration budget covers all operational costs of running the agency, as detailed in section 5.1.1.1 of the GSP. This includes costs for banking with the County of Mendocino, running Board and Technical Advisory Committee (TAC) meetings, insurance, legal fees, fee program management, levy administration, and placement of the groundwater sustainability fees on the property tax bills with the County of Mendocino.

The PMA Administration budget covers all costs associated with oversight and management of PMAs, as detailed in section 5.1.1.1 of the GSP. This includes costs for oversight of GSP contractors, contract and fiscal management, outreach activities, grant administration, and Small UVBGSA Coalition dues. Prior PMA Administration budgets included costs for grant applications, however no grant applications are anticipated in FY 26-27.

The GSP Implementation budget covers all annual monitoring and reporting identified in section 5.1.1.2 of the GSP. This is work primarily conducted by LWA, MCRCD and CLSI. No significant budget adjustments are anticipated in this budget category.

The Project and Management Actions budget covers all costs associated with the implementation of high priority PMAs, along with GSP update requirements detailed in section 5.1.1.2 of the GSP. These are explained in more detail below:

- **Periodic Evaluation Model Updates:** Conduct model updates in preparation for the GSP Periodic Evaluation which is due to DWR in January 2027. Model updates will support all 5 Corrective Actions required by DWR for GSP Update.
- **GSP Periodic Evaluation:** Updates to the GSP were required in the GSP Approval Letter among the 5 Corrective Actions. Work for this project is being completed by LWA and is on target for January 2027 submission.
- **Well Inventory Study:** Develop a comprehensive inventory of wells within the Ukiah Valley Basin and update the basin model to account for additional well data that wasn't previously captured in the development of the basin model to most accurately represent the groundwater conditions and possible extraction points within the basin. This will improve groundwater modeling, future outreach efforts, and potential future fee structures. This is an important predecessor to other PMAs. It also supports All 5 Corrective Actions required by DWR for GSP Update. This work began in FY24-25 and will continue through this year.
- **Interconnected SW-GW Study:** Fill in high-priority data gaps related to interconnected surface waters, groundwater dependent ecosystems, fish health, and water quality within the basin, and update the basin model and sustainable management criteria related to depletion of surface water. This project will help the GSA better define and prioritize PMAs to manage the basin more effectively where there's uncertainty on the future of Potter Valley Project diversions which support surface water flows, instream recharge to groundwater, groundwater dependent ecosystems, and fish habitat. It may also lead to more funding to support needed restoration work to improve the Russian River and tributaries ability to support instream recharge to groundwater, groundwater dependent ecosystems, and fish habitat which increases local drought resiliency. Supports Corrective Action 4 required by DWR for GSP Update. This project is funded under a grant from CDFW and is in progress with a completion date of March 2028.

Fiscal Impact

The UVBGSA anticipates collecting approximately \$663,900 in GSA fee revenue, plus an assumed reimbursement from CDFW for the ISWGDE work in the amount of \$450,000 in addition to an opening cash

balance estimated at \$654,000, total cash equals \$1,760,900 (not including any bad debt), with \$1,027,261 in expenses, and an estimated \$733,639 in net total cash by the end of FY 2026/2027.

Recommended Action: Approve of the proposed Fiscal Year 2026 - 2027 operating budget of the Ukiah Valley Basin Groundwater Sustainability Agency.

Preliminary- UVBGS Budget FY26/27

Attachment # 1

	Budget FY2025/2026	Projected Actuals FY2025/2026	Budget FY2026/2027
Revenue			
Bad Debt	-15,800	-10,000	-7,000
Fiscal Year-End Reserve	218,500	654,000	654,000
Grants	471,700	200,000	450,000
GSA Fee Revenue			
Direct Billing- PWS	0	182,264	183,000
Direct Billing- TE	0	6,144	7,650
Property Tax Roll	643,860	492,513	473,250
Total GSA Fee Revenue	643,860	680,921	663,900
Total Revenue	1,318,260	1,524,921	1,760,900
Expense- GSA Admin			
			2,500
PSA- City of Ukiah	0	27,829	60,939
PSA- As Requested Services	0	0	0
Board & TAC Meetings	42,000	0	0
County Administration- Finance	5,500	4,000	5,000
County Payroll Tax Fee Costs 2%	12,000	12,000	10,000
Fee Program Admin	7,600	0	0
Insurance- Golden State RMA	2,800	2,800	2,800
Legal- KTMG	45,000	30,000	75,000
Levy Administration- HEC	24,000	23,206	28,640
Stakeholder Outreach/Comms	1,856	0	0
Total GSA Admin	140,756	99,835	182,379
Expense - GSA PMA Admin			
Contracts/Fiscal Management- COU	0	27,829	42,473
Grant Administration	45,000	0	0
Grant Writing/Management	0	0	0
GSP Implementation Oversight	10,600	0	0
Outreach, Engagement, Annual WS	3,700	0	0
Rate and Fee Support	0	0	0
Small GSA Coalition Membership	3,750	3,750	5,000
Website/Email; WpOnCall (\$1073), Google Suite (\$216), Dialpad (\$275/yr); GoDaddy (\$52); Accessible (\$490/yr)	2,500	2,200	2,200
Total GSA PMA Admin	65,550	33,779	49,673
GSA Support GSP Implementation			
Annual Reporting (LWA)	25,000	25,000	25,000
On-Call Technical Support (LWA)	20,000	20,000	45,000
Meeting support (LWA)	0	0	20,000
Monitoring and Data O&M (LWA)	0	0	15,000
Model Updates	0	0	0
Monitoring and Data Collection (MCRCD)	31,500	31,500	29,590
Monitoring and Data Collection (CLSI)	10,000	10,000	10,074
Technical Support	56,400	25,000	0
Well Telemetry	0	0	0
Total GSA Support GSP Implementation	142,900	111,500	144,664
Project & Management Actions			
GSP Periodic Evaluation	168,240	75,000	93,240
Interconnected SW-GW Study	426,700	350,000	475,105
Periodic Model Updates	89,520	39,520	50,000
Rate and Fee Study	0	0	0
Well Inventory Study	97,200	40,000	57,200
Total Project & Management Actions	781,660	504,520	675,545
Total Expense	1,130,866	749,634	1,052,261
Net Profit/Loss	187,394	775,287	708,639



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT: Review and Discuss Updating the Ukiah Valley Basin Groundwater Sustainability Agency's Governing Documents per the Stantec Technical Memo Relating to Governing Document Amendments and per Recommendations from the Technical Advisory Committee, and Make Any Associated Recommendations to Staff.

PREPARED BY: Maya Simerson, Senior Management Analyst

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. Stantec UVBGSA Governance and Operations Document Review Memo_2026-02-02
2. UVB Bylaws - Amended 6 2026
3. Ukiah-Valley-Basin-GSA-JPA
4. TAC MOU Amended 6 2026

Summary: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) Board of Directors will review and discuss the Stantec Technical Memo and Technical Advisory Committee (TAC) recommendations relating to governing document amendments, and discuss a target approach to updating the agency's governing documents.

Background:

The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) requested a technical memorandum from Stantec to evaluate the Agency's governing documents, including the Joint Powers Agreement (JPA), the agency's Bylaws, and the Technical Advisory Committee's (TAC) Memorandum of Understanding (MOU). This review was undertaken to identify opportunities to improve clarity, consistency, and alignment with best practices for Groundwater Sustainability Agencies operating under the Sustainable Groundwater Management Act. See the full memo in Attachment #1.

The Stantec memo identifies several areas where the documents could be strengthened, including:

- Defining eligibility, appointment processes, and continuing qualifications for Board and TAC members;
- Establishing term lengths and/or setting limits to holding consecutive positions;
- Formalizing TAC leadership roles such as Chair and Vice-Chair;
- Clarifying the TAC's authority to form ad hoc working groups;
- Providing more specificity regarding meeting logistics and public noticing requirements consistent with the Ralph M. Brown Act; and
- Clarifying how the TAC develops recommendations to the Board and responds to Board direction.

The memo also identifies the need to replace the Upper Russian River Watershed Authority with the Ukiah Valley Water Agency, and it points to an inconsistency between the JPA and TAC MOU related to TAC membership.

Discussion:

Staff has begun incorporating the recommendations from the Stantec memo into draft amendments to the Bylaws, the JPA and the TAC MOU, see attachments #2-4. Staff has also considered the alternative option of developing a standalone TAC Charter to address governance and procedural details.

Key policy considerations for the Board and TAC include:

- Whether to amend the existing TAC MOU or develop a separate TAC Charter;
- How to formally define TAC membership, including resolution of the inconsistency related to CLSI participation;
- The appropriate level of structure for TAC terms, leadership roles, and meeting procedures; and
- How best to formalize the process for TAC recommendations and responses to Board direction.
- Whether to transition the finances from the County of Mendocino to the City of Ukiah

The TAC reviewed and discussed this item at their May 13th meeting. In addition to the following recommendations

The TAC recommends that Staff proceeds with **targeted amendments to the existing governing documents**—including the Bylaws, Joint Powers Agreement (JPA), and Technical Advisory Committee (TAC) Memorandum of Understanding (MOU)—to incorporate the highest priority the recommendations identified in the Stantec technical memorandum. The redline changes proposed for these three documents can be referenced in Attachment #2.

The TAC further recommends **not pursuing development of a standalone TAC Charter** at this time. While a Charter could provide a consolidated framework for TAC procedures, it would introduce an additional governing document, which may create redundancy, increase administrative complexity, and require ongoing coordination across multiple documents. Amending the existing documents instead maintains a more streamlined and cohesive governance structure. However, the TAC recommends aligning the TAC membership to the Board membership.

The TAC also presented a recommendation that the **Agency finances** be moved from the County of Mendocino to the City of Ukiah and that an **optional stipend** to recognize the time and effort required for Board members to prepare for and participate in agency meetings be established in the ByLaws. The proposed amount is \$100 per meeting.

In summary, the TAC and Staff recommends that the Board authorize Staff to return with **final amended documents** to the Bylaws, JPA, and TAC MOU to be presented to the Board for consideration and adoption at a future meeting.

Recommended Action: Provide direction to Staff to complete final drafts, in coordination with legal services, incorporating targeted amendments to the Bylaws, JPA, and TAC MOU, for Board adoption at a future board meeting.

To: Blake Adams
City of Ukiah, Ukiah Valley Basin
Groundwater Sustainability Agency

From: Marisa Perez-Reyes, Nicole
Hinostroza, and Bridget Lowry
Stantec Consulting Services Inc;
Sacramento, CA

File: Technical Memorandum:
Governance and Operational
Document Review

Date: February 2, 2026

Dear Blake Adams,

Per your request, Stantec has prepared a technical memorandum with options for potential revisions to the Ukiah Valley Basin GSA's governance and operational documents. The technical memorandum outlines areas that may benefit from an update to enhance alignment and efficiency during implementation of the Ukiah Valley Basin's Groundwater Sustainability Plan. When appropriate, alternative text and/or suggestions for revisions are also offered. Key areas that are addressed in the analysis include:

- GSA Board Composition
- Designation of GSA Board Member Alternates
- GSA Board Meeting Attendance
- Removal of a GSA Member Agency or Board Director
- GSA Board Member Terms and Vacancies
- Composition and Requirements of the Technical Advisory Committee
- Clarifying the GSA Administration Role and Responsibilities
- Incorporating Changes and Updates from Board Resolutions
- Incorporating Information from the Compliance Checklist
- JPA Amendment Process
- Dispute Resolution and Conflict Management
- Clarification of Financial Powers
- Opportunities for Improving Communication and Engagement
- Next Steps for Aligning ISP 79 Activities

We hope the enclosed technical memorandum is helpful to your planning regarding potential updates to UVBGSA's governing and operational documents, and welcome further discussion. Please do not hesitate to reach out to us with any questions you may have.

Regards,

Stantec Consulting Services Inc.



Ukiah Valley Basin
Groundwater Sustainability Agency

Technical Memorandum

Ukiah Valley Basin GSA Governance and Operational Document Review Considerations for Potential Revisions to Enhance Alignment and Efficiency During GSP Implementation Date: February 2, 2026

Prepared by:

Marisa Perez-Reyes
Nicole Hinostrroza
Bridget Lowry



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ACRONYMS AND ABBREVIATIONS:

California Land Stewardship Institute (CLSI)
Facilitation Support Services (FSS)
Implementation Service Plan (ISP)
Groundwater Sustainability Agency (GSA)
Groundwater Sustainability Plan (GSP)
Joint Powers Agreement (JPA)
Memorandum of Understanding (MOU)
Mendocino County Resource Conservation District (MCRCD)
Mendocino County Russian River Flood Control and Water Conservation District (RRFC)
Sonoma County Water Agency (SCWA)
Sustainable Groundwater Management Act (SGMA)
Technical Advisory Committee (TAC)
Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA)
Ukiah Valley Water Authority (UVWA)
Upper Russian River Water Agency (URRWA)

This memorandum was prepared by Stantec at the request of the Ukiah Valley Basin GSA, with support from the California Department of Water Resources, Facilitation Support Services (FSS) Program, Implementation Service Plan (ISP) No. 79.

INTRODUCTION

This technical memorandum, Governance and Operational Document Review, was prepared by Stantec at the request of the Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA, GSA).

UVBGSA is made up of four member agencies: the City of Ukiah, County of Mendocino, Russian River Flood Control and Water Conservation District (RRFC) and the Upper Russian River Water Agency (URRWA), joined together in Joint Powers Agreement (JPA) to develop and implement the Ukiah Valley Basin Groundwater Sustainability Plan (GSP). The GSA is governed by a six-member Board of Directors, advised by a nine-member Technical Advisory Committee (TAC), and administered by the City of Ukiah.

The original Ukiah Valley Basin governance documents were drafted during the GSA's formation and created the structure that supported the Basin's GSP development and adoption. The work of the GSA has now shifted to implementation of the GSP. Given the evolving nature of the GSA's work, a review of its guiding documents is appropriate. The goal of the review is to identify potential revisions that would enhance alignment with Sustainable Groundwater Management Act (SGMA) requirements, reflect the agency's existing practices, and highlight opportunities for efficiency.

The technical memorandum lists the documents Stantec reviewed and outlines areas that may benefit from an update. Stantec consulted with the GSA to track existing governance documents to ensure that all relevant documents were reviewed. When appropriate, alternative text and/or suggestions for revisions are also offered. During this review, particular attention was given to the GSA's JPA requirements and Bylaws that support the formation and function of the Ukiah GSA and supporting agencies and discussions with the GSA Administrator on the GSA's current challenges and opportunities.

Reviewed documents included the following:

- 2017 Ukiah Valley Basin GSA Joint Powers Agreement (JPA)
- 2017 Ukiah Valley Basin GSA Bylaws
- 2018 Memorandum of Understanding (MOU) between the GSA, Mendocino County Resource Conservation District (MCRCD), Sonoma County Water Agency (SCWA), and the California Land Stewardship Institute (CLSI) establishing the Ukiah Valley Basin Technical Advisory Committee (TAC)
- 2022 Ukiah Valley Basin GSA Communications and Engagement Update
- Ukiah Valley Basin GSA Administrative Processes Document
- Ukiah Valley Basin GSA Governance Compliance Checklist
- February 2025 email communications between Indigo Bannister (West Yost, previously contracted GSA administrator) and UVBGSA legal counsel regarding potential JPA amendments
- Board Resolutions:
 - No. 23-01 Decisions Between Board Meetings
 - No. 23-03 Ukiah Valley Basin GSA Procurement Processes
 - No. 24-01 Adopting New Governance Policies
 - No. 24-02 GM Spending Authority
 - No. 24-03 Adopting Social Media Policy

This memorandum identifies several governance and operational gaps, potential challenges, and opportunities for enhancements. Options for revisions to the JPA, Bylaws, or other associated governance and operational documents are also offered. Key challenges or opportunities are grouped and offer corresponding options the GSA may consider to address them.

GSA BOARD COMPOSITION

The 2017 JPA was signed by four member agencies: the City of Ukiah, the County of Mendocino, the Russian River Flood Control and Water Conservation District (RRFC) and the Upper Russian River Water Agency (URRWA). URRWA has since disbanded and will therefore no longer be a member of the GSA. A new water agency in the region, the Ukiah Valley Water Authority (UVWA), has formed and is anticipated to be added as a member agency to the GSA. To address this change, the GSA should:

- Update the JPA to remove references to URRWA and to add UVWA as a member agency.
- Update Section 7.1.3 of the JPA to describe the relationship between UVWA and the City of Ukiah.

The GSA might also consider adding a Domestic Well User Stakeholder Director position to allow for representation from this beneficial user group.

DESIGNATION OF GSA BOARD MEMBER ALTERNATES

JPA Section 7.4 states, "Each Member may also appoint one (1) Alternate Director to the Board of Directors, and an Alternate Director shall be appointed for each Stakeholder Director". This language can be interpreted to mean that Alternates are optional for Member Agencies but are required for the Stakeholder Directors. The Bylaws provide this clarification by stating, "Each Member Agency is responsible for appointing a Board Member and an Alternate Board Member, pursuant to its own procedures and authorities." Aligning the JPA with this language will ensure consistency across governance documents and reduce confusion. To avoid ambiguity, the GSA could:

- Revise Section 7.4 of the JPA to clearly state the expectation that an Alternate be appointed for every Director seat.

In contrast to Bylaws Section 2.2.4, which outlines the process for the Board to appoint the Agricultural Stakeholder Director and Alternate, Section 2.2.3 does not include language about the process for appointing an Alternate for the Tribal Stakeholder Director position. To address this, the GSA could:

- Add language to Section 2.2.3 to clarify expectations for how an Alternate for the Tribal Stakeholder Representative will be determined.

This issue is especially pertinent given challenges that have surfaced in recent years with reaching quorum at GSA Board meetings. Establishing Alternates may support achieving quorum in cases when not all Members are able to attend.

GSA BOARD MEETING ATTENDANCE

To further address issues in attendance and meeting quorum, the GSA could also consider adding language to the JPA and/or Bylaws that outlines expectations for meeting attendance and sets a process for managing excessive absences. Example text could include:

- The expectation that Board Directors attend and actively participate in all Board meetings,
- Encouragement of Alternate Directors to attend meetings to stay informed of Board actions and developments,
- Expectation that Board Directors notify their Alternates to participate at a Board meeting on their behalf in the event that a Director is unable to attend, and/or
- A process for declaring a vacancy on the Board if neither the Director or Alternate attends a certain number of consecutive Board meetings or a certain number of meetings within a year.

REMOVAL OF A GSA MEMBER AGENCY OR BOARD DIRECTOR

Currently, Section 7.6 of the JPA outlines the terms for removal of a Board Member (noting that Member Agency Directors may be removed or replaced by their appointing Member Agency at any time, and Stakeholder Directors may be removed or reappointed by a simple majority vote of the GSA Board) and Article 17 describes policies for voluntary withdrawal of a GSA Member Agency, but neither specify what would constitute grounds for involuntary termination of a member agency. The GSA may wish to develop a policy that establishes clear procedures for Board Members and Member Agencies, in the event of absenteeism, failure to pay dues, and/or unethical/improper conduct. Options to address this could include:

- Revise Section 7.6 of the JPA to outline the action(s) the Board may take in response to violations of attendance, financial obligations, or conduct requirements such as a issuing written warnings to the Director or Alternate and Member Agency, outlining corrective steps and timelines, and if noncompliance persists, a process to recommending removal of the Director or Alternate.
- Revise Article 17 of the JPA to specify what measures would constitute the removal of a Member Agency from the GSA, such as absenteeism, failure to pay dues, and/or unethical/improper conduct, as well as the measures that would be taken to notify the Member Agency of the GSA's intent to terminate, with corrective actions and timelines to comply, as appropriate.

GSA BOARD MEMBER TERMS AND VACANCIES

The GSA has expressed a desire to include additional policies to address vacancies on the Board of Directors due to expiration of terms. Currently, Section 7.7 of the JPA states that when vacancies occur on the Board of Directors, a replacement should be appointed to fill the unexpired term of the previous Board Member. Upon the vacancy of a Member Director, the Alternate Director shall then serve as Director until a new Director is appointed. Currently, there is a gap in procedure for cases where a Director's term has expired but there are no qualified candidates to assume the role and in what case a Director might serve an additional term. To provide further clarity around member terms, the GSA might:

- Revise the JPA and/or Bylaws to allow Directors and Alternates Directors with expiring terms to hold office until their successor is selected by their Member Agency, and the GSA has been notified of the succession. If a Director or Alternate Director's term is expiring and there are no qualified candidates for the open seat, they may continue to hold office until a qualified replacement is appointed and assumes the role.
- Amend Section 7.5 of the JPA to add more specificity regarding rules for Board member term limits, conditions for consecutive terms, and clarify that all Director terms are concurrent. The section should also state that when a new Director is appointed mid-term, they serve the remainder of the exiting term rather than starting a new term.
- Update the JPA and/or Bylaws to state a Director may resign at any time upon written notice to the GSA, including any timing considerations for the notice of resignation.

COMPOSITION AND REQUIREMENTS OF THE TECHNICAL ADVISORY COMMITTEE

A 2018 Memorandum of Understanding (MOU) established the UVBGSA Technical Advisory Committee (TAC) and includes general information about the TAC's purpose, composition, and general functions. However, a detailed Charter for the TAC does not exist and the level of detail that many TAC Charters would typically list does not exist in the MOU. Among the components not detailed in the MOU are:

- Eligibility and continuing qualifications to serve as a representative on the TAC and nomination or application processes,
- TAC member term lengths or limits,
- Committee roles (e.g., chair, vice-chair),

- Authority to convene ad hoc groups on specific topics,
- Location, time, and frequency of TAC meetings, and the location where meeting agendas are posted per the requirements of the Ralph M. Brown Act, and
- Detail about how recommendations are made from the TAC to the Board and how the TAC responds to directives from the Board to advise on certain topics.

To document this information, the GSA could either:

- Amend the TAC MOU to include details consistent with the above listed components, or
- Develop and adopt a TAC Charter that includes the relevant details.

Additionally, there is an inconsistency in how the UVBGSA JPA and TAC MOU describe TAC membership. Both state that the TAC will be comprised of at least one representative from each member agency, one Agricultural Stakeholder representative, one Tribal Stakeholder representative, one member representing SCWA, and one representing the MCRCD. However, the MOU also indicates that a representative from CLSI will participate in the TAC. The GSA could address the inconsistency by:

- Updating the JPA to include CLSI as a member of the TAC.

CLARIFYING THE GSA ADMINISTRATION ROLE AND RESPONSIBILITIES

The GSA's governing documents are not consistent in how they refer to the GSA's Administrator/ Executive Director/ General Manager, nor is the scope of responsibilities abundantly clear. At the time of the GSA's formation, Article 13 of the JPA allowed the Board of Directors to hire an Executive Director who would serve as the Chief Administrative Officer of the GSA and would be responsible for the proper and efficient administration of the GSA and hold all the powers designated in the Bylaws. However, the Bylaws reference the Executive Director only once and do not provide further detail on the roles and responsibilities of this position. More current Board Resolutions consistently refer to a GSA General Manager—a role that is not defined in the JPA or Bylaws. Options to address this include:

- Update Article 1 of the JPA to state that “Executive Director” and “GSA General Manager” are used interchangeably to refer to the same position.
- Update the Article 4 of the Bylaws to include a section on the roles and responsibilities of the Executive Director and to add a clause that states “Executive Director” and “GSA General Manager” are used interchangeably to refer to the same position.

UVBGSA contracted with West Yost consultants to perform the role of Executive Director from 2022-2024. In 2025, the City of Ukiah assumed the administrative duties for managing the GSA and worked with West Yost to outline a UVB Administrative Process document describing the administrative duties of the GSA Executive Director. To reduce ambiguity and better align the documents, the GSA might:

- Add a section to the Bylaws that describes the role and responsibilities of the Executive Director, using information from the UVB Administrative Process document.

INCORPORATING CHANGES AND UPDATES FROM BOARD RESOLUTIONS

Numerous resolutions have been approved by the Board that could be incorporated in the GSA Bylaws. Options to update the Bylaws include:

- Add a new section to incorporate Resolution No. 23-01, which established an alternative process for policy decisions requiring urgent action.
- Update Article 2 to include policies adopted under Resolution No. 24-01 and 24-03, which address social media use by the Board and the expectations and appropriate use of GSA property and resources by Directors.

- Update Section 7.3, which directs the GSA to use the County of Mendocino’s procurement process, standard contract, legal review, and contract administration, to reference Resolution No. 23-03, which allows the GSA to adopt their own GSA procurement policies.
- Update Article 10 to incorporate the governance policies adopted under Resolution No. 24-01, which established the “Document Retention and Destruction Policy.”
- Update Article 11, which expresses the GSA’s intent to develop Ethics and Conflict of Interest policies, to reference Resolution No. 24-01 which formally adopted a new Conflict of Interest Code and Code of Ethics.
- Update Article 7 to incorporate the GM’s spending authority adopted under Resolution 24-02.

INCORPORATING INFORMATION FROM THE COMPLIANCE CHECKLIST

The Ukiah Valley Basin GSA Governance Compliance Checklist outlines compliance requirements, recommended SGMA best practices and suggested policies for future consideration that serve as an internal resource for the GSA Administrator to determine missing policies, procedures, and processes in governance. In some instances, the GSA may consider incorporating relevant practices into its JPA and Bylaws or passing a Board Resolution to formally adopt and document the policies.

Across multiple checklist categories, the GSA lacks fully documented and consistent processes related to training requirements and onboarding procedures for different roles. The checklist also identifies gaps in reporting and disclosure procedures expected from elected officials and decision-makers. To address these governance gaps, the GSA may consider the following:

- Pass a Board Resolution that formally documents required trainings, standardizes the onboarding process, and lists reporting and disclosure expectations from GSA members, elected officials, and staff, or
- Amend the Bylaws to formally document the same items.

Similarly, the Compliance Checklist states that periodic financial reports should be prepared by a certified public accountant and lists elements the report should address. An option to provide further clarity would be to:

- Amend Article 12.1 to reflect the new entity assuming the Treasurer and Controller role and to include the best practices of processes for financial reporting.

See **Appendix A** for the complete summary of gaps identified in the Compliance Checklist and how these items could be incorporated into existing or new governance documents.

JPA AMENDMENT PROCESS

The JPA does not currently outline a formal process for adopting an amendment to the JPA. Language to add to the JPA could include:

- Information about the process required for a member agency to provide formal written notice if they intend to withdraw from the Agreement, including timing considerations for when the agency’s withdrawal is considered effective and the agency is no longer considered a “Member” of the GSA, per § 17.1 of the agreement.
- Information about the number of Board members that must consent for an amendment to the JPA to be considered.
- Expand upon § 18.7 of the Agreement to include how the amended JPA would be circulated to obtain signatures from existing Members.
- Procedures expected for individual member agencies to adopt the amended JPA, if any.

- Timing considerations for when the amendment would take effect and when copies of the amendment must be sent to the Secretary of State's Office and Controller's Office.

DISPUTE RESOLUTION AND CONFLICT MANAGEMENT

Currently, the GSA does not have a clearly established process for resolving disputes between Members of the JPA. The GSA should consider adding a new section to the JPA to address roles and responsibilities for conflict dispute resolution. Considerations may include:

- Information about which party is responsible for attempting to resolve any issues that should arise between Member Agencies or Directors, through coordination of informal negotiations, facilitation of communication, and assistance to members to reach a resolution.
- Options available for the GSA to engage a mediator or arbitrator to assist in reaching a resolution, if the GSA is not able to resolve the matter informally.

CLARIFICATION OF FINANCIAL POWERS

Since the formation of the GSA, the role of Mendocino County has changed. Areas that may warrant attention include:

- Article 12 of the JPA and Bylaws Section 6.3, which states that the Mendocino County shall act as Treasurer and Controller for the GSA. To reflect current practices, the GSA should revise these sections to remove mention of Mendocino County and add language stating that the GSA Board may appoint any Member to the role of Treasurer and Controller upon a simple majority vote.
- Article 6.3.2.1 of the Bylaws, which directs Mendocino County to conduct or coordinate an Independent Audit, among other sections that assign duties to the County, may need to be revisited.

Lastly, GSA Legal Counsel indicated to the previous administrator, West Yost, that the GSA may wish to clarify how GSA fees might be administered. In email communications from earlier this year, Legal Counsel recommended the GSA add language to Article 7 of the JPA to clarify which Member agencies can administer fees and within which geographic jurisdictions. Without further context, Stantec cannot make a recommendation as to how this comment should be considered.

OPPORTUNITIES FOR IMPROVING COMMUNICATION AND ENGAGEMENT

In 2022, Stantec prepared an update to the GSA's Communication and Engagement Plan which identified recommendations for improved outreach and engagement with Tribes and other Stakeholder groups. Some recommendations for the GSA to consider include:

- Shifting GSA Board and TAC meeting times that take place outside of business hours to allow for more participation from members of the public.
- Allowing hybrid participation in Board and TAC meetings to allow for increased participation.
- Tribes have requested separate meetings amongst UVBGSA staff and Tribal Representatives. The GSA could consider allowing these types of meetings to be held or directly engaging with trusted community partners to increase Tribal participation.

If the GSA were to implement any recommendation from the C&E plan, it would be a good practice to ensure that the JPA or Bylaws are updated to reflect changes.

NEXT STEPS: ALIGNING ISP 79 ACTIVITIES WITH GOVERNANCE IMPROVEMENTS

This memorandum includes options for amending the UVBGSA JPA, Bylaws, TAC MOU, and other relevant operational/administrative resources. We hope this memo will help support the GSA Administrator and UVBGSA legal counsel as they prepare as-needed amendments to these documents.

In addition to providing considerations for changes to these documents, Stantec anticipates this governance and operational document review memo can help inform the other governance, operational, and strategic planning activities included in ISP 79:

- **TAC Charter/MOU Amendment** – ISP 79 includes scope to prepare a redline amendment of the TAC Charter, pending outcomes from this activity. The scope of work in the ISP would need to be updated and clarified, because the TAC has an MOU that functions as a Charter rather than an existing Charter. Based on the GSA's review of this technical memorandum, Stantec could likely support the preparation of an amendment to the MOU or the development of a new charter.
- **Operations Plan** – ISP 79 includes scope to prepare an Operations Plan describing the roles and responsibilities of the various entities involved in governing, advising, or administering the UVBGSA. This memo can help identify areas where greater operational clarity is needed, and therefore facilitate a discussion with the GSA Administrator or other GSA supports about UVBGSA processes.
- **Strategic Plan** – Lastly, the ISP includes support for preparation of a Strategic Plan, to articulate UVBGSA's vision and long- and short-term goals. Stantec will conduct a series of interviews with TAC members and interested parties and summarize interview findings in a presentation to the Board and TAC and receive direction on items to prioritize in the development of the Strategic Plan. Some of the questions raised for GSA consideration raised in this memo may be useful to review during interviews or with the GSA Board.

FSS support is not limited to activities currently scoped in ISP 79. If the GSA identifies areas where additional support may be useful for carrying out options identified in this memorandum, the GSA is encouraged to work with GSA and DWR to submit a request for additional services.

APPENDIX A. GSA GOVERNANCE CHECKLIST GAPS AND CORRESPONDING OPTIONS FOR ADDRESSING

Checklist Category	Existing Gap(s)	Options for Addressing
Financial Practices		
<p>General – UVBGSA should, if applicable, fully disclose both positive and negative financial information to the public and financial institutions including fund summaries, revenues, expenditures, and forecasts.</p>	<p>The GSA has a process in place for financial disclosure, but the requirements are not currently documented in the Bylaws.</p>	<p>Amend Article 7 of the Bylaws to include the explicit requirements for disclosing both positive and negative financial information to the public and financial institutions. The amendment could also specify the reporting procedures and standards the GSA must abide by.</p>
<p>Internal Agency Controls – Adopt internal policies that establish a clear authorization, approval, verification, and reconciliation process to ensure accuracy, detect discrepancies, and guide corrective actions.</p>	<p>Article 7 of the Bylaws addresses authorizations and approvals for transactions but does not address reconciliation or corrective actions.</p> <p>Board Resolution 24-02 provides guidance on authority and limitations on discretionary spending by the GSA Administrator.</p> <p>The JPA does not address the checklist recommendation for Internal Agency Controls.</p>	<p>Pass a Board Resolution or amend Article 7 of the Bylaws to establish clearer authorization, approval, verification, reconciliation processes, detect discrepancies, and guide corrective actions.</p>
<p>Periodic Financial Reports – Financial reports should be prepared by a certified public accountant (CPA) in accordance with generally accepted accounting principles, with periodic reporting to GSA officials, disclosure of assets and liabilities, and investment reporting presented in open meetings</p>	<p>Bylaws Article 6 directs the Treasurer and Controller (County of Mendocino) to coordinate an independent audit by a CPA, maintain records of assets and liabilities accessible to the Board and provide a quarterly Treasurer report to the Board. It is not clear if investment reporting is presented in open meetings.</p>	<p>Amend Article 12.1 of the JPA to incorporate best-practice financial reporting such as rules and procedures for disclosure of assets and liabilities, and to specify the GSA's commitment to present investment reports in open meetings.</p>
<p>Budget – Adopt internal budget policies requiring the posting of the current fiscal year budget on the GSA website and when applicable, establishing clear-capital financing and debt management policies governing consultant selection, disclosure</p>	<p>Article 7 and 9 of the Bylaws and Article 15 of the JPA cover budget and capital financing and debt topics, but they do not specify requirements for posting budgets online.</p>	<p>Either through Board resolution or by amending Article 9 to the Bylaws, include a policy debt management that addresses how it selects external consultants and disclosure practices and interactions with rating service agencies.</p>

Checklist Category	Existing Gap(s)	Options for Addressing
practices and interactions with rating agencies.	Currently, there are no policies in the JPA or Bylaws that address debt management related to external consultants or disclosure practices and interactions with rating service agencies.	Additionally, a policy to post complete fiscal year budgets could be added to the Bylaws to properly document administrative procedures and requirements.
Audits – Pursuant to California law, ensure accountability of funds through regular audits, cooperation with state and federal audits, independent audits within 180 days of the year-end, posting of audit reports, rotation of auditors, and Board review of audit results in an open meeting.	Article 12 of the JPA directs the treasurer and controller (County of Mendicino) to coordinate independent audits in compliance with Government Code Section 6505. It does not mention cooperation with other state or federal audits, audits timelines, posting requirements, rotation of auditors and Board review of audit results in an open meeting.	Via Board Resolution or by amending the Bylaws, the GSA could specify required annual/biennial independent audits, 180-day deadline post year-end, auditor rotation, full cooperation with state/federal audits, Board debrief in open session and posting of audit reports. OR Via Board Resolution, the GSA could also consider documenting these audit procedures in an Audit Policy detailing roles, timelines, and public posting requirements.
Expense Reimbursement – Implement policies governing travel and expense reimbursement for officials and staff, including limits to expenses, use of government and group rates, distribution of policy to new personnel, consistent staff review of compliance and independent verification.	Though expense reimbursement is not addressed in the JPA or Bylaws, this may likely only be applicable to consultants of the GSA. In those cases, contracts cover these reimbursement policies.	If the GSA desires to implement travel and expense reimbursement for elected officials and staff, it could pass a Board Resolution or amend Bylaws Article 7 to document administrative policies and procedures.
Allowances – Adopt a policy addressing allowances for Board members and staff, ensuring allowances are supported by clear documentation of their factual basis.	There are currently no policies addressing allowances for Board and staff members.	Pass a Board Resolution or consider amending Article 7 of the Bylaws to address allowance reporting and documentation and additional requirements for Board members and staff.

Checklist Category	Existing Gap(s)	Options for Addressing
<p>Use of GSA Resources and Equipment – Audit policies prohibit gifts of public resources, personal or political use of GSA resources, improper mass mailings, and ensuring consistent enforcement and training for those with special access to GSA equipment.</p>	<p>None. This item is addressed by Resolution No 24-01, Exhibit A, Proper Use, and Safeguarding UVBGSA Property and Resources Policy.</p>	<p>N/A.</p>
<p>Procurement and Contract Rules and Policies – Establish a transparent, agency-wide procurement and contracting policy that includes advertising requirements, compliance with self-dealing and conflict-of-interest laws, form 700 and form 805 filing, standards for surplus-property disposal, and adherence to competitive bidding requirements where applicable.</p>	<p>Procurement processes and policies are addressed in Board Resolution No. 23-03. Board Resolution No. 24-01 adopted a new Conflict of Interest Code and a Code of Ethics which includes Form 700 filing requirements.</p> <p>There are currently no policies addressing Form 805 filing and advertisement requirements.</p>	<p>Pass a Board Resolution or amend Article 7 of the Bylaws to address advertising requirements and Form 805 filing.</p>
<p>Investments and Bonds – Adopt an annual written investment policy that provides guidelines for the deposit and investment of GSA funds in accordance with applicable laws.</p>	<p>There is no policy speaking to annual written investment statement requirements.</p>	<p>If the GSA has investments, pass a Board Resolution or amend Bylaws Article 9 to include the annual written investment policy and a section addressing investments and bonds.</p>
<p>Open Government</p>		
<p>Promoting Transparency – Ensure officials and designated staff maintain current Form 700 Statements of Economic Interests and adopt a policy for receiving and reporting tickets or event admissions. in compliance with FPPC requirements (Form 802).</p>	<p>Bylaws Article 6 states the Treasurer’s duties shall include keeping and maintaining matters included in financial statements.</p>	<p>Article 6 of the Bylaws could be amended to document the forms Board Members and staff must submit to the Treasurer.</p>
<p>Public Records Act Requests and Record Retention – Adopt policies for responding to Public Records Act requests and establishing a records retention schedule specifying required retention periods, with procedures</p>	<p>Bylaws Article 10.3 specifies that the Agency shall comply with California Public Records Act.</p> <p>Board Resolution 2024-01, Exhibit B: Document Retention and Destruction</p>	<p>N/A.</p>

Checklist Category	Existing Gap(s)	Options for Addressing
made publicly accessible and a designated staff roles.	Policy include a records retention schedule and destruction procedures.	
Public Engagement – Ensure compliance with Brown Act posting requirements, adopt a policy addressing AB 992’s limits on board member social media use, and maintain accessible meeting calendars, agendas, minutes, and translated communication materials as needed.	Both the JPA and Bylaws mention that the governing body of the GSA is subject to the Brown Act and must follow posting requirements, but it does not mention the GSAs commitment to maintain meeting calendars, minutes, and translated materials. Board Resolution 2024-01 includes a Social Media Use policy for Board Members.	Pass a Board Resolution or amend Article 3 Meetings of the Bylaws to include the GSA’s commitment to maintaining meeting calendars, minutes, and translated materials.
Information about Key Elected and Appointed Officials and Staff – Prepare the annual Local Appointments List, maintain updated contact and term of office information for officials and staff on the GSA website, post Form 806, and file required Statements of Facts of Public Agencies with the County Clerk and Secretary of State.	None. This need was addressed in Resolution 2024-01, Exhibit D: Agency Transparency and Local Appointment List Policy	N/A.
Meetings		
Policies and Procedures – Officials must receive training on open meeting laws, roles, and responsibilities; provide chairperson specific training and adopt rules of procedures for meetings.	Article 3 of the Bylaws provides details on Board meetings and provides some direction on open meeting laws and best practices but does not include training on roles and responsibility. Article 3 also includes the roles of procedure and roles of order for meetings.	Pass a Board Resolution or amend Bylaws Article 3 to address the required training for Board and staff members.
Website Content – Post regular and special meeting agendas within required Brown Act timelines and maintain accessible online meeting materials, including current year agendas, minutes, calendars, and options for	None. Bylaws Article 3 addresses Brown act timelines and reporting which requires website agenda to be posted but does not address the posting of other meeting materials.	Amend Bylaws Article 3 to include the GSA commitment to maintaining accessible online meeting materials, including current year minutes and calendars.

Checklist Category	Existing Gap(s)	Options for Addressing
community members to receive meeting notifications.		
Decision Making		
Decision Makers – Ensure timely distribution and collection of Form 700s; adopt and enforce a conflict-of-interest code and ethics policy; advise officials on prohibitions against self-dealing and relevant conflict-of-interest boundaries; decision-makers are aware of boundary marks with respect to their various property interests.	There are no clear processes for form 700 reporting and timelines. The JPA and Bylaws do not mention boundaries for property interests.	To address Form 700 requirements, see recommendations for Promoting Transparency. If applicable, JPA Article 11 may also be amended to include self-dealing and relevant conflict-of-interest boundaries, and boundary marks with respect to their various property interests.
Process – Adopt a conflict-of-interest code and ethics policy; ensure consistent application of agency policies and provide training for decisionmakers on due process requirements and disclosure rules for quasi-adjudicatory matters.	Board Resolution No. 24-01 adopted a new Conflict of Interest Code and a Code of Ethics. There are no policies addressing training requirements for decision-makers.	By Board Resolution or through an amendment to the Bylaws, the GSA could adopt a Training Policy to formally document training requirements and timelines for Board and staff members.
Education and Training		
Onboarding – Provide new officials and staff with information on their duties, responsibilities, and required policies, including ethics and compliance obligations, as part of a formal onboarding process.	There is no mention of onboarding procedures or requirements in the GSA policies.	Through Board Resolution or by amending the Bylaws the GSA could include guidance or procedures related to on-boarding and training to ensure constancy in policies for all staff and Board members.
Ongoing Education – Ensure required sexual harassment prevention training for elected officials and supervisors and provide ongoing access to resources and educational opportunities on ethics and other applicable laws.	Sexual harassment trainings and resources are not addressed in the JPA or Bylaws.	To memorialize the GSA's current practices with sexual harassment trainings, a Board Resolution could be passed to address the GSAs commitment to provide educational materials and trainings.
Ethics Training – Ensure elected and appointed officials complete two hours of ethics training every two years (and initial overview training upon assuming office) and	There are no policies addressing Ethics Training.	To memorialize the GSAs current ethics training process, a board resolution could be passed, or the Bylaws could be amended to address the

Checklist Category	Existing Gap(s)	Options for Addressing
encourage participation by senior staff as relevant to their duties.		expectations and procedures for completing Ethics Trainings.
Personnel		
Personnel Practices and Policies – If employees are hired, adopt personnel policies covering fair hiring and advancement, wide recruitment efforts, nondiscrimination, anti-nepotism, secondary employment, whistleblower protections, and required public announcement of executive compensation decisions.	There are no policies addressing hiring policies and employment expectations.	Either through Board Resolution or an amendment to the Bylaws, the GSA could adopt hiring policies for GSA staff, and/or develop an Employee Handbook which could include but not limited to fair-hiring policies, non-discrimination, anti-nepotism, secondary employment, whistleblower protections, and required public announcement of executive compensation decisions.

**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY
AGENCY**



BYLAWS

ADOPTED BY: Board of Directors

ADOPTED: November 9, 2017

Amended: _____, 2026

These Bylaws are adopted and effective as of November 9, 2017, pursuant to the Joint Powers Agreement of the UKIAH VALLEY BASIN GROUNDATER SUSTAINABILITY AGENCY.

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PREAMBLE

These Bylaws are adopted and effective as of October 12, 2017, pursuant to the Joint Powers Agreement of the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY (Agreement). [And as amended on June 11, 2026.](#)

ARTICLE 1. THE AGENCY

1.1 NAME OF AGENCY. The name of the Agency created by the Agreement shall be the Ukiah Valley Basin Groundwater Sustainability Agency (Agency).

1.2 OFFICE OF AGENCY. The principal office of the Agency shall be at the ~~Mendocino County Water Agency, 501 Low Gap Road, Room 1010~~ [300 Seminary Avenue](#), Ukiah, CA 95482, or at such other location as the Board may designate by resolution.

1.3 POWERS. The powers of the Agency shall be as set forth in Article 5 of the Agreement.

ARTICLE 2. BOARD OF DIRECTORS

2.1 BOARD OF DIRECTORS. The Agency shall be governed by a Board of Directors (Board) as set forth in Article 7 of the Agreement.

2.2 PROCEDURE FOR APPOINTMENT OF BOARD MEMBERS

2.2.1 Appointment. Each Member Agency is responsible for appointing a Board Member and an alternate Board Member, pursuant to its own procedures and authorities. The appointment shall be made by Resolution.

2.2.2 Notification. Each Member Agency shall notify the Agency when it appoints or changes its Board Member and/or alternate Board Member.

2.2.3 Tribal Member. The six (6) Tribes within the Ukiah Valley identified as Redwood Valley Rancheria, Coyote Valley Reservation, Pinoleville Pomo Nation, Potter Valley Rancheria, Guidiville Rancheria and the Hopland Reservation, shall submit a letter nominating a Director and Alternative Director. The Board shall confirm the nominee at a regular meeting and shall appoint the Tribal Director upon simple majority vote of all Members.

2.2.4 Agricultural Member. The Agricultural Member shall meet the qualifications as described in 7.1.2(a) of the Agreement. The Members shall be selected from a list of three (3) nominations submitted from the Mendocino County Farm Bureau (MCFB), but the three (3) nominees need not be a member of the organization. The MCFB shall submit a nomination letter and completed applications of all three nominees. The MCFB must use the application approved by the Board of Directions (Appendix A). The Board shall consider the nominees at a regular meeting of the Board and may interview the nominees. The Board shall appoint the Agricultural Member and alternate member upon simple majority vote of all Member Directors.

ARTICLE 3. BOARD MEETINGS

3.1 MEETINGS. The Board shall meet regularly, at least once per quarter on the second Thursday of the first month of the quarter, at 1:30 PM, at Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Room 1070, Ukiah, CA 95482, [or an alternate location as needed](#), and [/ or meet](#) as often as needed. Special meetings of the Board may be called by the Chair or any four directors by written request. Board meetings shall be conducted in compliance with all applicable laws, and as further specified herein. Meeting agendas shall be posted 72 hours before each meeting in compliance with the requirements of the Ralph M. Brown Act.

Commented [MS1]: Meetings have been at 1pm?

3.2 QUORUM. In determining a quorum as defined by Section 9.1 of the Agreement, Alternate Directors attending meetings shall not be counted as part of any meeting quorum unless such Alternate Director is formally representing an absent appointed Director.

3.3 ORDER OF BUSINESS. In general, at the regular meetings of the Board, the following will be the order of business:

3.3.1 Call to Order.

3.3.2 Roll Call.

3.3.3 Approval of Minutes of the Previous Meeting.

3.3.4 Public Comment Period

3.3.5 Staff Updates.

3.3.6 Agenda Items, including any appropriate combination of consent items, regular business items, public hearing items or closed session items.

3.3.7 Directors Reports.

3.3.8 Adjournment.

3.4 AGENDA. Members may submit items for the agenda at a minimum of seven (7) days prior to the publication of the agenda for any regular meeting. The agenda shall be published seventy-two (72) hours prior to regular board meeting and twenty-four (24) hours prior to a special board meeting in accordance with the Brown Act. Agenda publication shall conform to all required provisions of the Brown Act. Nothing herein shall prohibit the board from considering any late-submitted or emergency item to the extent permitted by the Brown Act.

3.5 ACTION BY THE BOARD. Action by the Board on all resolutions or ordinances shall be taken using a roll call vote and shall be recorded in writing, signed by the Chair, and attested to by the Secretary. All other actions of the Board shall be by motion recorded in written minutes. The clerk or Chair in an absence of a clerk shall announce the results of the vote including the names of the Directors, if any, voting in the minority.

3.6 RULE OF ORDER. All rules of order not otherwise provided for In these Bylaws or applicable statute, regulation, or other law shall be determined, to the extent practicable, in accordance with "Robert's Rules of Order;" provided, however, that no action of the Board shall be invalidated or its legality otherwise affected by the failure or omission to observe or follow "Robert's Rules of Order."

3.7 BOARD MEETING ATTENDANCE. There is an expectation that Boad Directors attend and actively participate in all Board meetings, it is encouraged that all Alternate Directors attend meetings to stay informed of Board actions and developments. Board Directors must notify their Alternates to participate at a Board meeting on their behalf in the event that a Director is unable to attend. If a director does not participate in three (3) consecutive meetings they may be automatically removed.

ARTICLE 4. OFFICERS

4.1 OFFICERS. The Officers of the Agency are the Chair, Vice-Chair, and Secretary, as provided for in Article 10 of the Agreement. All Directors are eligible to serve as an Officer. The Chair and the Vice Chair must be Directors.

4.2 ELECTION OF OFFICERS. At the first meeting of the Board, and every two (2) years hence, nominations for the Officers will be made and seconded by a Director. If more than two Directors are nominated for any one office, voting occurs until a nominee receives a majority of the votes cast. The initial term of the elected Officers shall run from the date of their election to until the Board meeting two years after the election. Thereafter, each Officer shall serve a term of two years. At the expiration of the term, the Officer shall continue to fulfill the responsibilities of their office until such time as a successor is appointed. An Officer may succeed himself/herself and may serve any number of consecutive or non-consecutive terms.

4.3 REMOVAL OF DIRECTORS. Board Members and Alternate Board Members serve at the pleasure of their appointing Member's governing board and may be removed or replaced at any time. Stakeholder Directors that no longer meet the qualifications set forth in section 7.1 of the JPA will be automatically removed from the Board of Directors. A Stakeholder Director may be removed or reappointed by a simple majority vote of the Board. Upon removal of a Board Member, the Alternate Board Member shall serve as the Board member until a new Board member is appointed.

4.4. REMOVAL OF OFFICERS. Prior to the expiration of their term, an officer may be removed only by a majority vote of the board or as a result of resignation, removal from or replacement on the board of directors, or by operation of law.

4.5 VACANCIES. Any vacancy in the offices because of death, resignation, removal, disqualification, or any other cause will be filled for the balance of the vacated term in the manner prescribed in these Bylaws for regular appointments to that office; provided, however, that such vacancies may be filled at any regular or special meeting of the Board. Alternate Directors shall serve as the Board member until a new Board member is appointed. Members shall submit any changes in Director or Alternate Director positions to the Board of Directors or ~~Executive Director~~General Manager by written noticed signed by an

authorized representative from the Member. The written notice must include a Resolution of the governing board of the Member directing such change in the Director or Alternative Director position.

4.6 RESIGNATION OF OFFICERS. Any Officer may resign at any time by giving written notice to the Board Chair or Secretary. Any resignation takes effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation is not necessary to make it effective.

4.7 RESPONSIBILITIES OF OFFICERS.

4.6.1 Chair of the Board. The Chair of the Board shall preside at meetings of the Board and exercise and perform such other powers and duties as may be assigned to him/her by the Board or prescribed by these Bylaws. The Chair shall have the power to enforce meeting decorum and rules of order. The Chair shall rule on all questions of procedure, unless overruled by the Board.

4.7.2 Vice-Chair of the Board. The Vice-Chair of the Board shall fulfill all the duties of the Chair in his/her absence and exercise and perform such other powers and duties as may be assigned to him/her by the Board.

4.7.3 Secretary. The Secretary shall perform duties assigned by the Board, such duties shall include, but not be limited to, the following:

Commented [MS2]: Remove or replace with clerk of the board?

i. Book of Minutes. Keep or cause to be kept, at the principal executive office of the Agency or such other place as the Board may direct, a book of minutes of all meetings and actions of Directors and Committees of the Agency, with the time and place of holding the meeting, whether regular or special, and, if special, how authorized, the notice given, the names of those present and absent at such meetings and the proceedings of such meetings. Minutes will be in the form of Action Minutes.

ii. Notices and Other Duties. Prepare, give, or cause to be given, notice of, and agendas for, all meetings and/or hearings of the Board and committees of the Agency.

iii. Exercise and perform such other powers and perform such other duties as may be assigned to him/her by the Board.

4.8 OPTIONAL COMPENSATION OF OFFICERS.

OPTIONAL STIPEND. Per TAC recommendation of \$100 per meeting.

ARTICLE 5. BOARD COMMITTEES, WORKING GROUPS, ADVISORY COMMITTEES AND TECHNICAL ADVISORY COMMITTEE

5.1 INTERNAL BOARD COMMITTEES. The Board may establish temporary or permanent Board Committees composed of two (2) Board Members to facilitate conduct of its work. Temporary Board Committees will have a specific charge and operational duration not to exceed six months and are not

subject to the Brown Act. All Board Committees will provide regular updates to the full Board about their activities and the progress of their work.

5.2 WORKING GROUPS. Informal working groups may be formed from time to time to provide opportunities for a small subset of Directors to work with staff on specific planning, analytical, or community engagement activities. Such working groups will have a defined area as the focus for its work and may function for up to six months, and may include such membership as needed to accomplish the objectives for which the working group was created, to the extent permitted by law.

5.3 ADVISORY COMMITTEES. Pursuant to Section 11 of the Agreement, the Board may establish one or more advisory committees to assist in carrying out the purposes and objectives of the Agency.

5.3.1 In establishing an Advisory Committee, the Board shall provide specific direction to the Committee as to its charge, expected duration for completion of its charge, and a summary of the resources, including staff or consultant support available to the Committee in performing its work.

5.3.2 Advisory Committee membership and appointments shall be at the Board's discretion based on creating the membership needed to meet the purpose for which the Advisory Committee was created.

5.3.3 The Board will ensure that at least one (1) member from the Board of Directors or Agency employee attends and participates in each advisory committee meeting.

5.3.4 Any advisory committee shall exercise such powers as may be delegated to it, except that no committee may:

- i. Take any final action on matters which, under the Agreement, require approval by a majority vote of the Board;
- ii. Amend or repeal the Bylaws or adopt new Bylaws;
- iii. Amend or repeal any resolution of the Board; or,
- iv. Appoint any other committees of the Board or the members of these committees.

5.3.5 Advisory committees shall meet at the call of their respective committee chairs. All advisory committee meetings shall be conducted in accordance with the Ralph M. Brown Act (California Government Code sections 54950 et seq.). Minutes of committee meetings shall be recorded and upon approval shall be distributed to the Board.

5.4 TECHNICAL ADVISORY COMMITTEE. Pursuant to Section 11 of the Agreement there shall be established a technical advisory committee, the purpose of which shall be to provide advice to the Board on issues of technical nature related to the activities of the Agency.

5.4.1 The technical advisory committee shall be comprised of at least one (1) representative of each Member; one (1) representative for each of the Agricultural Stakeholders and the Tribal Stakeholders; at least one (1) representative from the Sonoma County Water Agency; at least one (1)

Commented [MS3]: Align with TAC MOU and to match Board Seats.

representative from the Mendocino County Resource Conservation District; and at least one representative from the California Land Stewardship Institute.

5.4.2 The technical advisory committee shall meet as directed by the Board of Directors, and shall make recommendations to the Board of Directors as requested.

5.4.3 The role and responsibilities of the technical advisory committee will be established in a Memorandum of Understanding between the Agency, the Mendocino County Resource Conservation District, the Sonoma County Water Agency, and the California Land Stewardship Institute.

5.4.3 Additional Members to the technical advisory committee may be added by recommendation of the Board, followed by an amendment of the Memorandum of Understanding signed by all parties.

5.4.4 The Technical Advisory committee shall exercise such powers as may be delegated to it, except that no committee may:

- i. Take any final action on matters which, under the Agreement, require approval by a majority vote of the Board;
- ii. Amend or repeal the Bylaws or adopt new Bylaws;
- iii. Amend or repeal any resolution of the Board; or
- iv. Appoint any other committees of the Board or the members of these committees.

5.4.5 Technical advisory committees may meet at the call of their respective committee chairs. All advisory committee meetings shall be conducted in accordance with the Ralph M. Brown Act (California Government Code sections 54950 et seq.). Minutes of committee meetings shall be recorded and distributed upon approval to the Board.

5.4.6 In the event that a technical advisory committee includes a quorum of the Board of Directors, [including alternates](#), then all meetings of that committee shall be noticed and treated as joint meetings of the technical advisory committee and the Board of Directors.

ARTICLE 6. AGENCY ADMINISTRATION, MANAGEMENT AND STAFFING

6.1 COLLABORATIVE MANAGEMENT. Except for the Agency's Treasurer and Controller functions, Agency administration and management will be determined by resolution of the board. The Agency intends to initially utilize a collaborative staffing model in which the professional and technical staff of the member agencies work together to provide staff leadership, management and administration of the agency. The Board, however, shall have the authority to adopt such staffing solutions as it determines appropriate to meet the Agency's needs and are consistent with the terms of the JPA Agreement.

6.3 TREASURER AND CONTROLLER. The Treasurer shall be the depository and have custody of all the money of the Agency from whatever source, and shall provide strict accountability of Agency funds in accordance with Government Code Sections 6505 and 6505.5. The Treasurer shall possess the powers of,

and shall perform those functions required by Government Code Sections 6505, 6505.5, and all other applicable laws and regulations, including any subsequent amendments thereto. The Controller of the Agency shall cause an independent audit of the Agency's finances to be made by a certified public accountant in compliance with California Government Code Section 6505. The Treasurer and Controller shall comply strictly with the provisions of statutes relating to their duties found in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code.

6.3.1 Pursuant to Government Code section 6505.5, the Treasurer for the ~~County of Mendocino~~ City of Ukiah shall act as Treasurer for the Agency.

6.3.1.1 Treasurer's Duties. Particularly, the Treasurer shall perform, but not be limited to, the following duties:

i. Books of Account. Keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of Agency, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account will be open to inspection by any Director at all reasonable times.

ii. Deposit and Disbursement of Money and Valuables. Consistent with the provisions of Article 12 of the Agreement, deposit all money and other valuables in the name and to the credit of the Agency within such depository funds and accounts as may be designated by the Board; disburse the funds of the Agency as may be ordered by the Board; and render to the Board, whenever requested, an account of all of his/her transactions as Treasurer and of the financial condition of the Agency.

iii. Treasurer Report. On a quarterly basis provide the Directors with a Treasurer's report that includes a summary of revenue and expenditure activity to date for the current fiscal year.

6.3.2 Pursuant to Government Code section 6505.5, ~~the Mendocino County~~ Auditor shall perform the functions of the Controller of the Agency.

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6.3.2.1 Independent Audit. The annual independent audit will be conducted or coordinated by the ~~Mendocino County~~ City of Ukiah Finance Director??? Auditor pursuant to Government Code section 6505(b).

6.4 LEGAL COUNSEL. The Board of Directors may appoint legal counsel as it deems appropriate and may request that Members utilize their counsel on Agency business when requested by the Board.

6.5 STAFFING STRATEGY REVIEW UPON COMPLETION OF THE GROUNDWATER SUSTAINABILITY PLAN. The staffing model for the Agency will be reviewed and revised as needed. In particular, the performance of the collaborative staffing model in meeting the Agency's needs and the proposed role of the Agency in developing the GSA and GSP will be considered when determining the potential future staffing needs of the Agency. Future staffing of the Agency shall be in accordance with Article 13 of the Agreement.

ARTICLE 7. FINANCES

7.1 DEPOSIT AND DISBURSEMENT OF FUNDS. All funds of the Agency shall be deposited in one or more depository accounts as may be designated by the Board. Such accounts shall be independent of any account owned by or exclusively controlled by any of the Members. No disbursements of such funds shall be made unless the disbursements have been approved in the annual operating budget, or otherwise specifically approved by the Board. **Disbursements of not more than one thousand dollars (\$1,000) may be issued pursuant to the Treasurer's sole signature. Disbursements in excess of the budgeted or contracted amount one thousand dollars (\$1,000) may only be issued upon the signature of the Treasurer and Chair, or in the Chair's absence, the Vice-Chair. The Treasurer may establish and implement a protocol allowing for electronic signatures by the Chair or Vice-Chair in order to facilitate efficient operation of the Agency.**

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7.2 BUDGET. The Agency shall operate pursuant to an operating budget to be adopted prior to the beginning of each new fiscal year. The Agency shall endeavor to operate each year pursuant to an annual budget so that projected annual expenses do not exceed projected annual revenues. Budget adjustments to the annual budget shall be reviewed and acted upon by the Board at a regularly or specially scheduled Board meeting occurring after January 1 of each calendar year. The Board may take action to amend the budget at other times if circumstances require more immediate action.

7.3 CONTRACTS. The Agency shall utilize the ~~County of Mendocino~~City of Ukiah procurement process for professional services, including use of the ~~Agency~~County's contract boilerplate, legal review and contract administration. All contracts require approval by the Agency Board of Directors. The contract administration for the Agency will be reviewed and revised as needed.

Commented [MS5]: KTMG verify contract boilerplate is updated to current lays and standards.

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7.4 AGENCY FUNDING AND CONTRIBUTIONS. In order to provide the needed capital to initially fund the Agency, the Agency shall be initially funded by a contribution from initial Members in the amount of five thousand dollars (\$5,000). In subsequent years, the Agency may be funded through additional voluntary contributions by all Members, and as otherwise provided in Chapter 8 of SGMA (commencing with Section 10730 of the Water Code).

ARTICLE 8. SPECIAL PROJECTS

8.1 PROJECTS. The Agency intends to carry out activities in furtherance of its purposes and consistent with the powers established by the Agreement with the participation of all Members.

8.2 MEMBER SPECIFIC PROJECTS. In addition to the general activities undertaken by all Members of the Agency, the Agency may initiate specific projects or litigation that involves less than all Members. No Member shall be required to be involved in a project that involves less than all the Members

8.2.1 PROJECT AGREEMENT. Prior to undertaking any project or litigation that does not involve all Member Agencies, the Members electing to participate in the project shall enter into a Project Agreement. A Member may elect not to participate in a specific project or litigation matter by written notice in accordance with Section 14.3 of the Agreement. Each Project Agreement shall provide specific terms and conditions in accordance with Section 14.3 of the Agreement.

8.3 BOARD OF DIRECTORS APPROVAL. The Board of Directors shall have the authority to disapprove any Project Agreement upon a determination that the Project Agreement has specific, substantial adverse impacts upon Members that have not executed the Project Agreement.

ARTICLE 9. DEBTS AND LIABILITIES

The debts, liabilities and obligations of the Agency are not and will not be the debts, liabilities or obligations of any or all of the Members. However, nothing in this Article or in the Agreement prevents, or impairs the ability of, a Member or Members, from agreeing, in a separate agreement, to be jointly and/or severally liable, in whole or in part, for any debt, obligation or liability of the Agency, including but not limited to, any bond or other debt instrument issued by the Agency.

ARTICLE 10. RECORDS RETENTION

10.1 MAINTENANCE OF THE AGENCY RECORDS. The Agency will keep:

10.1.1 Adequate and correct books and records of account; and of the Board.

10.1.2 Minutes in written form of the proceedings of its Board, and committees, and advisory committees, if any.

10.1.3 Approved Resolutions and Agreements.

10.1.4 All such records will be kept at the Agency's principal office.

10.2 RECORDS RETENTION POLICY AND SCHEDULE. The Board may review and adopt a Records Retention Policy and Schedule that specifies the retention period of different categories of materials. Implementation of this Policy will be the responsibility of Agency staff if adopted.

10.3 PUBLIC RECORDS ACT REQUESTS. The Agency shall comply with Government Code Section 6250 et seq. known as the California Public Records Act. The Agency may review and adopt a Public Access to Records policy. Implementation of this Policy will be the responsibility of Agency staff if adopted.

ARTICLE 11. ETHICS AND CONFLICTS OF INTEREST

The Agency shall be subject to the conflict of interest rules set forth in the Political Reform Act (commencing with Section 81000 of the Government Code of the State of California) and Sections 1090 et seq. of the Government Code of the State of California, and the Agency shall adopt an ethics policy as well as a conflict of interest code as required and as provided by the implementing regulations of the Political Reform Act.

ARTICLE 12. AMENDMENT

These Bylaws may be amended from time to time by resolution of the Board duly adopted upon majority of the Board at its regular or special meeting; provided, however, that no such amendment shall be

adopted unless at least thirty (30) days written notice thereof has previously been given to all members of the Board. Such notice shall identify the Article to be amended, the proposed amendment, and the reason for the proposed amendment.

ARTICLE 13. DEFINITIONS AND CONSTRUCTION

Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement. If any term of these Bylaws conflicts with any term of the Agreement, the Agreement's terms shall prevail, and these Bylaws shall be amended to eliminate such conflict of terms. Unless the context or reference to the Agreement requires otherwise, the general provisions, rules of construction, and definitions in the California Civil Code will govern the construction of these Bylaws.

**Joint Powers Agreement Forming the Ukiah Valley Basin Groundwater
Sustainability Agency
Amended and Restated**

This Joint Powers Agreement ("Agreement") is made and entered into by and among the Russian River Flood Control and Water Conservation Improvement District ("RRFC"), [a California special district](#), and the Upper Russian River Water Agency, [that is replaced by the Ukiah Valley Water Authority \(UVWA\), a joint powers authority, per this Amended and Restated Agreement, both of which are California special districts](#), the City of Ukiah, a municipal corporation, and the County of Mendocino, a political subdivision of the State of California, which are together referred to herein individually as "Member" and collectively as "Members," for the purposes of forming a joint powers agency, to be known as the Ukiah Valley Basin Groundwater Sustainability Agency, to serve as the Groundwater Sustainability Agency in the Ukiah Valley basin. [This Amended and Restated Agreement takes effect when the last Member executes it on the following signature pages.](#)

Recitals

A. Each of the Members is a local agency, as defined by the Sustainable Groundwater Management Act of 2014 (Division 2, Part 2.74 (commencing with §10720), Part 5 (commencing with Section 4999), Part 5.1 (commencing with Section 5100) and Part 5.2 (commencing with Section 5200) of the California Water Code Section *et seq.*; "SGMA"), duly organized and existing under, and by virtue of the laws of the State of California, and each Member has water supply, water management or land use responsibilities within the Ukiah Valley.

B. SGMA seeks to provide sustainable management of groundwater basins, enhance local management of groundwater, establish minimum standards for sustainable groundwater management, and provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater.

C. Section 10720.7 of SGMA requires all basins designated as high or medium priority basins by the Department of Water Resources ("DWR") in its Bulletin 118 be managed under groundwater sustainability plans, or coordinated groundwater sustainability plans pursuant to SGMA.

D. The Ukiah Valley basin (designated basin number 1-52 in Bulletin 118; the "Basin") is designated as a medium-priority basin.

E. The Members have determined that the sustainable management of the Basin pursuant to SGMA may best be achieved through the cooperation of the Members operating through a joint powers agency.

F. The Joint Exercise of Powers Act (Chapter 5 (commencing with § 6500) of Division 7, of Title I of the California Government Code; the "Act"), authorizes two or more public agencies to, by agreement, jointly exercise any power held in common by agencies entering into such an Agreement and to exercise additional powers granted under the Act.

G. Based on the foregoing legal authority, the Members desire to create a joint powers agency for the purpose of taking all actions deemed necessary by the joint powers agency to ensure sustainable management of the Basin, as required by SGMA.

H. The governing board of each Member has determined it to be in the Member's and in the public's best interest that this Agreement be executed.

Terms of Agreement

Article 1. Definitions

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

1.1. "Act" means the Joint Exercise of Powers Act, set forth in Chapter 5 of Division 7 of Title I of the Government Code, sections 6500, *et seq.*, including all laws supplemental thereto.

1.2. "Agency" means the Ukiah Valley Basin Groundwater Sustainability Agency.

1.3. "Agreement" means this joint powers agreement, which creates the Ukiah Valley Basin Groundwater Sustainability Agency.

1.4. "Basin" means the Ukiah Valley basin, as shown on the map attached as Exhibit A, which is incorporated herein by this reference.

1.5. "Board of Directors" or "Board" means the governing body of the Agency as established by Article 7 of this Agreement.

1.6. "Board Member" or "Director" shall mean a member of the Agency's Board of Directors.

1.7. "Committee" shall mean any committee established pursuant to Article Twelve (12) of this Agreement.

1.8. "Effective Date" means the date on which the last Member executes this Agreement.

1.9. "Fiscal Year" means July 1 through June 30.

~~1.9.~~1.10. "General Manager" shall be used interchangeably with "GSA General Manager" and "Executive Director" to refer to the same position.

~~1.10.~~1.11. "GSA" shall mean a groundwater sustainability agency.

~~1.11.~~1.12. "GSP" shall mean a groundwater sustainability plan.

~~1.12.~~1.13. "Member" has the meaning assigned to it in the Preamble and further means each party to this Agreement that satisfies the requirements of Section 6.1 of this Agreement, including any new members, as may be authorized by the Board pursuant to Section 6.2 of this Agreement.

~~1.13.~~1.14. "Member Director" means a director or alternate director appointed by a Member pursuant to Article 7 of this Agreement.

~~1.14~~1.15. "Member's Governing Body" means the board of directors or other voting body that controls the individual public agencies that are Members.

~~1.15~~1.16. "RRFC" has the meaning assigned to it in the Preamble of this Agreement.

~~1.16~~1.17. "SGMA" has the meaning assigned to it in Recital A.

~~1.17~~1.18. "Special Project" means a project undertaken by some, but not all Members of the Agency, pursuant to Article 14 of this Agreement.

~~1.18~~1.19. "Stakeholder Director" means a Director appointed pursuant to Article 6 that represents stakeholder interests.

~~1.19~~1.20. "State" means the State of California.

Article 2. Creation of a Separate Entity

2.1. Upon the effective date of this Agreement, Ukiah Valley Basin Groundwater Sustainability Agency ("Agency") is hereby created. Pursuant to the provisions of the Act, the Agency shall be a public agency separate from its members. The principal office shall be provided for in the Bylaws.

2.2. The boundaries of the Agency shall be as shown on the map on Exhibit A, attached and incorporated herein by this reference. The boundary shown on Exhibit A is an updated version of the Bulletin 118 boundary, based on the 2005 Larsen and Kelsey Map approved by the Department of Water Resources on January 26, 2017.

Article 3. Term

3.1. This Agreement shall become effective upon execution by each of the Parties and shall continue in full force and effect until terminated pursuant to the provisions of Article 17.

Article 4. Purpose of the Agency and this Agreement

4.1. The purpose of this Agreement is to create a joint powers agency separate from its Members that will elect to be the GSA for the entire Basin. The purpose of the Agency is to (a) develop, adopt, and implement a GSP for the Basin in order to implement SGMA requirements and achieve the sustainably goals outlined in SGMA; and (b) involve the public and area stakeholders through outreach and engagement in developing and implementing the Ukiah Valley Basin Groundwater Sustainability Plan.

Article 5. Powers of the Agency

5.1. Restrictions on Exercise of Powers. For purposes of Government Code Section 6509, the powers of the Agency shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on the County of Mendocino, and in the event of the withdrawal of the County of Mendocino as a Member under this Agreement, then the powers of the Agency shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on the City of Ukiah.

5.2. Powers. Subject to the limitations addressed herein, the Agency shall have the power in its own name to exercise any and all common powers of the Members reasonably related to the purposes of the Agency, including but not limited to, the following powers, together with such other powers as are expressly set forth in the Act and SGMA:

5.2.1. To exercise all powers afforded to a GSA pursuant to, and as permitted by, SGMA upon electing in accordance with SGMA to become the GSA for the Ukiah Valley Basin.

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

5.2.3. To adopt rules, regulations, policies, bylaws and procedures governing the operation of the Agency; and adoption and implementation of a GSP for the Basin.

5.2.4. To obtain rights, permits and other authorizations for, or pertaining to, implementation of a GSP for the Basin; and to exercise the common powers of the Members, as directed by the Board, in developing and implementing a **GSP** for the Basin.

5.2.5. To perform other ancillary tasks relating to the operation of the Agency pursuant to **SGMA**, including, without limitation, environmental review, engineering and design.

5.2.6. To employ, designate or otherwise contract for the services of agents, officers, employees, attorneys, engineers, planners, financial consultants, advisors, independent contractors, technical specialists and other consultants.

5.2.7. To make and enter into contracts necessary to the full exercise of the Agency's power.

5.2.8. To investigate legislation and proposed legislation affecting the Basin and to make appearances regarding such matters.

5.2.9. To acquire property and other assets by grant, lease, purchase, bequest, devise, gift or eminent domain; and to hold, enjoy, lease, sell, or otherwise dispose of property, including real property, water rights and personal property, necessary for the full exercise of the Agency's powers.

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

5.2.11. To incur debts, obligations, and liabilities; to issue bonds, notes, certificates of participation, guarantees, equipment leases, reimbursement obligations and other indebtedness, and, to the extent provided for in a duly adopted Agency, to impose assessments, groundwater extraction fees or other charges, and other means of financing the Agency as authorized by Chapter 8 of SGMA (commencing at Section 10730 of the Water Code).

5.2.12. To apply for, accept, and receive contributions, grants or loans from any public or private agency or individual in the United States, or any department, instrumentality, or agency thereof for the purpose of financing the Agency's activities.

5.2.13. Invest money that is not needed for immediate necessities, as the Board of Directors determines advisable, in the same manner and upon the same conditions as other local entities in accordance with Section 53601 of the California Government Code, as that section now exists, or may hereafter be amended.

5.2.14. Reimburse Board Members for the actual amounts of reasonable and necessary expenses incurred in attending the Agency's meetings or any committee of the Agency in performing the duties of their officer, subject to Board of Directors policy and budget authorization.

5.2.15. To sue and be sued in the Agency's own name; provided that a Member may determine not to contribute to the expenses of litigation initiated by the Agency.

5.2.16. To provide for the prosecution of, defense of, or other participation in actions or proceedings at law or in public hearings in which the Members, pursuant to this Agreement, may have an interest; and may employ counsel and other expert assistance for these purposes.

5.2.17. To exercise the common powers of its Members to develop, collect, provide and disseminate information that furthers the purposes of the Agency, including, but not limited to the operation of the Agency and adoption and implementation of a Groundwater Sustainability Plan for the Basin, to the Members' legislative, administrative, and judicial bodies, as well as the public generally.

5.2.18. Employ or retain a full time or part time supporting staff.

5.2.19. To perform all other acts necessary or proper to fully carry out the purposes of this Agreement.

5.3. The Agency and all of its Members confirm that nothing contained herein shall grant the Agency any power to alter any water right, contract right, or any similar right held by its Members, or amend a Member's water delivery practice, course of dealing, or conduct without the express consent of the holder thereof.

Article 6. Membership

6.1. Initial Members. The initial Members of the Agency shall be the County of Mendocino, City of Ukiah, Russian River Flood Control and Water Conservation Improvement District, and the Upper Russian River Water Agency.

Commented [MS1]: Replace with UVWA

6.2. New Members. Additional Parties may join the Agency and become a Member provided that the prospective new member: (a) is eligible to join a GSA as provided by SOMA, (b) possesses powers common to all other Members, and (c) receives unanimous consent of the existing Members, evidenced by the execution of a written amendment to this Agreement signed by all Members, including the additional public agency. Additional Stakeholders Directors may be created by the execution of a written amendment to this Agreement signed by all Members.

Article 7. Agency Board of Directors

7.1. Formation of the Board of Directors. The Agency shall be governed by a Board of Directors ("Board of Directors" or "Board"). The Board shall be composed of six (6) Directors consisting of the following representatives, who shall be appointed in the manner set forth in Section 7:

7.1.1. One (1) representative appointed by the governing board of each Member, who shall be a member of the governing board of the Member (each, a "Member Director").

7.1.2. Two (2) Stakeholder Directors, one (1) of which shall be representative of agricultural stakeholders and interests within the Basin; and one (1) of which shall be representative of tribal stakeholders and interests within the Basin. The two (2) Stakeholder Directors shall meet the following qualifications: ☐

(a) One (1) Agricultural Stakeholder Director. The Agricultural Stakeholder Director shall meet the following criteria, determined at the sole discretion of the Board Members: (1) be a resident of Mendocino County; (2.a) own/ lease real property in active commercial agricultural production overlying the Basin or (2.b) be an employee of a commercial agricultural production operation overlying the basin involved with water use decisions, ~~and (3) extract groundwater from the Basin for the irrigation/frost protection of at least fifteen (15) acres of agricultural crops in commercial operation.~~ The Agricultural Stakeholder may not be a party to any pending litigation against the Agency or any of its Members.

(b) One (1) Tribal Stakeholder Director shall be appointed by the six tribes exercising jurisdiction over Indian lands within the Ukiah Valley Basin identified as Redwood Valley Rancheria, Coyote Valley Reservation, Pinoleville Pomo Nation, Potter Valley Rancheria, Guidiville Rancheria and the Hopland Reservation.

7.1.3. Relationship of Members. The ~~Upper Russian River Water Agency~~ Ukiah Valley Water Authority is a ~~Joint~~ joint powers authority consisting of several water districts within the Ukiah Valley and the RRF. For purposes of the Agency, the RRF desires to be a separate member of the Agency with a separate vote, and as such, will not take part in any action or discussion, and shall not vote on any item of the ~~Upper Russian River Water Agency~~ Ukiah Valley Water Authority related to the Agency. The abstention of the RRF from such agenda items of the ~~Ukiah Valley Water Authority~~ Upper Russian River Water Agency shall be separately reflected in documents of the ~~Ukiah Valley Water Authority~~ Upper Russian River Water Agency. Should the RRF fail to abstain from taking part in any vote relating to the Agency before the ~~Ukiah Valley Water Authority~~ Upper Russian River Water Agency, it shall not be entitled to vote on that matter when it comes before the Agency.

Members of the ~~Ukiah Valley Water Authority~~ Upper Russian River Agency are also contemplating the consolidation of all members of the joint powers authority into a single water district. Should such consolidation occur, this JPA shall be amended to reflect the

consolidation of members.

7.2. Duties of the Board of Directors. The business and affairs of the Agency, and all of the powers of the Agency, including without limitation all powers set forth in Article 5, are reserved to and shall be exercised by and through the Board of Directors, except as may be expressly delegated to the ~~Executive Director~~ General Manager or others pursuant to this Agreement, Bylaws, or by specific action of the Board of Directors.

7.3. Appointment of Directors. The Directors shall be appointed as follows:

7.3.1. Member Directors. Each Member Director must sit on the governing board of the Member and be appointed by that governing board by Resolution, which Resolution shall be transmitted to the Secretary of the Agency following adoption by the Member.

7.3.2. Stakeholder Directors. The two (2) Stakeholder Directors shall be appointed as follows:

(a) One (1) stakeholder shall be chosen by the Member Directors to represent agricultural interests within the Ukiah Valley Groundwater Basin. This stakeholder shall meet the qualifications as described in 7.1.2. (a). This stakeholder shall be selected from a list of three (3) nominations submitted from the Mendocino County Farm Bureau, but the three (3) nominees need not be a member of the organization. Nominees shall be submitted to the Member Directors pursuant to a process specified in the Bylaws, unless directed otherwise by the Member Directors. The Member Directors shall consider the nominees at a regular meeting of the Board and shall appoint the Agricultural Stakeholder Director upon simple majority vote of all Member Directors.

(b) Tribal Stakeholder Director. The Member Directors shall confirm the nomination for the Tribal Stakeholder Director submitted by the six (6) Tribes within the Ukiah Valley. The Member Directors shall confirm the nominee at a regular meeting and shall appoint the Tribal Stakeholder Director upon simple majority vote of all Member Directors.

7.4. Alternate Directors. Each Member Director, Stakeholder Director, and Tribal Stakeholder Director may also appoint one (1) Alternate Director to the Board of Directors, ~~and an Alternate Director shall be appointed for each Stakeholder Director.~~ All Alternate Directors shall be appointed in the same manner as set forth in Section

7.3. Alternate Directors shall have no vote, and shall not participate in any discussions or deliberations of the Board unless appearing as a substitute for a Director due to absence or conflict of interest. If the Director is not present, or if the Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Board, the Alternate Director appointed to act in his/her place shall assume all rights of the Director, and shall have the authority to act in his/her absence, including casting votes on matters before the Board. Each Alternate Director shall be appointed prior to the third meeting of the Board after any Director changes. Alternate Directors are encouraged to attend all Board meetings and stay informed on current issues before the Board. Alternate Board Members have no vote at Board of Director meetings if the Board Member is present. If the Board Member is not present, the Alternate Board Member shall be entitled to participate in all respects as a regular Board Member.

7.5. Terms of Office. The term of office for each member of the Agency's Board of Directors is two (2) years. Each member of the Board of Directors shall serve at the pleasure of the appointing Member and may be removed from the Board of Directors by the appointing members at any time. If at any time a vacancy occurs on the Board of Directors, a replacement shall be appointed to fill the unexpired term of the previous Board Member, pursuant to ~~Article~~ Article 7 and within ninety (90) days of the date that such position becomes vacant. In this case if the new Director is appointed mid-term they are serving the remainder of the past Directors term.

7.6. Removal of Board Members. Board Members and Alternate Board Members shall serve at the pleasure of their appointing Member's governing board and may be removed or replaced at any time. A Board Member that no longer meets the qualifications set forth in section 7.1 is automatically removed from the Agency Board of Directors. Additionally, absenteeism and/or unethical/improper conduct may warrant removal from the governing board. Any unethical or improper conduct by a Director will be documented in writing and presented to the Board with the recommendation for corrective action or removal. Upon removal of a Board Member, the Alternate Board Member shall serve as a Board Member until a new Board Member is appointed by the Member. Members must submit any changes in Board Member or Alternate Board Member positions to the Secretary in writing and signed by the Member. A Stakeholder Director may be removed or reappointed by a simple majority vote of all Member Directors.

7.7. Vacancies. A vacancy on the Board of Directors shall occur when a Director resigns or reaches the end of that Director's term, as set forth in Section 7.5, or when a Director fails to participate in more than three consecutive meetings. For Member Directors, a vacancy shall also occur when he/she is removed by his/her appointing Member. For Stakeholder Directors, a vacancy shall also occur when the Stakeholder Director is removed, as set forth in Section 7.5. Upon the vacancy of a Member Director, the Alternate Director shall serve as Director until a new Director is appointed, as set forth in Section 7.3, unless the Alternate Director is already serving as a Member Director in the event of a prior vacancy, in which case, the seat shall remain vacant until a replacement Director is appointed as set ~~forth~~ forth in Section 7.3. Members shall submit any changes in Director or Alternate Director positions to the Board of Directors or ~~Executive Director~~ General Manager by written notice, signed by an authorized representative of the Member. If a Director or Alternate Director's term has expired they may continue to hold office until a replacement is appointed and assumes the role. The written notice shall include a Resolution of the governing board of the Member directing such change in the Director or Alternative Director position.

7.8. Adjustment to Composition of the Board of Directors. Should the circumstances change in the future, any person or entity may petition the Members hereto to amend this Agreement so as to add or delete representatives to the Governing Board to accurately reflect groundwater production within the boundaries of the authority.

Article 8. Agency Meetings

8.1. Initial Meeting. The initial meeting of the Agency's Board of Directors shall be called by the County of Mendocino and held in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California within 60 days of the effective date of this Agreement. All Members shall be required to attend the initial meeting.

8.2. Time and Place. The Board of Directors shall provide in its adopted bylaws or by other means authorized or required by law, for the time and place for holding regular meetings,

at least quarterly, and at such other times as determined by the Board of Directors.

8.3. Conduct. All meetings of the Governing Board shall be noticed, held, and conducted in accordance with the Ralph. M. Brown Act to the extent applicable. Board Members and Alternate Board Members may use teleconferencing in connection with any meeting in conformance with and to the extent authorized by the applicable laws.

8.4. Local Conflict of Interest Code. The Board of Directors shall adopt a local conflict of interest code pursuant to the provisions of the Political Reform Act of 1974 (Government Code sections 81000, *et seq.*).

Article 9. Board of Directors Voting

9.1. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for purposes of transacting business, except less than a quorum may vote to adjourn a meeting.

9.2. Director Votes. Each member of the Board of Directors of the Agency shall have one (1) vote. Except as otherwise specified in this Agreement, all affirmative decisions of the Board of Directors shall require the affirmative vote of a simple majority of all Directors ~~participating~~participating in voting on a matter of Agency business; provided that if a Director is disqualified from voting on a matter before the Board because of a conflict of interest, that Director shall be excluded from the calculation of the total number of Directors that constitute a majority. The Board of Directors shall strive for consensus of all members on items.

9.3. Voting on Fiscal Items. Fiscal items, approval of the annual budget of the Agency and any expenditures, and any projects shall require an affirmative vote by a majority of the Board of Directors.

Article 10. Officers

10.1. Officers. The Board of Directors shall select a Chairman, Vice-Chairman, Secretary, and any other officers as determined necessary by the Board of Directors. The Chair and Vice Chair shall serve two (2) year terms and shall not serve more than two (2) consecutive terms in the same office.

10.1.1. The Chairman shall preside at all Board Meetings.

10.1.2. The Vice-Chairman shall act in place of the Chairman at meetings should the Chairman be absent.

10.1.3. The Secretary shall keep minutes of all meetings of the Board of Directors and shall, as soon as possible after each meeting, forward a copy of the minutes to each member and alternate of the Board of Directors.

10.1.4. All Officers shall be chosen at the first Board of Directors meeting and serve a term for two (2) years. An Officer may serve for multiple consecutive terms, but no more than two (2) terms in the same office. Any Officer may resign at any time upon written notice to the Agency.

Commented [MS2]: Match to ByLaws

Article 11. Committee Formation

11.1. Internal Committee Formation. There shall be established such internal committees as the Board of Directors shall determine from time to time. Each such internal committee shall be comprised of two (2) Directors, shall exist for the term specified in the action establishing the committee, shall meet as directed by the Board of Directors, and shall make recommendations to the Board of Directors on the various activities of the Agency.

11.2. External Advisory Committee Formation. The Board of Directors may establish, as deemed necessary, one or more advisory committees comprised of diverse social, cultural, and economic elements of the population and area stakeholders within the Ukiah Valley Basin. The Board of Directors shall encourage the active involvement of the advisory committee(s) prior to and during the development and implementation of the Groundwater Sustainability Plan. The Board of Directors will ensure that at least one (1) member from the Board of Directors or Agency employee attends and participates in each advisory committee meeting.

11.3. Technical Advisory Committee. There shall be established a technical advisory committee, the purpose of which shall be to provide advice to the Board of Directors on issues of a technical nature related to the activities of the Agency. The technical advisory committee shall be comprised of at least one (1) representative of each Member; one (1) representative for each of the Agricultural Stakeholders and the Tribal Stakeholders; at least one (1) representative from the Sonoma County Water Agency; and at least one (1) representative from the Mendocino County Resource Conservation District. There may also be a representative from the California Land Stewardship Institute if recommended by the Board. The technical advisory committee shall meet as directed by the Board of Directors, and shall make recommendations to the Board of Directors as requested. The role and responsibilities of the technical advisory committee will be established in a Memorandum of Understanding between the Agency, the Mendocino County Resource Conservation District, and the Sonoma County Water Agency.

Commented [MS3]: Remove if Board accepts TAC recommendation

Article 12. Treasurer, Controller, and Legal Counsel

12.1. Treasurer and Controller. The ~~County of Mendocino~~ City of Ukiah shall act as Treasurer and Controller for the Agency. The Controller of the Agency shall cause an independent audit of the Agency's finances to be made by a certified public accountant in compliance with California Government Code Section 6505. The Treasurer of the Agency shall be the depositor and shall have custody of all money of the Agency from whatever source. The Controller of the Agency shall draw warrants and pay demands against the Agency when the demands have been approved by the Agency, or any authorized representative pursuant to any delegation of Agency adopted by the Agency. The Treasurer and Controller shall comply strictly with the provisions of statutes relating to their duties found in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code.

12.2. Legal Counsel. The Board of Directors may appoint legal counsel as it deems appropriate.

Article 13. ~~Executive Director~~ General Manager

13.1. Appointment. The Board of Directors may hire a General Manager ~~n-Executive Director~~ who shall be compensated for his or her services, as determined by the Board of Directors. ~~The Executive Director~~ General Manager ~~may~~ may, though need not be, an officer, employee or representative of one of the Members.

13.2. Duties. The ~~Executive Director~~General Manager shall be the Chief Administrative Officer of the Agency, shall serve at the pleasure of the Board of Directors, and shall be responsible to the Board of Directors for the proper and efficient administration of the Agency. The ~~Executive Director~~General Manager shall have the powers designated in the Bylaws.

13.3. Term and Termination. The ~~Executive Director~~General Manager shall serve until he/she resigns or the Board of Directors terminates his/her appointment.

13.4. Staff. The ~~Executive Director~~General Manager may employ such additional full-time and or part-time employees, assistants, and independent contractors that may be necessary from time to time to accomplish the purposes of the Agency, subject to approval of the Board of Directors. The Agency may contract with a Member or other public agency or private entity for various services, including without limitation, those related to the Agency's finances, purchasing, risk management, information technology, human resources and other technical and non-technical staff assistance as may be required. A written Agreement shall be entered between the Agency and the Member or other public agency or private entity contracting to provide such service, and that Agreement shall specify the terms on which such services shall be provided, including without limitation, the compensation, if any, that shall be made for the provision of such services.

Article 14. Specific Projects

14.1. Projects. The Agency intends to carry out activities in furtherance of its purposes and consistent with the powers established by the Agreement with the participation of all Members.

14.2. Member Specific Projects. In addition to the general activities undertaken by all Members of the Agency, the Agency may initiate specific projects or litigation that involves less than all Members. No Member shall be required to be involved in a project that involves less than all the Members.

14.3. Project Agreement. Prior to undertaking any project or litigation that does not involve all Member Agencies, the Members electing to participate in the project shall enter into a Project Agreement. A Member may elect not to participate in a specific project or litigation matter by providing notice and not entering into the Project Agreement specific to the matter in which the Member has elected not to participate. Each Project Agreement shall provide the terms and conditions by which the Members that enter into the Project Agreement will participate in the project. All assets, rights, benefits, and obligations attributable to the Project shall be assets, rights, benefits, and obligations of those Members which have entered into the Project Agreement. Any debts, liabilities, obligations, or indebtedness incurred by the Agency in regard to a particular Project shall be the debts, liabilities, obligations, and indebtedness of those Members who have executed the Project Agreement in accordance with the terms thereof and shall not be the debts, liabilities, obligations, and indebtedness of those Members who have not executed the Project Agreement. Further, to the extent the Project is litigation, the Members who have not entered into the Project Agreement shall not be named or otherwise listed in the pleadings and/or appear on litigation materials.

14.4. Board of Directors Approval. The Board of Directors shall have the authority to disapprove any Project Agreement upon a determination that the Project Agreement has specific, substantial adverse impacts upon Members that have not executed the Project Agreement.

Article 15. Budget and Expenses

15.1. Budgets. Within ninety (90) days after the first meeting of the Governing Board of the Agency, and thereafter prior to the commencement of each fiscal year, the Board of Directors shall adopt a budget for the Agency for the ensuing fiscal year.

15.2. Agency Funding and Contributions. In order to provide the needed capital to initially fund the Agency, the Agency shall be initially funded by a contribution from initial Members in the amount established in the bylaws, which contribution shall be set at an equal dollar amount for initial Members. In subsequent years, the Agency may be funded through additional voluntary contributions by all Members, and as otherwise provided in Chapter 8 of SGMA (commencing with Section 10730 of the Water Code).

Article 16. Liability and Indemnification

16.1. Liability. The Members do not intend hereby to be obligated either jointly or severally for the debts, liabilities or obligations of the Agency, except as may be specifically provided for in California Government Code Section 895.2, as amended or supplemented. Therefore unless and to the extent otherwise required by law or agreed to herein by the Members, in accordance with California Government Code Section 6507, the debts, liabilities and obligations of the Agency shall not be the debts, liabilities or obligations of the Member entities. The Agency shall own and hold title to all funds, property and works acquired by it during the term of this Agreement.

16.2. Indemnification. Funds of the Agency may be used to defend, indemnify, and hold harmless the Agency, each Member, each Director, and any officers, agents and employees of the Agency for their actions taken within the course and scope of their duties while acting on behalf of the Agency. Other than for gross negligence or intentional acts, to the fullest extent permitted by law, the Agency agrees to save, indemnify, defend and hold harmless each Member from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are in any way attributable in whole or in part to, negligent acts or omissions of the Agency or its employees, officers or agents or the employees, officers or agents of any Member, while acting within the course and scope of a Member relationship with the Agency.

Article 17. Withdrawal and Termination

17.1. Withdrawal. A Member may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon sixty (60) days written notice to the remaining Members.

17.2. Termination of Agency. This Agreement may be rescinded and the Agency terminated by unanimous written consent of all Members, except during the outstanding term of any Agency indebtedness.

17.3. Effect of Withdrawal or Termination. Upon termination of this Agreement or unilateral withdrawal, a Member shall remain obligated to pay its share of all debts, liabilities and obligations of the Agency required of the Member pursuant to the terms of this Agreement which were incurred or accrued prior to the date of such termination or withdrawal, including without limitation, those debts, liabilities and obligations pursuant to Section 5.2.11. Any Member that withdraws from the Agency shall have no right to participate in the business and affairs of the Agency, or to exercise any rights of a Member under this Agreement or the Act, but shall continue to share in distributions from the Agency on the same basis as if such Member had not withdrawn, provided that a Member that has withdrawn from the Agency shall not receive distributions in excess of the contributions made to the Agency while a Member. The right to share in distributions granted under this section shall be in lieu of any right the withdrawn Member may have to receive a distribution or payment of the fair value of the Member's interest in the Agency.

17.4. Disposition of Agency Assets upon Termination.

17.4.1. Surplus Funds. Upon termination of this Agreement, any reserves or surplus money on-hand shall be returned to the Members in the same proportion said Members have funded such reserves or surplus, in accordance with California Government Code section 6512.

17.4.2. Agency Property. The Agency shall first offer any assets of the Agency for sale to the Members on terms and conditions determined by the Board of Directors. If no such sale to Members is consummated, the Board shall offer the assets of the Agency for sale to any non-member for good and adequate consideration on terms and conditions determined by the Board of Directors.

Article 18. Miscellaneous

18.1. No Predetermination or Irretrievable Commitment of Resources. Nothing in this Agreement shall constitute a determination by the Agency or any of its Members that any action shall be undertaken or that any unconditional or irretrievable commitment of resources shall be made, until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, has been completed.

18.2. Notices. Notices hereunder shall be sufficient if delivered via electronic mail, First-Class mail to the addresses below:

Russian River Flood Control and Water Conservation Improvement District: 151
Laws Avenue, Suite D, Ukiah, CA 95482
County of Mendocino: 501 Low Gap Road, Room 1010, Ukiah, CA 95482
City of Ukiah: 300 Seminary Avenue, Ukiah, CA 95482
~~Upper Russian River Water Agency: 151 Laws Avenue, Ukiah, CA 95482~~
[Ukiah Valley Water Authority, 300 Seminary Avenue, Ukiah, CA 95482](#)

18.3. Bylaws. At, or as soon as practicable after the first Board of Directors meeting the Board of Directors shall draft and approve Bylaws of the Agency to govern day-to-day operations of the Agency.

18.4. Amendment. This Agreement may be amended at any time, by mutual agreement of the Members, provided that before any amendments shall be operative or valid, it shall be reduced to writing and signed by all Members hereto.

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

18.6. Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions will remain in force and unaffected to the fullest extent permitted by law and regulation.

18.7. Execution in Counterparts. The Parties intend to execute this Agreement in counterparts. It is the intent of the Parties to hold one (1) counterpart with single original signatures to evidence the Agreement and to thereafter forward three (3) other original counterparts on a rotating basis for all signatures. Thereafter, each Member shall be delivered an originally executed counterpart with all Member signatures.

18.8. Withdrawal by Operation of Law. Should the participation of any Member to this Agreement be decided by the courts to be illegal or in excess of that Member's authority or in conflict with any law, the validity of this Agreement as to the remaining Members shall not be affected thereby.

18.9. Assignment. The rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void.

18.10. Binding on Successors. This Agreement shall inure to the benefit of, and be binding upon, the successors or assigns of the Members.

18.11. Other Joint Power Agreements. Nothing in this Agreement shall prevent the Members from entering into other joint exercise of power Agreements.

[Signature Pages Below]

~~IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the Effective Date.~~

~~COUNTY OF OCINO~~

~~71, t,~~

~~By: JOHN MCCOWEN, Chair
BOARD OF SUPERVISORS~~

~~Date: APR 18 2017~~

~~ATTEST:
CARMEL J. ANGELO, Clerk of said Board~~

~~By: _____~~

~~Deputy APR 18 2017~~

~~Date: _____~~

~~I hereby certify that according to the provisions of
Government Code Section 25103, delivery of this
document has been made.~~

~~CARMEL J. ANGELO, Clerk of said Board~~

~~By: _____~~

~~Deputy~~

~~APR 18 2017~~

~~Date: _____~~

~~By signing above, signatory warrants and
represents that he/she executed this
Agreement in his/her authorized capacity and
that by his/her signature on this Agreement,
he/she or the entity upon behalf of which
he/she acted, executed this Agreement~~

~~COUNTY COUNSEL REVIEW:~~

~~APPROVED AS TO FORM:-~~

~~KATHARINE L. ELLIOTT,
County Counsel~~

~~By: _____~~

~~Deputy~~

~~Date: APR 18 2017~~

~~DEPARTMENT HEAD REVIEW:~~

~~_____~~
~~DEPARTMENT HEAD~~

~~FISCAL REVIEW~~

~~_____~~
~~Deputy CEO/Fiscal~~

~~INSURANCE~~

~~RISK~~

~~ALAN D. FLORA~~

~~RISK-MANAGER~~

~~EXECUTIVE REVIEW:
APPROVAL RECOMMENDED~~

~~_____~~
~~CARMEL J. ANGELO
CHIEF EXECUTIVE OFFICER~~

IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the Effective Date.

CITY OF UKIAH

BY: Jim O. Brown
Jim O. Brown, MAYOR

5-10-17
Date

BY: Sgt. S. S. S.

5-10-17
Date

CITY MANAGER

ATTEST

Kristine Lavelle

5-10-17

CITY CLERK _____ Date

IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the Effective Date.

~~Russian River Flood Control and Water Conservation Improvement District~~

By: *William Carson* Date: *1/30/27*

~~William Carson, President~~

~~Board of Trustees~~

~~IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the Effective Date.~~

Upper Russian River Water Agency

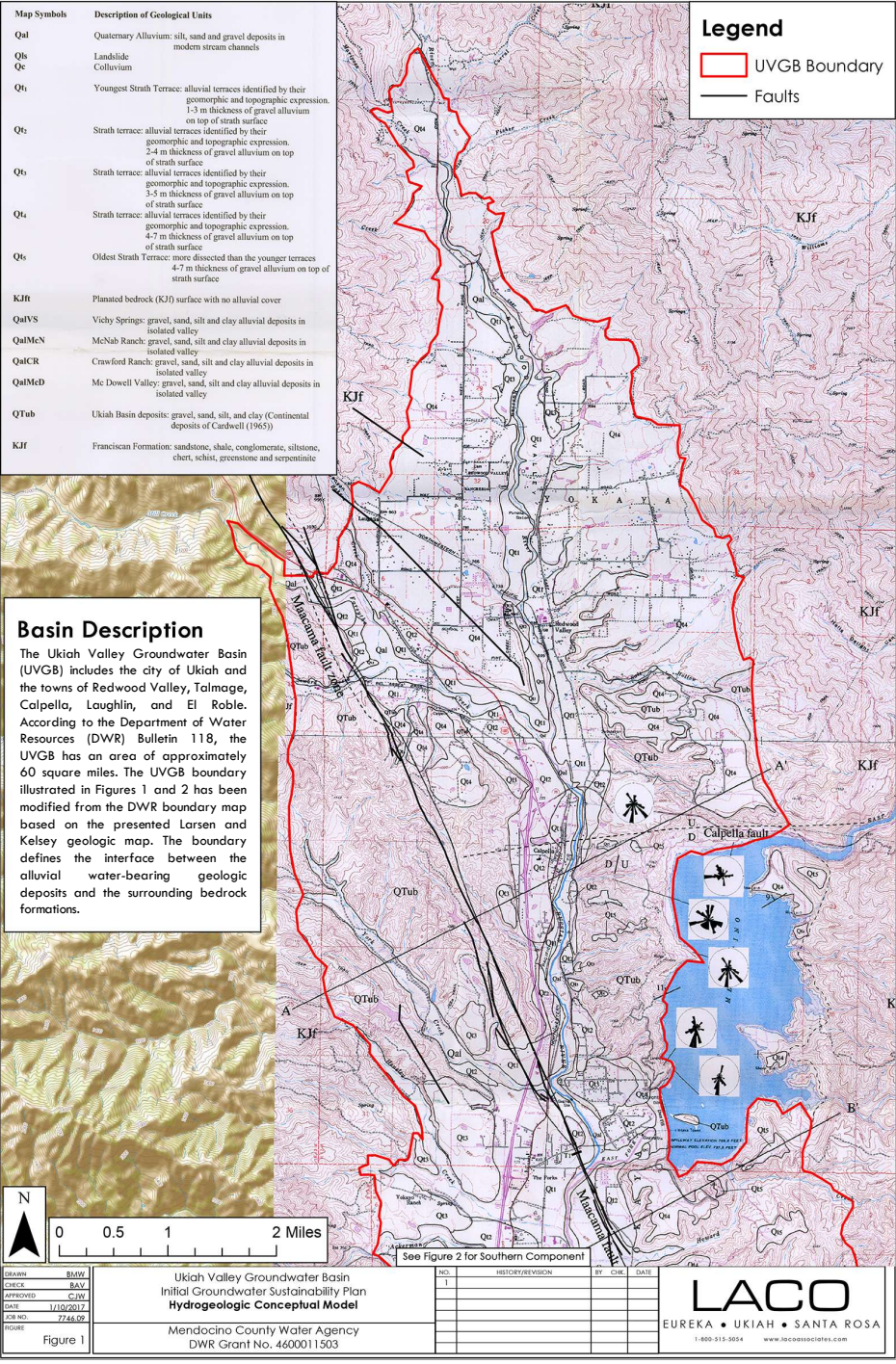
~~By: _____~~ 

~~Jeny Cardoza, President~~

~~Board of Directors~~

Date: 4-5-17





MEMORANDUM OF UNDERSTANDING
UKIAH VALLEY BASIN TECHNICAL ADVISORY COMMITTEE
TO THE GROUNDWATER SUSTAINABILITY AGENCY
Amended June 2026

This Memorandum of Understanding (“MOU”) effective _____, 2018 is entered into by and among the Ukiah Valley Basin Groundwater Sustainability Agency (“UVBGSA”), the Mendocino County Resource Conservation District (“MCRCD”), the Sonoma County Water Agency (“SCWA”), and the California Land Stewardship Institute (“CLSI”). The entities entering into this ~~MOA~~ MOU, and any entities subsequently added under section 3.2, are each an individual “Party” and collectively are “Parties.”

Commented [MS1]: Modify to align with UVBGSA board seats.

RECITALS

A. In 2014, the California Legislature passed the Sustainable Groundwater Management Act (“SGMA”), Water Code sections 10720-10737.8.

B. The UVBGSA is a joint powers authority formed by the County of Mendocino, the City of Ukiah, the ~~Upper Russian River Water Agency~~ Ukiah Valley Water Authority, and the Russian River Flood Control and Water Conservation Improvement District, all of which are local agencies with land use or water supply responsibilities within the Ukiah Valley Groundwater Basin (Department of Water Resources B-118 Basin No. 1-052) (the “Basin”). The UVBGSA has been designated as the exclusive groundwater sustainability agency for the Basin. Additionally, the board has one Agricultural Director and one Tribal Director seat.

C. ~~MCRCD, SCWA and CLSI~~ MCRCD, SCWA and CLSI Ukiah Valley Basin Technical Advisory Committee (“TAC”) members are stakeholders with technical expertise and knowledge regarding management of Basin groundwater and related surface water resources. Through the formation of the ~~Ukiah Valley Basin Technical Advisory Committee (“TAC”)~~, these Parties will assist the UVBGSA in support of its SGMA obligations and efforts to develop sustainable groundwater management in the Basin.

D. The Parties, by and through their respective governing boards, have determined that it would be mutually beneficial to participate in the TAC and this MOU, with their participation guided by the following principles:

- i. Sustainable groundwater management can be achieved through coordinated management of Basin groundwater and related surface water supplies.
- ii. Regional actions that leverage available resources for compliance with SGMA and water rights regulations can be achieved and will result in a more efficient and effective response to water reliability issues in the Upper Russian River watershed.
- iii. As directed by the UVBGSA governing board, the TAC will cooperate in the development of a common scientific understanding of the processes of interaction between groundwater in the Basin and surface water.

In consideration of these recitals and the mutual agreement in this MOU, the Parties agree as follows:

AGREEMENT

1. Purpose and Authority. The purpose of the TAC is to provide information and recommendations to the UVBGSA Board of Directors regarding the development and preparation of groundwater management policies and programs, and information regarding the interaction of surface water in the Basin.

The TAC will have authority to make recommendations on the following actions:

- Assess present groundwater conditions in the Basin.
- Provide review, comments and recommendations to the UVBGSA regarding technical data and analyses for SGMA implementation in the Basin and its interaction with surface water supplies.
- Provide review, comments and recommendations regarding the Basin Groundwater Sustainability Plan that the UVBGSA will prepare.
- Provide a forum to share technical information and coordinate various activities by the Parties that could affect water resource management in the Basin and Upper Russian River watershed.
- Identify and develop water management concepts of mutual interest for consideration by the UVBGSA governing board.
- Coordinate and partner for grant funding opportunities related to surface and groundwater interaction and management.
- Review and provide comments and recommendations on other items referred to the TAC by the UVBGSA Board of Directors, or on other matters of mutual interest to the UVBGSA, the TAC or the Parties.

2. Process of Recommendation by the TAC to the Board of Directors. The Parties agree that the TAC will strive for consensus in all of its decision making activities. The Parties agree that working toward stakeholder consensus is a fundamental principle of the TAC and this MOU. The TAC is consensus seeking but shall not limit itself to strict consensus if 100% agreement among all representatives cannot be reached after all interests and options have been thoroughly identified, explored, and discussed. When unable to reach consensus on advice or recommendations, the Committee will outline the areas in which it does not agree, providing some explanation of both majority and minority viewpoints in its recommendation

reports that inform Board decision-making. In order to conduct business (e.g. make and advance a recommendation to the Board), a quorum of the ~~Advisory Committee~~TAC must be present. A super majority of the total number of ~~Advisory Committee~~TAC members constitutes a quorum.

The TAC serves strictly in an advisory capacity and does not have independent decision-making authority.

Board Direction to TAC

The Board of Directors may direct the TAC to review and provide recommendations on specific technical or policy matters. Such direction shall be communicated through:

- Formal Board action; or
- The General Manager or designee.

The TAC shall respond to Board directives within a reasonable timeframe and provide written recommendations as appropriate.

2.3. Committee Governance.

2.3.1. Membership. The TAC will consist of the following members:

- One regular and one alternate member from each of the UVBGSAs: County of Mendocino, City of Ukiah, ~~Upper Russian River Water~~Ukiah Valley ~~Water Authority Agency~~, Russian River Flood Control and Water Conservation Improvement District, Tribal Seat and Agricultural Seat
- One regular and one alternate member ~~from MCRCD, SCWA and CLS~~representing the Agricultural and Tribal interests.
- One regular member and one alternate member representing each entity added to the MOU pursuant to section 3.2, to be appointed by that entity’s governing board.

Each regular member and each alternate member will serve at the pleasure of the appointing entity and each may be removed and replaced at any time by the appointing entity’s governing board, with a replacement designated by notice to the Parties.

TAC members shall serve until replaced by the appointing authority.

Committee Roles for Chair and Vice-Chair

The TAC shall annually elect a Chair and Vice-Chair.

The Chair shall:

- Preside over meetings;
- Coordinate with staff on agenda development;

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Serve as liaison to the Board.
The Vice-Chair shall act in the absence of the Chair.

Staff Support

The General Manager (or designee) shall provide administrative and technical support to the TAC.

Ad Hoc Committees

The TAC may establish ad hoc working groups, subject to coordination with the Chair and General Manager, to address specific technical issues.

Ad hoc groups shall be temporary and advisory in nature; Participation may include non-TAC subject matter experts; Ad hoc groups shall report findings back to the TAC.

~~2-2~~3.2. Addition of Parties. Additional parties may become a Party through TAC member agreement and recommendation for action by the Board of Directors.

~~2-3~~3.3. Withdrawal of Parties. A Party may withdraw from the MOU or be removed from the MOU by: (a) unanimous action by the other Parties' governing boards, or (b) written notice to the other Parties from the governing board of the Party leaving the MOU.

~~2-4~~3.4. Meetings, Notice and Brown Act Compliance. The TAC meetings will comply with the Ralph M. Brown Act (Government Code, §§ 54950-54963 (the "Brown Act")). The Committee will hold its first meeting as directed by the Board of Directors. Except for the first meeting, the time, place and manner of holding meetings will be prescribed by the TAC and announced by email to the TAC and all interested parties. The Committee will hold meetings as frequently as directed by the Board of Directors. Special TAC meetings may be called by the TAC members, provided that notification to the public is made in accordance with the Brown Act.

~~2-5~~3.5. Compensation. TAC regular members will serve without compensation from the UVBGSA.

~~2-6~~3.6. Rules. Subject to approval by the Board of Directors in accordance with the Brown Act, the TAC may adopt such other rules as it may deem necessary for the transaction of its business.

~~3-4~~Termination. This MOU will be effective as of the effective date above and will remain in effect until terminated by a majority vote by the UVBGSA Board of Directors, or a unanimous vote of the TAC members.

~~4-5~~Additional Matters of Mutual Interest. The following activities have been identified as additional matters of mutual interest to the Parties. The TAC may add, remove or modify this list at any time without amending this MOU.

- United States Geological Survey Russian River Watershed study/coupled surface water/groundwater model development.
- Data sharing and collaboration to support an update of Upper Russian River/Lake Mendocino reliability study.
- Coordination of monitoring programs that will be used to support implementation of SGMA.
- Improved water management and forecast informed reservoir operations for Lake Mendocino.
- Evaluation of new water supply projects (e.g., recycled water, conjunctive use programs) that are aligned with the purposes and goals of SGMA and that will improve Upper Russian River/Lake Mendocino water supply reliability.
- Promotion of conservation and water use efficiency to promote water supply resiliency.
- Pursuing Upper Russian River drought contingency plans to reduce impacts of water shortages.
- Collaboration and coordination related to Potter Valley Project relicensing process.
- Coordination to jointly pursue funding opportunities to support initiatives of mutual interest.

5.6. General Provisions.

5.1.6.1. Joint Authorship and Interpretation. This MOU will be deemed to have been prepared equally by all of the Parties, so its terms, individually and as a whole, will not be interpreted against any Party on the grounds that a Party prepared those terms.

5.2.6.2. Amendment. This MOU may be amended as circumstances necessitate by a written amendment executed by representatives of all of the Parties.

5.3.6.3. Compliance with Laws. Each Party will comply with all laws, regulations, orders and other legal obligations applicable to its actions under this MOU.

5.4.6.4. Notices. All notices given by a Party under this MOU will be deemed to have been given and received by another Party: (a) immediately upon personal delivery; (b) three business days after the notice is deposited in the U.S. mail, with adequate first-class postage prepaid; or (c) the business day following facsimile or e-mail transmission, with return receipt requested and received. The following are the Parties' representatives and contact information for purposes of notices under this MOU:

UVBGSA

MCRCD

501 Low Gap Rd., Room 1010
Ukiah, CA 95482

410 Jones Street, Ste. C-3
Ukiah, CA 95482

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SCWA

CLSI

404 Aviation Blvd
Santa Rosa, CA 95403

550 Gateway Drive, Suite 108
Napa, CA 94558

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Any Party may change its above referenced representative or contact information by notifying the other Parties of the change.

5.5.6.5. Legal Capacity and Signatures. Each individual executing this MOU as a Party's representative represents that he or she has the legal authority to do so on that Party's behalf. This MOU and any amendments may be signed in counterparts and by facsimile or PDF signatures.

5.6.6.6. No Commitment to Actions with Environmental Impacts. The Parties do not intend to make, and nothing in this MOU makes, any commitment to any action that could cause a physical change in the environment. To the extent there is any dispute about whether any term of this MOU represents a commitment to such an action, that term will be interpreted as not involving such a commitment. No Party subject to the California Environmental Quality Act (Public Resources Code §§ 21000-21189.3 ("CEQA")) will make a commitment to any such action before conducting and completing any environmental analysis required by CEQA.

5.7.6.7. Integration. This MOU states the Parties' entire agreement concerning its subject matter and incorporates and supersedes any prior agreements, representations, negotiations or understandings concerning that subject matter.

[Signatures on the following page.]

~~UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY~~

By: _____
_____ ~~Carre Brown, Chair~~

Dated: _____

Attest:

_____ ~~Brandi Brown, Secretary~~

~~MENDOCINO COUNTY RESOURCE CONSERVATION DISTRICT~~

By: _____
_____ [Name]

Dated: _____

Attest:

_____ [Name]

~~Approved as to Form:~~

_____ [Name]

SONOMA COUNTY WATER AGENCY

By: _____
_____ [Name]

Dated: _____

Attest:

_____ [Name]

Approved as to Form:

_____ [Name]

CALIFORNIA LAND STEWARDSHIP INSTITUTE

By: _____
_____ [Name]

Dated: _____

Attest:

_____ [Name]

Approved as to Form:

_____ [Name]



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT:Receive Update on the Groundwater Sustainability Plan 2027 Periodic Evaluation.

PREPARED BY: Audra Bardsley, Senior Scientist, LWA, Maya Simerson, Senior Management Analyst

PRESENTER: Audra Bardsley, Senior Scientist, LWA

ATTACHMENTS:

None

Summary:

This item provides a status update on preparation of the Ukiah Valley Basin Groundwater Sustainability Plan (GSP) Periodic Evaluation (PE), which is required to be submitted to the Department of Water Resources (DWR) by January 28, 2027. Consistent with prior Technical Advisory Committee (TAC) recommendations and Board direction, Staff is proceeding under the PE-only pathway. This item is informational only; no action is requested.

Background:

The Sustainable Groundwater Management Act (SGMA) requires groundwater sustainability agencies to submit a PE at least every five years following initial GSP submittal for approved plans. The Ukiah Valley Basin GSP was submitted in January 2022 and approved by DWR in July 2023, requiring the first PE to be submitted by January 28, 2027.

At its October 15, 2025, meeting, the TAC reviewed compliance pathway options and recommended proceeding with a PE only, rather than preparing a combined Periodic Evaluation and Plan Amendment (PA). The Board of Supervisors subsequently approved the PE-only pathway at its December 15, 2025, meeting.

Work was authorized in January 2026 and in April 2026, the existing On-Call Technical Support Agreement with Larry Walker Associates (LWA) was amended to add preparation of the PE and associated Ukiah Valley Basin Integrated Hydrologic Model update tasks.

Discussion:

Under the PE-only pathway, Staff and technical team members are preparing a written evaluation focused on GSP implementation progress, monitoring data, sustainable management criteria performance, projects and management actions, and incorporation of new information since plan adoption. Minor updates consistent with DWR guidance, such as addition of new representative monitoring points and development of associated sustainable management criteria using established methods, may be included; no substantive GSP amendments are proposed at this time.

A draft Periodic Evaluation will be provided to TAC members in advance of the October 7, 2026, TAC meeting for technical review and input. Comments received will be incorporated into a revised draft for Board of Directors review ahead of the November 12, 2026 meeting. Following Board input and consideration of public

comments, technical team members will finalize the document for submittal to DWR by the January 28, 2027, deadline.

Recommended Action: Receive update from Staff and consultants on the 2027 Groundwater Sustainability Plan Periodic Evaluation.



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT:Receive Update on the Upper Russian River Groundwater Dependent Ecosystem (GDE) and Interconnected Surface Water (ISW) Study.

PREPARED BY: Audra Bardsley, Senior Scientist, LWA

PRESENTER:
Audra Bardsley, Senior Scientist, LWA

ATTACHMENTS:

None

Summary:

This item provides an update on the Upper Russian River GDE and ISW Study, with emphasis on progress made since the March 2026 Board of Directors meeting. Recent activities reflect advancement from planning and site prioritization into early implementation, including completion of field reconnaissance, expanded landowner engagement, and initiation of monitoring activities. This update is informational only; no action is requested.

Background:

In September 2024, the Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) was awarded \$1.36 million in funding from the California Department of Fish and Wildlife to implement the Upper Russian River GDE and Interconnected Surface Water Study, with the grant agreement executed in January 2025. The study officially launched in October 2025 and is supported by a technical team led by Larry Walker Associates.

The Board last received an update in March 2026, at which time the study had progressed through development of the site prioritization framework, initial outreach and engagement efforts, and preparation for field reconnaissance and monitoring implementation.

Discussion:

Since the March 2026 Board update, the study has transitioned from planning and prioritization into early implementation.

Following approval of the site prioritization framework by the Technical Advisory Committee in February 2026, the technical team finalized and applied the framework to evaluate tributary and mainstem locations. Field reconnaissance was completed in March 2026 to ground-truth desktop analyses and assess habitat conditions, channel characteristics, and access feasibility at prioritized sites. This effort included participation by specialists in fisheries biology, herpetology, and geomorphology.

Outreach and coordination efforts have continued to expand during this period. These efforts build on the January public webinar and February Tribal engagement through the Mendocino Lake Sonoma Tribal

Environmental Partnership (MLSTEP) Stream Team and have supported ongoing coordination with local agencies and stakeholders.

Landowner engagement has advanced and to date, three site access agreements have been executed for publicly owned properties along the Russian River mainstem and West Fork. In addition, a participant has recently been secured along Forsythe Creek. The technical team continues to coordinate with private landowners in high-priority tributary areas to further expand site coverage if possible.

Additional technical work has included evaluation of existing groundwater monitoring data to identify wells responsive to river stage fluctuations, identification of candidate sites for instrumentation, and initiation of procurement planning for shallow monitoring well installation. These efforts have supported transition to field implementation.

The first round of biological surveys and water sample collection is scheduled for June 3, 2026, marking the transition into active data collection for the study. Upcoming work will focus on securing additional site access, installing monitoring equipment, and continuing data collection and analysis.

Recommended Action: Receive update from Staff and consultants on the Upper Russian River Groundwater Dependent Ecosystem and Interconnected Surface Water Study.



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT: Consideration of a Groundwater Sustainability Fee Appeal Submitted by Fred Sagehorn & Son, Inc.

PREPARED BY: Maya Simerson, Senior Management Analyst

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. Sagehorn Fee Appeal 6-1-2026

Summary: The Board is asked to consider a fee appeal submitted by Fred Sagehorn & Son, Inc. regarding groundwater sustainability fees assessed on ranch properties owned by the corporation. The appellant requests clarification regarding the acreage subject to fees and consideration of a reduction in fees based on concerns related to parcel inclusion, fee equity, and the application of the Agency's adopted fee structure.

Background: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) received a Groundwater Sustainability Fee Appeal Form and supporting letter from Robert Sagehorn, Chairman of Fred Sagehorn & Son, Inc that was mailed on May 27, 2026, and received by Staff on Monday, June 1, 2026 (Attachment 1). The appeal concerns groundwater sustainability fees assessed on ranch properties located in the southeastern portion of the Ukiah Valley Groundwater Basin.

The appellant's submission includes a detailed narrative, supporting maps, and a completed Fee Appeal Form. The appeal was submitted in accordance with the Agency's fee appeal process.

The appellant is also participating in the UVBGSA Upper Russian River Groundwater and Stream Monitoring Study and has executed the Property Access and Data Collection and Use Consent and Release Form associated with that effort.

Discussion: The appellant raises several concerns regarding the groundwater sustainability fee assessment:

- 1. Parcel Boundary and Basin Inclusion**

- The appellant contends that portions of the ranch property appear to lie outside the mapped boundary of the Ukiah Valley Groundwater Basin but are nevertheless included in the acreage subject to groundwater sustainability fees.
- The appellant requests clarification regarding the methodology used to determine fee-applicable acreage and why certain lands outside the basin boundary appear to be included.

- 2. Consistency of Fee Application**

- The appellant notes observations of other nearby properties that appear to be treated differently with respect to fee assessments and requests an explanation of the rationale used in determining which lands are subject to fees.

- 3. Fee Equity**

- The appellant argues that the adopted fee structure places a disproportionate economic burden on non-extracting rangeland properties when compared to agricultural lands that actively extract groundwater.

- The appellant requests consideration of a reduction in fees based on the relative economic impacts of the assessment.

4. Specific Parcel Questions

- The appellant questions why certain parcels are included in the fee calculation while another parcel identified as APN 187-250-0200 is not assessed despite appearing to be within the mapped basin boundary.

The Groundwater Sustainability Fee was adopted by the UVBGSA Board following a Proposition 218 proceeding and is applied in accordance with the fee methodology approved by the Board. The methodology establishes classifications and rates intended to allocate costs among beneficiaries and groundwater users within the Basin.

The issues raised in the appeal generally fall into two categories:

1. Application of the Fee Methodology to Specific Parcels

The appellant has requested clarification regarding the acreage included in the fee calculation and the relationship between parcel boundaries and the mapped groundwater basin boundary.

Staff has reviewed the submitted materials and recommends further evaluation of the parcel mapping, acreage calculations, and fee allocation methodology as applied to the subject properties. Additional review may be necessary to verify that the assessed acreage is consistent with the Agency's adopted fee framework and underlying geographic information system (GIS) data.

2. Challenge to the Adopted Fee Structure

The appellant also raises concerns regarding the relative burden imposed on rangeland properties compared to agricultural properties that extract groundwater.

These concerns relate to the policy basis of the fee structure adopted by the Board through the Proposition 218 process. While the Board may consider the information presented, any modification to the adopted fee structure would generally require a broader policy review and potentially additional procedural actions beyond the scope of an individual fee appeal.

No direct fiscal impact is associated with consideration of the appeal. If the Board determines that an adjustment to the assessed acreage or fee amount is warranted, future fee revenues could be affected.

Suggested Board Action

After receiving the Staff presentation and public comment, the Board may:

1. Uphold the fee assessment as applied;
2. Direct Staff to conduct additional parcel and acreage verification, seek legal review if needed, and return with findings;
3. Grant a modification to the fee assessment if supported by the evidence; or
4. Provide other direction as deemed appropriate.

Recommended Action: Receive the appeal submitted by Fred Sagehorn & Son, Inc., consider the information provided by the appellant, and provide direction to Staff regarding the disposition of the appeal.

May 26, 2026

To: The Ukiah Valley Basin GSA

From: Robert Sagehorn (Chairman) C/O Fred Sagehorn & Son, Inc.n

Subject: Property Access And Data Collection And Use Consent And Release Form

Dear Maya,

Enclosed is the signed copy of the Access agreement. As I had said from the beginning that I would sign it, and I have kept my word on that. Moreover, I said I would sign it with no strings attached.

However, I did say my doing so, may end up resulting in my removal as the Chairman of the Board by a majority vote of the shareholders. Because the shareholders warned me that trying to appeal the groundwater fees could result in retribution by the UVBSGA by increasing the fees to the whole \$4.07 per acre amount. Which would in effect raise the ranch property taxes compared to 22/23 by 282%. Nevertheless, the directors gave their approval for me to appeal the fees. Moreover, I told the directors I would try to negotiate with the UVBSGA by suggesting that the Morrison Creek "Dry Creek Flats" could be developed to improve its natural groundwater recharge for the Ukiah Valley Groundwater Basin.

You and I last spoke by phone in response to my prior emails wherein I asked about waiving the groundwater fees during the term of the Access Agreement. During our phone conversation you said you did not have records to confirm my email statement saying the groundwater fees charged to the ranch were \$3,600 for the 25/26 property tax year. You said the records you found indicated two charges, one for \$116 and one for \$125. So we agreed I would mail you a copy of the ranch property taxes and once you have received it we would phone talk again. Presumably, you have received a copy of the ranch property taxes by now.

I have enclosed two maps, and am sorry they did not print as clear as they were on the computer screen. But I think you should be able to identify those two maps in your records. The ranch is down in the south east portion of the groundwater basin. Why I am sharing these two maps is to ask in this appeal for clarification: why is the whole ranch property being included in the determination of the acres subject to the groundwater fees, under the category of other lands not extracting groundwater (rangelands). Both maps show the groundwater basin line. The groundwater basin map shows Morrison Creek clearly. The groundwater basin line runs through the ranch. The ranch has land on both sides of that line. Some inside of the groundwater basin, and some outside of the groundwater basin. However, the Groundwater Sustainability Fee Finder map includes the entire ranch, including the land shown as outside of

the groundwater basin.

In the appeal, can the UVBGSA explain the reasoning process? I don't want to point out on the maps some neighboring properties. But I notice on the maps things that perplex me. Like south of Morrison Creek, the next major creek is Parsons Creek, which flows into the southern end of the Ukiah Valley Basin. How come none of the rangeland that drains into Parsons creek is other fee lands? Nor is any of the rangeland north of Parsons Creek, until it reaches our ranch? Then there is the rangeland on the west side of the Russian River, north of Russian River Estates. That rangeland's east property line runs to the center of the Russian River, yet it is not fee charged land. That perplexes me. That land is also outside of the Ukiah Valley Basin map line. And it is not being charged any fees, but our ranch is being charged for its land that is outside of the Ukiah Valley Basin map line. I can not determine what is the rationale. I see on the entire map that our ranch is not the only land with fee charged lands that are outside of the groundwater basin map lines.

I have tried to make sense of it. Thinking that perhaps the UVBGSA intended a land based fair share approach for the funding of the agency. Trying to balance out those lands that contribute to the groundwater recharge, that are not extractors, versus those lands and users who are extractors of groundwater.

It doesn't seem to balance out fair. Here is how I compute it. I will compare a non-extractor rangeland, with an extractor farmland. Using a cattle ranch and a vineyard. In Mendocino County one cow takes 30 acres of rangeland. A 100 acre vineyard property farmland is charged \$32 per acre. That is \$3,200 in GSA fees charged to the farmer. I will equalize this charge with cattle rancher that is charged \$4.07 per acre. \$3,200 divided by \$4/acre equals 800 acres. It takes 30 acres for each cow. 800 acres divided by 30 acres per cow equals 26 cows. So now we have equalization between two properties. The 100 acre farmland vineyard pays \$3,200 in GSA fees, and the 800 acre cattle rangeland pays \$3,200 in GSA fees. The rationale is that it demands an equal amount of GSA expense to manage the 100 acres of farmland, as it does to manage the 800 acres of rangeland. But does this equality equate equally between the fee burdens charged to the two properties in question? Let's compare them. The 100 acres of vineyard averages 750 tons of grapes selling for \$1,200 per ton equals \$900,000 in gross sales. The 800 acres of rangeland with 26 cows of carrying capacity averages twenty 650 pound weaned calves to sell per year that averages \$2.85 per pound. Twenty weaned calves weighing 650 pounds multiplied by \$2.85 per pound is \$1,852.50 per head, multiplied by twenty head equals \$37,050 in gross sales per year.

So we have 100 acres of vineyard farmland with gross revenues of \$900,000 paying \$3,200 in GSA fees, and 800 acres cattle rangeland with gross revenues of \$37,050 paying \$3,200 in GSA fees. The farmer is paying \$3,200 or 0.00356% of his gross revenues for GSA fees, and the cattle ranch is paying \$3,200 or 0.0864% of his gross revenues for GSA fees. Is this

an equal burdern? I don't see how. The farmer is contributing barely over one-third of 1% of his grape saless, while the cattle rancher is paying 8.64% of his calf sales. Moreover, the farmland is extracting and the rangeland is not extracting. So on the one hand the UVBGSA fee implies it takes an equal amount of expense to manage 100 acres of farmland as it does to manage 800 acres of rangeland, but on the other hand, the cattle rancher is paying 24 times more of his gross revenues for GSA fees than the farmer. Is that right? $8.64\% \div 0.354\% = 24.27$. So the burden in GSA fees on the non-extracting rangeland is 24 times more than upon the extracting farmland when comparing the economic hardship between the two property types. Surely, this was not the intention of the UVBGSA when it created the fee schedule. Nevertheless, there you have it.

This appeal asks for consideration to reduce this inequitable burden. This appeal isn't asking that the farmer pay 8.64% of his revenues, too. But rather that our burden be nearer to the 0.356% of revenues, like the farmer is required to pay. And why are all of the ranch acres being charged except for 22.85 acres (APN # 1872500200)? I can not figure this out. This parcel adjoins Old River Road at 7001. It is not being charged GSA fees, and it is inside the map lines. But many acres of the ranch are outside of the map lines on the east and south portions of the ranch, yet they are being charged. Why? Please give an explanation or adjust the fees if need be. (I would be more than pleased to invite you down to the ranch, so you can see on foot, the many acres that are being charged. As the saying goes, "Seeing is believing".)

I will end by sharing my intention to voluntarily participate in your Upper Russian River Groundwater and Stream Monitoring Study. Your flyer said, "We need your help!" So here I am! By the way, you may be interested to know that during the time period of your study the ranch will reach its first 100 years since my Grandfather Fred Sagehorn purchased the ranch. Fred was a first generation born United States citizen. He and his son David Sagehorn had a hard struggle to pay for this property. Fred and his wife Ara staked their life savings every penny to make the down payment. Their only child, David was 5 years old. Then life took a hard turn. Ara died from breast cancer with David having just turned seven years old. When they moved to the ranch in spring of 1929, little did they know the stock market was going to crash, sending lamb prices down from 21 cents a pound to 7 cents a pound. And then Fred's wife died, leaving him a bachelor alone to pay the ranch mortgage and raise their seven year old boy. David graduated from Ukiah High School, and was drafted into the US Army 77th Infantry Division (The Statute of Liberty Division). They liberated Guam, landed at Leyte in the Phillipines with MacArthur, fought at Okinawa where Desmond Doss the medic rescued the wounded at Hacksaw Ridge (he was in the 77th Infantry, too), and went on to the occupation of Japan. My father, David, came back from the Pacific Theater of WWII and went to UC Berkley and became a civil engineer. He never got to play sports during High School, because Fred needed David to help him after school on the ranch. In 1972, Fred and David incorporated the ranch into Fred Sagehorn & Son, Inc.

I will tell you my father, David, was a wonderful man. But I will tell you his mother was a true mother. While she was dying in a hospital in San Francisco she knew she would not be there to raise David. So she got her nurse friend to type and she wrote him a book "David Lee's Book" By His Mother Ara Brown Sagehorn -- San Francisco, 1931. I won't bore you with family stories. I never had the chance to meet my grandmother, but with her book I have met her in a special way. Her father, Le Roy D. Brown, ran off to the Civil War at age 15 and joined the 116th Ohio Infantry Volunteers. They fought for Abraham Lincoln's Union Army and fought with General Sheridan in the 1864 Shennendoah Valley Campaign. The 116th received Confederate General Lee's surrender flags while they were on the skirmish line at Appomattox. Le Roy D. Brown was the first President of the University of Reno Nevada. On September 17, 1884 he gave an address at the Re-Union of the 116th Ohio Volunteers in Caldwell, Ohio. I would like to share some of what he said.

"The war of the Rebellion was the result of ignorance. The South did not know the tenacity of purpose, the devotion to principle, the courage and the resources of the North. We did not know the splendid capacity for military leadership and we did not appreciate the advantages of defensive warfare possessed by the South. Both North and South did not know, in 1861, that the dial-plate upon which God shows the progress of nations indicated that the hour was at hand when four millions of people in America were to be made free. Had North and South better understood one another, there would have been no civil war in this country."

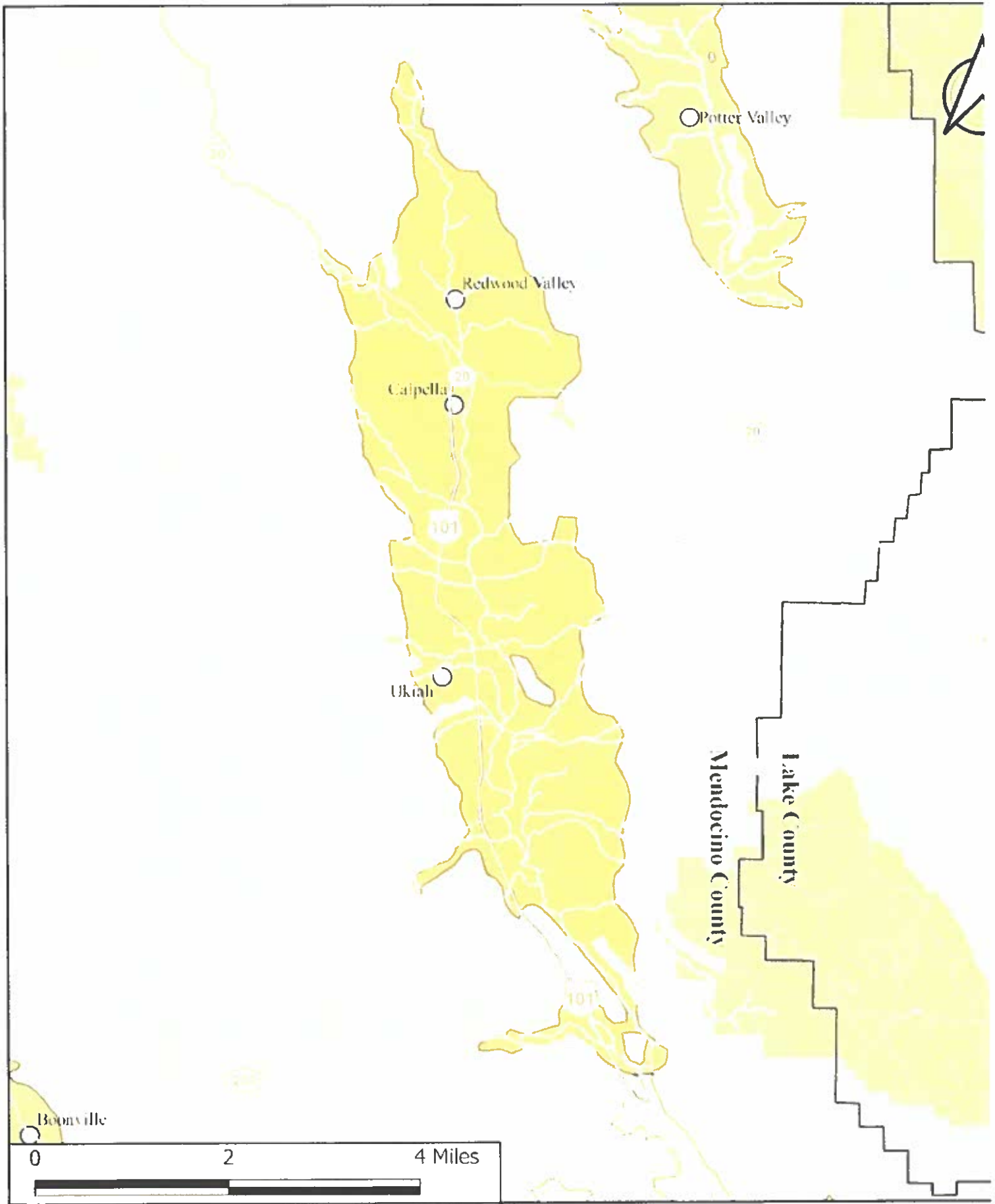
My grandmother Ara Brown wrote in her book "The students at Nevada University planted an elm tree as my twin. I have oftentimes wished I might see it and only hope I have fulfilled my purpose in life somewhere near as well as I know it has."

Out of curiosity, I went to the University a number of years ago. And there were the two elm trees, very old and very large, still standing. Through her first grandchild's eyes she was able to see the tree, and I was able to be next to a living connection with my grandmother. She would be very pleased to know that the ranch she ventured forth for, is still in her family. And that she has three grandchildren, six great grandchildren, and eight great great grandchildren. She would be very pleased that her ranch is participating in the UVBGS's project study.

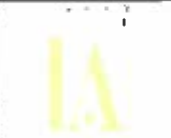
Sincerely,

Robert B. Sagehorn

Chairman of Fred Sagehorn & Son, Inc.



Ukiah Valley Basin GSP Planning Area according to California Bulletin 118



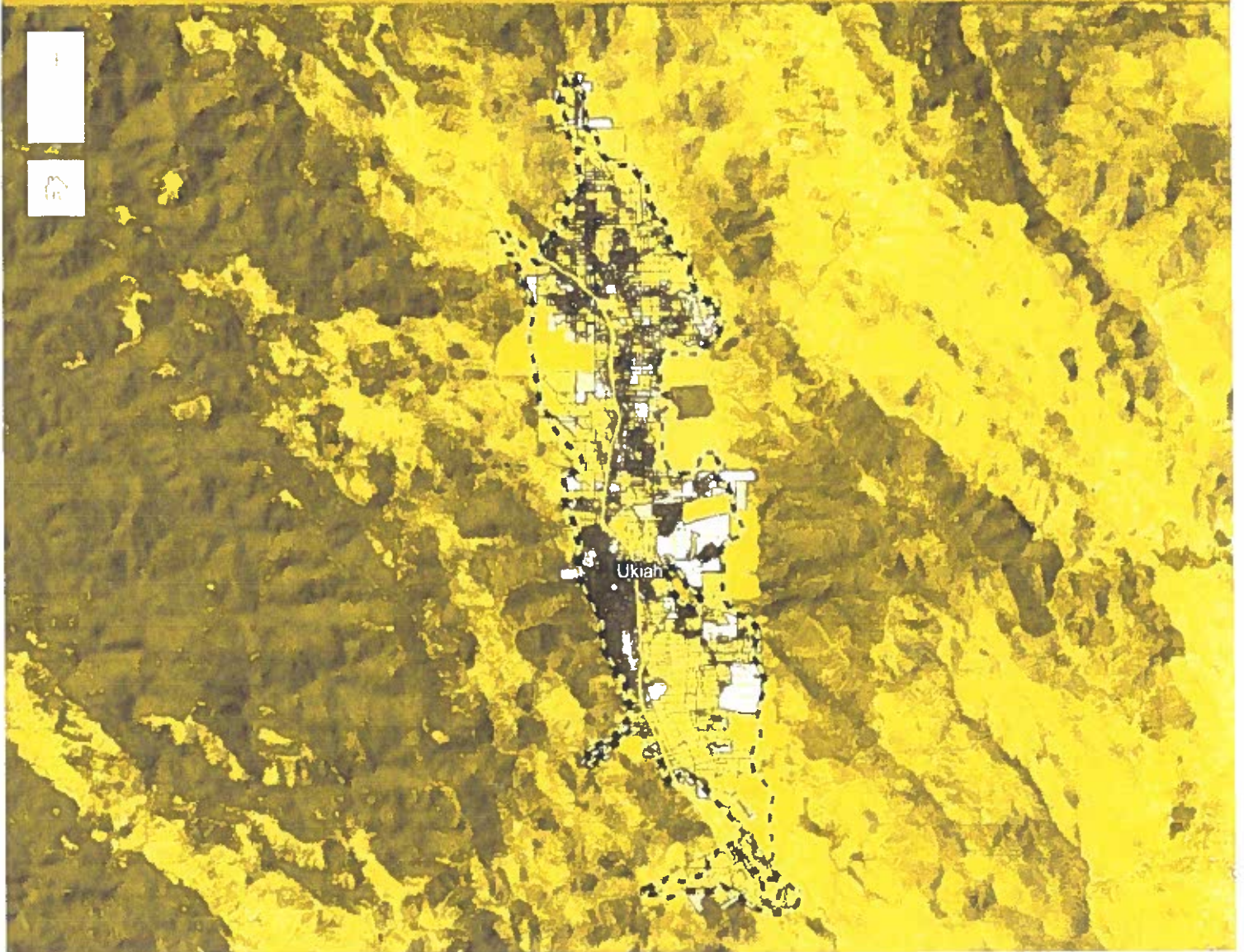
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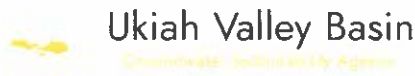
Bulletin 118 Groundwater Basin  Sanel Valey



Ukiah Valley Basin GSA

Groundwater Sustainability Fee Finder





Groundwater Sustainability Fee Appeals Form

The purpose of this form is to inform the Groundwater Sustainability Agency (GSA) of an interest to appeal a groundwater sustainability fee charged to a qualifying parcel. Please provide any additional information to support consideration of an appeal. Send the completed appeals form and supporting materials to or mail them to Ukiah Valley Basin Groundwater Sustainability Agency, 300 Seminary Ave., Ukiah, CA 95482.

The GSA does not charge a fee for filing an appeal.

C/o Fred Sagehorn & Son, Inc.

First Name Robert

Last Name Sagehorn (Chairman)

Email Address r2093g25355@gmail.com Phone Number 530-614-0289

Mailing Address 2093 Camelot Ct. Placerville, CA 95667

Parcel Identification (APN or parcel address) See Letter of May 12, 2026 sent to Maya Simerson UVBGSA

GSA Invoice Number (if applicable) see letter above copies of property tax invoices

Grounds for Appeal

See letter enclosed dated May 26, 2026 sent to Maya Simerson UVBGSA

Supporting Materials: Please attach any relevant supporting materials (proof of fee payment, bills for a public water system, County or other jurisdictional correspondence, photos of property, etc.).

See above letters of May 12, 2026 and May 26, 2026

Certification: By signing below, I certify that I am the property owner or an Authorized Agent for the parcel, and that each and all the statements herein are true and correct to the best of my knowledge. I understand that the Groundwater Sustainability Agency may delay start or temporarily hold the appeals process at any time should they deem additional information necessary.

Signature Robert S. Sagehorn

Date May 27, 2026

Chairman of Fred Sagehorn & Son, Inc.



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT: Consideration of Adoption of Resolution and Corresponding Policy Electing to Participate in the California Uniform Public Construction Cost Accounting Act (CUPCCAA), and Consolidate with the City of Ukiah to Maintain the Required List of Registered Contractors.

PREPARED BY: Maya Simerson, Senior Management Analyst, Kristine Lawler, City Clerk

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. CUPCCAA - Manual
2. Proposed Resolution
3. Proposed UVBGSA Policy No 001

Summary: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) will consider adopting a resolution and corresponding policy electing to participate in the California Uniform Public Construction Cost Accounting Act (CUPCCAA), and consider consolidating with the City of Ukiah to maintain the required list of registered contractors.

Background: The CUPCCAA, codified in California Public Contract Code Section 22000 et seq., establishes alternative bidding procedures for public projects and allows participating agencies greater flexibility in delivering public projects and maintenance projects.

Participation in CUPCCAA is voluntary and requires adoption of a resolution by the governing body electing to become subject to it. The CUPCCAA requires that the resolution specify that the agency will meet the requirements prescribed in the California Uniform Construction Cost Accounting Commission's Cost Accounting Policies and Procedures Manual (Attachment 1). Section 22034 of the CUPCCAA further requires that the agency adopt an informal bidding ordinance or policy. Upon electing to become subject to the CUPCCAA, the agency must notify the State Controller.

The CUPCCAA establishes adjusted project cost thresholds that allow agencies to utilize force account labor, negotiated contracts, informal bidding procedures, or formal competitive bidding depending on the estimated construction cost of the project.

Both the City of Ukiah and the County of Mendocino currently participate in CUPCCAA. Adoption of this resolution would align the UVBGSA with the procurement practices already utilized by the City and County and would support consistency in public project contracting procedures across the region

Discussion: Adoption of CUPCCAA would provide the Agency with increased flexibility and efficiency in managing small and mid-sized public projects.

Benefits include:

- Streamlined procurement procedures for smaller construction and maintenance projects;
- Reduced administrative burden associated with formal bidding requirements;
- Faster project delivery timelines;
- Increased flexibility to utilize informal bidding procedures;
- Ability to self-perform qualifying work using agency Staff when appropriate;

- Improved responsiveness to operational and infrastructure needs; and
- Potential cost savings through simplified project delivery methods.

Under current CUPCCAA thresholds, public projects of \$75,000 or less may be performed by force account, negotiated contract, or purchase order. Public projects of \$220,000 or less may utilize informal bidding procedures described in section 22034 of the CUPCCAA. Public projects exceeding \$220,000 require formal competitive bidding procedures.

If the Agency elects to participate in CUPCCAA, Staff recommends:

- Adopting the Proposed Resolution (Attachment 2);
- Adopting the Proposed Policy (Attachment 3) consistent with CUPCCAA requirements;
- Directing Staff to consolidate with the City of Ukiah and use their already established list with registered contractors. Consolidation would include the annual review and posting to trade journals.
- Directing Staff to maintain records and documentation necessary for audit compliance; and
- Directing Staff to submit the adopted resolution and supporting materials to the State Controller.

Participation in CUPCCAA does not exempt the Agency from prevailing wage requirements, licensing requirements, or other applicable public contracting laws. The policy to support the GSA's participation in CUPCCAA will go into effect immediately upon approval, however the actual start date for the GSA will not be in effect until after confirmation of approval by the State.

Fiscal Impact

Adoption of CUPCCAA is anticipated to reduce administrative costs associated with procurement and project delivery for qualifying public projects. No immediate fiscal impact is associated with adoption of the resolution.

Recommended Action: Adopt Resolution and Corresponding Policy Electing to Participate in the California Uniform Public Construction Cost Accounting Act (CUPCCAA), and Consolidate with the City of Ukiah to Maintain the Required List of Registered Contractors.

**California Uniform Construction Cost
Accounting Commission**

**Cost Accounting Policies and
Procedures Manual**

2025 Edition

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FOREWORD

The Uniform Public Construction Cost Accounting Act (Act), enacted in 1983 under Public Contract Code section 22000 et seq., allows local agencies to perform public project work of up to \$75,000 with their own workforces if the agencies elect to follow the cost accounting procedures set forth in the *Cost Accounting Policies and Procedures Manual* by the California Uniform Construction Cost Accounting Commission.

Every five years, the California Uniform Construction Cost Accounting Commission reviews the informal bid limits for inflation and other factors to determine whether adjustments should be made. If an adjustment is made, the State Controller notifies the affected public agencies. The adjustment may become effective before it appears as a formal change in the Public Contract Code pursuant to Public Contract Code section 22020. The most recently posted bid limits can be found at www.sco.ca.gov/ard_cuccac.html titled under [New Informal Bid Limit Increase \(Pursuant to PCC 22032\)](#).

Any local agency can voluntarily elect to become a participating agency of the Act. Local agencies include cities, counties, redevelopment agencies, special districts, school districts, and community college districts. Participating agencies benefit from the raised force account limit and the informal bidding procedures. More projects are completed in a timely manner as a result of the streamlined awards process and the reduction in paperwork related to advertising and report filing.

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California Uniform Construction Cost Accounting Commission Cost Accounting Policies and Procedures Manual

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CHAPTER 1 Information for Adoption and Implementation of the California Uniform Public Construction Cost Accounting Act

Instructions for Adoption and Implementation of the Uniform Construction Cost Accounting Procedures

1.01 Instructions for Adoption and Implementation of the Uniform Public Construction Cost Accounting Act (ACT) by Local Agencies

- 1) The Governing Board must elect by resolution to become subject to the uniform construction cost accounting procedures promulgated by the State Controller pursuant to the Public Contract Code section 22019. The resolution shall specify that the local agency will meet the requirements prescribed in the California Uniform Construction Cost Accounting Commission’s *Cost Accounting Policies and Procedures Manual* and state the effective date the agency will implement the accounting and bidding procedures.
- 2) The local agency must notify the State Controller in writing of the election to become subject to the uniform construction cost accounting procedures along with a copy of the resolution sent to one of the following locations:

Electronic Copy (PDF)	Physical Copy
Sent via email to: LocalGovPolicy@sco.ca.gov	Sent via mail to: Office of the State Controller Local Government Programs and Services Division Local Government Policy Section P.O. Box 942850 Sacramento CA 94250

- 3) When a local agency elects to become subject to the uniform construction cost accounting procedures, the entire entity is considered subject to the Act and no departments will be exempt. However, Special Districts which are governed by a board of supervisors or city council are subject only if a separate election is made.
- 4) An informal bidding ordinance, or a board adopted policy equivalent to such as required by the participating agency, shall be enacted pursuant to Public Contract Code section 22034.
- 5) Once opting into the Act, participating agencies must always adhere to the terms of the Act until such time the agency formally opts out by resolution of its governing board. Having opted in, selective adherence to the terms of the Act is a violation.
- 6) The governing board may discontinue the agency’s participation under the uniform public construction cost accounting procedures by adopting a resolution stating this fact. A copy of the resolution shall be filed with the State Controller.
- 7) The State Controller shall notify the California Uniform Construction Cost Accounting Commission (Commission) of all local agencies electing to become subject to the uniform public construction cost accounting procedures. In addition, the Commission shall also be notified of local agencies electing to discontinue participation under these procedures.

1.02 Sample Election Resolution – Model

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This sample Election Resolution may be used by any public agency's governing body.

RESOLUTION OF THE _____, STATE OF CALIFORNIA IN THE MATTER OF
UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING PROCEDURES

Resolution No. _____

WHEREAS, prior to the passage of Assembly Bill No. 1666, Chapter 1054, Statutes of 1983, which added Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and

WHEREAS, Public Contract Code section 22000 et seq., the Uniform Public Construction Cost Accounting Act, establishes such a uniform cost accounting standard;

WHEREAS, the Commission established under the Act has developed uniform public construction cost accounting procedures for implementation by local public agencies in the performance of or in the contracting for construction of public projects; and

NOW, THEREFORE, BE IT RESOLVED that the _____ of _____, California, hereby elects under Public Contract Code section 22030 to become subject to the uniform public construction cost accounting procedures set forth in the Act and to the Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the _____ - notify the State Controller forthwith of this election.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED this ____ day of _____, ____ by the following vote;

AYES:

NOES:

Insert Seal if Applicable

ABSENT:

_____, _____

Signature

Title

City of _____ County of _____

CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

(This SAMPLE INFORMAL BIDDING ORDINANCE or POLICY indicates action by a county board of supervisors. However, the sample format shall be modified to conform to your governing agency's rules).

ORDINANCE NO. _____
AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF _____
ADDING SECTION _____ TO THE ORDINANCE CODE OF THE COUNTY OF _____
TO PROVIDE INFORMAL BIDDING PROCEDURES UNDER THE UNIFORM PUBLIC
CONSTRUCTION COST ACCOUNTING ACT (Section 22000, et seq. of the Public Contract Code)

The Board of Supervisors of the County of _____ do ordain as follows:

SECTION 1

Section _____ is hereby added to the County Code of the County of _____ to provide as follows:

Section _____. Informal Bid Procedures. Public projects, as defined by the Act and in accordance with the limits listed in Section 22032 of the Public Contract Code, may be let to contract by informal procedures as set forth in Section 22032, et seq., of the Public Contract Code.

Section _____. Contractors List. The agency shall comply with the requirements of Public Contract Code Section 22034.

Section _____. Notice Inviting Informal Bids. Where a public project is to be performed which is subject to the provisions of this Ordinance, a notice inviting informal bids shall be circulated using one or both of the following alternatives:

1. Notices inviting informal bids may be mailed, faxes, or emailed to all contractors for the category of work to be bid, as shown on the list developed in accordance with Section _____,
2. Notices inviting informal bids may be mailed to all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department/agency soliciting bids, provided however:

(1) If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

Section _____. Award of Contracts

The County Purchasing Agent and the Director of Public Works are each authorized to award informal contracts pursuant to this Section.

SECTION 2

This Ordinance shall take effect and be in force thirty (30) days from the date of its passage, and before the expiration of fifteen (15) days after its passage, it or a summary of it, shall be published once, with the names of the members of the Board of Supervisors voting for and against the same in the _____, a newspaper of general circulation published in the County of _____.

PASSED, APPROVED and ADOPTED by the Board of Supervisors of the County of _____, State of California, this ____ day of _____, _____, by the following vote:

AYES:
NOES:
ABSENT:

Procedure for Establishment and Maintenance of List of Registered Contractors

1.04 Procedure for Establishment and Maintenance of List of Registered Contractors Per Section 22034 of the Public Contract Code

Section 22034 of the Public Contract Code specifies the requirements for mailing, faxing, or emailing notices to contractors for work to be bid under the Act. As specified therein, an agency shall provide notices by electing a), b) or both methods listed as follows:

- a) In lieu of a contractors list, mailing, faxing, or emailing notices to all construction trade journals specified in section 22036
- b) Mailing, faxing, or emailing notices to all contractors on the list established by the agency for the work being paid
- c) Both (a) and (b) pursuant to section 22034(a)(1)

In the event an agency elects to provide notice by mailing, faxing, or emailing notices to all contractors on the list established by the agency for the work being bid, the agency shall utilize the following procedure to establish and maintain the list of registered contractors outlined in section 22034 (a)(1):

- a) Notice to contractors shall be provided in accordance with either paragraph (1) or (2), or both.
 - 1) The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this subdivision shall be completed not less than 10 calendar days before bids are due.
 - 2) The public agency may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in section 22036.
- b) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.
- c) The governing body of the public agency may delegate the authority to award informal contracts to the public works director, general manager, purchasing agent, or other appropriate person.
- d) If all bids received are in excess of two hundred twenty thousand dollars (\$220,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred thirty-five thousand dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

(Amended by Stats. 2015, Ch. 269, Sec. 29. Effective January 1, 2016.)

1.04.01 Minimum Criteria for Development and Maintenance of the Contractors List Determined by the Commission, pursuant to Public Contract Code section 22034(a)(1)

1. At least once per calendar year, each public agency that has elected to become subject to the Uniform Public Construction Cost Accounting Act and intends to utilize the notice provisions outlined in section 22034(a) shall establish a new list or update its existing list of qualified contractors by mailing, faxing, or emailing written notice

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to all construction trade journals designated for that Agency under Section 22036.

The notice shall invite all licensed contractors to submit the name of their firm to the Agency for inclusion on the Agency's list of qualified bidders.

2. The notice shall require that the contractor provide:
 - The name and address to which a Notice to Contractors or Proposal should be mailed, faxed, or emailed;
 - A phone number at which the contractor may be reached;
 - The type of work in which the contractor is interested and currently licensed to do (earthwork, pipelines, electrical, painting, general building, etc.);
 - The class of contractor's license(s) held; and
 - The contractor license number(s).
3. Agencies may include any contractor names they so desire on the lists, but lists must include, at minimum, all contractors who have properly provided the Agencies with the information required under #2 above in response to the written notice.

The Commission recommends that Agencies automatically include in their contractors' lists the names of all contractors who submitted one or more valid bids to the Agencies.

4. A contractor may have his or her firm added to an Agency's contractors list at any time by providing the required information.

1.05 County-by-County List of Construction Trade Journals

The Commission shall determine, on a county-by-county basis, the appropriate construction trade journals which shall receive mailed, faxed, or emailed notice of all informal and formal construction contracts being bid for work within the specified county per section 22036 of the Public Contract Code.

Per Public Contract Code section 22037, notices inviting formal bids must be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the public agency. In addition, the Commission has determined that all public agencies that adopt and contract under the Act shall be required to mail, email, or fax a notice to the following specified construction trade publications of all formal construction contracts being bid and all invitations to join an agency's qualified bidders list (i.e. the informal bidding list) within the specified county (as provided in sections 22034 and 22037 of the Public Contract Code). The numbers following the name of each county refer to the corresponding numbered trade journals listed starting on page 12.

Users will note that the notification of the trade journals listed in Column B for their county is required. Additionally, the user will have to notify at least two of the trade journals listed in Column C, unless there is only one listed, in which case notification of that trade journal is sufficient. The Commission urges each public agency to select additional publications from its geographical area and include them on its list of publications to be notified. Sample information to be included in the mailed notice to trade journals is listed on page 11.

Note: Users are not required to mail a notice to a trade journal if the trade journal listed under their county is now charging for its services, or is out of business. Instead, the Commission requests that users find some other method of notifying potential contractors of published jobs and how to be added to their informal bidding lists (e.g. internet – county's web page).

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COUNTY NAME (A)	TRADE JOURNALS REQUIRED TO BE NOTIFIED (B)	NOTIFY TWO OF THE TRADE JOURNALS LISTED BELOW (C)
ALAMEDA	2, 3	8, 12, 13, 14, 15, 16
ALPINE	2, 3	9
AMADOR	2, 3	9, 17
BUTTE	2, 3	5, 6, 11
CALAVERAS	2, 3	16, 17
COLUSA	2, 3	5, 6
CONTRA COSTA	2, 3	8, 13, 14, 16
DEL NORTE	2, 3	4, 5
EL DORADO	2, 3	9, 11
FRESNO	2, 3	16, 19, 20, 21
GLENN	2, 3	5, 6, 11
HUMBOLDT	2, 3	4, 5,
IMPERIAL	2, 3	10, 25
INYO	2, 3	21
KERN	2, 3	19, 20, 21, 22, 25
KINGS	2, 3	19, 20, 21
LAKE	2, 3	4, 5, 7, 8
LASSEN	2, 3	5, 11
LOS ANGELES	2, 3	10, 21, 25
MADERA	2, 3	16, 19
MARIN	2, 3	7, 8
MARIPOSA	2, 3	19
MENDOCINO	2, 3	4, 7, 8,
MERCED	2, 3	16, 17, 19
MODOC	2, 3	5
MONO	2, 3	
MONTEREY	2, 3	15, 18, 22
NAPA	2, 3	7, 8
NEVADA	2, 3	11
ORANGE	2, 3	10, 25, 29
PLACER	2, 3	9, 11
PLUMAS	2, 3	5, 6, 11
RIVERSIDE	2, 3	10, 25, 29
SACRAMENTO	2, 3	5, 8, 9, 11, 16
SAN BENITO	2, 3	18
SAN BERNARDINO	2, 3	10, 21, 25, 29
SAN DIEGO	2, 3	25, 29
SAN FRANCISCO	2, 3	8,12, 13, 14, 15
SAN JOAQUIN	2, 3	8, 16, 17, 19
SAN LUIS OBISPO	2, 3	18, 21, 22, 25, 30
SAN MATEO	2, 3	8, 12, 13, 14, 15
SANTA BARBARA	2, 3	21, 22, 23, 25, 30
SANTA CLARA	2, 3	8, 12, 13, 14, 15
SANTA CRUZ	2, 3	15, 18
SHASTA	2, 3	4, 5, 6

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COUNTY NAME (A)	TRADE JOURNALS REQUIRED TO BE NOTIFIED (B)	NOTIFY TWO OF THE TRADE JOURNALS LISTED BELOW (C)
SIERRA	2, 3	11
SISKIYOU	2, 3	5
SOLANO	2, 3	8, 9, 16
SONOMA	2, 3	7, 8
STANISLAUS	2, 3	16, 17, 19
SUTTER	2, 3	6, 9, 11
TEHAMA	2, 3	5, 11
TRINITY	2, 3	4, 5
TULARE	2, 3	19, 20, 21
TUOLUMNE	2, 3	17, 19
VENTURA	2, 3	21,23, 25, 30
YOLO	2, 3	8, 9
YUBA	2, 3	6, 11

1.06 Sample Information for Mailed Notice

Following provides the type of information that could be included in the mailed notice to the construction trade journals. This list should be used only as a guide.

- Project title and contract number, if any
- Cost range
- Site location
- Who is taking bids/date and time due
- Owner's address and phone number
- Architect's address and phone number
- Brief description of work to be done
- Where plans may be obtained/deposit required/whether or not refundable
- Percentage of bid bond/percentage of performance bond/percentage of payment bond

1.07 List of Construction Trade Journals

The following organizations have indicated to the Commission that they:

- a) Publish a newsletter or trade journal, on a weekly or more frequent basis, that contains a section listing projects being bid; or provide a telephone notice service to their members.
- b) Do not charge for publishing or otherwise disseminating a Notice to Contractors.

These organizations have indicated to the Commission that they serve subscribers or members in the counties listed to the right of each organization.

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Organizations that meet criteria (a) and (b) above may be added to the list, or changes or corrections can be made to the list by contacting one of the following:

Email	Physical Copy
Sent via email to: LocalGovPolicy@sco.ca.gov	Sent via mail to: Office of the State Controller Local Government Programs and Services Division Local Government Policy Section P.O. Box 942850 Sacramento CA 94250

NUMBER	ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
1	ConstructConnect 3825 Edwards Rd, Ste. 800 Cincinnati, OH 45209 Phone: 877-761-4347 Website www.constructconnect.com/	California
2	BidNet Direct (BidNet) 11622 El Camino Real, #100 San Diego, CA 92130 Phone: 800-479-5314 Email: support@bidnet.com Website: https://www.bidnetdirect.com/california	California
3	Dodge Data & Analytics 830 Third Avenue, 6 th Floor New York, NY 10022 Phone: 877-784-9556 Email: support@construction.com Website: www.construction.com	California
4	Humboldt Builders' Exchange, Inc. 1213 5th Street Eureka, California 95501 Phone: 707-442-3708 Website: www.humbx.com	Del Norte, Humboldt, Lake, Mendocino, Shasta, and Trinity
5	Shasta Builders' Exchange 1355 Hartnell Ave Redding, CA 96002 Phone: 530-221-5556 Email: planroom@shastabe.com Website: www.shastabe.com	Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Modoc, Plumas, Sacramento, Shasta, Siskiyou, Tehama, and Trinity

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NUMBER	ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
6	Valley Contractors Exchange, Inc. 951 East Eighth Street Chico, CA 95928 Phone: 530-343-1981 Email: info@vceonline.com Website: www.vceonline.com	Butte, Colusa, Glenn, Plumas, Shasta, Sutter, and Yuba
7	North Coast Builders Exchange 1030 Apollo Way Santa Rosa, CA 95407 Phone: 707-542-9502 Fax: 707-542-2027 Website: www.ncbeonline.com	Lake, Marin, Mendocino, Napa, and Sonoma
8	Marin Builders Association 660 Las Gallinas Avenue San Rafael, CA 94903 Phone: 415-462-1220 Fax: 415-462-1225 Email: mba@marinbuilders.com Website: www.marinbuilders.com	Alameda, Contra Costa, Lake, Marin, Mendocino, Napa, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, Solano, Sonoma, and Yolo
9	Sacramento Regional Builders' Exchange 5370 Elvas Avenue Sacramento, CA 95819 Phone: 916-442-8991 Fax: 916-446-3117 Email: planroom@srbx.org Website: www.srbx.org	Alpine, Amador, El Dorado, Nevada, Placer, Sacramento, Solano, Sutter, and Yolo
10	Southern California Builders Exchange 2211 Michelson Drive, Suite #900-127 Irvine, CA 92612 Phone: 916-465-8343 Email: rc Leah@socalbx.org Website: www.socalbx.org	Imperial, Los Angeles, Orange, Riverside, and San Bernardino
11	Nevada County Contractors' Association 149 Crown Point Court Grass Valley, CA 95945 Phone: 530-274-1919 Email: plans@nccabuildingpros.com Website: www.nccabuildingpros.com	Butte, El Dorado, Glenn, Lassen, Nevada, Placer, Plumas, Sacramento, Sierra, Sutter, Tehama, and Yuba

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NUMBER	ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
12	The San Francisco Builders Exchange 850 South Van Ness Avenue San Francisco, CA 94110-1911 Phone: 415-282-8220 Email: deanna@bxofsf.com Website: www.bxofsf.com	Alameda, San Francisco, San Mateo, and Santa Clara
13	Bay Area Builders Exchange 3055 Alvarado Street San Leandro, CA 94577 Phone: 510-483-8880 Email: info@bayareabx.com Website: www.bayareabx.com	Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara
14	Peninsula Builders Exchange 282 Harbor Blvd, Bldg. D Belmont, CA 94002 Phone: 650-591-4486	Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara
15	Builders' Exchange of Santa Clara County 400 Reed Street Santa Clara, CA 95050 Phone: 408-727-4000 Fax: 408-727-2779 Email: info@bxscoco.com Website: www.bxscoco.com	Alameda, Monterey, San Francisco, San Mateo, Santa Clara, and Santa Cruz
16	Builders' Exchange of San Joaquin 4561 Quail Lake Drive, Suite B2 Stockton, CA 95207 Phone: 209-478-1000 Email: planroom@besonline.com Website: http://www.bxsj.org	Alameda, Calaveras, Contra Costa, Fresno, Madera, Merced, Sacramento, San Joaquin, Solano, and Stanislaus
17	Valley Builders Exchange, Inc. 1118 Kansas Avenue Modesto, CA 95351 Phone: 209-522-9031 Email: planroom@valleybx.com Website: www.valleybx.com	Amador, Calaveras, Merced, San Joaquin, Stanislaus, and Tuolumne

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NUMBER	ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
18	Central Coast Builders Association 28 Quail Run Circle, Ste B Salinas, CA 93907 Phone: 831-758-1624 Email: staff@ccbabuilds.com Website: www.ccbabuilds.com	Monterey, San Benito, San Luis Obispo, and Santa Cruz
19	Central California Builders Exchange 1244 N. Mariposa Street Fresno, CA 93703 Phone: 559-237-1831 Email: info@cencalbx.com Website: http://cencalbx.com/	Calaveras, Fresno, Kern, Kings, Madera, Mariposa, Merced, San Joaquin, Stanislaus, Tulare, and Tuolumne
20	Tulare & Kings Counties Builders Exchange 827 W Center Ave Visalia, CA 93291 Phone: 559-732-4568 Email: info@tkcbe.com Website: www.tkcbe.com	Fresno, Kern, Kings, and Tulare
21	Kern County Builders' Exchange, Inc. 4310 Ardmore Avenue, Ste. 100 Bakersfield, CA 93309 Phone: 661-324-4921 Email: kcbex@kcbex.com Website: www.kcbex.com	Fresno, Inyo, Kings, Kern, Los Angeles, San Bernardino, San Luis Obispo, Santa Barbara, Tulare Ventura
22	San Luis Obispo County Builders Exchange 153 Cross Street, #130 San Luis Obispo, CA 93401 Phone: 805-543-7330 Email: info@slocbe.com Website: www.slocbe.com	Kern, Monterey, San Luis Obispo, and Santa Barbara
23	Ventura County Contractors Association 1830 Lockwood Street, No. 110 Oxnard, CA 93036 Phone: 805-981-8088 Email: vcca@vccainc.com Website: www.vccainc.com	Santa Barbara and Ventura
24	Construction Data Company 2001 9 th Avenue, 2 nd Floor Vero Beach, FL 32960 Phone: 800-652-0008 Email: service@cdcnews.com Website: www.cdcnews.com	California

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NUMBER	ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
25	BidAmerica 41085 Elm Street Murrieta, CA 92562 Phone: 951-677-4819 Email: planroom@bidamerica.com Website: www.BidAmerica.com	California
26	Construction Bid Source Interactive 6265 HWY 9 Felton, CA 95018 Phone: 888-786-9450 Website: www.constructionbidsource.com	California
27	Demandstar – Onvia Supplier Services 509 Olive Way, Suite 400 Seattle, WA 98101 Phone: 800-575-1736 Website: www.demandstar.com or Website: www.onvia.com	California
28	Challenge News 1276 Lincoln Avenue, Suite 203 San Jose, CA 95125 Phone: 408-998-0241 Email: info@challengenews.net Website: https://challengenews.net/	California
29	Associated General Contractors of America San Diego Chapter, Inc. 6212 Ferris Square San Diego, CA 92121 Phone: 858-558-7444 Email: planroom@agcsd.org Website: www.agcsd.org	Orange, Riverside, San Bernardino, and San Diego
30	Tri-Co Reprographics 720 E. Haley Street Santa Barbara, CA 93101 Phone: 805-966-1701 Email: sbplots@tricoblue.com Website: www.tricoblue.com	Santa Barbara, Ventura, and San Luis Obispo

1.08 List of Closed Construction Trade Journals

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The following construction trade journals have closed or are no longer functioning as of the publication date of this manual. Organizations that wish to advertise their projects should not contact any of the below trade journals. The below section is meant for reference only.

ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
Solano-Napa Builders Exchange 135 Camino Dorado Napa, CA 94558 Phone: 707-255-2515 Fax: 707-255-2749 Email: membership@snbe.com Website: http://snbe.org	Napa and Solano CLOSED
El Dorado Builders' Exchange 3430 Robin Lane, Suite 7 Shingle Springs, CA 95682 Phone: 530-672-2955	Amador, El Dorado, Nevada, Placer, Sacramento, and Yolo CLOSED
Bay Area Builders Exchange 2440 Stanwell Drive, Suite B Concord, CA 94520 Phone: 925-685-8630 Website: www.bayareabx.com	Alameda, Contra Costa, El Dorado, Lake, Mendocino, Napa, Placer, Sacramento, San Francisco, Santa Clara, Solano, and Sonoma LOCATION CLOSED
Builders Exchange of Merced & Mariposa 646 CA-HWY 59 Merced, CA 95341 Phone: 209-722-3612 Website: www.bxmm.org	Fresno, Kern, Kings, Madera, Mariposa, Merced, San Joaquin, and Stanislaus CLOSED
Southern California Builders Association 732 N. Diamond Bar Blvd. #224 Diamond Bar, CA 91765 Phone: 909-396-1451 Email: scba@socalbuilders.org Website: www.socalbuilders.org	Imperial, Los Angeles, Orange, Riverside, San Bernardino, and San Diego CLOSED
Builders Notebook P.O. Box 4883 Santa Barbara, CA 93140 Phone: 877-776-5436 Email: planroom@buildersnotebook.com Website: www.buildersnotebook.com	Los Angeles, San Luis Obispo, Santa Barbara, and Ventura Non-Functioning Website

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ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
Placer County Contractors Association & Builders Exchange 10656 Industrial Avenue, Suite 160 Roseville, CA 95678 Phone: 916-771-7229 Fax: 916-771-0556 Email: planroom@srbx.org Website: www.pccamembers.com	CLOSED

Accounting Procedures Review Process

1.09 Accounting Procedures Review

- A. Pursuant to the provisions of Public Contract Code (PCC) §22042, the Commission has adopted the following procedures for conducting an Accounting Procedures Review, where an interested party presents evidence that work undertaken by a public agency falls within any of the following categories:
 - 1. It was performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency.
 - 2. It exceeded the force account limits in PCC §22032(a).
 - 3. It was improperly classified as maintenance.
 - 4. It was split or separated into smaller work orders or projects in violation of PCC §22033.
 - 5. It has exceeded the limits or otherwise not met the requirements of PCC §22032(b) and c).

- B. As used in the Accounting Procedures Review, "interested party" shall mean: a licensed contractor eligible to bid on the public project involved in the review; a labor organization whose members would be eligible to perform work on the public project if it were performed under contract; an association of licensed contractors and/or labor organizations; or a taxpayer of the public agency cited in the account review request.

- C. Request for Accounting Procedures Review
 - 1. Pursuant to PCC §22043(a)(b), in those circumstances as set forth in PCC §22042(b), (c), (d), or (e), a request for Commission review shall be in writing. The request shall be sent via certified or registered postal mail, and received by the Commission and/or State Controller’s Office (SCO) staff.
 - 2. It should be postmarked no later than eight business days from the date on which the public agency rejected all bids (PCC §22042(a)) or from the date on which an interested party formally complains in writing to the public agency (PCC §22042(b)(c)).

 - 3. The address for purposes of requesting Commission review is one of the following:

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Email	Physical Copy
Sent via email to: LocalGovPolicy@sco.ca.gov	Sent via mail to: CALIFORNIA UNIFORM CONSTRUCTION COST ACCOUNTING COMMISSION Office of the State Controller Local Government Programs and Services Division Local Government Policy Section P.O. Box 942850 Sacramento CA 94250

4. Such written notice from an interested party shall include the following information:
 - (a) The name, address, phone number, and contact person for the interested party.
 - (b) An indication that work undertaken by the public agency falls within one of the following categories:
 - (i) It was performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency.
 - (ii) It exceeded the force account limits.
 - (iii) It was improperly classified as maintenance.
 - (c) The name, address, and phone number of the public agency involved.
 - (d) The project name and location, and/or project identification number.
 - (e) The bid date and rejection date, if applicable.
 - (f) The low bid dollar amount, if applicable.
 - (g) The agency estimate, if available.
 - (h) Other documentation supporting the request. If the requestor is unable to obtain information from the participating agency, the request should note the fact and include an explanation of the circumstances.
5. When the request is transmitted to the Commission for review, the interested party shall mail a copy of the request by first class mail, postage prepaid, to the public agency involved.

- D. The Commission shall approve and designate in writing the consultants available to perform the Accounting Procedures Review, if needed. Such consultants shall be prequalified as follows:
 1. They shall submit resumes including experience to the Commission for prequalification.
 2. Each applicant shall have at least five years' experience with, and be knowledgeable of, public works construction or accounting under contracts let by public agencies.
 3. They shall submit their schedule of fees required to perform such service.
- E. Immediately upon receipt of a request for Accounting Procedures Review, SCO staff will forward all documentation to the Chairperson. The Chairperson shall assign the request to a working group consisting of two or more Commissioners, not to constitute a quorum. Each working group must have both private and

public representations. Any correspondence received by SCO staff during the review will be immediately forwarded to the Chairperson and the members of the working group.

1. The working group may contact either the interested party or the signatory agency involved for additional information. They may also request a statement of the public agency's position regarding the claim being set forth. Participating agencies are required to cooperate with any account reviews pursuant to this Act. Agencies failing to cooperate fully, through either unwillingness or inability, may be found to be non-compliant.
2. If the work group deems it necessary, it may use SCO Audit Division staff or a consultant deemed qualified for the purpose of this review. The auditor or consultant will conduct a thorough review of the facts surrounding the claim. This review may include any fieldwork deemed necessary by the auditor or consultant. The auditor or consultant shall interview the public agency involved, and submit as a part of the findings a complete statement of the public agency's position regarding the review being conducted.
3. The auditor or consultant, if involved, shall prepare written findings and a recommended decision within the timeframes established in PCC §22043.
4. The statutory limit to complete the account review begins on the day that the request is received by SCO. Incomplete review requests may affect the ability of the Commission to render a timely decision. Pursuant to PCC §22043(c), the commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review:
 - (a) Forty-five days for a review that falls within subdivision (a) of §22042; and
 - (b) Ninety days for a review that falls within subdivision (b), (c), (d), or (e) of §22042.

During the review of a project that falls within PCC §22042(a), the agency shall not proceed with the project until the final decision is received by the Commission.

- F. The review will be added as an agenda item to be discussed by the Commission at a public meeting held within the timeframe established in PCC §22043. All documentation and correspondence received related to the review will be included. Any documentation and correspondence received after the agenda has been posted to the SCO website will immediately be forwarded to each Commission member and available for public review at the meeting.
- G. The Commission shall review the findings of the work group and, if applicable, the auditor or consultant's report, and render its final decision within the timeframes established in PCC §22043. Within the timeframes established in PCC §22044, a copy of the decision shall be mailed by first class mail, postage prepaid, by SCO staff to the interested party and the public agency involved. A copy shall also be provided to each Commission member and included for information as part of the subsequent Commission meeting agenda.
- H. Decisions on Accounting Procedures Reviews shall be collected and maintained by SCO staff, and shall be available for public inspection during regular working hours. Such decisions may be cited and relied upon by interested parties and public agencies in subsequent reviews.
- I. If the Commission makes findings in accordance with PCC §22043, that the work undertaken by a public agency falls within any of the categories described in §22042, on three separate occasions within a 10-year term, the Commission shall notify the public agency of those findings in writing by certified mail. Public agencies that receive notice of findings on three separate occasions within a 10-year term shall not use the bidding procedures provided by this article for five years from the date of the Commission's findings contained in the third notice within a 10-year term. For the purposes of these review procedures, one investigation resulting in a finding or findings shall equate to one occasion. These review procedures are based on current statutory law.

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Code	Statute
	<p>d) "Public project" does not include maintenance work. For purposes of this section, "maintenance work" includes all of the following:</p> <ol style="list-style-type: none"> 1) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes. 2) Minor repainting. 3) Resurfacing of streets and highways at less than one inch. 4) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems. 5) Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher. <p>e) For purposes of this chapter, "facility" means any plant, building, structure, ground facility, utility system, subject to the limitation found in paragraph (3) of subdivision (c), real property, streets and highways, or other public work improvement.</p>
<p>22003 Public Agency Subject to Uniform Cost Accounting Procedures, Bidding Procedures</p>	<p>A public agency which has, by resolution, elected to become subject to the uniform construction cost accounting procedures set forth in Article 2 (commencing with Section 22010), may utilize the bidding procedures set forth in Article 3 (commencing with Section 22030) when contracting for "maintenance work," as defined in Section 22002, or when contracting for any other work which does not fall within the definition of "public project," as defined in Section 22002.</p>

Article 2. California Uniform Construction Cost Accounting Commission

Code	Statute
<p>22010 Creation; Membership; Appointment</p>	<p>There is hereby created the California Uniform Construction Cost Accounting Commission. The commission is comprised of 14 members.</p> <p>a) Thirteen of the members shall be appointed by the State Controller as follows:</p>

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Code	Statute
	<p>1) Two members who shall each have at least 10 years of experience with, or providing professional services to, a general contracting firm engaged, during that period, in public works construction in California.</p> <p>2) Two members who shall each have at least 10 years of experience with, or providing professional services to, a firm or firms engaged, during that period, in subcontracting for public works construction in California.</p> <p>3) Two members who shall each be a member in good standing of, or have provided professional services to, an organized labor union with at least 10 years of experience in public works construction in California.</p> <p>4) Seven members who shall each be experienced in, and knowledgeable of, public works construction under contracts let by public agencies; two each representing cities, counties, respectively, and two members representing school districts, and one member representing a special district. At least one of the two county representatives shall be a county auditor or his or her designee.</p> <p>b) The member of the Contractors' State License Board who is a general engineering contractor as that term is defined in Section 7056 of the Business and Professions Code shall serve as an ex officio voting member.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 24. Effective January 1, 2016.)</i></p>
<p>22011 Appointment Recommendations</p>	<p>The Controller, in an effort to select highly qualified commission members, shall solicit from organized representatives of the construction industry and public agencies recommendations for appointments to the commission.</p>
<p>22012 Members; Accounting Experience</p>	<p>At least one commission member of the seven representing the construction industry and at least one of the seven representing public agencies shall have previous accounting experience.</p>
<p>22013 Chairperson; Term</p>	<p>The commission members shall select a chairperson from among its membership. The chairperson shall serve as chair for a term of two years from the date of selection. In no event shall two consecutive chairpersons be appointees representing either the construction industry or public agencies.</p>
<p>22014 Members; Term; Vacancies</p>	<p>a) The members of the commission shall hold office for terms of three years, and until their successors are appointed.</p> <p>b) Members may be reappointed, by the Controller, for subsequent terms of three years.</p> <p>c) The Controller may appoint a successor for any commissioner after his or her three-year term expires.</p> <p>d) The Controller shall, within 120 days, appoint a replacement to fill any vacancy on the commission.</p>

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Code	Statute
	<i>(Amended by Stats. 2015, Ch. 269, Sec. 25. Effective January 1, 2016.)</i>
22015 Staff; Members' Compensation; Grants	<p>a) The Controller shall make available for the conduct of the commission's business, such staff and other support as does not conflict with the accomplishment of the other business of the office of the Controller</p> <p>b) Each member of the commission shall serve without compensation, but shall be reimbursed for travel and other expenses necessarily incurred in the performance of the member's duties. Reimbursement rates shall conform to the Controller's travel guideline rates.</p> <p>c) The commission may accept grants from federal, state, or local public agencies, or from private foundations or individuals, in order to assist it in carrying out its duties, functions, and powers under this chapter.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 26. Effective January 1, 2016.)</i></p>
22016 Meetings	<p>The commission shall meet not less than once each year, at a time and place chosen by its membership.</p>

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Code	Statute
<p>22017 The Commission’s Four Principle Duties</p>	<p>The commission shall do all of the following:</p> <ul style="list-style-type: none"> a) After due deliberation and study, recommend for adoption by the Controller, uniform construction cost accounting procedures for implementation by public agencies in the performance of, or in contracting for, construction on public projects. The procedures shall, to the extent deemed feasible and practicable by the commission, incorporate, or be consistent with construction cost accounting procedures and reporting requirements utilized by state and federal agencies on public projects, and be uniformly applicable to all public agencies that elect to utilize the uniform procedures. As part of its deliberations and review, the commission shall take into consideration relevant provisions of the Office of Management and Budget Circular A-76, as periodically revised. b) After due deliberation and study, recommend for adoption by the Controller cost accounting procedures designed especially for implementation by California cities with a population of less than 75,000. The procedures shall incorporate cost accounting and reporting requirements deemed practicable and applicable to all cities under 75,000 population which elect to utilize the uniform procedures. For the purpose of these cost accounting procedures, the following shall apply: <ul style="list-style-type: none"> 1) Cities with a population of less than 75,000 shall assume an overhead rate equal to 20 percent of the total costs of a public project, including the costs of material, equipment, and labor. 2) Cities with a population of more than 75,000 may either calculate an actual overhead rate or assume an overhead rate equal to 30 percent of the total costs of a public project, including the costs of material, equipment, and labor. c) Recommend for adoption by the Controller, procedures and standards for the periodic evaluation and adjustment, as necessary, of the monetary limits specified in Section 22032. d) The commission shall make an annual report to the Legislature with respect to its activities and operations, together with those recommendations as it deems necessary. <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 27. Effective January 1, 2016.)</i></p>
<p>22018 Recommended Procedure; Controller’s Review</p>	<p>The Controller shall, upon receipt of the commission’s recommendations, review and evaluate the recommended procedures and either formally adopt or reject the recommended procedures within 90 days of submission by the commission.</p>
<p>22019 Adoption; Promulgation of Uniform Procedure</p>	<p>Upon determining that the recommended uniform construction cost accounting procedures will serve the best interest of the state and public agencies, and upon formal adoption by the Controller, the Controller shall promulgate the uniform procedure for all public agencies electing to participate, together with instructions for their adoption and implementation by any public agency.</p>
<p>22020</p>	<p>In accordance with procedures and standards adopted pursuant to Section 22017, every five years the commission shall consider whether there have been material</p>

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Code	Statute
<p>Procedures (continued)</p>	<p>force account work necessary to administer work performed under subdivision (b), shall apply to the 30-percent limit in subdivision (b).</p> <p>e) On or after January 1, 2013, for a county with a population of less than 50,000, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1.</p> <p>f) The requirements set forth in Section 22038 shall apply to any county subject to this section.</p> <p>g) Any county board of supervisors or county road commissioner acting pursuant to the authority granted in paragraph (2) of subdivision (b) shall publicly declare its intention to use this authority prior to commencing work. The public declaration may be on a project-by-project basis, via a list of anticipated projects for the fiscal year, or via a list that may be included in the county's annual budget.</p> <p><i>(Amended by Stats. 2014, Ch. 345, Sec. 3. Effective January 1, 2015.)</i></p>
<p>22032 Contracting Procedures; Dollar Amount Limitations</p>	<p>a) Public projects of seventy-five thousand dollars (\$75,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.</p> <p>b) Public projects of two hundred twenty thousand dollars (\$220,000) or less may be let to contract by informal procedures as set forth in this article.</p> <p>c) Public projects of more than two hundred twenty thousand dollars (\$220,000) shall, except as otherwise provided in this article, be let to contract by formal bidding procedure.</p> <p><i>76 Op. Atty. Gen. 126,7-14-93 = Job order contracts - General law county or general law city may not enter into a "job order contract" in excess of \$50,000 for the performance of public projects involving minor construction, and the renovation, alteration, painting, and repair of existing facilities, except under narrowly defined statutory conditions applicable only to counties.</i></p>
<p>22033 Separation of Work orders of Projects; Evasion of Provision of Article</p>	<p>It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding.</p>
<p>22034 Informal Bidding Ordinance</p> <p>22034</p>	<p>Each public agency that elects to become subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) shall enact an informal bidding ordinance to govern the selection of contractors to perform public projects pursuant to subdivision (b) of Section 22032. The ordinance shall include all of the following:</p> <p>a) Notice to contractors shall be provided in accordance with either paragraph (1) or (2), or both.</p>

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Code	Statute
<p>Informal Bidding Ordinance (continued)</p>	<p>1) The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this subdivision shall be completed not less than 10 calendar days before bids are due.</p> <p>2) The public agency may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in Section 22036.</p> <p>b) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.</p> <p>c) The governing body of the public agency may delegate the authority to award informal contracts to the public works director, general manager, purchasing agent, or other appropriate person.</p> <p>d) If all bids received are in excess of two hundred twenty thousand dollars (\$220,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred thirty-five thousand dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 29. Effective January 1, 2016.)</i></p>
<p>22035 Emergencies</p>	<p>a) In cases of emergency when repair or replacements are necessary, the governing body may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the governing body, by contractor, or by a combination of the two.</p> <p>b) In case of an emergency, if notice for bids to let contracts will not be given, the public agency shall comply with Chapter 2.5 (commencing with Section 22050).</p>
<p>22035.5 Overcrowded Justice Facilities; Court Ordered Relief; Application of Section 22034</p>	<p>In counties that are under court order to relieve justice facility overcrowding, the procedures and restrictions specified in Section 20134 shall apply to all contracts issued under this chapter.</p>
<p>22036 Determination of Construction Trade Journals to Receive Notice of Informal and Formal Construction Contracts</p>	<p>The commission shall determine, on a county-by-county basis, the appropriate construction trade journals which shall receive mailed, faxed, or emailed notice of all informal and formal construction contracts being bid for work within the specified county.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 30. Effective January 1, 2016.)</i></p>

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Code	Statute
<p>22037 Notice Inviting Formal Bids; Information; Publication</p>	<p>Notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the public agency; or, if there is no newspaper printed and published within the jurisdiction of the public agency, in a newspaper of general circulation which is circulated within the jurisdiction of the public agency, or, if there is no newspaper which is circulated within the jurisdiction of the public agency, publication shall be by posting the notice in at least three places within the jurisdiction of the public agency as have been designated by ordinance or regulation of the public agency as places for the posting of its notices. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals specified in Section 22036. The notice shall be sent at least 15 calendar days before the date of opening the bids. In addition to notice required by this section, the public agency may give such other notice, as it deems proper.</p>
<p>22038 Rejection of Bids; Failure to Receive Bids; Options</p>	<p>a) In its discretion, the public agency may reject any bids presented, if the agency prior to rejecting all bids and declaring that the project can be more economically performed by employees of the agency, furnishes a written notice to an apparent low bidder. The notice shall inform the bidder of the agency's intention to reject the bid and shall be mailed at least two business days prior to the hearing at which the agency intends to reject the bid. If after the first invitation for bids all bids are rejected, after reevaluating its cost estimates of the project, the public agency shall have the option of either of the following:</p> <ol style="list-style-type: none"> 1) Abandoning the project or re-advertising for bids in the manner described by this article. 2) By passage of a resolution by a four-fifths vote of its governing body declaring that the project can be performed more economically by the employees of the public agency, may have the project done by force account without further complying with this article. <p>b) If a contract is awarded, it shall be awarded to the lowest responsible bidder. If two or more bids are the same and the lowest, the public agency may accept the one it chooses.</p> <p>c) If no bids are received through the formal or informal procedure, the project may be performed by the employees of the public agency by force account, or negotiated contract without further complying with this article.</p> <p><i>(Amended by Stats. 2003, Ch. 296, Sec. 29. Effective January 1, 2004.)</i></p>
<p>22039 Adoption of Plans, Specifications, and Working Detail</p>	<p>The governing body of the participating public agency or its designated representative shall adopt plans, specifications, and working details for all public projects exceeding the amount specified in subdivision (c) of Section 22032.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 31. Effective January 1, 2016.)</i></p>

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Code	Statute
<p>22040 Plans, Specifications of Working Details; Examination</p>	<p>Any person may examine the plans, specifications, or working details, or all of these, adopted by the public agency for any project.</p>
<p>22041 Exemptions</p>	<p>This article does not apply to the construction of any public building used for facilities of juvenile forestry camps or juvenile homes, ranches, or camps established under Article 15 (commencing with Section 880) of Chapter 2 of Part 1 of Division 3 of the Welfare and Institutions Code, if a major portion of the construction work is to be performed by wards of the juvenile court assigned to those camps, ranches, or homes.</p>
<p>22042 Accounting Procedures Review</p>	<p>The commission shall review the accounting procedures of any participating public agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories:</p> <ul style="list-style-type: none"> a) Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency. b) Exceeded the force account limits set forth in PCC §22032(a). c) Has been improperly classified as maintenance. d) Has been split or separated into smaller work orders or projects in violation of PCC §22033. e) Has exceeded the limits or otherwise not met the requirements in PCC §22032(b) and (c).
<p>22042.5 Informal Bidding Procedures Review</p>	<p>The commission shall review practices of any participating public agency where an interested party presents evidence that the public agency is not in compliance with Section 22034 or 22037.</p> <p><i>(Added by Stats. 2015, Ch. 269, Sec. 32. Effective January 1, 2016.)</i></p>
<p>22043 Work Done by Public Agency; Commission Review Request</p>	<ul style="list-style-type: none"> a) In those circumstances set forth in subdivision (a) of Section 22042, a request for commission review shall be in writing, sent by certified or registered mail received by the commission postmarked not later than eight business days from the date the public agency has rejected all bids. b) In those circumstances set forth in subdivision (b), (c), (d), or (e) of Section 22042, a request for commission review shall be by letter received by the commission not later than eight days from the date an interested party formally complains to the public agency. c) The commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review: <ul style="list-style-type: none"> 1) Forty-five days for a review that falls within subdivision (a) of Section 22042. 2) Ninety days for a review that falls within subdivision (b), (c), (d), or (e) of Section 22042.

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Code	Statute
<p>22043 Work Done by Public Agency; Commission Review Request (continued)</p>	<p>d) During the review of a project that falls within subdivision (a) of Section 22042, the agency shall not proceed on the project until a final decision is received by the commission.</p> <p>e) A request for commission review pursuant to Section 22042.5 shall be in writing, sent by certified or registered mail, and received by the commission no later than eight days from the day an interested party formally complains to the public agency. The commission review shall commence immediately and conclude within 90 days from the receipt of the request for commission review.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 33. Effective January 1, 2016.)</i></p>
<p>22044 Written Findings; Failure to Comply with Chapter; Action</p>	<p>The commission shall prepare written findings, which shall be presented to the public agency within 30 calendar days of formal commission review. Should the commission find that the provisions of this chapter or of the uniform cost accounting procedures provided for in this chapter were not complied with by the public agency, the following steps shall be implemented by that agency:</p> <p>a) On those projects set forth in subdivision (a) of section 22042, the public agency has the option of either (1) abandoning the project, or (2) awarding the project to the lowest responsible bidder.</p> <p>b) On those projects set forth in subdivision (b), (c), (d), or (e) of section 22042, the public agency shall present the commission’s findings to its governing body within 30 calendar days of receipt of written notice of the findings and that governing body shall conduct a public hearing with regard to the commission’s findings within 60 calendar days of receipt of the findings.</p> <p>c) 1) On findings of noncompliance pursuant to section 22042.5, the public agency shall notify its governing body of the commissioner’s findings within 60 calendar days of receipt of written notice of the findings from the commission.</p> <p>2) The public agency shall notify the commission in writing, within 90 days of receipt of written notice of the findings, of the public agency’ best efforts to comply.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 34. Effective January 1, 2016.)</i></p>
<p>22044.5 Compliance; Removal from Act</p>	<p>If the commission makes a finding, in accordance with section 22043, on three separate occasions within a 10-year period, that the work undertaken by a public agency falls within any of the categories described in section 22042, the commission shall notify the public agency of that finding in writing by certified mail and the public agency shall not use the bidding procedures provided by this article for five years from the date of the commission’s findings.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 34. Effective January 1, 2016.)</i></p>
<p>22045 Implementation of Procedures Review:</p>	<p>a) No later than January 1, 1985, the commission shall recommend, for adoption by the Controller, written procedures implementing the accounting procedures review provided for in this article.</p>

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Code	Statute
Commission Recommendations	b) The Controller shall, upon receipt of the commission’s recommendation, review and evaluate the recommended procedures and either formally adopt or reject the recommended procedures within 90 days of submission of the commission.

Chapter 2.5 Emergency Contracting Procedures

Code	Statute
22050 Contract Without Bids; Procedures	<p>a) 1) In the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.</p> <p>2) Before a governing body takes any action pursuant to paragraph (1), it shall make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.</p> <p>b) 1) The governing body, by a four-fifths vote, may delegate, by resolution or ordinance, to the appropriate county administrative officer, city manager, chief engineer, or other nonelected agency officer, the authority to order any action pursuant to paragraph (1) of subdivision (a).</p> <p>2) If the public agency has no county administrative officer, city manager, chief engineer, or other nonelected agency officer, the governing body, by a four-fifths vote, may delegate to an elected officer the authority to order any action specified in paragraph (1) of subdivision (a).</p> <p>3) If a person with authority delegated pursuant to paragraph (1) or (2) orders any action specified in paragraph (1) of subdivision (a), that person shall report to the governing body, at its next meeting required pursuant to this section, the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency.</p> <p>c) 1) If the governing body orders any action specified in subdivision (a), the governing body shall review the emergency action at its next regularly scheduled meeting and, except as specified below, at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action. If the governing body meets weekly, it may review the emergency action in accordance with this paragraph every 14 days.</p>

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Code	Statute
<p>22050 Contract Without Bids; Procedures (continued)</p>	<p>2) If a person with authority delegated pursuant to subdivision (b) orders any action specified in paragraph (1) of subdivision (a), the governing body shall initially review the emergency action not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action, unless a person with authority delegated pursuant to subdivision (b) has terminated that action prior to the governing body reviewing the emergency action and making a determination pursuant to this subdivision. If the governing body meets weekly, it may, after the initial review, review the emergency action in accordance with this paragraph every 14 days.</p> <p>3) When the governing body reviews the emergency action pursuant to paragraph (1) or (2), it shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.</p> <p>d) As used in this section, “public agency” has the same meaning as defined in Section 22002.</p> <p>e) A three-member governing body may take actions pursuant to subdivision (a), (b), or (c) by a two-thirds vote.</p> <p>f) This section applies only to emergency action taken pursuant to Sections 20133, 20134, 20168, 20193, 20205.1, 20213, 20223, 20233, 20253, 20273, 20283, 20293, 20303, 20313, 20331, 20567, 20586, 20604, 20635, 20645, 20685, 20736, 20751.1, 20806, 20812, 20914, 20918, 20926, 20931, 20941, 20961, 20991, 21020.2, 21024, 21031, 21043, 21061, 21072, 21081, 21091, 21101, 21111, 21121, 21131, 21141, 21151, 21161, 21171, 21181, 21191, 21196, 21203, 21212, 21221, 21231, 21241, 21251, 21261, 21271, 21290, 21311, 21321, 21331, 21341, 21351, 21361, 21371, 21381, 21391, 21401, 21411, 21421, 21431, 21441, 21451, 21461, 21472, 21482, 21491, 21501, 21511, 21521, 21531, 21541, 21552, 21567, 21572, 21581, 21591, 21601, 21618, 21624, 21631, 21641, and 22035.</p>

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CHAPTER 2 THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

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CHAPTER 2 THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

Uniform Public Construction Cost Accounting Act

2.01 The Uniform Public Construction Cost Accounting Act

As specified in the State of California Public Contract Code, all governmental jurisdictions are limited to the dollar amount of public project work that can be performed using internal resources. The jurisdictions are further required to follow various bidding procedures in undertaking construction work performed or contracted in the jurisdiction. The passage of Chapter 1054, Statutes of 1983, Uniform Public Construction Cost Accounting Act (Act), and subsequent amendments provides for alternative bidding procedures by public agencies in undertaking public project work, provided they subscribe to uniform construction cost accounting policies and procedures developed in accordance with the law.

The purpose of this document is to give public agencies those construction cost accounting policies and procedures required in accordance with this above-mentioned legislation. To assist in understanding these policies and procedures, we have provided examples throughout the manual. These examples are for illustrative purposes only and, although they may be used, should not be considered required formats for public agencies operating under this program.

2.02 Public Agency

Public Contract Code section 22002(a) provides the definition of a public agency for the purposes of the Act. Public agencies are cities, counties, a city and county, chartered cities and chartered counties, any special district and any other agency of the state responsible for the local performance of governmental or proprietary functions within limited boundaries. Public agency includes a nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.

2.03 Public Project

As defined in Public Contract Code section 22002(c), all public projects performed by public agencies may include:

- Construction, reconstruction, erection, alteration, renovation, improvement, demolition, installation, and repair work involving any publicly owned, leased or operated facility.
- Painting or repainting of any publicly owned, leased or operated facility.
- In the case of publicly owned electric utility system, construction, erection, improvement or repair of dams, reservoirs, power plants and electrical transmission lines of 230,000 volts and higher.

2.04 Exemptions

Construction of any public building used for facilities of juvenile forestry camps or juvenile homes, ranches, or camps established under Article 15 (commencing with section 880) of Chapter 2 of Part 1 of Division 2 of the Welfare and Institutions Code, if a major portion of the construction work is to be performed by wards of the juvenile court assigned to those camps, ranches or homes, is exempt from the provisions of the Act.

In addition, in cases of great emergency, as determined by the governing body of the public agency, including, but not limited to, states of emergency defined in Government Code section 8558. When repair or replacements are necessary to permit the continued conduct of the operation or services of a public agency or to avoid danger to life or property. The governing body by majority vote may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the governing body, by contract, or by a combination of the two.

The governing body, by majority vote, may delegate to the appropriate county administrative officer or city manager the power to declare a public emergency subject to confirmation by the governing body, by a four-fifths vote, at its next meeting.

2.05 Bid Limitations

For those agencies whose governing board has by resolution elected to become subject to the uniform construction cost accounting policies and procedures and which have notified the State Controller of that election, the following bid limitations will be in effect pursuant to Public Contract Code section 22032 and 22034(d):

- Public projects of \$75,000 or less may be performed by the employees of a public agency by force account (for definition see page 43 section 3.03), by negotiated contract, or by purchase order.
- Public projects of \$220,000 or less may be let to contract by informal procedures as set forth in this legislation.
- Public projects of more than \$220,000 shall, except as otherwise provided in this legislation, be let to contract by formal bidding procedures.
- If all bids received are in excess of \$220,000, the governing body of the public agency may by adoption of a resolution by a four-fifths vote, award the contract, at \$235,000 or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

2.06 Award of Bid

Public Contract Code section 22038 allows the public agency in its discretion to reject any bids presented. If the agency prior to rejecting all bids and declaring that the project can be more economically performed by employees of the agency provides a written notice to an apparent low bidder that:

- Informs the lowest responsible bidder of the agency's intention to reject the bid.
- Is mailed to at least two business days prior to the hearing at which the agency intends to reject the bid.

If after opening bids all bids are rejected, the public agency shall have the option, after reevaluating its cost estimates of the project, of one of the following:

- The public agency may abandon the project or re-advertise for bids in the manner described by this legislation; or
- By passage of a resolution by a four-fifths majority of its governing body declaring that its employees can perform the project more economically, the public agency may have the project done by force account without further complying with this legislation.

If a contract is awarded, it shall be awarded to the lowest bidder. If two or more bids are the same as the lowest, the public agency may accept the one it chooses.

If no bids are received, the project may be performed by employees of the public agency by force account or by informal bidding procedures set forth in section 22034 of the Public Contract Code.

California Uniform Construction Cost Accounting Commission

2.07 California Uniform Construction Cost Accounting Commission

Chapter 1054, Statutes of 1983, created the California Uniform Construction Cost Accounting Commission (CUCCAC or the Commission). The Commission is comprised of 14 members, 13 members are appointed by the State Controller and one member of the Contractors' State License Board pursuant to section 22010 of the Public Contract Code.

- a) Thirteen of the members shall be appointed by the Controller as follows:
 - 1) Two members who shall each have at least 10 years of experience with, or providing professional services to, a general contracting firm engaged, during that period, in public works construction in California.
 - 2) Two members who shall each have at least 10 years of experience with, or providing professional services to, a firm or firms engaged, during that period, in subcontracting for public works construction in California.
 - 3) Two members who shall each be a member in good standing of, or have provided professional services to, an organized labor union with at least 10 years of experience in public works construction in California.
 - 4) Seven members who shall each be experienced in, and knowledgeable of, public works construction under contracts let by public agencies; two each representing cities, counties, respectively, and two members representing school districts, and one member representing a special district. At least one of the two county representatives shall be a county auditor or his or her designee.
- b) The member of the Contractors' State License Board who is a general engineering contractor as that term is defined in Section 7056 of the Business and Professions Code shall serve as an ex officio voting member.

2.08 Implementation

The public agency must perform several administrative steps to comply and elect into the law. The major steps include:

- Adopting a resolution electing to become subject to the Act.
- Adopting ordinances or regulations providing informal bidding procedures as required by the law.
- Notifying the State Controller of the election.
- Complying with the cost accounting construction policies and procedures presented in this manual.

The Commission shall review the accounting procedures of any participating agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories stated in Public Contract Code section 22042:

- Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency.
- Exceeded the force account limits set forth in PCC §22032(a).
- Has been improperly classified as maintenance.
- Has been split or separated into smaller work orders or projects in violation of PCC §22033
- Has exceeded the limits or otherwise not met the requirements set forth in PCC §22032(b) and (c).

CHAPTER 3 UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING POLICIES AND PROCEDURES

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CHAPTER 3 UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING POLICIES AND PROCEDURES

Uniform Public Construction Cost Accounting Policies and Procedures

The California Uniform Construction Cost Accounting Commission (CUCCAC) is responsible for reviewing and developing uniform public construction cost accounting policies and procedures to be followed by public agencies electing to participate in the program. This section of the manual discusses the Commission's basic philosophy and intent in developing these cost accounting policies and procedures, the range of public construction projects that may be undertaken by public agencies using these cost accounting policies and procedures, and the support systems deemed necessary to comply with this program.

Inquiries regarding the program and/or the policies and procedures may be sent to the State Controller's Office (SCO) Local Government Policy Section at LocalGovPolicy@sco.ca.gov. Once an inquiry is received by SCO staff, it will be reviewed and a draft response will be sent to the Chair of the Commission. The Chair may appoint one or more Commissioners, not to constitute a quorum, from the public and/or private sectors to assist with responding to the inquiry in a timely manner. The Chair will provide feedback as necessary, and SCO staff will reply to the inquirer in a timely manner. A summary of inquiries is to be reviewed by the Commissioners at the next CUCCAC meeting, for incorporation into the Frequently Asked Questions as appropriate.

3.01 CUCCAC Philosophy

The policies and procedures, as dictated by Public Contract Code section 22017, shall, to the extent deemed feasible and practicable, incorporate or be consistent with construction cost accounting guidelines and standards and reporting requirements utilized by state and federal agencies on public projects and be uniformly applicable to all public agencies which elect to utilize the policies and procedures. The Commission recognizes the wide divergence in the size, capabilities and scope of operations of various public agencies operating under this legislation. Therefore, in developing this manual, the Commission wishes to present policies and procedures that are reasonable and do not demand extensive tracking of detail. The Commission feels that all cost elements, including personnel, materials, supplies and subcontracts, equipment, and overhead, associated with a project must be recorded and reported at the project level. Each of the cost elements is to be expressed in the initial bid/estimate process, captured and recorded during the construction period and compared to the initial estimate at the conclusion of the public project. This shall require the existence of a project tracking system, as discussed later in this section. The Commission refrains from dictating a specific system but requires a system to estimate for bidding purposes, and to capture the actual costs in a manner consistent with the bid estimate. In this manner, the policies and procedures are results-oriented. The Commission has determined that the Standardized Account Code Structures meets the requirements of the Act.

3.02 Applicable Projects

In keeping with the Commission's objective of providing cost accounting policies and procedures that are specific in concept yet broad enough to encompass all public agencies, regardless of size and scope of services, these policies and procedures should enable the public agencies to track all applicable construction-oriented public projects.

While allowing for the divergence of activities performed, these policies and procedures should parallel construction cost accounting practices as much as possible to allow for a comparability of private and public estimates and actual costs incurred in constructing public projects.

3.03 Definitions

The definitions listed below will assist users of the manual in interpreting and understanding the policies and procedures as stated in this manual. It is important to note that these definitions pertain only to the contents of this manual.

Cost Finding. A less formal method than project accounting of cost determination or estimation on an irregular basis. There may be no formal accounting entries during the year to record costs incurred in specific cost accounts. Instead, cost finding usually involves taking available fund financial accounting data and recording it and adjusting it to devise the cost data or estimate needed. This approach will be used in selected instances as defined in this manual.

Direct Costs. Direct costs represent economic resources that can be specifically identified with a particular construction activity or function. To the extent possible, such costs should be charged directly to the project for purposes of cost determination rather than being subjected to allocation procedures.

End Cost Objective. An end cost objective is a cost center or activity established for the accumulation of the direct costs of performing government services. All costs should be considered to indirectly support the performance of these services.

Equipment Usage Tracking System. An equipment usage tracking system allows for the identification, recording, accumulation and reporting of usage of a specific piece of equipment or type of equipment and the unit of usage, e.g., hours, days, mileage, to a particular activity.

Force Account. A force account accurate for work performed on public projects using internal resources, including but not limited to labor, equipment, materials, supplies, and subcontracts of the public agency.

Government-Wide Overhead. Government-wide overhead is defined to include all costs of a public agency not associated with organizational units performing services which support all end cost objectives of the government entity.

Materiality. It is the Commission's position that, if the value of those goods obtained from inventory is material, the cost must be recorded to the public project code as a direct cost item. Materiality is defined for purposes of this manual to be any item that has a unit or aggregate value of \$25 or more.

Materials, Supplies, and Subcontracts Tracking System. A materials, supplies, and subcontracts tracking system allows for the identification, recording, accumulation, and reporting of materials, supplies, and subcontracts used on a particular activity.

Object Cost. A cost center or activity (account code assigned to a department or project) established for the accumulation of the direct and indirect cost to arrive at a total cost of performing government services.

Overhead Costs. Overhead costs represent economic resources that are employed for common or joint purposes benefiting several projects or functions. As such, overhead costs are not as readily chargeable to individual projects and, therefore, generally require allocation based upon statistical relationships.

Personnel Tracking System. A personnel tracking system allows for the identification, recording, accumulation, and reporting of personnel working on a particular activity.

Project Accounting. Project accounting is the continuous process of analyzing, classifying, recording, and summarizing cost data within the confines and controls of a formal project accounting system and reporting them to users on a regular basis.

Project Tracking System. A project tracking system allows for the identification and establishment of cost (account) codes to particular activities. The system would be used to record, accumulate, and report personnel costs; equipment costs; material, supplies, and subcontracts costs; and allocated overhead to activities identified.

Public Project Unit. A public project unit (e.g. public works department) is an identifiable organizational unit of any size within a public agency whose primary goals include the undertaking and completion of public projects as defined in Public Contract Code section 22002. The Commission would, in general, consider a unit to be a public project unit when over 25% of the total unit's annual budget is expended on public projects. It is more common to have these organizational units in the larger public agencies - urban counties, cities, and school districts.

Subcontract. A subcontract provides for the use of an outside contractor with specialized skills and/or equipment needed to complete an element of work on the public project.

Unit Overhead. Unit overhead is defined as all costs incurred by an organizational unit, such as a public project unit, department, division or section, that are not directly attributable to any end cost objective, whether it be a public project or not. These costs include personnel costs, materials, supplies and subcontracts, and equipment costs not directly attributable to any end cost objective.

Work Order. A work order is written authorization for the performance of a particular project. It contains a description and location of the project and specifications for the work to be performed. Work orders are assigned an identification code and are used to record all costs both direct and indirect incurred in completing the project.

3.04 Public Agency Organization Structure

In general, public agencies will contract out design-and-build and heavy construction projects and perform only general building projects and specialty construction projects with internal resources. Frequently, this decision to undertake general building and specialty construction projects is made based on the agency's organization structure, current workload requirements, and available staffing resources.

Often, in large organizations, due to the ongoing workload, there are organizational units whose stated objective is to undertake and complete on an as-needed basis general building and specialty construction projects. These organizational units are project-oriented. Their end cost objectives primarily consists of the performance of public projects. Costs specifically incurred in connection with individual end cost objectives are considered to be direct costs. Costs not specifically incurred to support individual and cost objectives are considered to be overhead costs associated with the organizational units taken as a whole. To recognize all the costs associated with an end cost objective, these overhead costs must be allocated back to this end cost objective. Examples of end cost objectives include public projects, such as the construction of a warehouse, renovation of a lunch room, or street reconstruction and resurfacing over 1 inch. Smaller public agencies, which comprise the majority of public agencies in the state, usually do not have organizational units whose annual budgets represent more than 25% of public project work. Frequently, these employees perform general maintenance duties in addition to working on public projects. The public project costs incurred by these employees are more difficult to identify yet equally important.

3.05 Classification of Costs

It is the stated objective of the law and the Commission to have public agencies estimate the cost of public projects and track these project costs in a manner similar to private industry. Essential to achieving this objective is the understanding and agreement by both parties as to the components of costs that are included in public projects.

The major classification of cost components for construction projects includes: direct, indirect, and overhead costs.

3.06 Direct Costs

Direct costs generally include these categories of costs: labor, bonds, permits, licensing fees (if any), equipment, permanent materials and supplies, subcontracts, nonpermanent materials and supplies. Components of each of these direct project cost categories are shown below and include costs applicable to the construction industry.

Labor

- Hourly Pay/Salary
- Payroll Taxes (Employer Contribution)
- Worker's Compensation Insurance (Allocation of Self Insurance)
- Group Health Insurance
- Group Life Insurance
- Retirement Plan (Employer Contribution)
- Holiday Leave
- Vacation
- Sick Leave
- Unassigned Time
- Disability Insurance
- Unemployment Insurance
- Military Leave
- Jury Duty Leave
- Management Leave/Compensatory Leave
- Uniform/Uniform Allowance
- Tuition Reimbursement
- Union Time Off
- Time Off for Illness or Death of Family Member
- Personal Liability Insurance
- Administration/Employer Contribution of Deferred Compensation Program/401K
- Overtime Premium

Use employee's productive hourly rate to calculate direct labor costs.

Equipment

Internal Equipment Rate

- Depreciation
- Insurance (Allocation of Self Insurance)
- Initial Assembling and Dismantling Costs
- Maintenance Costs
- Repair Costs
- Provision for Major Overhauls
- Unassigned Time
- Maintenance and Storage Yard Facilities Costs
- Fuel and Oil
- Tires and Grease

Or Use:

Caltrans Equipment Rental Rates and Labor Surcharge Book:

<http://www.dot.ca.gov/hq/construc/equipmnt.html>

External Equipment Rate (Leased or Rented from Commercial Dealer) which includes, if charged by the Lessor or are the responsibility of the agency, the following costs:

- Rental Rate
- Maintenance Costs
- Assembling and Dismantling Costs
- Insurance Costs
- Fuel and Oil
- Tires and Grease

Permanent Materials and Supplies

Cost of Permanent Materials and Supplies-Charged Directly to Job

- Permanent Materials and Supplies Cost
- Sales/Use Tax
- Freight
- Discounts Taken

Cost of Permanent Materials and Supplies Costs

- Substantiated by most recent Invoice
- Handling
- Warehouse and Transportation Costs

Subcontracts

Payments made to Subcontractors

Nonpermanent Materials and Supplies/Miscellaneous Costs

- Permits
- Fees
- Performance Bonds
- Licenses

3.07 Indirect Costs

Indirect costs can be identified with a project but not with a specific job or unit of production within the project.

Indirect costs generally include two categories of costs: labor and other miscellaneous project site expenses. Components of each of these indirect cost categories are shown below.

Labor

- Quality Control and Inspection
- Field Supervisors
- Security Guards
- Superintendent
- Job Secretary

Other Project Expenses

- Mobilization, Assembly, Move-Out Costs
- Yarding and Hauling
- Trailer
- Utilities
- Telephone
- Warehouse Costs
- Spoilage, Loss and Theft
- Other Costs

3.08 Overhead Costs

Simplified Overhead Rate

Prior to January 1, 2004, the Commission allowed all agencies to use a 20% overhead rate applied to all direct costs in lieu of calculating their overhead rates. An amendment to Public Contract Code section 22017 provides that cities with a population of less than 75,000 can assume the 20% rate. Cities with a population of 75,000 or over can either assume a 30% overhead rate or calculate an actual overhead rate.

Calculated Overhead Rate

The Commission determined that counties, special districts, and school districts can use a 30% rate or calculate an actual overhead rate, which is the same rule that applies to cities with a population of over 75,000.

Agencies may elect to calculate their overhead rates by one of the three following methods:

- 1) Appendix A describes the federal government's method of calculating overhead (2 CFR Part 220).
- 2) Appendix B describes a method of calculating overhead by allocating overhead costs as a percentage of direct labor costs.

- 3) Any method of calculating overhead is satisfactory with the Commission, provided that acceptable accounting procedures are used and all administrative costs are included.

Overhead costs should be applied on total project costs, including costs of material, equipment, and labor.

Overhead costs cannot be identified with or charged to jobs or units of production unless some more or less arbitrary allocation basis is used.

Components of overhead are shown below and include costs applicable to the construction industry, public agencies or both, e.g., public agencies do not have to pay surety bond premiums as does the construction industry to perform construction work, but both have costs incurred due to the processing of payroll.

- Payroll
- Personnel
- Purchasing/Procurement
- Bid/Estimate Expense
- Advertising Expense
- Legal Costs
- General Government
- General Accounting/Finance
- Departmental Accounting/Finance
- Facilities
- Data Processing
- Top Management
- Management Expenses

Typically public agencies recognize only two classifications of costs: direct and overhead.

It is important to note that this does not suggest that public agencies exclude indirect costs but rather that they classify a majority of them as direct costs. For example, in the construction industry a foreman supervising employees working at the job site would have his personnel costs pooled and allocated to a job or unit of production. In a public agency, the foreman's labor cost would be charged directly to the appropriate public projects.

Regardless of the differences in how the various costs are classified, both the construction industry and public agencies recognize that the significant cost elements of any construction project include:

- Personnel
- Materials, supplies and subcontracts
- Equipment
- Overhead

3.09 Project Identification

Public projects, as defined in section 2.03, shall be identified and given specific project codes. These codes are generally referred to as project or work order numbers. These codes shall enable the public agency to segregate the cost elements discussed above, thereby allowing for the proper estimation, tracking, and comparison of estimated vs. actual cost elements incurred at the completion of a public project.

3.10 Project Tracking

The public agency shall have a manual or automated system that records, accumulates, and periodically reports the cost elements - personnel; materials, supplies and subcontracts; equipment; and overhead - incurred in completing all public projects. The public agency shall be required to account for the costs of the public project in a manner consistent with the way in which the project was bid/estimated. An audit trail of the accumulation of these cost elements shall be maintained. Source documents shall be retained identifying costs incurred on the project. These documents may include timesheets, equipment tracking records, requisitions of materials and supplies used at the project site, and the documentation of the development of overhead rates. The project tracking system does not have to be a part of the public agency's fiscal system but should capture the major cost elements and comply with the other requirements stated in this manual. This may require the agency to establish a project tracking system or alter an existing cost accounting system.

Project Tracking Systems

Project tracking refers to the management of projects which includes but is not limited to measuring and reporting the status of milestones, tasks and activities required in achieving the pre-defined project results. Project tracking can also refer to project management software which automates the tracking of tasks, assignments, event and activities related to the project.

Most counties and larger school districts, cities, and special districts have established automated cost accounting systems that can track all identified public projects. Other project tracking systems include work order systems and project ledger card systems.

Work orders are written authorizations for the performance of a particular project. They contain a description and location of the project and the specifications for the work to be performed. These authorizations, used extensively by public agencies, are assigned an identification code and are used to accumulate and report labor, materials and supplies, and other costs associated with the project. Work orders can be used to cost public project work, as well as maintenance work and other types of end cost objective work.

A project ledger card system establishes a single ledger card to be used in recording, in summary, all cost elements associated with a particular public project.

Discussion of Example

An excel spreadsheet, is listed as a template named *Sample Estimating Form* and is available online at http://www.sco.ca.gov/ard_cuccac.html

The sample project ledger card has been established by the school district's accounting area to estimate the costs of remodeling the Main Street School. This sample can be used for estimating a project. The following data elements are included on the ledger card to establish the public project:

- Project code
- Start date
- End date
- Person responsible for work
- Name of project

Chapter 4 IDENTIFICATION, REPORTING, AND COMPUTATION OF PERSONNEL COSTS

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CHAPTER 4 IDENTIFICATION, REPORTING, AND COMPUTATION OF PERSONNEL COSTS

Identification, Reporting, and Computation of Personnel Costs

The accurate estimating, tracking and costing of personnel costs is imperative to ensure accurate reporting and future estimating of these costs. Personnel costs are those costs associated with employing public agency personnel in the performance of a specific job. They include three elements:

- 1) Annual salary or wage paid by the public agency.
- 2) Benefits received by employees such as a public agency's contribution to employee retirement programs, group health plans, and unemployment insurance.
- 3) Benefits paid to employee such as salaries or wages paid to employees who are on holidays, vacation leave, and sick leave.

This section of the manual describes the systems and methods used to track personnel time, determine the costs associated with personnel, and record these costs to a project tracking system.

Tracking Personnel Time

Critical to the public agency's determination of personnel costs is the ability to identify time spent by employees performing work on all public projects.

4.01 Timekeeping System

A public agency shall have a timekeeping system that accumulates hours worked by employees and assigns these hours to all public project codes. Typically, this project code is assigned by the agency's accounting department and conveyed to the person responsible for the public project, generally the foreman or equivalent position. This system shall enable the agency to track hours worked on public projects to allow for the subsequent distribution of the appropriate personnel costs.

4.02 Examples of Timekeeping Systems

The simplest of timekeeping records is a foreman's time book. These books usually have 50 pages and the foreman records on a daily or weekly basis the employee and his daily time spent on a particular project. These books have heavy tagboard covers so they can remain at the job site and be carried in a foreman's pocket. Typically, at the week's end, the foreman's time book is copied onto timesheets or timecards. This may be done at the central office by the foreman, timekeeper, payroll clerk or bookkeeper. This timekeeping system has the advantage of actual timekeeping being performed at the job site; but if the book is lost, the entire project's time record is lost.

Weekly timesheets or timecards and electronic timekeeping systems can also be used to record time. These documents should be completed by employees no later than at the end of the week showing the hours worked on each public project. For the employees to complete the cards or sheets, they must be informed of the appropriate project code to charge. This appears to be an insignificant issue; but without the establishment of a project code and the conveyance of that information to personnel working on the public project, the costs may never get recorded accurately.

This decentralization of timekeeping presents the opportunity for possible inaccuracies in the recording of time spent on public projects. Therefore, this system may warrant additional review by management.

Work orders can be used to record time by the appropriate employee. As discussed in the project tracking requirements, work orders are written authorization for the performance of a particular job containing a project code, a description and location of the job, and specifications for the work to be performed. Work orders are the most frequent public project timekeeping systems used by public agencies. These are generally completed by the supervisor of the public project who records the employees' time spent on a public project.

It is important to note that work performed on public projects, unlike timekeeping in the construction industry, requires close supervision by management to ensure that hours worked on end cost objectives as defined by this manual are recorded properly.

4.03 Application of Timekeeping Systems

As discussed earlier, there are two types of organizational units within public agencies that may perform public project work. These are (1) public project units and (2) other organizations that may, in addition to their primary duties, work on public projects.

Public Project Unit

A public project unit is an identifiable organizational unit of any size whose primary goals include the undertaking and completion of public projects. Typically, these units perform construction, reconstruction, erection, alteration, renovation, improvement, demolition, repair work, and painting of any publicly owned, leased, or operated facility. For example, a public works department may have a division/section comprised of employees who as defined by this bill are dedicated to the undertaking and completion of public projects such as road resurfacing, painting, landscaping and building/remodeling. The Commission would, in general, consider a unit to be a public project unit when over 25% of the total unit's annual budget is expended on public projects. It is more common to have these organizational units in the larger public agencies--urban counties, cities and school projects.

Timekeeping Requirements

Employees who generally are considered direct labor and are assigned to a public project unit shall record their time on an hourly basis and record all hours of a full work day. This includes time spent on public projects as well as time spent on projects excluded from this program. Unassigned time by these employees will also be recorded and charged to an appropriate code.

Employees not performing labor on public projects, but who provide administrative support services to the employees of the public project unit, shall also record their time on an hourly basis and record all hours of a full work day. This time will be charged to an appropriate overhead account and will be used in the development of the organizational unit's overhead rate as discussed in Chapter 7.

Other Organizational Units Performing Work on Public Projects

There are other organizational units that have employees who perform work on public projects but whose primary goal is the performance of routine maintenance work and/or other general government services. Typically, these organizational units include: parks and recreation departments; divisions of public works agencies that have not been identified specifically as public project units, such as engineering; water and sewer; street maintenance; and routine maintenance.

a. Timekeeping Requirements

Employees of these organizational units shall report time worked on public projects. Although the Commission strongly believes that it is advisable for employees to record an eight-hour day to various end cost objectives, work performed outside of public projects is excluded from the scope of the program and is not required to be reported. All time worked on public projects by a public agency employee shall be posted to a project tracking system on a timely basis with an adequate audit trail maintained.

b. Discussion of Example

An employee of an organizational unit who performs work on a public project, but whose organization is not identified as a public project unit, must report his time. The employee has recorded only the time worked on a public project. Unit management, employees performing maintenance work, and unassigned employees need not record their time as do similar employees in a public project unit.

4.04 Recording Time to Public Projects

A public project's direct labor time shall be recorded to a project code under the following circumstances:

- The employee worked on a public project.
- The employees were in transit to or from a project site.
- The employee performed clean-up work on a public project, e.g., the employee returned to central headquarters to complete paperwork attributable to a public project.
- The employee was assigned to work on a public project but was unable to work due to unforeseen circumstances, e.g., equipment breakdown or inclement weather, and was therefore idle.

Computing Personnel Costs

In determining personnel costs, three different rates must be determined and applied: the employee's productive hourly rate, the department's overhead rate, and the general government overhead rate.

4.05 Productive Hourly Rate

Personnel costs in many public projects represent the single largest cost of a public project. In calculating these costs it is important to include the three components of personnel costs:

- 1) Annual salary/wages
- 2) Benefits received
- 3) Benefits paid

The calculation of an hourly rate integrating these three costs components is commonly called a "productive hourly rate."

A productive hourly rate shall be used to cost time reported to public projects. A productive hourly rate determines the full costs per hour of employing public agency personnel on a public project. A productive hourly rate is calculated by dividing annual personnel costs by an employee's available hours for work assignment.

Annual Personnel Cost

The annual personnel costs of an employee or class of employees shall be determined by the public agency. These costs shall include annual salary/wages and fringe benefits paid by the public agency.

Fringe benefits are generally calculated as a percentage of annual salary/wages or as an annual cost per employee.

If the productive hourly rate is calculated by employee class, members of each class should have reasonably comparable fringe benefits. Otherwise, further division of the employee class should be performed.

Fringe benefit calculations shall take into consideration, but not be limited to, the employer contribution portion of the following costs:

- Disability insurance
- Life insurance
- Retirement plan
- Unemployment insurance
- Worker's compensation insurance
- Personal liability insurance

The fringe benefits calculation is not required to include accrued benefits, such as sick leave or vacation earned but not taken, as a component of personnel costs. It is recognized that these accrued benefits represent a significant future cost to the public agency. Yet, many public agencies do not account for these costs and would have difficulty in developing accurate figures. If further pronouncements concerning accrued benefits of public agencies are issued, the Commission will determine whether inclusions of these costs are appropriate.

Productive Hours

The public agency shall start with the assumption of 2,080 productive hours in a year if a 40-hour work week is the standard for the public agency. If a 40-hour work week is not the standard, the appropriate number of annual productive hours must be determined by the agency. The public agency shall then determine average annual nonproductive time either by employee, class of employee, or agency-wide. Nonproductive time is time when the employee is not available to work or assignment to work and includes but is not limited to:

- Vacation
- Sick leave
- Holidays
- Military leave
- Jury duty
- Training

4.06 Unit Overhead Rate

Public Project Unit

A unit overhead rate shall be developed for each public project unit. This unit overhead rate shall include all public project costs that are not direct costs. The overhead rate shall be developed and added to the productive hourly rate.

Organizational Unit Performing Public Project Work

A unit overhead rate shall be developed for each organizational unit performing work on public projects in addition to its primary duties. This unit overhead rate shall include all of the organizational unit's costs that are not direct costs. The overhead rate should be developed and applied to the employee's productive hourly rate.

4.07 Government-Wide Overhead Rate

A government-wide overhead rate shall be developed to include all costs of a public agency not associated with organizational units performing services that support all end cost objectives of the government entity. The government-wide rate shall be developed and applied to the productive hourly rate after unit overhead has been applied.

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CHAPTER 5 IDENTIFICATION, REPORTING, AND COSTING OF MATERIALS, SUPPLIES, AND SUBCONTRACTS

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CHAPTER 5 IDENTIFICATION, REPORTING, AND COSTING MATERIALS, SUPPLIES, AND SUBCONTRACTS

Identification, Reporting, and Costing of Materials, Supplies, and Subcontracts

Materials, supplies, and subcontracts used on public projects are considered a cost element by the Commission and include such items as lumber, bricks, cement, doors, paint, asphalt, wire, sand, gravel, pipe, and work performed under a subcontract. Materials and supplies used on public projects shall be tracked and charged to project codes as discussed in Chapter 2 and can be accounted for either as direct purchase or inventory.

This section of the manual describes the systems and methods used to track materials, supplies, and subcontracts; determine their value, as well as the other costs associated with providing materials and supplies; and record these costs to a project tracking system.

Materials and Supplies

Critical to the public agency's determination of personnel costs is the ability to identify time spent by employees performing work on all public projects.

5.01 Tracking Materials and Supplies

The Commission wishes to provide policies and procedures so that public agencies account for public projects in a manner similar to the construction industry. The nature of governmental procurement and inventory practices presents challenges to the public agency's ability to meet the Commission's objective of effectively measuring material and supply costs for public projects.

Direct Purchases

Materials and supplies are often purchased directly for use on a public project. The public agency can thus identify the associated dollar value of items purchased to the public project code, which should be identified on the purchase order when the procurement is initiated.

Inventory

It is more difficult to identify the associated costs of items obtained from the public agency's inventory of materials and supplies, generally maintained at a warehouse or stockroom. The major challenge is identifying and recording the costs of material and supplies utilized for the public project which are obtained from the public agency's inventory. It is the Commission's position that, if the value of these goods obtained from inventory is material, the cost must be recorded to the public project code as a direct cost item. Materiality is defined for purposes of this manual to be any item that has a unit or aggregate value of \$25 or more.

Items purchased and placed into inventory that would subsequently be used on public projects and which may exceed the \$25 limit shall be issued to projects in a manner consistent with good accounting controls.

5.02 Costing Materials and Supplies

Direct Purchase

The total material and supplies costs are the invoiced amount. This amount should be posted to the project tracking system for direct purchases on a timely basis. This recorded amount should include the cost of the materials and supplies, freight, sales tax, use tax and any other appropriate costs.

Inventory

The public agency shall have a method to provide for the valuation of the inventory it releases to public projects. Acceptable methods include:

First-In, First-Out (FIFO) – The earliest acquired stock is assumed to be used first, the latest acquired stock is assumed to be still on hand. Therefore, when inventory is issued, it is valued at the cost of the earliest acquired stock.

Last-In, First-Out (LIFO) – The earliest acquired stock is assumed to be still on hand, the latest acquired stock is assumed to have been used immediately. Therefore, when inventory is issued, it is valued at the cost of the most recently (latest) acquired stock.

Weighted Average – In this type of inventory valuation system, each purchase of stock is aggregated with the former inventory balances so that a new average unit price is used to price the subsequent issues of inventory.

Recent Costs – The most recent unit costs is applied to units consumed to yield total cost.

5.03 Handling/Carrying Cost

Personnel, equipment, and facilities costs are incurred by the public agency to store and transport inventoried items. This is separate and distinct from the cost of procurement that is considered to be recaptured through general government overhead, as discussed in Chapter 4. (If warehousing and transportation costs are not provided by a central organization, it is assumed that these costs are recovered through the government-wide overhead rate).

5.04 Subcontracts

A public agency may wish to complete work on a public project by subcontracting, i.e., hiring an outside contractor to perform a portion of the work.

Subcontractors shall be accounted for in a manner similar to a direct purchase of materials and supplies. Contracts or purchase orders should be coded with the appropriate project code and the subcontract costs recorded onto the project tracking system in a timely manner. The handling/carrying overhead rate shall be calculated to recover:

- Warehouse/storeroom personnel costs
- Facility costs of storeroom/warehouse
 - Utilities
 - Rent
 - Insurance
- Transportation costs associated with the receipt/delivery of materials and supplies.

CHAPTER 6 IDENTIFICATION, REPORTING, AND COSTING EQUIPMENT

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CHAPTER 6 IDENTIFICATION, REPORTING, AND COSTING EQUIPMENT

Identification, Reporting, and Costing Equipment

Usage of equipment on public projects is a cost element of performing those public projects. Equipment usage, excluding passenger riding sedans, must be tracked when a piece of equipment is assigned to a public project. Equipment used on public projects shall be charged to a project cost code. This section describes the systems and methods used to track equipment usage, determine equipment costs, and record the costs to a projects tracking system.

6.01 Equipment Tracking Systems

The public agency shall have a manual or automated system that tracks the appropriate equipment by time, mileage or other usage factor to a public project. The system shall have the capability to track equipment usage to a public project:

- When it is in motion to/from a project site;
- When at a public project site (whether in use or not), if time is the means of equipment tracking and
- When at public project site and in use, if mileage or some other mechanism is the means of equipment tracking.

Examples of Tracking Systems

One of the simplest forms for tracking equipment is a weekly timesheet for each piece of equipment that has been assigned to the public project and the time or mileage incurred by the public project. These sheets should be submitted weekly with labor timesheets or cards. They should then be sent to the accounting area and charged to a project tracking system.

6.02 Equipment Tracking of Agency Owned/Operated Equipment

As will be seen in this chapter heading Equipment Usage Rates on page 64, the public agency can cost out equipment it owns and operates in one of two ways. The public agency can either utilize internally developed equipment rates or rates from industry equipment rate books.

Internal Rates

When an agency develops internal equipment rates for certain or all types of equipment, that agency must track the time that equipment was used on end cost objectives such as public projects, maintenance work, and unassigned time. This enables the public agency to determine what the equipment's history of productive hours has been. This enables a better forecast of projected productive hours to be made for rate development purposes.

Equipment Rate Book Rates

When an agency utilizes the calculated equipment rate from rate books, it must record the time or mileage the equipment is used on public projects. Since these equipment rates generally factor in idle time, a full tracking of the equipment as performed for "internal rate" equipment is not mandated.

Equipment Usage Rates

There are three acceptable means of determining equipment rates. They include rates developed internally for public agency owned and operated equipment, equipment rate books used by the construction industry and rental or lease rates charged by commercial vendors. Each of these methods attempts to recapture the costs associated with the equipment's purchase and operations, such as depreciation, fuel, maintenance, repair and insurance.

6.03 Internal Rates (Equipment Owned by Public Agency)

Public agencies shall utilize internally developed equipment usage rates that reflect the full cost of owning, operating and maintaining types of equipment. Rates should be developed for classes of equipment and should comply with the following guidelines:

- The internal equipment rate methodology shall be documented and an adequate audit trail provided.
- The costs of depreciation, fuel and oil, equipment storage, and income are to be included in the internally developed rates.

Depreciation

Depreciation is the method used to spread the cost of equipment, capital lease, or replacement value less residual value, over a piece of equipment's useful life. The public agency's capitalization policy should be used to determine whether a piece of equipment should be depreciated. Generally, equipment that costs more than \$1,000 and has a useful life of more than one year should be depreciated.

Depreciation should be calculated as follows:

1) Useful Life

Depreciation should be based on the average useful life for the piece of equipment in a particular operation. Determination of useful life should be based on actual or planned retirement and replacement practices.

2) Residual Value

Residual value is the value at disposition (less costs of disposal) estimated at the time of acquisition. In many cases, the estimated residual value is so small and occurs so far in the future that it has no significant impact. As well, residual value may be almost or completely offset by removal and dismantling costs. Normally, public agency equipment will be used through the end of its estimated useful life and the residual value may be carried at zero. In the event that it is known at the time of acquisition that the capital equipment will not be used for at least 75% of its scheduled useful life, residual value should be estimated.

3) Capital Improvements

Capital improvements are the costs of major overhauls and modifications that add value and prolong the life of a piece of equipment. These costs should be treated as capital expenditures and depreciated over the extended or remaining useful life of either the asset or improvement, whichever is less.

4) Straight Line Depreciation Method

The straight-line depreciation method charges an equal amount for each period of useful life (generally a year). This method is considered the most practical and reasonable method for determining equipment usage costs.

5) Calculation of Depreciation Method

For annual depreciation for capitalized equipment will be estimated as follows:

- A.** Start with the acquisition cost (purchase price) plus capital improvements, plus all other costs incurred to place the equipment in usage, e.g., transportation, installation. The public agency may choose to utilize replacement value for this calculation.
- B.** Determine the useful life of the equipment, utilizing applicable guides such as the IRS guide.
- C.** Compute annual depreciation by dividing the depreciable basis (acquisition cost plus capital improvements less residual value) by the useful life.
- D. Maintenance and Repairs**
These are costs (labor and parts) that are incurred for maintenance repairs to keep the equipment in normal operating condition. These costs do not include capital improvements that add value to equipment and are accounted for under depreciation. Tires and grease are included in this classification of cost. Typically, a ledger card for each piece of equipment will be necessary to record these costs.
- E. Fuel and Oil**
These costs include the labor and fuel costs of supplying the equipment with fuel of any type and oil.
- F. Equipment Storage Costs**
Equipment storage costs include the cost of facilities associated with the use of equipment. These costs include equipment yards, warehouse facilities, and the cost of guards and other security measures.
- G. Insurance**
These costs include the premiums paid by the public agency (whether self-insured or paid to an outside agency) for equipment insurance.

A good discussion of the calculation of internal equipment rates can be found in State Controller's Office website, http://www.sco.ca.gov/pubs_guides.html *Accounting Standards and Procedures for Counties* in the Road Fund Accounting section.

6.04 Equipment Rate Books (Equipment Owned by Public Agency)

Public agencies that own equipment used on public projects but do not calculate internal equipment rates shall utilize appropriate private industry equipment rate books. It is understood that industrial rates may include certain costs that are not incurred by public agencies, such as personal property taxes paid on the assessed value of the equipment and interest charges. However, these equipment usage rates in some cases do not include: the cost of fuel or other energy costs to operate a particular piece of equipment; the cost of preparatory work performed before a piece of equipment can be made operative; the costs of dies, blades or welding rods that are normally consumed in the operation of a piece of equipment; or the costs of extraordinary wear and tear. Therefore, the use of industrial rates is assumed to provide a reasonable approximation of internal rates.

Equipment rate books that are acceptable to the commission for use in lieu of internal rates include:

- *Caltrans Labor Surcharge and Equipment Rental Rates*
<http://www.dot.ca.gov/hq/construc/equipmnt.html>
- *Mechanical Contractors Association Tool and Equipment Rental Guide*
- *National Electrical Contractors Association Tool and Equipment Rental Schedule*

Use of other guides must first be reviewed and approved by the Commission.

These guides are maintained and updated on a periodic basis by the appropriate agency or association to accurately reflect current costs associated with equipment usage. If a piece of equipment or comparable piece of equipment is not included in an established guide, an internal rate shall be developed or a documented quote from an equipment leasing or rental agency may be utilized.

6.05 Rental or Lease Rates

Rented or leased equipment to be used partially or completely on public projects shall be tracked and have the appropriate amount charged to the public project. Additional costs associated with the leasing or renting of equipment used partially on a public project shall be charged on a pro rata basis, if appropriate to that project. Costs related to renting or leasing equipment generally include, but are not limited to:

- Rates
- Moving, loading, and assembly costs
- Maintenance and repairs
- Insurance
- Fuel (under some rate schedules)

CHAPTER 7 IDENTIFICATION, RATE DEVELOPMENT, AND ALLOCATION OF OVERHEAD

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CHAPTER 7 IDENTIFICATION, RATE DEVELOPMENT, AND ALLOCATION OF OVERHEAD

Identification, Rate Development, and Allocation of Overhead

7.01 Commission Adopted Simplified Overhead Rate

Prior to January 1, 2004, the Commission allowed all agencies to use a 20% overhead rate applied to all direct costs in lieu of calculating their overhead rates. Amendments to Public Contract Code section 22017 provides that cities with a population of less than 75,000 can assume the 20% rate. Cities with a population of 75,000 or over can either assume a 30% overhead rate or calculate an actual overhead rate.

The Commission determined that counties, special districts, and school districts could use a 30% rate or calculate an actual overhead rate, which is the same rule that applies to cities with a population of over 75,000.

Agencies may elect to calculate their overhead rates by one of three following methods:

- 1) Appendix A describes the federal government's method of calculating overhead (2CFR Part 200).
- 2) Appendix B describes a method of calculating overhead by allocating overhead costs as a percentage of direct labor costs.
- 3) Any method of calculating overhead is satisfactory with the Commission, provided that acceptable accounting procedures are used and all administrative costs are included.

Chapter 3, *Definitions*, lists items that define overhead.

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Cost Principles for State, Local, and Indian Tribal Governments

APPENDIX A COST PRINCIPLES FOR STATE, LOCAL AND INDIAN TRIBAL GOVERNMENTS

2 CFR Part 200
(OMB Circular A-87)
Please refer to:

www.ecfr.gov

Browse: Title 2 – Grants and Agreements
Volume 1, Chapter II, Part 200

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APPENDIX B OVERHEAD DETERMINATION AND ALLOCATION PERCENTAGE OF DIRECT LABOR COSTS METHOD

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APPENDIX B OVERHEAD DETERMINATION AND ALLOCATION PERCENTAGE OF DIRECT LABOR COSTS METHOD

Identification, Rate Development, and Allocation of Overhead

B.01 Identification, Rate Development, and Allocation of Overhead

Overhead is the one cost element most frequently misunderstood and absent from public agency costs. This section defines overhead costs and the various methods used to identify, track, and allocate these costs. The Commission believes that overhead is a significant factor and that it is essential that public agencies record and allocate their costs to fairly reflect the total cost of performing public projects. It is not intended that public agencies be required to recover all their overhead costs but that overhead costs reasonably borne by public projects be allocated to these projects.

Overhead includes all costs except:

- Labor performed at the site and directly charged to any end costs objective (including other than public projects) including a pro rata share of payroll taxes and related employee benefits, such as workers' compensation, group insurance, holiday and sick leave, and similar "fringe benefits." As discussed previously, an end cost objective is a pool, center, or activity established for the accumulation of the direct cost of performing fundamental government services. Labor charged to an end cost objective should be traceable to the finished goods or services performed.
- Materials, supplies, and subcontracts actually consumed on and directly charged to any end cost objective, including related freight, sales or use tax, and handling/carrying charges if appropriate. Materials and supplies charged to an end cost objective should be traceable to the finished goods or services provided.
- Equipment costs directly charged to any end cost objective. Equipment costs charged to an end cost objective should be traceable to the finished goods or services provided.

Overhead costs represent economic resources that are employed for common or joint purposes benefiting several end cost objectives and are not identifiable to an individual end cost objective. The challenge is to achieve an equitable allocation of overhead costs to these various end cost objectives of the public agency.

Public agencies shall calculate two overhead rates or use the simplified overhead rates noted in Chapter 7:

- Unit overhead rate
- Government-wide overhead rate

Unit overhead is defined as all costs incurred by an organizational unit, such as a public project unit, department, division or section, which are not directly attributable to any end cost objective whether it be a public project or not. These costs include personnel costs, materials, supplies and subcontracts and equipment costs not directly attributable to any end cost objective. As was discussed in Chapter 4, unit overhead must be developed for public project units and organization units performing public project work.

Government-wide overhead is defined to include all costs of a public agency not associated with organizational units performing services, which support all end cost objectives of the government entity.

The unit and government-wide overhead rates must be developed on an annual basis. These rates should be developed prior to the fiscal year and applied to the productive hourly rate as discussed in Chapter 4.

B.02 Unit Overhead

Unit overhead is made up of personnel costs, materials, supplies and subcontracts, equipment usage and facilities costs that are not identified as direct costs. As was stated in Chapter 4, unit overhead rates shall be developed for public project units and any other organizational units whose employees may perform work on public projects.

Cost Components

Components which shall be included in the calculation of unit overhead include, but are not limited to, costs incurred within the organizational unit related to:

- Administration
- Accounting/finance
- Clerical assistance
- Facilities
 - Rental costs (Depreciation of facilities purchased or constructed by a public agency is not required by the Commission).
 - Utilities
 - Insurance
- Data processing
- Direct labor not charged to direct activities
- Materials and supplies not charged to direct activities
- Under-realization of labor and equipment rates

Unit overhead components shall not be included in the government-wide overhead.

Tracking of Unit Overhead

The tracking of overhead costs can be performed in two ways. Overhead can be determined through the utilization of a formal cost accounting system. This system allows for the identification of such costs as salaries and indirect materials and supplies as overhead costs, and records these costs to management overhead codes. Alternatively, cost-finding studies can be performed. A cost finding study, a less precise method of overhead determination, is usually performed on an annual basis and generally involves taking available financial accounting data and determining the value of overhead pools through various estimation techniques.

a. Public Project Unit

As discussed in Chapter 4, a public project unit's personnel shall record and account for a full workday. This enables the public project unit to track and record time spent on overhead activities and unassigned time on an actual basis. As well, the public project shall record equipment usage costs, subcontractor costs, materials, supplies and subcontracts, and facilities costs to overhead codes when not identifiable to a specific project. Thus, the public project unit accounts for all of its costs, whether they are direct costs or overhead. The public project unit will use the resulting data to develop its unit overhead rate.

b. Organizational Unit Performing Public Project Work

Personnel working for an organizational unit whose primary goals include the performance of routine maintenance work and/or other general government work are not required to account for a full workday. However, these employees must record all hours of work performed on public projects. This organizational unit shall develop a unit overhead rate through an annual cost finding study which distinguishes direct costs for end cost objectives from indirect (overhead) costs.

B.03 Government-Wide Overhead

Government-wide overhead represents costs incurred by the support functions of the governmental entity, which are not associated with an organizational unit performing end cost objectives. As was stated in Chapter 4, government-wide overhead rates shall be determined by each public agency.

Internally Developed Government-Wide Overhead Rate

Public agencies shall utilize an internally developed government-wide overhead rate. The rate methodology shall be documented and an adequate audit trail provided.

a. Cost Components

The government-wide overhead rate shall include but not be limited to costs associated with the functions shown below to the extent that they are not included in specific unit overhead rates:

- Payroll department
- Procurement/purchasing department
- Legal function
- Central administrative function
- Accounting/finance budget function
- Data processing
- Insurance (whether self-insured or premiums are paid to an agency)
- Public Relations
- Vehicle Pool

The government-wide overhead rate may exclude the costs associated with the legislative and judicial branches of the public agency.

b. Rate Development

The public agency shall develop the government-wide overhead rate of the public agency using direct labor dollars to allocate these government-wide overhead costs in a manner similar to the allocation of unit overhead.

Government-Wide Overhead

Where a government-wide cost allocation plan has been prepared under the auspices of 2 CFR Part 200 or other government-wide rate methodologies, the public agency may utilize the overhead costs or rates developed in lieu of an internally developed government-wide overhead rate, as described in this manual. The Commission recognizes that public agencies may consider these rates imprecise or inappropriate. It is acknowledged that, in developing these rates, some costs are not included because they are considered "not allowable." Thus, the rate may not recover all costs associated with the program.

In contrast, an argument could be made that the rates are calculated to recover the costs of government-wide overhead, which would occur whether or not the specially funded program was undertaken. In this instance, the rate would be considered too high.

In acknowledging these arguments, the Commission wishes to identify the issues but still allow the use of these rates as a reasonable alternative for the calculation of government-wide overhead.

Overhead Allocation

The government-wide overhead rate shall be applied to the appropriate productive hourly rate after the unit overhead has been applied. See Chapter 4 for a more detailed discussion.

State Controller's Office
Local Government Programs and Services Division
Local Government Policy Section
www.sco.ca.gov

If you have any questions contact:
LocalGovPolicy@sco.ca.gov

For additional copies:
http://www.sco.ca.gov/ard_cuccac.html

RESOLUTION NO. 2026-__**RESOLUTION OF THE BOARD OF DIRECTORS OF THE UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY (UVBGSA), STATE OF CALIFORNIA IN THE MATTER OF UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING PROCEDURES**

WHEREAS, prior to the passage of Assembly Bill No. 1666, Chapter 1054, Statutes of 1983, which added Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and

WHEREAS, Public Contract Code section 22000 et seq., the Uniform Public Construction Cost Accounting Act, establishes such a uniform cost accounting standard; and

WHEREAS, the UVBGSA Agency established under the Act has developed uniform public construction cost accounting procedures for implementation by local public agencies in the performance of or in the contracting for construction of public projects.

NOW, THEREFORE BE IT RESOLVED, that the Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) of Ukiah, California, hereby elects under Public Contract Code section 22030 to become subject to the uniform public construction cost accounting procedures set forth in the Act and to the Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the UVBGSA notify the State Controller forthwith of this election.

This Resolution shall take effect upon its adoption.

PASSED, ADOPTED and APPROVED this 11th day of June 2026, by the following vote:

AYES:

NOES:


ABSTAIN:

ABSENT:

Madeline Cline, UVBGSA Chair

ATTEST:

Kristine Lawler, UVBGSA Clerk

 UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY (UVBGSA)	SUBJECT: Informal Bidding Procedures Under Uniform Public Construction Cost Accounting		
	ADMINISTRATIVE POLICY		
	POLICY NUMBER	EFFECTIVE DATE	PAGE
APPROVAL LEVEL: UVBGSA Board	26-001		1 of 1

SECTION 1:

Informal Bid Procedures. Public projects, as defined by the Act and in accordance with the limits listed in Section 22032 of the Public Contract Code, may be let to contract by informal procedures as set forth in Section 22032, et seq., of the Public Contract Code.

SECTION 2:

Contractors List - The agency shall comply with the requirements of Public Contract Code Section 22034, by consolidating with the City of Ukiah's Contractor's List, including annual publications.

SECTION 3:

Notice Inviting Informal Bids - Where a public project is to be performed which is subject to the provisions of this Ordinance, a notice inviting informal bids shall be circulated using one or both of the following alternatives:

1. Notices inviting informal bids may be mailed, faxed, or emailed to all contractors for the category of work to be bid, as shown on the list developed in accordance with Section 2;
2. Notices inviting informal bids may be mailed to all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department/agency soliciting bids, provided however:
 - a. If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

SECTION 4:

Award of Contracts - The UVBGSA Purchasing Agent and the UVBGSA General Manager are each authorized to award informal contracts pursuant to this Section.

SECTION 2

This Policy shall take effect and be in force thirty (30) days from the date of its passage, and before the expiration of fifteen (15) days after its passage, it or a summary of it, shall be published once, with the names of the members of the UVBGSA voting for and against the same in the Ukiah Daily Journal, a newspaper of general circulation published in the County of Mendocino.

PASSED, APPROVED and ADOPTED by the Board of Directors of the Ukiah Valley Basin Groundwater Sustainability Agency of the County of Mendocino, State of California, this 11th day of June 2026, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Madeline Cline, UVBGSA Chair

Kristine Lawler, UVBGSA Clerk



**UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
Special Meeting**

**Mendocino County Board of Supervisors Chamber
501 Low Gap Road, Ukiah, CA 95482**

Virtual Meeting Link: <https://us06web.zoom.us/j/86074412428>

**Ukiah, CA 95482
March 12, 2026
1:00 p.m.**

1. CALL TO ORDER AND ROLL CALL

The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA/GSA) met at a Special Meeting on March 12, 2026, having been legally noticed on March 6, 2026. The meeting was held in person and virtually at the following link: <https://us06web.zoom.us/j/86074412428>. Chair Cline called the meeting to order at 1:03 p.m. Roll was taken with the following **Directors Present:** Adam Gaska, Ag Representative, John Bailey, Russian River Flood Control (RRFC) District; Douglas F. Crane, City of Ukiah; and Madeline Cline, County of Mendocino. **Director Absent:** Eddie Nevarez, Tribal Representative. **Staff Present:** Maya Simerson, Acting General Manager and Kristine Lawler, Clerk. **Also Present:** Jonathan Weldon, Legal Counsel - Kronick Moskovitz Tiedmann & Girard (KMTG).

CHAIR CLINE PRESIDING.

2. APPROVAL OF AGENDA

Presenter: Chair Cline.

Motion/Second: Gaska/Bailey to approve the agenda. Motion **carried** by the following roll call votes: AYES: Gaska, Bailey, Crane, and Cline. NOES: None. ABSENT: Nevarez. ABSTAN: None.

3. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

No public comments were received.

4. DISCUSSION AND POSSIBLE ACTION ITEMS

a. Discussion and Possible Action Related to the Appointment of the Ukiah Valley Basin Groundwater Sustainability Agency General Manager to Perform the Administrative Services per the Professional Services Agreement with the City of Ukiah.

Presenter: Maya Simerson, Acting General Manager.

Public Comment: Javier Silva.

Motion/Second: Gaska/Bailey to approve the appointment of Maya Simerson as the General Manager of the Ukiah Valley Basin Groundwater Sustainability Agency to perform the Administrative Services per the Professional Services Agreement (2526-001) with the City of Ukiah. Motion carried by the following roll call votes: AYES: Gaska, Bailey, Crane, and Cline. NOES: None. ABSENT: Nevarez. ABSTAN: None.

b. Receive Financial Report for Fiscal Year to Date of 2025/2026.

Presenter: Maya Simerson, General Manager.

No public comment was received.

Report was received.

c. Discussion and Possible Action Related to the Appointment of Two Board Members to Serve on an Ad Hoc Budget Committee to Work with the General Manager on Development of the FY 2026/2027 Budget and Related Financial Planning Matters.

Presenter: Maya Simerson, General Manager.

No public comment was received.

Motion/Second: Crane/Gaska to appoint Member Gaska and Member Bailey to serve on the Ad Hoc Budget Committee to work with the General Manager on development and preliminary review of the FY 2026/2027 budget, with the committee to dissolve upon adoption of the final budget unless otherwise directed by the Board. Motion carried by the following roll call votes: AYES: Gaska, Bailey, Crane, and Cline. NOES: None. ABSENT: Nevarez. ABSTAN: None.

d. Provide Water Year 2025 GSP Annual Report Results and Request Approval for Staff to Submit to DWR Pending any Requested Revisions from the Board.

Presenters: Audra Bardsley, Larry Walker Associates and Maya Simerson, General Manager.

Public Comment: Sean White.

A PowerPoint presentation was given and an update was received.

Motion/Second: Gaska/Bailey to authorize staff to submit the report to DWR pending any requested revisions from the Board, and to include direction to Staff to have conversations with DWR over the next couple of months. Motion carried by the following roll call votes: AYES: Gaska, Bailey, Crane, and Cline. NOES: None. ABSENT: Nevarez. ABSTAN: None.

e. Receive Update from Larry Walker Associates on California Department of Fish & Wildlife Grant Funded Upper Russian River Groundwater Dependent Ecosystem and Interconnected Surface Water Study.

Presenter: Audra Bardsley, Larry Walker Associates.

No public comment was received.

Update was received.

f. Authorization for Chair to Execute Amendment No. 1 to the Professional Services Agreement with Larry Walker Associates in the Revised Total Amount Not to Exceed \$347,000.

Presenters: Maya Simerson, General Manager and/or Audra Bardsley, Larry Walker Associates.

No public comment was received.

Motion/Second: Gaska/Bailey to authorize the Chair of the Board to execute Amendment No. 1 to the Professional Services Agreement (2526-002-A1) with Larry Walker Associates (LWA) to provide additional technical services in support of the Ukiah Valley Basin Groundwater Sustainability Plan (GSP). Motion carried by the following roll call votes: AYES: Gaska, Bailey, Crane, and Cline. NOES: None. ABSENT: Nevarez. ABSTAN: None.

g. Consideration Authorization of the Chair to Negotiate and Execute the Hansford Economic Consulting Fee Setting Services Contract with a Two-Year Term and Three One-Year Options, and Discuss Annual Development of the Groundwater Sustainability Fee Finder Web Map.

Presenter: Maya Simerson, General Manager.

No public comment was received.

Board Direction to Staff to explore options as discussed.

(2526-003) with Hansford Economic Consulting for an extended term and to renew the Groundwater Sustainability Fee Finder Web Map. Motion carried by the following roll call votes: AYES: Gaska, Bailey, Crane, and Cline. NOES: None. ABSENT: Nevarez. ABSTAN: None.

h. Consideration and Possible Approval of City of Ukiah Invoices for FY2024/2025 and Direction on Payment for Services Processes.

Presenter: Maya Simerson, General Manager.

Public Comment: Amber Fissett, County of Mendocino.

Board Direction to Staff on the processes for payment of services, and to make arrangements for an annual audit.

Motion/Second: Gaska/Bailey to pay the invoice of \$31,895.51 and moving forward to get a quarterly bill based on the \$83,366 flat fee, and to include the project code tracking staff member hours. Motion carried by the following roll call votes: AYES: Gaska, Bailey, Crane, and Cline. NOES: None. ABSENT: Nevarez. ABSTAN: None.

5. CONSENT CALENDAR

a. Approval of the Minutes for the December 15, 2025, GSA Special Meeting.

Recommended Action: Approve the Minutes for the December 15, 2026, GSA Regular Meeting.

b. Consideration and Possible Approval Related to the Appointment of Replacement Members to the Technical Advisory Committee (TAC) Representing the City of Ukiah and the Mendocino County Resource Conservation District.

Recommended Action: Accept the recommendations of the City of Ukiah and the Mendocino County Resource Conservation District to appoint Jared Walker and Erin Formaker.

c. Authorize the Chair to Negotiate and Execute an Agreement with the Mendocino County Resource Conservation District to Perform Grant Funded Work Towards the Upper Russian River Groundwater Dependent Ecosystem and Interconnected Surface Water Study in an Amount not to Exceed \$30,000.

Recommended Action: Authorize the Chair to negotiate and execute the agreement (2526-004) with the Mendocino County Resource Conservation District to perform grant funded work

towards the Upper Russian River Groundwater Dependent Ecosystem and Interconnected Surface Water Study in an amount not to exceed \$30,000.

d. Authorize the Chair, or Designee, to Execute the FPPC Form 602 and Any Associated Documents in Support of the Small GSA Coalition.

Recommended Action:

1. Authorize the Chair or designee to execute the FPPC Form 602 designating PPG to lobby on behalf of the Ukiah Valley Basin Groundwater Sustainability Agency effective February 1, 2026.
2. Direct PPG to prepare and submit the quarterly FPPC Form 635 Lobbyist Employer Reports on behalf of the Agency.

Motion/Second: Crane/Gaska to approve the Consent Calendar item 5a-d, as submitted. Motion **carried** by the following roll call votes: AYES: Gaska, Bailey, Crane, and Cline. NOES: None. ABSENT: Nevarez. ABSTAN: None.

6. STAFF AND PARTNER UPDATES

a. Updates from General Manager.

Presenter: Maya Simerson, General Manager.

Member Directive to Staff to post agendas and meeting dates, including specific meeting links and/or PDFs, on the UVBGSA primary website.

No public comment was received.

Updates were received.

7. FUTURE AGENDA ITEMS AND SET NEXT MEETING DATE

a. Discussion and Consideration of Future Agenda Items and Scheduling of Next Meeting Date with Meeting to be Held at the County of Mendocino, Board of Supervisors Chamber, 501 Low Gap Rd., Ukiah, CA 95482, at 1:00 p.m.

Presenter: Chair Cline

No public comment was received.

Member Consensus to hold the next regular meeting on the scheduled date of June 11, 2026, at 1:00 p.m. at the County offices.

Member Consensus to schedule the remainder calendar dates for the year:

- August 13, 2026
- November 12, 2026

8. ADJOURNMENT

There being no further business, the meeting was adjourned at 2:40 a.m.

Madeline Cline, Chair

ATTEST:

Kristine Lawler, Clerk



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT: Consideration of Authorization of the General Manager to Execute Vendor Agreements/Amendments with Existing Contractors; California Land Stewardship Institute (CLSI), and Kronick Moskovitz Tiedemann & Girard (KTMG) Through June 2027, and for Mendocino County Resource Conservation District (MCRCD) Through June 2028, all with Minor Changes to Scope and/or Compensation.

PREPARED BY: Maya Simerson, Senior Management Analyst

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. UVBGSA Agreement 2026-2027 1 yr signed CLSI 4.25.26
2. 2026-05-27 Proposed Amendment No. 3 to UVBGSA-Kronick Legal Services Agreement and Exhibits
3. Agreement_With_MCRCD_for_Groundwater_Monitoring_Services_(3-Year)

Summary: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) Board of Directors will consider giving authorization to the General Manager to execute vendor agreements/amendments with CLSI (Attachment 1), and KMTG (Attachment 2), and to extend their terms through June 2027, with minor changes to scope and compensation in alignment with the proposed FY 2026/2027 budget, to extend the term for MCRCD (Attachment 3) through June 2029.

Background: The current agreements with California Land Stewardship Institute (CLSI), Kronick Moskovitz Tiedemann & Girard (KTMG), and Mendocino County Resource Conservation District (MCRCD) support ongoing GSP implementation efforts. The agreements with contractors are necessary to continue work into FY 2026/2027 and maintain compliance with SGMA requirements. The agreements and/or amendments address extending terms for one year, with minor changes to scope and budget for CLSI, and KMTG in Attachments 1-2, and extending the term for MCRCD to three years in Attachment 3.

Discussion: The proposed agreements/amendments include minor adjustments to scope of services as warranted by supporting the GSP implementation.

In terms of budget modifications, they are minor in nature to reflect the need to update contract line item terms, such as the rate for mileage reimbursement, or to accommodate for standard rate increases.

These proposed agreements/amendments extend the terms of the agreement and adjust contract scopes and budgets. All proposed amendments are consistent with and supported by the FY 2026/2027 GSA budget.

The General Manager has been in contact with all of these vendors and they are all in support of executing these agreements/amendments and have executed them as can be found in the attachments. Staff recommends the Board take the recommended action to finalize these agreements/amendments.

Recommended Action: Authorize the General Manager, in collaboration with legal counsel and the GSA Board Chair, to execute agreements/amendments with the existing Contractors: California Land Stewardship Institute (CLSI), and Kronick Moskovitz Tiedemann & Girard (KTMG) Through June 2027, and for Mendocino County Resource Conservation District (MCRCD) Through June 2028, all with Minor Changes to Scope and/or Compensation.

**UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
PROFESSIONAL SERVICES AGREEMENT WITH CALIFORNIA LAND
STEWARDSHIP INSTITUTE, IN THE AMOUNT OF \$10,073.64 FOR SURFACE
WATER MONITORING SERVICES**

This Agreement is by and between the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY, hereinafter referred to as "UVBGSA", and California Land Stewardship Institute, hereinafter referred to as the "CONSULTANT".

WITNESSETH

WHEREAS, pursuant to Article 5 Section 5.2.7 of the Joint Powers Agreement Forming the Ukiah Valley Basin Groundwater Sustainability Agency, UVBGSA shall have the power to make and enter into contracts necessary to the full exercise of the Agency's power; and,

WHEREAS, in order to meet the various requirements of a groundwater sustainability agency under the Sustainable Groundwater Management Act (Part 2.74 of the California Water Code), UVBGSA is in need of surface water monitoring services related to implementation of the Ukiah Valley Basin Groundwater Sustainability Plan; and,

WHEREAS, due to CONSULTANT's in-depth knowledge of the Ukiah Valley Basin surface water conditions and relationships with local land owners, UVBGSA desires to obtain CONSULTANT for its surface water monitoring services; and,

WHEREAS, CONSULTANT is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide same to UVBGSA.

NOW, THEREFORE it is agreed that UVBGSA does hereby retain CONSULTANT to provide the services described in Exhibit "A", and CONSULTANT accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

- Exhibit A Definition of Services
- Exhibit B Payment Terms
- Exhibit C Insurance Requirements
- Exhibit D ePayables Information

The term of this Agreement shall be from June 30, 2026 (the "Effective Date") and shall continue through June 30, 2027. The compensation payable to CONSULTANT hereunder shall not exceed Ten Thousand Seventy-Three Dollars and Sixty-Four Cents (\$10,073.64) for the term of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

UVBGSA

By: _____
MADELINE CLINE, Chair
BOARD OF DIRECTORS

Date: _____

CONSULTANT/COMPANY NAME

By: Chloe Kelly

Date: 4/25/2026

NAME AND ADDRESS OF CONSULTANT:

California Land Stewardship Institute

550 Gateway Dr, Suite 106

Napa, CA 94558

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by their signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

UVBGSA LEGAL COUNSEL REVIEW:

APPROVED AS TO FORM:

By: H. Roberson

HOLLY ROBERSON, General Counsel
UKIAH VALLEY BASIN GSA

Date: 4/14/2026

GENERAL TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONSULTANT is an Independent Contractor. CONSULTANT is not the agent or employee of the UVBGSA in any capacity whatsoever, and UVBGSA shall not be liable for any acts or omissions by CONSULTANT nor for any obligations or liabilities incurred by CONSULTANT.

CONSULTANT shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONSULTANT shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold UVBGSA harmless from any and all liability which UVBGSA may incur because of CONSULTANT's failure to pay such amounts.

In carrying out the work contemplated herein, CONSULTANT shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of UVBGSA.

CONSULTANT does, by this Agreement, agree to perform their said work and functions at all times in strict accordance with all applicable federal, state and County laws, including but not limited to prevailing wage laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in their field and that the sole interest of UVBGSA is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the UVBGSA.

Notwithstanding the foregoing, if the UVBGSA determines that pursuant to state and federal law CONSULTANT is an employee for purposes of income tax withholding, UVBGSA may upon two (2) week's written notice to CONSULTANT, withhold from payments to CONSULTANT hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** To the furthest extent permitted by law (including without limitation California Civil Code sections 2782 and 2782.8, if applicable), Consultant shall assume the defense of, indemnify, and hold harmless the UVBGSA, its officers, agents, and employees, from and against any and all claims, demands, damages, costs, liabilities, and losses whatsoever alleged to be occurring or resulting in connection with the CONSULTANT'S performance or its obligations under this AGREEMENT, unless arising out of the sole negligence or willful misconduct of UVBGSA. "CONSULTANT'S performance" includes CONSULTANT'S action or inaction and the action or inaction of CONSULTANT'S officers, employees, agents and subcontractors.
3. **INSURANCE AND BOND:** CONSULTANT shall at all times during the term of the Agreement with the UVBGSA maintain in force those insurance policies and bonds as designated in the attached Exhibit C and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONSULTANT shall provide Workers' Compensation insurance, as applicable, at CONSULTANT's own cost and expense and further, neither the CONSULTANT nor its carrier shall be entitled to recover from UVBGSA any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.

CONSULTANT affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code and CONSULTANT further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONSULTANT shall furnish to UVBGSA certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONSULTANT shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of subcontractors' employees.

5. **CONFORMITY WITH LAW AND SAFETY:**
 - a. In performing services under this Agreement, CONSULTANT shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONSULTANT shall indemnify and hold UVBGSA harmless from any and all liability, fines, penalties and consequences from any of CONSULTANT's failures to comply with such laws, ordinances, codes and regulations.

- b. Accidents: If a death, serious personal injury or substantial property damage occurs in connection with CONSULTANT's performance of this Agreement, CONSULTANT shall immediately notify UVBGSA by telephone. CONSULTANT shall promptly submit to UVBGSA a written report, in such form as may be required by UVBGSA of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CONSULTANT's sub-contractor, if any; (3) name and address of CONSULTANT's liability insurance carrier; and (4) a detailed description of the accident and whether any of UVBGSA's equipment, tools, material, or staff were involved.
 - c. CONSULTANT further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the UVBGSA the opportunity to review and inspect such evidence, including the scene of the accident.
6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONSULTANT as provided in Exhibit "B" hereto as funding permits.

If UVBGSA overpays CONSULTANT for any reason, CONSULTANT agrees to return the amount of such overpayment to UVBGSA within 30 calendar days, or at UVBGSA's option, permit UVBGSA to offset the amount of such overpayment against future payments owed to CONSULTANT under this Agreement or any other agreement.

In the event CONSULTANT claims or receives payment from UVBGSA for a service, reimbursement for which is later disallowed by UVBGSA, State of California or the United States Government, which disallowance is due to the actions or omissions of CONSULTANT, the CONSULTANT shall promptly refund the disallowance amount to UVBGSA upon request, or at its option UVBGSA may offset the amount disallowed from any payment due or that becomes due to CONSULTANT under this Agreement or any other agreement.

All invoices, receipts, or other requests for payment under this contract must be submitted by CONSULTANT to UVBGSA in a timely manner and consistent with the terms specified in Exhibit B. In no event shall UVBGSA be obligated to pay any request for payment for which a written request for payment and all required documentation was first received more than six (6) months after this Agreement has terminated, or beyond such other time limit as may be set forth in Exhibit B.

7. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONSULTANT.

8. **OWNERSHIP OF DOCUMENTS:** CONSULTANT hereby assigns the UVBGSA and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by UVBGSA, the CONSULTANT, the CONSULTANT's subcontractors or third parties at the request of the CONSULTANT (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONSULTANT shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONSULTANT agrees to take such further steps as may be reasonably requested by UVBGSA to implement the aforesaid assignment. If for any reason said assignment is not effective, CONSULTANT hereby grants UVBGSA and any assignee of UVBGSA an express royalty – free license to retain and use said Documents and Materials. UVBGSA's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONSULTANT's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for.

UVBGSA's rights under this Paragraph 8 shall not extend to any computer software used to create such Documents and Materials.

9. **CONFLICT OF INTEREST:** The CONSULTANT covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement.
10. **NOTICES:** All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. **Certified Mail:** When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Email transmission: When sent by email to the email address of the designated recipient of the party giving notice, notice is effective at the time the email is sent.

Any notice given by email shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To UVBGSA: UVBGSA
340 Lake Mendocino Drive
Ukiah, CA 95482
Email: msimerson@cityofukiah.com
Attn: Maya Simerson

To CONSULTANT: California Land Stewardship Institute
550 Gateway Dr Suite 106
Napa, CA 94558
Email: laurelm@fishfriendlyfarming.org
ATTN: Laurel Marcus

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

11. USE OF UVBGSA PROPERTY: CONSULTANT shall not use UVBGSA property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of their obligations under this Agreement.
12. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS: CONSULTANT certifies that it will comply with all Federal, State, and local laws, rules and regulations pertaining to nondiscrimination in employment.
 - a. CONSULTANT shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, pregnancy, disability, sex, sexual orientation, gender identity, ancestry, national origin, age, religion, Veteran's status, political affiliation, or any other factor prohibited by law.
 - b. CONSULTANT shall, if requested to so do by UVBGSA, certify that it has not, in the performance of this Agreement, engaged in any unlawful discrimination.

- c. If requested to do so by UVBGSA, CONSULTANT shall provide UVBGSA with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under State or Federal law.
 - d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
 - e. The CONSULTANT shall include the provisions set forth in this paragraph in each of its subcontracts.
13. **DRUG-FREE WORKPLACE:** CONSULTANT and CONSULTANT's employees shall comply with County of Mendocino's policy of maintaining a drug-free workplace. Neither CONSULTANT nor CONSULTANT's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If CONSULTANT or any employee of CONSULTANT is convicted or pleads *nolo contendere* to a criminal drug statute violation occurring at a County facility or work site, the CONSULTANT, within five days thereafter, shall notify the head of UVBGSA. Violation of this provision shall constitute a material breach of this Agreement.
14. **ENERGY CONSERVATION:** CONSULTANT agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code).
15. **COMPLIANCE WITH LICENSING REQUIREMENTS:** CONSULTANT shall comply with all necessary licensing requirements and shall obtain appropriate licenses. To the extent required by law, CONSULTANT shall display licenses in a location that is reasonably conspicuous. Upon UVBGSA's request, CONSULTANT shall file copies of same with UVBGSA.

CONSULTANT represents and warrants to UVBGSA that CONSULTANT and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions.

16. **AUDITS; ACCESS TO RECORDS:** The CONSULTANT shall make available to UVBGSA, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to UVBGSA, and shall furnish to UVBGSA, within sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as UVBGSA may require with regard to any such expenditure or disbursement charged by the CONSULTANT.

The CONSULTANT shall maintain full and adequate records in accordance with UVBGSA requirements to show the actual costs incurred by the CONSULTANT in the performance of this Agreement. If such books and records are not kept and maintained by CONSULTANT within the County of Mendocino, California, CONSULTANT shall, upon request of UVBGSA, make such books and records available to UVBGSA for inspection at a location within UVBGSA or CONSULTANT shall pay to UVBGSA the reasonable, and necessary costs incurred by UVBGSA in inspecting CONSULTANT's books and records, including, but not limited to, travel, lodging and subsistence costs. CONSULTANT shall provide such assistance as may be reasonably required in the course of such inspection. UVBGSA further reserves the right to examine and reexamine said books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by UVBGSA, and the CONSULTANT shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after UVBGSA makes the final or last payment or within four (4) years after any pending issues between UVBGSA and CONSULTANT with respect to this Agreement are closed, whichever is later.

17. **DOCUMENTS AND MATERIALS:** CONSULTANT shall maintain and make available to UVBGSA for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 8 of this Agreement. CONSULTANT's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by UVBGSA), and CONSULTANT shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following UVBGSA's last payment to CONSULTANT under this Agreement.
18. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
19. **TERMINATION:** UVBGSA has and reserves the right to suspend, terminate or abandon the execution of any work by the CONSULTANT without cause at any time upon giving to the CONSULTANT notice. Such notice shall be in writing and may be issued by any UVBGSA officer authorized to execute or amend the contract, UVBGSA Chair of the Board of Directors, or any other person designated by UVBGSA. In the event that UVBGSA should abandon, terminate or suspend the CONSULTANT's work, the CONSULTANT shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment. Said payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable to CONSULTANT for its Surface Water Monitoring Services shall not exceed

\$10,073.64 payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment or lack of funding.

20. **NON APPROPRIATION:** If UVBGSA should not appropriate or otherwise make available funds sufficient to purchase, lease, operate or maintain the products set forth in this Agreement, or other means of performing the same functions of such products, UVBGSA may unilaterally terminate this Agreement only upon thirty (30) calendar days written notice to CONSULTANT. Upon termination, UVBGSA shall remit payment for all products and services delivered to UVBGSA and all expenses incurred by CONSULTANT prior to CONSULTANT'S receipt of the termination notice.
21. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
22. **VENUE:** All lawsuits relating to this contract must be filed in Mendocino County Superior Court, Mendocino County, California.
23. **WAIVER:** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
24. **ADVERTISING OR PUBLICITY:** CONSULTANT shall not use the name of UVBGSA, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of UVBGSA in each instance.
25. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between UVBGSA and CONSULTANT relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both parties. In the event of a conflict between the body of this Agreement and any of the Exhibits, the provisions in the body of this Agreement shall control.

26. HEADINGS: Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
27. MODIFICATION OF AGREEMENT: This Agreement may be supplemented, amended or modified only by the mutual written agreement of the parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.
28. ASSURANCE OF PERFORMANCE: If at any time UVBGSA has good objective cause to believe CONSULTANT may not be adequately performing its obligations under this Agreement or that CONSULTANT may fail to complete the Services as required by this Agreement, UVBGSA may request from CONSULTANT prompt written assurances of performance and a written plan acceptable to UVBGSA, to correct the observed deficiencies in CONSULTANT's performance. CONSULTANT shall provide such written assurances and written plan within thirty (30) calendar days of its receipt of UVBGSA's request and shall thereafter diligently commence and fully perform such written plan. CONSULTANT acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
29. SUBCONTRACTING/ASSIGNMENT: CONSULTANT shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without UVBGSA's prior written approval.
 - a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
 - b. Only the UVBGSA General Manager or his or her written designee shall have the authority to approve subcontractor(s).
 - c. CONSULTANT shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONSULTANT and its subcontractors.
30. SURVIVAL: The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 8), and Conflict of Interest (Paragraph 9), shall survive termination or expiration for two (2) years.
31. SEVERABILITY: If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of

them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.

32. **INTELLECTUAL PROPERTY WARRANTY:** CONSULTANT warrants and represents that it has secured all rights and licenses necessary for any and all materials, services, processes, software, or hardware (“CONSULTANT PRODUCTS”) to be provided by CONSULTANT in the performance of this AGREEMENT, including but not limited to any copyright, trademark, patent, trade secret, or right of publicity rights. CONSULTANT hereby grants to UVBGSA, or represents that it has secured from third parties, an irrevocable license (or sublicense) to reproduce, distribute, perform, display, prepare derivative works, make, use, sell, import, use in commerce, or otherwise utilize CONSULTANT PRODUCTS to the extent reasonably necessary to use the CONSULTANT PRODUCTS in the manner contemplated by this agreement.

CONSULTANT further warrants and represents that it knows of no allegations, claims, or threatened claims that the CONSULTANT PRODUCTS provided to UVBGSA under this Agreement infringe any patent, copyright, trademark or other proprietary right. In the event that any third party asserts a claim of infringement against UVBGSA relating to a CONSULTANT PRODUCT, CONSULTANT shall indemnify and defend UVBGSA pursuant to Paragraph 2 of this AGREEMENT.

In the case of any such claim of infringement, CONSULTANT shall either, at its option, (1) procure for UVBGSA the right to continue using the CONSULTANT Products; or (2) replace or modify the CONSULTANT Products so that that they become non-infringing, but equivalent in functionality and performance.

33. **ELECTRONIC COPIES:**

The parties agree that an electronic copy, including facsimile copy, email, or scanned copy of the executed Agreement, shall be deemed, and shall have the same legal force and effect as, an original document. Electronic signatures with docusign, signature equivalent included with PDF editor/reader software, or scanned wet signature copy is acceptable.

34. **COOPERATION WITH UVBGSA**

Contractor shall cooperate with UVBGSA and UVBGSA staff in the performance of all work hereunder.

35. **PERFORMANCE STANDARD**

Consultant shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Consultant's profession. UVBGSA has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement.

Consultant hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the requirements of applicable Federal, State, and local laws, it being understood that acceptance of Consultant's work by UVBGSA shall not operate as a waiver or release. If UVBGSA determines that any of Consultant's work is not in accordance with such level of competency and standard of care, UVBGSA, in its sole discretion, shall have the right to do any or all of the following: (a) require Consultant to meet with UVBGSA to review the quality of the work and resolve matters of concern; (b) require Consultant to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of paragraph 19 (Termination) or (d) pursue any and all other remedies at law or in equity.

36. ATTORNEYS' FEES

In any action to enforce or interpret the terms of this agreement, including but not limited to any action for declaratory relief, each party shall be solely responsible for and bear its own attorneys' fees, regardless of which party prevails.

[END OF GENERAL TERMS AND CONDITIONS]

EXHIBIT A

DEFINITION OF SERVICES

CONSULTANT shall provide the following services:

- Surface Water Monitoring services to implementation of the Ukiah Valley Basin Groundwater Sustainability Plan (GSP) as requested by UVBGSA. A more detailed scope of work and proposed budget included as Attachment 1 to Exhibit A.

[END OF DEFINITION OF SERVICES]

ATTACHMENT 1 TO EXHIBIT A

Surface Water Monitoring Services Proposal

Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA)

Fiscal Year 2026/27

Submitted by: California Land Stewardship Institute (CLSI)

1. Scope of Work

CLSI will provide surface water monitoring services to support implementation of the Ukiah Valley Basin Groundwater Sustainability Plan (GSP). This work builds directly on prior monitoring efforts conducted in coordination with the GSA and Larry Walker Associates (LWA), including streamflow gage monitoring and annual reporting done since 2020.

Task 1: Streamflow Monitoring and Data Collection

- Conduct streamflow gage monitoring at Forsythe Creek and the West Fork Russian River (LWA gages)
- Complete four (4) discharge measurement events during the monitoring season
- Utilize pygmy meter, wading rod, and Aquacalc software for field measurements
- Record and manage field data, including QA/QC procedures
- Maintain and update monitoring records and databases

Task 2: Data Management and Analysis

- Compile and evaluate collected streamflow data
- Conduct quality assurance and validation of datasets
- Coordinate with LWA on gage performance and maintenance needs

Task 3: Reporting and Coordination

- Prepare annual report summarizing streamflow monitoring results
- Provide progress updates during active monitoring periods (as applicable)
- Attend GSA Board and Technical Advisory Committee (TAC) meetings
- Present findings and respond to technical inquiries

Deliverables

1. Annual streamflow monitoring report
2. Quarterly progress memoranda (if applicable)
3. Attendance and participation in GSA Board and TAC meetings
4. Submission of all relevant monitoring datasets

Anticipated Timeline

- **July - November (Dry Season):** Planning, coordination, and limited monitoring
- **December - June (Wet Season):** Field data collection (4 events) and reporting
- **Ongoing:** Meeting attendance, coordination, and data management

2. Not-to-Exceed Fee Proposal

This budget reflects continuation of the FY 2025/26 scope with adjustments for anticipated effort. Final invoicing will be based on actual time and materials.

Labor Category / Task	Estimated Units	Rate	Total
Discharge Measurements	58.0 hours	\$72.00/hr	\$4,176.00
Data Evaluation & Final Report	20.0 hours	\$72.00/hr	\$1,440.00
Administration & Data Management	5.1 hours	\$87.00/hr	\$443.70
Board & TAC Meetings	33.0 hours	\$87.00/hr	\$2,871.00
Mileage (field + meetings)	1,759.9 miles	\$0.65/mile	\$1,142.94

Total Not-to-Exceed: \$10,073.64

Labor Categories

- **Technical Staff:** Field measurements, data analysis, reporting
- **Senior Staff / Project Management:** Coordination, meetings, oversight
- **Administrative Support:** Data entry, recordkeeping, invoicing

3. Assumptions and Exclusions

Assumptions

- Monitoring locations and methodology remain consistent with prior years
- Access to gages and coordination with LWA remains unchanged
- Four (4) monitoring events are sufficient to meet GSP objectives
- GSA Board and TAC meetings occur at similar frequency as prior year

Exclusions

- Installation of new monitoring infrastructure

- Major repairs or replacement of streamflow gages
- Expanded monitoring beyond identified locations
- Advanced hydrologic modeling or regulatory reporting beyond GSP support

Optional / Additional Services (Upon Request)

- Expanded monitoring network or additional measurement events
- Integration with groundwater/surface water modeling efforts
- GIS data visualization and mapping
- Support for grant reporting or regulatory compliance

4. Current Agreement

Please see attached:

UVBGSA CLSI Vendor Agreement No. 26-04 FULLY EXECUTED (dated September 29, 2025)

This Agreement outlines:

- Field measurement protocols
- Equipment specifications
- QA/QC procedures
- Data management standards

5. Closing

CLSI appreciates the opportunity to continue supporting UVBGSA's surface water monitoring efforts. Our team brings continuity, technical expertise, and strong coordination with local partners to ensure high-quality data collection and reporting in support of GSP implementation. If preferred, CLSI would welcome the opportunity to establish multi-year agreements for these services.

EXHIBIT B

PAYMENT TERMS

1. CONSULTANT shall be compensated on a time-and-expense basis, not to exceed Ten Thousand Seventy-Three Dollars and Sixty-Four Cents (\$10,073.64). This fee shall not be exceeded without the prior written authorization from the UVBGSA General Manger and approval by the Board.
2. CONSULTANT shall submit invoices no less than quarterly, detailing the specific services provided and clearly explaining any incidental charges.
3. UVBGSA shall pay CONSULTANT for all work requested upon the satisfactory completion of said work.
4. Payments for work completed by CONSULTANT will be made by UVBGSA within 30 days of receipt of CONSULTANT's invoice.

[END OF PAYMENT TERMS]

EXHIBIT C

INSURANCE REQUIREMENTS

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONSULTANT for liability in excess of such coverage, nor shall it preclude UVBGSA from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law. Insurance requirements shall be in addition to, and not in lieu of, Consultant's indemnity obligations under Paragraph 2 of this Agreement.

CONSULTANT shall obtain and maintain insurance coverage as follows:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

CONSULTANT shall furnish to UVBGSA certificates of insurance evidencing the minimum levels described above.

[END OF INSURANCE REQUIREMENTS]

EXHIBIT D

EPAYABLES INFORMATION

UVBGSA is currently making credit card payments to all of our vendors and suppliers who qualify. To qualify, vendors need to currently accept credit card payments. To achieve this more efficient form of payment, the County of Mendocino has partnered with Bank of America and their ePayables credit card program. This electronic initiative will yield many benefits to its participants:

- Expedited receipt of cash – electronic credit card payments provide cash flow benefits by eliminating mail and paper check float
- Elimination of check processing costs
- Remittance data transmitted with payment for more efficient back-end reconciliation
- No collection costs associated with lost or misplaced checks
- Reduced exposure to check fraud
- More efficient handling of exception items
- Fits with existing accounting software – requires no purchase of software, no modifications to existing accounts receivable system and no change to bank accounts.
- Going green with paperless electronic credit card payments help conserve the environment by eliminating printing and mailing of paper checks.

For information regarding the payment process, please email Auditorap@mendocinocounty.org.

Additional information regarding the Bank of America Program is also available at:

http://corp.bankofamerica.com/business/ci/landing/epayables-vendors?cm_mmc=sb-general--vanity--sg01vn000r_epayablesvendors--na

AGREEMENT NO. _____

AMENDMENT NO. 3 TO THE UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY PROFESSIONAL SERVICES AGREEMENT WITH KRONICK MOSKOVITZ TIEDEMANN & GIRARD FOR LEGAL COUNSEL SERVICES, DATED SEPTEMBER 5, 2022 (AGREEMENT NO. 24-05)

This Amendment to the Ukiah Valley Basin Groundwater Sustainability Agency Professional Services Agreement with Kronick Moskowitz Tiedemann & Girard, dated June ____, 2026 (Agreement No. 24-05), ("Agreement") is entered into this ____ day of June 2026, by and between the Ukiah Valley Basin Groundwater Sustainability Agency, a political subdivision of the State of California, hereinafter referred to as "UVBGSA" and Kronick Moskowitz Tiedemann & Girard, hereinafter referred to as "LEGAL COUNSEL."

WHEREAS, the Agreement was entered into on September 5, 2022; and

WHEREAS, on April 18, 2024, the parties amended the Agreement to increase the not-to-exceed amount of compensation for services provided by LEGAL COUNSEL.

WHEREAS, the parties desire to amend to the Agreement to add additional tasks to be performed by LEGAL COUNSEL and to increase the hourly rates payable by UVBGSA to LEGAL COUNSEL under the Agreement.

NOW, THEREFORE, IT IS MUTUALLY AGREED by the parties hereto to amend the Agreement as follows:

- 1.** Upon execution of this Amendment by the UVBGSA and the LEGAL COUNSEL, this Amendment will become part of the Agreement and shall be incorporated therein; and
- 2.** Page 1 of the Agreement shall be deleted in its entirety and replaced as follows:

[Continued on following page]

UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY PROFESSIONAL SERVICES AGREEMENT WITH KRONICK MOSKOVITZ TIEDEMANN & GIRARD FOR LEGAL SERVICES, NOT TO EXCEED \$245,000.

This (PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into as of _____, 2026 by and between the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY, hereinafter referred to as “UVBGSA”, and Kronick Moskowitz Tiedemann & Girard (Kronick), hereinafter referred to as the “LEGAL COUNSEL”.

WITNESSETH

WHEREAS, pursuant to Article 5 Section 5.2.7 of the Joint Powers Agreement Forming the Ukiah Valley Basin Groundwater Sustainability Agency, UVBGSA has the power to make and enter into contracts necessary to the full exercise of the Agency’s power; and,

WHEREAS, in order to meet the various requirements of a groundwater sustainability agency under the Sustainable Groundwater Management Act (Part 2.74 of the California Water Code), UVBGSA is in need of ongoing legal services associated with implementation of the Ukiah Valley Basin Groundwater Sustainability Plan; and,

WHEREAS, due to LEGAL COUNSEL’s qualifications, applicable license(s) and experience performing such services, as well as in-depth knowledge of public agency law and governance, water law, environmental law, and the Sustainable Groundwater Management Act; and,

WHEREAS, LEGAL COUNSEL is willing to continue to provide such services to UVBGSA on the terms and conditions set forth in this AGREEMENT.

NOW, THEREFORE it is agreed that UVBGSA does hereby retain LEGAL COUNSEL to provide the services described in Exhibit “A”, and LEGAL COUNSEL accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

- Exhibit A Definition of Services
- Exhibit B Payment Terms
- Exhibit C Insurance Requirements
- Exhibit D ePayables Information

The term of this Agreement shall be from the date this Agreement becomes fully executed by all parties (the “Effective Date”), and shall continue through June 30, 2027.

The compensation payable to LEGAL COUNSEL hereunder shall not exceed Two Hundred and Forty Five Thousand Dollars (\$245,000) for the term of this Agreement.

EXHIBIT A – DEFINITION OF SERVICES shall be deleted in its entirety and replaced as follows:

EXHIBIT A

DEFINITION OF SERVICES

Although the following list is not intended to be exclusive, LEGAL COUNSEL is expected to provide the services listed below:

Legal Counsel Services Related to GSA Administration

1. Advise the Board of Directors and staff on the Brown Act, parliamentary procedures for running meetings, and public official conflict requirements.
2. Prepare and/or review all ordinances, resolutions, contracts, joint powers agreements and other agreements being considered by the UVBGSA.
3. Ensure that UVBGSA actions are consistent with the SGMA and other applicable laws, including, but not limited to, that (1) LEGAL COUNSEL will review and revise UVBGSA's governance documents, provided that they are first reviewed by the UVB GSA Administrator/General Manager, and (2) with LEGAL COUNSEL will be available by phone, video call, or email to answer UVBGSA's inquiries regarding legal matters that are relevant to the work of the UVBGSA.
4. Attend and participate in all Board and/or special meetings of the Board. Attendance will generally be virtually, unless in person attendance is requested by the UVBGSA General Manager or the Board. Attend meetings of the Technical Advisory Committee only when requested by the UVBGSA General Manager or the Board.
5. Return all phone calls and emails from the UVBGSA Administrator/General Manager, Board of Directors, and associated UVBGSA staff members within a reasonable amount of time.
6. Attend monthly check in meetings with the Administrator/ General Manager to coordinate and facilitate all work to be completed by legal counsel.
7. Advise Board and staff on matters related to Tribal consultation, including other matters involving Tribes, which shall include, but is not limited to, federally recognized Tribes and California Native American Tribes, provided that such services are relevant to the work of the UVBGSA.

Legal Counsel Services Related to Changes in Laws and Public Records Requests

8. Advise the Board of Directors and staff on Executive Orders from the Governor of the State of California that impact the GSA and review documents related to said Executive Orders.
9. Provide legal advice to staff including alerts on any changes of law that will impact the UVBGSA.
10. Research and submit legal opinions on various topics as requested by the Board of Directors.
11. Prepare responses to public records requests that impact the GSA pursuant to the Public Records Act ("PRA"). In the event of receipt of extensive or complex PRA requests, a budget reconsideration may be necessary.

Legal Counsel Services Related to Rate and Fee Studies Implementation

12. Advise the Board of Directors and staff on any legal aspect of implementation of legally compliant rates and fees and review related documents for legal compliance. Advise the Board of Directors and staff on a legally compliant hearing and adoption process for any anticipated fee change.

Legal Counsel Services Related to Litigation

13. Advise the Board of Directors and staff on commencement or defense of litigation: and litigate such issues as directed.

Estimated costs, billed hours, and legal counsel hourly rates are provided in Attachment 1 to Exhibit A.

[END OF DEFINITION OF SERVICES]

ATTACHMENT 1 TO EXHIBIT A

Estimated costs to attend meetings and legal counsel hourly rates

Hourly Rates

For Legal Services Kronick proposes the following hourly rates:

Holly Roberson
Kaitlin Harr

Other Professionals

Shareholders.....\$285-415
Associates.....\$250-300
Paralegals.....\$150
Law Clerks.....\$100

Estimate to Attend Meetings

Task	Time	Cost	Notes
4 Technical Advisory Committee Meetings, Preparation, and Follow up	3 hours per meeting plus .5 hour for preparation and .5 hour for follow up = 4 hours/Technical Advisory Meeting. 5 hours of travel time at 50% discounted rate.	$\$335 \times 4 = \$1,340$ $\$167.50 \times 5 = \837.50 Total = \$2,177.50	No lodging or food costs will be charged as Ms. Roberson will stay with family locally.
4 Board Meetings, Preparation, and Follow up	3 hours per meeting plus .5 hour for preparation and .5 hour for follow up = 4 hours/Technical Advisory Meeting. 5 hours of travel time at 50% discounted rate.	$\$335 \times 4 = \$1,340$ $\$167.50 \times 5 = \837.50 Total = \$2,177.50	No lodging or food costs will be charged as Ms. Roberson will stay with family locally.
1 Monthly Check in Call	1.5 hours		
Grand Total:		\$8,375	

Compensation for Reimbursable Services

From time to time, UVBGSA may ask Kronick to perform legal services for which UVBGSA is entitled to seek reimbursement from third parties (e.g., work pursuant to indemnity agreements protecting UVBGSA or reimbursable land use and planning work for specified projects). In these circumstances, Kronick would charge a rate that more closely approximates the market rates for legal services provided to such private, third-party entities. For legal services for which UVBGSA is entitled to seek reimbursement from third parties, the following rate schedule shall apply:

Shareholders.....	\$400-500
Associates.....	\$290-310
Paralegals.....	\$160-200
Law Clerks.....	\$140

Fee Adjustments

Kronick's rates are adjusted upward 5% annually, rounded to the nearest \$5 per hour.

Other Charges

Kronick bills for computer-assisted research (Westlaw/Lexis and other on-line services) at the actual discounted cost to Kronick. Photocopying will be billed at \$ 0.15/page for black and white and \$.75/page for color. Delivery charges, such as U.S. Mail, Federal Express, courier services, etc. are charged at Kronick's actual cost. Also billed at cost would be fees assessed by courts and administrative agencies, and prior approved costs for experts and consultants, if any. Any other expenses incurred by Kronick would be billed to the client at Kronick's actual cost. Kronick does not charge for faxes or long-distance telephone calls, nor does it charge for secretarial time. Travel will be charged at 50% of the hourly rate. This term of Kronick's proposal is negotiable for the UVBGSA only. Kronick will make good use of technology platforms such as MS Teams and Zoom to participate in meetings and other discussions remotely, as appropriate, to best manage legal costs. There will be no charges to UVBGSA for lodging as Ms. Roberson will stay with family locally.

Kronick is fully prepared to travel to Mendocino County for meetings as needed, including regular Board and Advisory Committee meetings.

4. The Hourly Rates listed in Attachment 1 to Exhibit A on page 16 of the Agreement are amended as follows:

UVB		
Title	Current Rate	New Rate Effective 7/1/26
Shareholders/Of Counsel	\$395	\$415
Senior Counsel	\$395	\$415
Senior Associate	\$345	\$365
Associate	\$330	\$345
Senior Paralegal/ Paralegal	\$180	\$190
Law Clerk	\$115	\$120

5. The time estimate for the monthly check-in call shown in the table shown on page 16 of ATTACHMENT 1 TO EXHIBIT A shall be reduced from 1.5 hours to 1 hour.

6. The following line shall be added to the table shown on page 16 of ATTACHMENT 1 TO EXHIBIT A, below the line regarding the monthly check-in call:

Task	Time
Other Weekly or Monthly Check in Calls as Needed	1 hour/week or 5 hours/month

7. Except as expressly provided herein, nothing in this Amendment shall be deemed to waive or modify any of the other provisions of the Agreement. In the event of any conflict between this Amendment and the Agreement, or between this Amendment and previous Amendments, the terms of this Amendment shall prevail.

EXHIBIT B

PAYMENT TERMS

1. LEGAL COUNSEL shall be compensated for services on a time-and-expense basis for services outlined in Exhibit A as described below:
 - a. The total fee for services related to Exhibit A items 1 – 7. will not exceed Forty Thousand Dollars (\$40,000) without Board approval.
 - b. The total fee for services related to Exhibit A items 8 – 11 will not exceed Twenty Thousand Dollars (\$20,000) without Board approval.
 - c. The total fee for services related to Exhibit A item 12 will not exceed Fifty Thousand Dollars (\$50,000) without Board approval.
 - d. The total fee for services related to Exhibit A item 13 will be determined based upon litigation needs that are identified by legal counsel and approved by the Board.
2. LEGAL COUNSEL reserves the right to amend the Billing Rate Schedule on or after July 1, 2023, with a maximum 5% increase annually where attorney rates are rounded to the nearest \$5 per hour value.
3. LEGAL COUNSEL shall submit invoices no less than quarterly, detailing the specific legal services provided, the amount of time required to perform the specific legal services provided, the attorney providing the services, and clearly explaining any incidental charges.
4. UVBGSA shall pay LEGAL COUNSEL for all work requested upon the satisfactory completion of said work.
5. Payments for work completed by LEGAL COUNSEL will be made by UVBGSA within 45 days of receipt of LEGAL COUNSEL's invoice.

[END OF PAYMENT TERMS]

EXHIBIT C

INSURANCE REQUIREMENTS

-

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve LEGAL COUNSEL for liability in excess of such coverage, nor shall it preclude UVBGSA from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law. Insurance requirements shall be in addition to, and not in lieu of, LEGAL COUNSEL's indemnity obligations under Paragraph 2 of this Agreement.

LEGAL COUNSEL shall obtain and maintain insurance coverage as follows:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

LEGAL COUNSEL shall furnish to UVBGSA certificates of insurance evidencing the minimum levels described above.

[END OF INSURANCE REQUIREMENTS]

EXHIBIT D

EPAYABLES INFORMATION

UVBGSA is currently making credit card payments to all of our vendors and suppliers who qualify. To qualify, vendors need to currently accept credit card payments. To achieve this more efficient form of payment, the County of Mendocino has partnered with Bank of America and their ePayables credit card program. This electronic initiative will yield many benefits to its participants:

- Expedited receipt of cash – electronic credit card payments provide cash flow benefits by eliminating mail and paper check float
- Elimination of check processing costs
- Remittance data transmitted with payment for more efficient back-end reconciliation
- No collection costs associated with lost or misplaced checks
- Reduced exposure to check fraud
- More efficient handling of exception items
- Fits with existing accounting software – requires no purchase of software, no modifications to existing accounts receivable system and no change to bank accounts.
- Going green with paperless electronic credit card payments help conserve the environment by eliminating printing and mailing of paper checks.

For information regarding the payment process, please email Auditorap@mendocinocounty.org.

Additional information regarding the Bank of America Program is also available at:

http://corp.bankofamerica.com/business/ci/landing/epayables-vendors?cm_mmc=sb-general--vanity--sg01vn000r_epayablesvendors--na

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

UVBGSA MANAGEMENT

By: _____
MAYA SIMERSON, General Manager

Date: _____

UVBGSA LEGAL COUNSEL REVIEW:

APPROVED AS TO FORM:

By: _____
HOLLY ROBERSON, LEGAL COUNSEL

Date: _____

PROPOSAL

TO: Maya Simerson, Ukiah Valley Groundwater Sustainability Agency
 FROM: Holly Roberson & Jonathan Weldon, Kronick
 DATE: May 30, 2026
 RE: Proposed Amendment #3 to Kronick Legal Services Agreement with UVB GSA

Dear Maya,

Kronick Moskovitz Tiedemann & Girard (“Kronick”) values its relationship with the Ukiah Valley Groundwater Sustainability Agency (“GSA”). The following amendments were developed to maximize cost efficiency for the GSA through delegation of tasks appropriate for in-house work to the GSA Administrator/ General Manager and senior staff at the City of Ukiah, and by minimizing the need for partner level time.

Proposed Amendments:

1. Consistent with the existing LSA, Kronick proposes a 5% annual rate increase, consistent with existing practice, rounded to the nearest \$5, as follows:

UVB		
Title	Current Rate	New Rate Effective 7/1/26
Shareholders/Of Counsel	\$395	\$415
Senior Counsel	\$395	\$415
Senior Associate	\$345	\$365
Associate	\$330	\$345
Senior Paralegal/ Paralegal	\$180	\$190
Law Clerk	\$115	\$120

2. Kronick proposes Senior Associate Jonathan Weldon as Deputy General Counsel. He has effectively been filling that role. Formalizing this will allow Jonathan—for routine and ongoing matters—to provide legal review and signature without necessitating independent review by Holly Roberson or another Shareholder or Senior Counsel, thereby reducing costs for the GSA.
3. Kronick proposes revising the LSA to provide for routine attendance by Kronick at Board meetings, rather than attending only as requested under the terms of the current LSA. The proposed amendments also clarify that Kronick will attend meetings of the Technical Advisory

Committee only as requested to reflect current practices. This is efficient for the GSA because it minimizes outside meeting time and allows your attorneys to hear matters firsthand, which allows us to serve the GSA better. Kronick will participate in meetings remotely, unless requested to appear in person by the Administrator/ General Manager or the Board.

4. Kronick proposes review of UVB GSA governing documents, including bylaws, a joint powers agreement, and a memorandum of agreement. Initial review has been conducted by Stantec, and will be further reviewed by the Administrator/ General Manager to reduce legal costs.
5. Kronick proposes other legal work for the UVB GSA as necessary and as assigned by the Board or the Administrator/ General Manager in writing.
6. Kronick proposes a total not to exceed amount of \$75,000 in fiscal year 2026-2027, with a total contract not to exceed amount of \$245,000 subject to change upon mutual written agreement. All time will be billed on a per hour basis, so if the amount of legal work needed is less than this amount, the GSA will pay less money.

Kronick's intent is that these proposed amendments to the LSA reflect both our commitment to the GSA and our effort to continue providing the highest-quality legal services in a cost-conscious manner.

If you have any questions about this proposal, I can be reached at hroberson@kmtg.com.

Sincerely,

Holly Roberson
Shareholder
Kronick Moskowitz Tiedemann & Girard

**UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
PROFESSIONAL SERVICES AGREEMENT WITH
MENDOCINO COUNTY RESOURCE CONSERVATION DISTRICT FOR
GROUNDWATER MONITORING SERVICES**

This AGREEMENT is by and between the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY, hereinafter referred to as “UVBGSA”, and MENDOCINO COUNTY RESOURCE CONSERVATION DISTRICT, hereinafter referred to as “CONSULTANT”.

WITNESSETH

WHEREAS, pursuant to Article 5 Section 5.2.7 of the Joint Powers Agreement Forming the Ukiah Valley Basin Groundwater Sustainability Agency, UVBGSA shall have the power to make and enter into contracts necessary to the full exercise of the Agency’s power; and,

WHEREAS, in order to meet the various requirements of a groundwater sustainability agency under the Sustainable Groundwater Management Act (Part 2.74 of the California Water Code), UVBGSA is in need of groundwater monitoring services related to implementation of the Ukiah Valley Basin Groundwater Sustainability Plan; and,

WHEREAS, due to CONSULTANT’s in-depth knowledge of the Ukiah Valley Basin groundwater conditions and relationships with local land owners, UVBGSA desires to obtain CONSULTANT for its groundwater monitoring services; and,

WHEREAS, CONSULTANT is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide same to UVBGSA.

NOW, THEREFORE it is agreed that UVBGSA does hereby retain CONSULTANT to provide the services described in Exhibit A, and CONSULTANT accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

- Exhibit A Definition of Services
- Exhibit B Payment Terms
- Exhibit C Insurance Requirements
- Exhibit D ePayables Information

The term of this Agreement shall be from June 30, 2026 (the “Effective Date”) and shall continue through June 30, 2029.

The compensation payable to CONSULTANT hereunder shall not exceed eighty-eight thousand, seven hundred seventy and 88/100 dollars (\$88,770.88) for the term of this Agreement.

GENERAL TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONSULTANT is an Independent Contractor. CONSULTANT is not the agent or employee of the UVBGSA in any capacity whatsoever, and UVBGSA shall not be liable for any acts or omissions by CONSULTANT nor for any obligations or liabilities incurred by CONSULTANT.

CONSULTANT shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance, medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONSULTANT shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold UVBGSA harmless from any and all liability which UVBGSA may incur because of CONSULTANT's failure to pay such amounts.

In carrying out the work contemplated herein, CONSULTANT shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of UVBGSA.

CONSULTANT does, by this Agreement, agree to perform their said work and functions at all times in strict accordance with all applicable federal, state and County laws, including but not limited to prevailing wage laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in their field and that the sole interest of UVBGSA is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the UVBGSA.

Notwithstanding the foregoing, if the UVBGSA determines that pursuant to state and federal law CONSULTANT is an employee for purposes of income tax withholding, UVBGSA may upon two (2) week's written notice to CONSULTANT, withhold from payments to CONSULTANT hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** To the furthest extent permitted by law (including without limitation California Civil Code sections 2782 and 2782.8, if applicable), Consultant shall assume the defense of, indemnify, and hold harmless the UVBGSA, its officers, agents, and employees, from and against any and all claims, demands, damages, costs, liabilities, and losses whatsoever alleged to be occurring or resulting in connection with the CONSULTANT'S performance or its obligations under this AGREEMENT, unless arising out of the sole negligence or willful misconduct of UVBGSA. "CONSULTANT'S performance" includes CONSULTANT'S action or inaction and the action or inaction of CONSULTANT'S officers, employees, agents and subcontractors.
3. **INSURANCE AND BOND:** CONSULTANT shall at all times during the term of the Agreement with the UVBGSA maintain in force those insurance policies and bonds as designated in the attached Exhibit C, and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONSULTANT shall provide Workers' Compensation insurance, as applicable, at CONSULTANT's own cost and expense and further, neither the CONSULTANT nor its carrier shall be entitled to recover from UVBGSA any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.

CONSULTANT affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code and CONSULTANT further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONSULTANT shall furnish to UVBGSA certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONSULTANT shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of subcontractors' employees.

5. **CONFORMITY WITH LAW AND SAFETY:**
 - a. In performing services under this Agreement, CONSULTANT shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONSULTANT shall indemnify and hold UVBGSA harmless from any and all liability, fines, penalties and consequences from any of CONSULTANT's failures to comply with such laws, ordinances, codes and regulations.

- b. Accidents: If a death, serious personal injury or substantial property damage occurs in connection with CONSULTANT's performance of this Agreement, CONSULTANT shall immediately notify UVBGSA by telephone. CONSULTANT shall promptly submit to UVBGSA a written report, in such form as may be required by UVBGSA of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CONSULTANT's sub-contractor, if any; (3) name and address of CONSULTANT's liability insurance carrier; and (4) a detailed description of the accident and whether any of UVBGSA's equipment, tools, material, or staff were involved.
 - c. CONSULTANT further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the UVBGSA the opportunity to review and inspect such evidence, including the scene of the accident.
6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONSULTANT as provided in Exhibit B hereto as funding permits.

If UVBGSA overpays CONSULTANT for any reason, CONSULTANT agrees to return the amount of such overpayment to UVBGSA within 30 calendar days, or at UVBGSA's option, permit UVBGSA to offset the amount of such overpayment against future payments owed to CONSULTANT under this Agreement or any other agreement.

In the event CONSULTANT claims or receives payment from UVBGSA for a service, reimbursement for which is later disallowed by UVBGSA, State of California or the United States Government, which disallowance is due to the actions or omissions of CONSULTANT, the CONSULTANT shall promptly refund the disallowance amount to UVBGSA upon request, or at its option UVBGSA may offset the amount disallowed from any payment due or that becomes due to CONSULTANT under this Agreement or any other agreement.

All invoices, receipts, or other requests for payment under this contract must be submitted by CONSULTANT to UVBGSA in a timely manner and consistent with the terms specified in Exhibit B. In no event shall UVBGSA be obligated to pay any request for payment for which a written request for payment and all required documentation was first received more than six (6) months after this Agreement has terminated, or beyond such other time limit as may be set forth in Exhibit B.

7. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONSULTANT.

8. **OWNERSHIP OF DOCUMENTS:** CONSULTANT hereby assigns the UVBGSA and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by UVBGSA, the CONSULTANT, the CONSULTANT's subcontractors or third parties at the request of the CONSULTANT (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONSULTANT shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONSULTANT agrees to take such further steps as may be reasonably requested by UVBGSA to implement the aforesaid assignment. If for any reason said assignment is not effective, CONSULTANT hereby grants UVBGSA and any assignee of UVBGSA an express royalty – free license to retain and use said Documents and Materials. UVBGSA's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONSULTANT's services as set forth in Exhibit A of this Agreement have been fully performed or paid for.

UVBGSA's rights under this Paragraph 8 shall not extend to any computer software used to create such Documents and Materials.

9. **CONFLICT OF INTEREST:** The CONSULTANT covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement.

10. **NOTICES:** All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. **Certified Mail:** When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Email transmission: When sent by email to the email address of the designated recipient of the party giving notice, notice is effective at the time the email is sent.

Any notice given by email shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To UVBGSA: UVBGSA
340 Lake Mendocino Dr.
Ukiah, CA 95482
Email: msimerson@cityofukiah.com
Attn: Maya Simerson

To CONSULTANT: Mendocino County Resource Conservation District
115 E. Smith St. Ukiah Ca 95482
Email is erin.b@mcrcd.org
ATTN: Erin Formaker

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

11. USE OF UVBGSA PROPERTY: CONSULTANT shall not use UVBGSA property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of their obligations under this Agreement.
12. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS: CONSULTANT certifies that it will comply with all Federal, State, and local laws, rules and regulations pertaining to nondiscrimination in employment.
 - a. CONSULTANT shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, pregnancy, disability, sex, sexual orientation, gender identity, ancestry, national origin, age, religion, Veteran's status, political affiliation, or any other factor prohibited by law.
 - b. CONSULTANT shall, if requested to so do by UVBGSA, certify that it has not, in the performance of this Agreement, engaged in any unlawful discrimination.
 - c. If requested to do so by UVBGSA, CONSULTANT shall provide UVBGSA with access to copies of all of its records pertaining or relating to its

employment practices, except to the extent such records or portions of such records are confidential or privileged under State or Federal law.

- d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
 - e. The CONSULTANT shall include the provisions set forth in this paragraph in each of its subcontracts.
13. DRUG-FREE WORKPLACE: CONSULTANT and CONSULTANT's employees shall comply with County of Mendocino's policy of maintaining a drug-free workplace. Neither CONSULTANT nor CONSULTANT's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If CONSULTANT or any employee of CONSULTANT is convicted or pleads *nolo contendere* to a criminal drug statute violation occurring at a County facility or work site, the CONSULTANT, within five days thereafter, shall notify the head of UVBGSA. Violation of this provision shall constitute a material breach of this Agreement.
14. ENERGY CONSERVATION: CONSULTANT agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code).
15. COMPLIANCE WITH LICENSING REQUIREMENTS: CONSULTANT shall comply with all necessary licensing requirements and shall obtain appropriate licenses. To the extent required by law, CONSULTANT shall display licenses in a location that is reasonably conspicuous. Upon UVBGSA's request, CONSULTANT shall file copies of same with UVBGSA.

CONSULTANT represents and warrants to UVBGSA that CONSULTANT and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions.

16. AUDITS; ACCESS TO RECORDS: The CONSULTANT shall make available to UVBGSA, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to UVBGSA, and shall furnish to UVBGSA, within sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as UVBGSA may require with regard to any such expenditure or disbursement charged by the CONSULTANT.

The CONSULTANT shall maintain full and adequate records in accordance with UVBGSA requirements to show the actual costs incurred by the CONSULTANT in the performance of this Agreement. If such books and records are not kept and maintained by CONSULTANT within the County of Mendocino, California, CONSULTANT shall, upon request of UVBGSA, make such books and records available to UVBGSA for inspection at a location within UVBGSA or CONSULTANT shall pay to UVBGSA the reasonable, and necessary costs incurred by UVBGSA in inspecting CONSULTANT's books and records, including, but not limited to, travel, lodging and subsistence costs. CONSULTANT shall provide such assistance as may be reasonably required in the course of such inspection. UVBGSA further reserves the right to examine and reexamine said books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by UVBGSA, and the CONSULTANT shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after UVBGSA makes the final or last payment or within four (4) years after any pending issues between UVBGSA and CONSULTANT with respect to this Agreement are closed, whichever is later.

17. **DOCUMENTS AND MATERIALS:** CONSULTANT shall maintain and make available to UVBGSA for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 8 of this Agreement. CONSULTANT's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by UVBGSA), and CONSULTANT shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following UVBGSA's last payment to CONSULTANT under this Agreement.
18. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
19. **TERMINATION:** UVBGSA has and reserves the right to suspend, terminate or abandon the execution of any work by the CONSULTANT without cause at any time upon giving to the CONSULTANT notice. Such notice shall be in writing and may be issued by any UVBGSA officer authorized to execute or amend the contract, UVBGSA Chair of the Board of Directors, or any other person designated by UVBGSA. In the event that UVBGSA should abandon, terminate or suspend the CONSULTANT's work, the CONSULTANT shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment. Said payment shall be computed in accordance with Exhibit B hereto.
20. **NON APPROPRIATION:** If UVBGSA should not appropriate or otherwise make available funds sufficient to purchase, lease, operate or maintain the products set

forth in this Agreement, or other means of performing the same functions of such products, UVBGSA may unilaterally terminate this Agreement only upon thirty (30) calendar days written notice to CONSULTANT. Upon termination, UVBGSA shall remit payment for all products and services delivered to UVBGSA and all expenses incurred by CONSULTANT prior to CONSULTANT'S receipt of the termination notice.

21. CHOICE OF LAW: This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
22. VENUE: All lawsuits relating to this contract must be filed in Mendocino County Superior Court, Mendocino County, California.
23. WAIVER: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
24. ADVERTISING OR PUBLICITY: CONSULTANT shall not use the name of UVBGSA, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of UVBGSA in each instance.
25. ENTIRE AGREEMENT: This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between UVBGSA and CONSULTANT relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both parties. In the event of a conflict between the body of this Agreement and any of the Exhibits, the provisions in the body of this Agreement shall control.
26. HEADINGS: Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
27. MODIFICATION OF AGREEMENT: This Agreement may be supplemented, amended or modified only by the mutual written agreement of the parties. No

supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.

28. **ASSURANCE OF PERFORMANCE:** If at any time UVBGSA has good objective cause to believe CONSULTANT may not be adequately performing its obligations under this Agreement or that CONSULTANT may fail to complete the Services as required by this Agreement, UVBGSA may request from CONSULTANT prompt written assurances of performance and a written plan acceptable to UVBGSA, to correct the observed deficiencies in CONSULTANT's performance. CONSULTANT shall provide such written assurances and written plan within thirty (30) calendar days of its receipt of UVBGSA's request and shall thereafter diligently commence and fully perform such written plan. CONSULTANT acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
29. **SUBCONTRACTING/ASSIGNMENT:** CONSULTANT shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without UVBGSA's prior written approval.
 - a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
 - b. Only the UVBGSA General Manager or his or her written designee shall have the authority to approve subcontractor(s).
 - c. CONSULTANT shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONSULTANT and its subcontractors.
30. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 8), and Conflict of Interest (Paragraph 9), shall survive termination or expiration for two (2) years.
31. **SEVERABILITY:** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
32. **INTELLECTUAL PROPERTY WARRANTY:** CONSULTANT warrants and represents that it has secured all rights and licenses necessary for any and all materials, services, processes, software, or hardware ("CONSULTANT

PRODUCTS”) to be provided by CONSULTANT in the performance of this AGREEMENT, including but not limited to any copyright, trademark, patent, trade secret, or right of publicity rights. CONSULTANT hereby grants to UVBGSA, or represents that it has secured from third parties, an irrevocable license (or sublicense) to reproduce, distribute, perform, display, prepare derivative works, make, use, sell, import, use in commerce, or otherwise utilize CONSULTANT PRODUCTS to the extent reasonably necessary to use the CONSULTANT PRODUCTS in the manner contemplated by this agreement.

CONSULTANT further warrants and represents that it knows of no allegations, claims, or threatened claims that the CONSULTANT PRODUCTS provided to UVBGSA under this Agreement infringe any patent, copyright, trademark or other proprietary right. In the event that any third party asserts a claim of infringement against UVBGSA relating to a CONSULTANT PRODUCT, CONSULTANT shall indemnify and defend UVBGSA pursuant to Paragraph 2 of this AGREEMENT.

In the case of any such claim of infringement, CONSULTANT shall either, at its option, (1) procure for UVBGSA the right to continue using the CONSULTANT Products; or (2) replace or modify the CONSULTANT Products so that that they become non-infringing, but equivalent in functionality and performance.

33. ELECTRONIC COPIES:

The parties agree that an electronic copy, including facsimile copy, email, or scanned copy of the executed Agreement, shall be deemed, and shall have the same legal force and effect as, an original document. Electronic signatures with docusign, signature equivalent included with PDF editor/reader software, or scanned wet signature copy is acceptable.

34. COOPERATION WITH UVBGSA

Contractor shall cooperate with UVBGSA and UVBGSA staff in the performance of all work hereunder.

35. PERFORMANCE STANDARD

Consultant shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Consultant's profession. UVBGSA has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the requirements of applicable Federal, State, and local laws, it being understood that acceptance of Consultant's work by UVBGSA shall not operate as a waiver or release. If UVBGSA determines that any of Consultant's work is not in accordance with such level of competency and standard of care,

UVBGSA, in its sole discretion, shall have the right to do any or all of the following: (a) require Consultant to meet with UVBGSA to review the quality of the work and resolve matters of concern; (b) require Consultant to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of paragraph 19 (Termination) or (d) pursue any and all other remedies at law or in equity.

36. ATTORNEYS' FEES

In any action to enforce or interpret the terms of this agreement, including but not limited to any action for declaratory relief, each party shall be solely responsible for and bear its own attorneys' fees, regardless of which party prevails.

[END OF GENERAL TERMS AND CONDITIONS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date signed by the parties.

UVBGSA

MCRCD

By: _____
MADELINE CLINE, Chair
BOARD OF DIRECTORS

By: Stephanie Garrabrant-Sierra
STEPHANIE GARRABRANT-SIERRA,
Executive Director
MCRCD

Date: _____

Date: 4/23/2026

UVBGSA LEGAL COUNSEL REVIEW:

APPROVED AS TO FORM:

By: A. Roberson
HOLLY ROBERSON, Legal Counsel
UKIAH VALLEY BASIN GSA

Date: 4/14/2026

EXHIBIT A

DEFINITION OF SERVICES

CONSULTANT shall provide the following services:

- Groundwater Monitoring services to implementation of the Ukiah Valley Basin Groundwater Sustainability Plan (GSP) as requested by UVBGSA. A more detailed scope of work and proposed budget included as Attachment 1 to Exhibit A.

[END OF DEFINITION OF SERVICES]

ATTACHMENT 1 TO EXHIBIT A
Groundwater Elevation and Groundwater Quality Monitoring
Ukiah Valley Basin Groundwater Sustainability Agency
FY 26-29 SCOPE OF WORK AND BUDGET

Mendocino County Resource Conservation District (MCRCD) will provide the Ukiah Valley Basin Groundwater Sustainability Agency (GSA) with groundwater elevation monitoring for 23 wells and groundwater quality sampling for nine wells as identified in the Groundwater Sustainability Plan according to a schedule created for the GSA by consultants Larry Walker Associates (LWA), and reporting associated with all monitoring. MCRCD will also coordinate as needed with LWA and attend GSA and GSA Technical Advisory Committee (TAC) meetings.

Scope of Work:

Task 1: Groundwater Elevation Monitoring and Data Collection for 26 wells:

MCRCD will collect groundwater elevation monitoring data for five (5) wells monthly, four (4) wells every other month, and fourteen (14) wells twice per year. The monitoring schedule is detailed in Tables 2 and 3, below.

Activities will include:

- Communication with well owners to arrange visits and answer questions
- Manual groundwater elevation monitoring
- Updates to records/general record-keeping
- Submission of data to the SGMA portal and reporting of data to GSA (monthly data reporting and quarterly reports)
- Attendance at GSA Technical Advisory Committee meetings
- Coordination with consultants regarding the status of wells, telemetry equipment and assistance with equipment problems
- Bookkeeping

Deliverables:

1. Collection and reporting of monthly groundwater elevation data
2. Quarterly reports on the progress of data collection
3. Attendance at GSA TAC meetings

Task 2: Groundwater quality sampling for nine (9) wells (UVBGSA-01a,b,c; UVBGSA-06a,b,c,d; UVBGSA-05; and UVBGSA-07).

MCRCD will contract Blaine Tech or comparable contractor to collect ten (10) groundwater quality samples for nine (9) wells, one time during the fiscal year. The tenth sample will be collected at the same sampling event and will be a duplicate set for one well as a quality control measure. The wells are identified in Table 3, below. The sampling schedule is identified below in Table 1.

Activities will include:

- Contracting with Blaine Tech for groundwater quality sampling
- Coordination with landowners for access to wells
- Collection of ten (10) water quality samples at nine (9) wells including one set of duplicate samples at one well for quality control
- Coordination of sample testing at Alpha Labs or equivalent
- Reporting the results to the GSA
- Coordination with consultants as needed

Deliverables:

1. Results of water quality samples according to schedule laid out in Table 1.

Table 1. Water Quality Sample Schedule

Water Quality Sampling Schedule	2027	2028	2029
Iron	X		
Manganese	X		
Nitrate	X	X	X
Specific Conductivity	X	X	X
Boron	X		

Table 2. Staff Time Allocation

Staff Time Allocation	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Number of Monthly Wells	5	5	5	5	5	5	5	5	5	5	5	5
# of wells every other month	4		4		4		4		4		4	
# of biannual wells			14						14			
Total wells each month	9	5	23	5	9	5	9	5	23	5	9	5
Field hours allocated per person	3.5	3	6	3	3.5	3	3.5	3	6	3	3.5	3

Table 3. Monitoring Schedule

UVBGSA Groundwater Elevation and Groundwater Quality Monitoring Schedule FY 26-29			
Well Name	Groundwater Elevation Monitoring Frequency	Groundwater Quality Sampling Frequency	RMP Status
Ukiah Valley-1	Jan, Mar, May, Jul, Sep, Nov	none	RMP
Ukiah Valley-2	Jan, Mar, May, Jul, Sep, Nov	none	not RMP
Ukiah Valley-3	Jan, Mar, May, Jul, Sep, Nov	none	not RMP
Ukiah Valley-4	Jan, Mar, May, Jul, Sep, Nov	none	not RMP
WWTP-MW1	Feb, Apr, May, Jul, Oct (CIWQS, Waste Water Treatment Plant)	none	not RMP
Ukiah Valley-9	Monthly	none	not RMP
Ukiah Valley-15	Monthly (data from City of Ukiah)	none	not RMP
Ukiah Valley-16	Monthly	none	not RMP
Ukiah Valley-17	Monthly	none	not RMP
Ukiah Valley-18	Monthly	none	not RMP
Ukiah Valley-25	Monthly	none	not RMP
Ukiah Valley-26	Mar, Sep	none	RMP
Ukiah Valley-27	Mar, Sep	none	RMP
Ukiah Valley-32	Mar, Sep	none	RMP
Ukiah Valley-34	Mar, Sep	none	not RMP
Ukiah Valley-36	Monthly (data from City of Ukiah)	none	proposed RMP
Ukiah Valley-37	Monthly (data from City of Ukiah)	none	not RMP
Ukiah Valley-10a	Mar, Sep (data from CA Land Stewardship Institute)	none	RMP
UVBGSA-01a	Mar, Sep	once a year	not RMP
UVBGSA-01b	Mar, Sep	once a year	not RMP
UVBGSA-01c	Mar, Sep	once a year	not RMP
UVBGSA-02	Mar, Sep	none	not RMP
UVBGSA-05	Mar, Sep	once a year	not RMP
UVBGSA-06a	Mar, Sep	once a year	not RMP
UVBGSA-06b	Mar, Sep	once a year	not RMP
UVBGSA-06c	Mar, Sep	once a year	not RMP
UVBGSA-06d	Mar, Sep	once a year	not RMP
UVBGSA-07	Mar, Sep	once a year	not RMP

Budget

UVBGSA Groundwater Elevation Monitoring 7/1/26-6/30/29				
Task 1: Groundwater Elevation Monitoring for 26 wells				
	Qty	Unit Type	Rate	Amt
Communication with well owners	36	hours	\$ 115.00	\$ 4,140.00
Monitoring (2 people in the field)	264	hours	\$ 115.00	\$ 30,360.00
Updating records	50	hours	\$ 115.00	\$ 5,750.00
Reporting	90	hours	\$ 115.00	\$ 10,350.00
GSA TAC Meetings	20	hours	\$ 115.00	\$ 2,300.00
Coordination with consultants and GSA	54	hours	\$ 115.00	\$ 6,210.00
Bookkeeping	50	hours	\$ 115.00	\$ 5,750.00
Mileage	2000	miles	\$ 0.725	\$ 1,450.00
Supplies: replacement water level meter, alcohol, gloves, batteries, etc.	1	lump sum	\$ 1,000.00	\$ 1,000.00
Subtotal Task 1 Groundwater Elevation Monitoring				\$ 67,310.00
Task 2: Groundwater quality sampling for nine (9) wells (UVBGSA-01a,b,c; UVBGSA-06a,b,c,d; UVBGSA-05; and UVBGSA-07				
	Qty	Unit Type	Rate	Amt
Project management (contracting, reporting and record-keeping, landowner/consultant coordination)	30	hours	\$ 115.00	\$ 3,450.00
Contractor: water quality sampling	3	lump sum	\$ 4,000.00	\$ 12,000.00
Alpha Labs analyses	3	lump sum	\$ 2,000.00	\$ 6,000.00
Mileage	15	miles	\$ 0.725	\$ 10.88
Subtotal Task 2 Water Quality Sampling Monitoring				\$ 21,460.88
TOTAL				\$ 88,770.88

EXHIBIT B

PAYMENT TERMS

1. CONSULTANT shall be compensated on a time-and-expense basis, not to exceed eighty-eight thousand, seven hundred seventy and 88/100 dollars (\$88,770.88), appropriately budgeted for each subtask and at the rates described in Attachment 1 to Exhibit A. This fee shall not be exceeded without the prior written authorization from the UVBGSA General Manger and approval by the Board.
2. CONSULTANT shall submit invoices no less than quarterly, detailing the specific services provided and clearly explaining any incidental charges.
3. UVBGSA shall pay CONSULTANT for all work requested upon the satisfactory completion of said work.
4. Payments for work completed by CONSULTANT will be made by UVBGSA within 30 days of receipt of CONSULTANT's invoice.

[END OF PAYMENT TERMS]

EXHIBIT C

INSURANCE REQUIREMENTS

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONSULTANT for liability in excess of such coverage, nor shall it preclude UVBGSAs from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law. Insurance requirements shall be in addition to, and not in lieu of, Consultant's indemnity obligations under Paragraph 2 of this Agreement.

CONSULTANT shall obtain and maintain insurance coverage as follows:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

CONSULTANT shall furnish to UVBGSAs certificates of insurance evidencing the minimum levels described above.

[END OF INSURANCE REQUIREMENTS]

EXHIBIT D

EPAYABLES INFORMATION

UVBGSA is currently making credit card payments to all of our vendors and suppliers who qualify. To qualify, vendors need to currently accept credit card payments. To achieve this more efficient form of payment, the County of Mendocino has partnered with Bank of America and their ePayables credit card program. This electronic initiative will yield many benefits to its participants:

- Expedited receipt of cash – electronic credit card payments provide cash flow benefits by eliminating mail and paper check float
- Elimination of check processing costs
- Remittance data transmitted with payment for more efficient back-end reconciliation
- No collection costs associated with lost or misplaced checks
- Reduced exposure to check fraud
- More efficient handling of exception items
- Fits with existing accounting software – requires no purchase of software, no modifications to existing accounts receivable system and no change to bank accounts.
- Going green with paperless electronic credit card payments help conserve the environment by eliminating printing and mailing of paper checks.

For information regarding the payment process, please email Auditorap@mendocinocounty.org.

Additional information regarding the Bank of America Program is also available at:

http://corp.bankofamerica.com/business/ci/landing/epayables-vendors?cm_mmc=sb-general--vanity--sg01vn000r_epayablesvendors--na



STAFF REPORT

SUBJECT: Consideration Amendment No. 5 to Professional Services Agreement with West Yost (Agreement No. 23-01) for Term Extension.

PREPARED BY: Maya Simerson, Senior Management Analyst

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. UVBGSA Amendment No. 5 to Professional Services Agreement with West Yost FINAL

Summary: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) Board of Directors will consider approving Amendment No. 5 to the existing Professional Services Agreement with West Yost to extend the agreement term through June 30, 2026. The amendment does not increase the contract compensation, which will remain capped at \$469,902.

Background:

The Ukiah Valley Basin Groundwater Sustainability Agency entered into Agreement No. 23-01 with West Yost to provide professional consulting and administrative support services for Agency operations and implementation activities.

As the Agency transitions services and responsibilities to the City of Ukiah, additional time is required to complete final administrative coordination, reconcile and process outstanding invoices, close out accounting activities, and ensure an orderly transfer of records and responsibilities. While the substantive work under the agreement has largely been completed, extending the agreement term will provide the necessary contractual authority to finalize remaining transition and closeout activities.

The proposed amendment extends the agreement term through June 30, 2026, but does not increase the authorized compensation amount.

Discussion:

Amendment No. 5 revises the term provision of Agreement No. 23-01 to state:

“The original term of this Agreement shall be from the date this Agreement becomes fully executed by all parties (the ‘Effective Date’), and shall continue through June 30, 2026.”

The amendment further confirms that:

“The compensation payable to CONSULTANT will not change and shall not exceed four hundred and sixty-nine thousand nine hundred two dollars and zero cents (\$469,902) for the term of this Agreement.”

Approval of the amendment will allow the Agency and Consultant to complete all remaining administrative and financial closeout tasks associated with the agreement and transition of services.

There is no additional fiscal impact associated with this amendment. Total compensation under Agreement No. 23-01 will remain unchanged and shall not exceed \$469,902.

Recommended Action: Approve Amendment No. 5 to Agreement No. 23-01 with West Yost extending the term of the agreement through June 30, 2026, with no change to the total compensation amount, and authorize the General Manager to execute the amendment.

**AMENDMENT NO. 5 TO UKIAH VALLEY BASIN GROUNDWATER
SUSTAINABILITY AGENCY PROFESSIONAL SERVICES AGREEMENT WITH
WEST YOST (AGREEMENT NO. 23-01)**

This Amendment to Agreement No. 23-01 is entered into by and between the Ukiah Valley Basin Groundwater Sustainability Agency, a political subdivision of the State of California, hereinafter referred to as "UVBGSA", and West Yost, hereinafter referred to as "CONSULTANT".

WHEREAS, Agreement No. 23-01 was entered into on March 10, 2022; and

WHEREAS, Amendments Nos. 1, 2, 3, and 4 to Agreement No. 23-01 were entered into on September 8, 2022, August 19, 2024, January 9, 2025, and August 8, 2026, respectively.

WHEREAS, UVBGSA and CONSULTANT agree by this Amendment No. 5 to Agreement No. 23-01 to extend the contract term through June 30, 2026, so that CONSULTANT can continue to provide services related to transitioning the administration of the UVBGSA to the City of Ukiah and for other services that do not include administering the UVBGSA; and

WHEREAS, UVBGSA and CONSULTANT agree there is sufficient allowance in the existing budget for CONSULTANT to complete the extended scope of work under this Amendment, such that no modification to the existing not-to-exceed will be necessary for purposes of this Amendment; and

WHEREAS, upon execution of this document by UVBGSA and CONSULTANT, this document will become part of the aforementioned Agreement No. 23-01 and shall be incorporated therein; and

WHEREAS, Page 1 of the contract shall be eliminated and replaced in its entirety as follows:

**UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
PROFESSIONAL SERVICES AGREEMENT WITH WEST YOST, IN THE AMOUNT
OF \$469,902, TO PERFORM SERVICES FOR THE PERIOD BEGINNING UPON
EXECUTION OF THE AGREEMENT THROUGH JUNE 30, 2026**

This Agreement is by and between the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY, hereinafter referred to as “UVBGSA”, and WEST YOST, hereinafter referred to as “CONSULTANT”.

WITNESSETH

WHEREAS, pursuant to Article 5 Section 5.2.7 of the Joint Powers Agreement Forming the Ukiah Valley Basin Groundwater Sustainability Agency (JPA), UVBGSA shall have the power to make and enter into contracts necessary to the full exercise of the Agency’s power; and,

WHEREAS, in order to meet the various requirements of a groundwater sustainability agency under the Sustainable Groundwater Management Act (Part 2.74 of the California Water Code), UVBGSA is in need of specialized administrative services; and,

WHEREAS, UVBGSA desires to obtain CONSULTANT for its administrative services; and,

WHEREAS, CONSULTANT is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide the same to UVBGSA.

NOW, THEREFORE it is agreed that UVBGSA does hereby retain CONSULTANT to provide the services described in Exhibit “A”, and CONSULTANT accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

- Exhibit A Definition of Services
- Exhibit B Payment Terms
- Exhibit C Insurance Requirements
- Exhibit D ePayables Information

The term of this Agreement shall be from the date this Agreement becomes fully executed by all parties (the “Effective Date”), and shall continue through June 30, 2026.

The compensation payable to CONSULTANT hereunder shall not exceed four hundred and sixty-nine thousand nine hundred two dollars and zero cents (\$469,902) for the term of this Agreement.

[END OF AMENDMENT NO. 5]

IN WITNESS WHEREOF:

UVBGSA

By: MAYA SIMERSON
GENERAL MANAGER

Date: _____

UVBGSA LEGAL COUNSEL REVIEW

By: HOLLY ROBERSON, General Counsel

H. Roberson

Date: 4/14/2026

WEST YOST & ASSOCIATES, INC. (WEST YOST)

By: Elizabeth T. Drayer, Vice President (Print)

Elizabeth Drayer (Sign)

Date: April 22, 2026



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT: Consideration Amendment No. 1 to Professional Services Agreement with the Mendocino County Resource Conservation District (Agreement No. 26-05) for Term Extension.

PREPARED BY: Maya Simerson, Senior Management Analyst

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. UVBGSA Amendment No. 1 to Agreement with MCRCD for Groundwater Monitoring Services (CDFW Funds)

Summary: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) Board of Directors will consider approving Amendment No. 1 to the existing Professional Services Agreement with Mendocino County Resource Conservation District (Agreement No. 26-05) to extend the agreement term through April 30, 2028. The amendment does not increase the contract compensation, but aligns the dates with the term of the grant.

Background:

The Ukiah Valley Basin Groundwater Sustainability Agency entered into Agreement No. 26-05 with the Mendocino County Resource Conservation District (MCRCD) earlier this year.

MCRCD was identified and specifically included as Subcontract -2 for Upper Russian River Groundwater Dependent Ecosystem and Interconnected Surface Water Study funded by a grant from the California Department of Fish and Wildlife. The budget for the work is not to exceed \$30,000 and can be found broken out on the attached grant budget worksheet

Discussion:

The term for the agreement was intended to mirror the term of the grant. Due to a clerical issue by our legal team the termination date of the agreement did not align with the closing date for the grant work and this amendment will correct that discrepancy.

Amendment No. 1 can be referenced in Attachment #1 to this report.

Fiscal Impact

There is no additional fiscal impact associated with this amendment.

Recommended Action: Approve Amendment No. 1 to Agreement No. 26-05 with MCRCD extending the term of the agreement through April 30, 2028, with no change to the total compensation amount, and authorize the General Manager to execute the Amendment.

Agreement No. _____

**AMENDMENT NO. 1 TO
UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
PROFESSIONAL SERVICES AGREEMENT WITH
MENDOCINO COUNTY RESOURCE CONSERVATION DISTRICT FOR
GROUNDWATER MONITORING SERVICES**

This AGREEMENT is by and between the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY, hereinafter referred to as “UVBGSA,” and MENDOCINO COUNTY RESOURCE CONSERVATION DISTRICT, hereinafter referred to as “CONSULTANT.”

WITNESSETH

WHEREAS, pursuant to Article 5 Section 5.2.7 of the Joint Powers Agreement Forming the Ukiah Valley Basin Groundwater Sustainability Agency, UVBGSA shall have the power to make and enter into contracts necessary to the full exercise of the Agency’s power; and

WHEREAS, on May 4, 2026, UVBGSA and CONSULTANT entered into a professional services agreement (“Contract”) under which CONSULTANT agreed to serve as field and technical support to UVBGSA and subcontractors as part of the Upper Russian River Groundwater Dependent Ecosystems and Interconnected Surface Water Study, which is funded pursuant to a grant from the California Department of Fish & Wildlife (“CDFW Grant”); and

WHEREAS, the agreed-upon term under the Contract began on its effective date and expires on June 30, 2026; and

WHEREAS, by this Amendment No. 1 to the Contract, UVBGSA and CONSULTANT agree it is in each of their own best interests to extend the term of the Contract to reflect the term of the CDFW Grant.

NOW, THEREFORE, the term of the Contract shall be extended through April 30, 2028. The Contract shall remain unmodified and in full force and effect in all other respects.

Remainder of Page Intentionally Left Blank

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 as of the date signed by the parties.

UVBGSA

MCRCD

By: _____
MAYA SIMERSON
General Manager

By: _____
STEPHANIE GARRABRANT-SIERRA
Executive Director

Date: _____

Date: _____

Approved as to form:

By: *A. Roberson*
HOLLY ROBERSON
General Counsel

Date: 05/08/2026



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT: Consider Approval of Amendment No. 1 to the Administrative Services Agreement with the City of Ukiah to Clarify Procedures and Update the General Manager Information.

PREPARED BY: _____

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. UVBGSA Amendment No. 1 to Admin Services Agreement with City of Ukiah

Summary: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) Board of Directors will consider approval of Amendment No. 1 to the Administrative Services Agreement between the Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA) and the City of Ukiah. The amendment clarifies invoicing procedures, administration of compensation, and time-tracking requirements associated with the City's provision of administrative and general management services to the UVBGSA but has no fiscal impact.

Background: On February 13, 2025, the UVBGSA entered into a Professional Services Agreement with the City of Ukiah for the provision of administrative services necessary to support implementation of the Sustainable Groundwater Management Act (SGMA), administration of the Groundwater Sustainability Plan (GSP), Board and Technical Advisory Committee (TAC) support, stakeholder outreach, contract administration, and other agency management functions.

The agreement designated the City of Ukiah as the provider of General Manager services and associated administrative support for the Agency. Since implementation of the agreement, Staff and legal counsel have identified opportunities to clarify certain administrative provisions, particularly those related to invoicing and documentation of services provided.

Amendment No. 1 has been prepared to address these issues and improve the administration of the agreement while maintaining the existing scope of services provided by the City and is attached for review in Attachment #1.

Discussion: The proposed amendment does not substantially alter the services provided by the City of Ukiah. Rather, it provides clarification regarding the administration of compensation and invoicing under the agreement. The amendment provides additional accountability measures through time tracking and improved invoicing procedures that will assist the Board in evaluating future budget needs and administrative service costs.

Key revisions include:

- Establishment of a quarterly invoicing process under which the City will submit invoices equal to twenty-five percent (25%) of the budgeted annual compensation, unless modified by Board-approved budget amendments.
- Addition of a requirement that the City implement a project code and track staff time associated with services performed under the agreement.

- Clarification that annual review of tracked time and associated costs will be conducted to evaluate budget assumptions and determine whether future budget adjustments may be necessary.
- Minor administrative and housekeeping revisions, including the General Manager appointment, to improve consistency and readability throughout the agreement.

The amendment maintains the existing administrative services structure and continues the City's role in supporting UVBGSAs operations, including Board administration, Technical Advisory Committee (TAC) support, consultant coordination, GSP implementation oversight, stakeholder outreach, grant administration, and fee program administration.

Approval of the amendment will provide greater transparency regarding compensation, improve financial tracking, and establish clearer procedures for invoicing and budget oversight.

The amendment does not increase the compensation authorized under the agreement and does not create any additional fiscal obligation beyond amounts approved through the annual UVBGSAs budget process.

Recommended Action: Approve Amendment No. 1 to the Administrative Services Agreement with the City of Ukiah and authorize the Board Chair to execute the amendment.

**AMENDMENT NO. 1 TO
PROFESSIONAL SERVICES AGREEMENT WITH
CITY OF UKIAH
TO PERFORM ADMINISTRATIVE SERVICES**

This Amendment No. 1 (“Amendment”) is by and between the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY, hereinafter referred to as “UVBGSA”, and the CITY OF UKIAH, hereinafter referred to as “CITY,” and it shall be effective as of the date it is fully executed. UVBGSA and CITY may sometimes hereinafter be referred to as “Party,” or collectively as “Parties.”

RECITALS

WHEREAS, on February 13, 2025, the Parties entered into an agreement whereby CITY agreed, in exchange for compensation from UVBGSA, to provide certain administrative services to UVBGSA as described in that agreement (“Contract”); and

WHEREAS, the Parties mutually agree it is in each of their own best interests to amend the Contract to make certain clarifying edits and to further define the terms under which CITY is to issue invoices to UVBGSA for services rendered.

NOW, THEREFORE, in consideration of the recitals set forth above, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to the Contract. The Contract is hereby amended as shown in the legal blackline copy thereof, attached hereto as Exhibit A. In Exhibit A hereto, deletions of text in the Contract are indicated by struck-through text, and insertions are indicated by underlined text, excepting underlined text that appears in headings. A clean version of the Contract, as modified per this Amendment No. 1, is attached hereto as Exhibit B.

SECTION 2. No other amendments. Except as expressly indicated in this Amendment, including Exhibit A, the Contract shall remain unmodified in all other respects, and the terms and conditions thereof shall remain in full force and effect.

[END OF AMENDMENT NO. 1]

IN WITNESS WHEREOF, the Parties have executed this Amendment No.1 as of the date that all Parties have signed below.

CITY OF UKIAH

APPROVED AS TO FORM

By: _____
(Print)

By: _____
David Rapport
City Attorney

(Title)

Date: _____


(Signature)

Date: _____

**UKIAH VALLEY BASIN GROUNDWATER
SUSTAINABILITY AGENCY**

APPROVED AS TO FORM

By: _____
Madeline Cline
Board Chair

By: 

Holly Roberson
General Counsel

Date: _____

Date: 4/14/2026

EXHIBIT A

Legal Blackline Version

**UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
PROFESSIONAL SERVICES AGREEMENT WITH
CITY OF UKIAH
TO PERFORM ADMINISTRATIVE SERVICES**

This Agreement is by and between the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY, hereinafter referred to as “UVBGSA”, and the CITY OF UKIAH, hereinafter referred to as “CITY”, ~~entered into in Ukiah, California on _____, 2025 (“Effective Date”).~~ and it shall be effective as of the date it is fully executed. UVBGSA and CITY may sometimes hereinafter be referred to as “Party~~s~~,” or collectively as “Parties~~s~~.”

RECITALS

WHEREAS, pursuant to Article 5 Section 5.2.7 of the Joint Powers Agreement, adopted on May 10, 2017, forming the Ukiah Valley Basin Groundwater Sustainability Agency (JPA), UVBGSA shall have the power to make and enter into contracts necessary to the full exercise of the Agency’s power; and

WHEREAS, the JPA was established to provide sustainable groundwater management in the Ukiah Valley groundwater basin pursuant to the Sustainable Groundwater Management Act (“SGMA”) (Part 2.74 of the California Water Code); and

WHEREAS, in order to meet the various requirements of a groundwater sustainability agency under the Sustainable Groundwater Management Act (Part 2.74 of the California Water Code) (“SGMA”), UVBGSA is in need of specialized, efficient, and cost-effective administrative services to administer the adopted Ukiah Valley Basin Groundwater Sustainability Plan; and

WHEREAS, in order to function in compliance with applicable law and achieve its objectives, the Parties mutually agree it is in each of their own best interests for CITY to provide such services on the terms and conditions set forth in this agreement, and CITY is willing to provide the same; and

WHEREAS, the Parties are contemplating a subsequent amendment to this Agreement to expand the scope of administrative services provided by CITY to include fiscal responsibilities, such as the CITY assuming responsibility for administering the roles of Treasurer and Controller of the UVBGSA.

NOW, THEREFORE, it is agreed that UVBGSA does hereby retain CITY to provide the administrative services described herein, and CITY accepts such engagements hereinafter specified in this Agreement.

[END OF RECITALS]

AGREEMENT

1. DEFINITIONS: Capitalized terms used in this Agreement shall have the same meaning as provided in Article I of the JPA, unless otherwise specified herein.

2. GENERAL TERMS AND CONDITIONS:

a. TERM: This Agreement shall commence on the Effective Date and remain in effect until terminated by either the Board or the CITY in writing. Termination shall occur not sooner than ninety (90) days after either Party gives written notice of termination. A different termination date may be established by mutual written agreement of the Parties. Upon termination of the Agreement by either Party, the CITY shall fully cooperate in the transition to another means of performing the services provided by CITY under this Agreement, provided that UVBGSA pays the CITY its actual and reasonable costs of such cooperation. Upon the termination of this Agreement the CITY shall have no authority, responsibility or liability for UVBGSA's continued operations.

b. INDEPENDENT CONTRACTOR:

- i. It is the express intention of the Parties that CITY is an independent contractor and not an employee, joint venturer, or partner of UVBGSA for any purpose whatsoever. UVBGSA shall have no right to and shall not control the manner or prescribe the method of accomplishing those services contracted to and performed by CITY under this Agreement, which are not policy decisions or do not require Board approval, and the general public and all governmental agencies regulating such activity shall be so informed.
- ii. Those provisions of this Agreement that reserve ultimate authority in UVBGSA have been inserted solely to achieve compliance with federal and state laws, rules, regulations, and interpretations thereof. No such provisions and no other provisions of this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between CITY or any of CITY's employees and UVBGSA.
- iii. CITY shall pay all estimated and actual federal and state taxes that are due the state and federal government and shall furnish and pay worker's compensation insurance, unemployment insurance and any other benefits required by law for its employees.
- iv. CITY agrees to indemnify and hold UVBGSA and its officers, agents and employees harmless from and against any claims or demands by federal, state or local government agencies for any such taxes or benefits due but

not paid by CITY, including the legal costs associated with defending against any audit, claim, demand or lawsuit.

- v. In carrying out the work contemplated herein, CITY shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered CITY's employees and not treated or considered in any way as officers, agents and/or employees of UVBGSА.
- vi. CITY does, by this Agreement, agree to perform its said work and functions at all times in strict accordance with all applicable federal, state and county laws, including ,but not limited to, laws applicable to California general law cities.

c. HOLD HARMLESS AND INDEMNITY:

- i. UVBGSА agrees to defend, indemnify, and save the CITY harmless from and against any and all claims, liability, damages or costs arising out of the decisions or directives of the Board. The CITY agrees to indemnify and defend UVBGSА from and against any claims, liability, damages or costs caused by the negligent acts, errors, omissions or willful misconduct of its officers or employees in performing pursuant to this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by the CITY's officers, employees, or agents.
- ii. Each Party hereby agrees to defend itself from any claim, action or proceeding by third parties arising out of the acts or omissions of its officers or employees. In such cases, each Party agrees to retain its own legal counsel, bear its own defense costs, and waive its right to seek reimbursement of such costs from each other.
- iii. Notwithstanding the above, where a trial verdict or arbitration award allocates or determines the comparative fault of the Parties, the Parties may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with said comparative fault.
- iv. As required by Section 9 herein, the Parties are responsible to provide workers compensation insurance for injuries sustained in the normal course and scope of their respective employees' performance of services. The Parties waive any right of subrogation against each other for any and all

losses sustained by the Parties, subject to such workers compensation coverage.

- v. For purposes of this section, the terms “employee” or “employees” shall refer to and include employees, officers, agents, representatives, or subcontractors.
- vi. Notwithstanding the foregoing subsections i-v, no employee, officer, agent, representative, or subcontractor of any Party shall be considered an “employee” of the other Party for purposes of indemnification.

d. INSURANCE:

- i. Each Party shall be responsible for maintaining a program of insurance that shall cover each Party’s indemnification obligations. Without in any way affecting the indemnity herein provided and in addition thereto, each Party shall secure and maintain throughout the Agreement the following types of insurance, including coverage through a pooled risk joint powers agency with limits as shown.
- ii. Workers’ Compensation. If the Party has employees, a program of Workers’ Compensation Insurance or a state-approved self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer’s Liability with \$250,000 limits covering all persons providing services on behalf of each Party and all risks to such persons under this Agreement.
- iii. Comprehensive General and Automobile Liability Insurance: This coverage is to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy or self-insurance shall have combined single limits for bodily injury and property damage of not less than two million dollars (\$2,000,000.00).
- iv. Additional Named Insured: All policies, and/or memoranda of coverage, except Workers’ Compensation, shall contain additional endorsements naming each Party and its officers, employees, agents and volunteers as additional named insureds with respect to liabilities arising out of each Party’s performance hereunder.
- v. Policies Primary and non-Contributory: All policies required above are to be the primary and non-contributory with any insurance or self-insurance carried or administered by each Party.

e. CONFORMITY WITH LAW AND SAFETY:

- i. In performing services under this Agreement, CITY shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CITY shall indemnify and hold UVBGSA harmless from any and all liability, fines, and penalties from any of CITY's failure to comply with such laws, ordinances, codes and regulations.
 - ii. Accidents: If a death, serious personal injury or substantial property damage occurs in connection with CITY's performance of this Agreement, CITY shall immediately notify UVBGSA by telephone. CITY shall promptly submit to UVBGSA a written report, in such form as may be required by UVBGSA of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CITY's sub-contractor, if any; and (3) a detailed description of the accident and whether any of UVBGSA's equipment, tools, material, or staff were involved.
 - iii. CITY further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to UVBGSA the opportunity to review and inspect such evidence, including the scene of the accident.
- f. TAXES: CITY shall pay all taxes to which it is subject in the course of performing under this Agreement. UVBGSA shall pay taxes imposed on property acquired for it by CITY at the direction or with the approval of the Board or as the Parties otherwise agree with respect to a particular transaction or event.
- g. OWNERSHIP OF DOCUMENTS: CITY hereby assigns UVBGSA an irrevocable license to use any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) prepared by CITY in performing services under this Agreement in which the CITY has any copyright or protected interest. UVBGSA's rights under this paragraph "g" shall not extend to any computer software used to create such Documents and Materials.
- h. CONFLICT OF INTEREST: Each Party shall use its best efforts to inform the other Party of any actual or potential conflict of interest in their respective performance under this Agreement of which they become aware and shall endeavor in good faith to

mutually agree on measures to be taken to avoid or mitigate any such conflict that may arise.

- i. **NOTICES:** All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:
 - i. **Personal delivery:** When personally delivered to the recipient, notices are effective on delivery.
 - ii. **First Class Mail:** When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox.
Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
 - iii. **Overnight Delivery:** When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.
 - iv. **Email:** When sent by email, notice is effective on receipt, provided that (a) a duplicate copy of the notice is promptly given by first-class or certified mail or overnight delivery, or (b) the receiving party acknowledges receipt. Any notice given by email shall be deemed received on the date it is received.

When the UVBGSA Board Chair or Counsel changes, the UVBGSA shall promptly notify the CITY in writing of the new contact information for notices purposes.

Addresses for purpose of giving notice are as follows:

To UVBGSA: Ukiah Valley Basin Groundwater Sustainability Agency
Ukiah Civic Center
300 Seminary Ave.
Ukiah, CA 95482
Attn: UVBGSA Board Chair
Email address: _____clinem@mendocinocounty.gov

UVBGSA Legal Counsel
1331 Garden Highway, 2nd Floor
Sacramento, CA 95833
Attention: Holly Roberson, Shareholder
Email: hroberson@kmtg.com

To CITY: Ukiah Civic Center
300 Seminary Ave.
Ukiah, CA 95482
Attn: City Manager
Email: ssangiacomo@cityofukiah.com

Ukiah City Attorney
Law Offices of Rapport and Marston
405 West Perkins St.
Ukiah, CA 95482
Email: drapport@cityofukiah.com

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service. Any Party may change its postal or email address by giving the other Party notice of the change in any manner permitted by this Agreement.

- j. USE OF UVBGSA PROPERTY: CITY shall not use UVBGSA property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
- k. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS: CITY certifies that it will comply with all applicable federal, state, and local laws, rules and regulations pertaining to nondiscrimination in employment and grant administration. CITY represents that it also has its own equity policies, with which it complies.
- l. AUDITS; ACCESS TO RECORDS: CITY shall make available to UVBGSA, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to UVBGSA, and shall furnish to UVBGSA, within sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as UVBGSA may require with regard to any such expenditure or disbursement charged by the CITY.

CITY shall maintain full and adequate records of the actual costs incurred by the CITY in the performance of this Agreement. CITY shall retain records in compliance with its records retention schedule from June 5, 2019, and as may be amended from time to time, which were adopted via Resolution 2019-25. CITY shall immediately make such records available to the UVBGSA upon request.

- m. DOCUMENTS AND MATERIALS: CITY shall maintain and make available to UVBGSA for its inspection and use during the term of this Agreement, all Documents and Materials, related to performance of this Agreement. CITY's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by UVBGSA or CITY), and CITY shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following UVBGSA's last payment to CITY under this Agreement. Alternatively, the CITY may furnish all such Documents and Materials to UVBGSA, after which it shall have no further obligation to preserve such records.
- n. TIME OF ESSENCE: Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
- o. TERMINATION: Either Party may terminate this Agreement for cause upon 60 days written notification to the other Party.
- p. NON-APPROPRIATION: If UVBGSA should fail to appropriate or otherwise fail to make available funds sufficient to compensate the CITY for the agreed upon scope of services in accordance with this Agreement the CITY may suspend this Agreement only upon thirty (30) days written notice to UVBGSA. If the UVBGSA does not cure the insufficient appropriation at its next Board meeting after receipt of the notice of suspension, the CITY may initiate termination proceedings consistent with the terms of this Agreement. Upon termination, UVBGSA shall remit payment for all products and services delivered to UVBGSA and all expenses incurred by CITY prior to UVBGSA's receipt of the notice of suspension. Notice shall be deemed effective upon receipt.
- q. CHOICE OF LAW: This Agreement, and any dispute arising from the relationship between the Parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
- r. VENUE: All lawsuits relating to this contract must be filed in Mendocino County Superior Court, Mendocino County, California, subject to the provisions of California Code of Civil Procedure section 394. If either Party exercises its right

under Section 394 to transfer the case to a neutral county, *in lieu* thereof, the Parties agree to request the appointment of an out of county Judge to hear the case in Mendocino County.

- s. WAIVER: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the Party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
- t. ADVERTISING OR PUBLICITY: CITY shall not use the name of UVBGSAs, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of UVBGSAs. For the avoidance of doubt, this term does not preclude the CITY from providing information about the UVBGSAs on the CITY's website, including the CITY's role as a member and in providing services under this Agreement.
- u. ENTIRE AGREEMENT: This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between UVBGSAs and CITY relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the Parties and sets forth the entire understanding of the Parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both Parties. In the event of a conflict between the body of this Agreement and any of the Exhibits, the provisions in the body of this Agreement shall control.
- v. HEADINGS: Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
- w. MODIFICATION OF AGREEMENT: This Agreement may be supplemented, amended or modified only by the mutual agreement of the Parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both Parties.
- x. ASSURANCE OF PERFORMANCE: If at any time UVBGSAs has good objective cause to believe CITY may not be adequately performing its obligations under this Agreement or that CITY may fail to complete the Services as required by this Agreement, UVBGSAs may request from CITY prompt written assurances of performance and a written plan acceptable to UVBGSAs, to correct the observed deficiencies in CITY's performance. CITY shall provide such written assurances and

written plan within thirty (30) calendar days of its receipt of UVBGSA's request and shall thereafter diligently commence and fully perform such written plan. CITY acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.

- y. **SUBCONTRACTING/ASSIGNMENT:** CITY shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without UVBGSA's prior written approval.
 - i. Neither Party shall, on the basis of this Agreement, contract on behalf of or in the name of the other Party. Any agreement that violates this Section shall confer no rights on any Party and shall be null and void.
 - ii. CITY shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CITY and its subcontractors.
- z. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (paragraph "c"), Ownership of Documents (paragraph "g"), and Conflict of Interest (Paragraph "h"), shall survive termination or expiration for two (2) years.
- aa. **SEVERABILITY:** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of 12 of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
- bb. **INTELLECTUAL PROPERTY WARRANTY:** To the best of its knowledge, the CITY represents that it has secured all rights and licenses necessary for any and all materials, services, processes, software, or hardware ("CITY PRODUCTS") to be provided or used by CITY in the performance of this AGREEMENT.
- cc. **ELECTRONIC COPIES:** The Parties agree that an electronic copy, email, or scanned copy of the executed Agreement, shall be deemed, and shall have the same legal force and effect as, an original document.
- dd. **COOPERATION WITH UVBGSA:** CITY shall cooperate with UVBGSA and UVBGSA staff in the performance of all work hereunder.
- ee. **PERFORMANCE STANDARD:** CITY shall perform all services hereunder in a manner consistent with the level of competency, care and skill ordinarily exercised by a person practicing in CITY's position under similar circumstances at the same time ("Standard of Care"). UVBGSA has relied upon the professional ability and training

of CITY personnel as assigned to perform the CITY's obligations under this Agreement as a material inducement to enter into this Agreement. CITY hereby agrees to provide all services under this Agreement in accordance with and Standards of Care, as well as the requirements of applicable federal, state, and local laws, it being understood that acceptance of CITY's work by UVBGSA shall not operate as a waiver or release. If UVBGSA determines that any of CITY's work is not in accordance with such level of competency and Standard of Care, UVBGSA, in its sole discretion, shall have the right to do any or all of the following: (a) require CITY to meet with UVBGSA to review the quality of the work and resolve matters of concern; (b) require CITY to repeat the work at no additional charge until it is satisfactory; or (c) terminate this Agreement pursuant to the provisions of paragraph "o" (Termination) or (d) pursue any and all other remedies at law or in equity.

- ff. **ALTERNATIVE DISPUTE RESOLUTION:** If a dispute arises out of or relates to this Agreement, or the alleged breach thereof ("Dispute"), the Parties mutually agree to act in good faith and to the best of their ability to take part and cooperate in the following three-step dispute resolution process, provided, however, that neither Party waives any provision of the California Tort Claims Act:
- i. **STEP ONE—NEGOTIATION:** Upon written notice of any Dispute that arises out of or relates to CITY's obligations to provide administrative services as described herein, the Parties shall attempt to resolve it promptly by negotiations between the Parties who have authority to settle the Dispute. This process should be completed within 30 days of such written notice ("Negotiation").
 - ii. **STEP TWO—MEDIATION:** If the Dispute cannot be resolved through Negotiation, the Parties agree first to make a good faith attempt to resolve the Dispute by mediation lasting at least one day before resorting to arbitration, litigation or any other dispute resolution procedure ("Mediation"). The process shall be confidential based on terms acceptable to the mediator.
 - iii. **STEP THREE—ARBITRATION:** Any Dispute not resolved through Negotiation or Mediation in accordance with Steps 1 and 2 shall be resolved by final and binding arbitration pursuant to the provisions of California Code of Civil Procedure, Section 1280 et seq.. The Parties understand that arbitration is final and binding and that they are waiving their rights to other resolution processes such as court action, which may provide a right to a jury trial and the opportunity to take witness testimony prior to such a proceeding, or administrative proceeding.

gg. **ATTORNEYS' FEES:** In any action to enforce or interpret the terms of this agreement, including but not limited to any action for declaratory relief, each Party shall be solely responsible for and bear its own attorneys' fees, regardless of which Party prevails.

3. GENERAL MANAGER SERVICES: Commencing on the Effective Date of this Agreement, CITY shall serve as the General Manager of the UVBGS. In keeping with section 13.1 of the JPA, the Board will appoint _____ **asa** General Manager. The holder of that position will remain the General Manager until the Board, with the agreement of the CITY's City Manager, makes a different appointment with written consent of the Board. The General Manager shall provide the following administrative services:

a. FISCAL AND CONTRACT MANAGEMENT:

- i. Prior to the commencement of each **Fiscal Year, fiscal year (July 1 through June 30)**, present a preliminary budget to the Board for consideration and by no later than June 15, submit a final budget for approval by the Board. The Parties may agree in writing and by mutual consent to alter this schedule.
- ii. Contract management, including vendor procurement and development and management of vendor and CITY contracts.
- iii. Invoice management, including monthly review and processing of vendor and CITY invoices.

b. PERFORM THE DUTIES OF THE GENERAL MANAGER TO THE UVBGS:

- i. Prepare meeting materials including Board packets, staff reports, PowerPoint slide decks, and coordination of consultant deliverables for Board, Ad Hoc, and Technical Advisory Committee ("TAC") meetings.
- ii. Attend and facilitate four quarterly Board meetings and four quarterly TAC meetings per year.
- iii. Perform follow-up activities from Board meetings and TAC meetings to implement direction given by the Board or TAC.

c. PERFORM THE DUTIES OF CLERK TO THE BOARD:

- i. Preparation of meeting notices and agendas in compliance with the Brown Act, for legal counsel review as needed.
- ii. Preparation of action minutes from the meetings and other documents requiring Board approval.

- iii. Performing follow-up administrative tasks, including posting information to the UVBGSA website and implementing direction given by Board and committee members.
 - iv. Act as the custodian of UVBGSA records created after the Effective Date and secure documents existing prior to the Effective Date that can be reasonably located, with copies to legal counsel.
- d. PROVIDE STAFF SERVICES FOR TECHNICAL ADVISORY COMMITTEE (TAC) MEETINGS:
 - i. Prepare meeting materials, including preparation and posting of agendas and agenda materials in compliance with the Brown Act.
 - ii. Attend meetings and provide clerical services during the meeting, including recordation of the meetings, record actions taken, manage remote participation, if available via Zoom or similar technology.
 - iii. Follow-up administrative tasks, including preparation of action minutes.
- e. OVERSEE GROUNDWATER SUSTAINABILITY PLAN (“GSP”) IMPLEMENTATION:
 - i. Direct technical Consultants, including management of each of the UVBGSA’s technical Consultants assigned to perform specific GSP implementation tasks. Work with technical consultants, including, but not limited to, Larry Walker and Associates, Hansford Environmental Consulting, Mendocino County Resource Conservation District, and the California Land Steward Institute. Prepare or oversee the 5-year update to the GSP.
 - ii. Review well permit applications and coordinate with the county as needed.
 - iii. Miscellaneous support for meetings, as necessary.
 - iv. Annual report and project management action (“PMA”) coordination, including oversight of the technical Consultant hired by UVBGSA who is responsible to prepare the annual report and develop an implementation plan for future PMAs.
 - v. Coordination with the UVBGSA’s legal counsel, including support to and coordination with UVBGSA legal counsel on all legal matters related to the UVBGSA, including, but not limited to, Form 700 compliance, coordinating compliance with executive orders, state and federal law and policy,

resolution development, required trainings for Board members, contracting, and, in consultation with UVBGSA legal counsel, answering legal questions from the Board.

f. STAKEHOLDER OUTREACH AND COMMUNICATION:

- i. External communications, including reviewing and responding to public inquiries by email and phone.
- ii. Develop outreach materials, including preparing materials to facilitate stakeholder outreach and communications.
- iii. Conduct outreach meetings, as necessary, to communicate important UVBGSA activities.

g. WEBSITE AND EMAIL MAINTENANCE, including the direct costs and associated administrative effort to maintain the website hosting plan, UVBGSA email account, and phone service hosting.

h. ADMINISTRATION AND MANAGEMENT OF RATE AND FEE STUDY IMPLEMENTATION:

- i. Support and coordination for rate and fee implementation, including coordination with and support to UVBGSA CITY on the fee implementation, non-appeal related corrections in billings, coordinating with the county as necessary, and coordinating with water purveyors.
- ii. Appeals, including administrative work to support the fee appeal process, in coordination with the fee consultant and legal counsel, as necessary.
- iii. Direct billing of annual fees.

i. GRANT ADMINISTRATION, including all coordination and administrative duties associated with grant management, billing, and reporting. Coordinate with legal counsel on grant compliance as needed. If directed by the Board, research grant opportunities for the UVBGSA, apply for grants, and manage funded grants.

4. OTHER SERVICES: When mutually agreed by the Parties as directed by the Board via Resolution, and/or by an amendment to this Agreement, CITY will provide Other Services to UVBGSA including other professional services as agreed upon pursuant to such subsequent agreements.

5. PAYMENT FOR SERVICES PROVIDED PURSUANT TO THIS AGREEMENT:

- a. **ANNUAL COMPENSATION:** The annual UVBGSA budget proposed by the CITY and approved by the Board shall include compensation to the CITY for the services provided under Section 2 of this Agreement.

UVBGSA operates on a fiscal year that runs from July 1 through June 30. The four quarters of the fiscal year are as follows:

Quarter 1: July 1 through September 30

Quarter 2: October 1 through December 31

Quarter 3: January 1 through March 31

Quarter 4: April 1 through June 30

Within thirty (30) days ~~after~~of the ~~end~~conclusion of each quarter of ~~the Fiscal Year,~~ UVBGSA will remit ~~twenty-five (25%) percent of the annual budgeted Compensation to each fiscal year,~~ the CITY shall prepare and ~~any additional~~submit to UVBGSA a quarterly invoice in an amount needed if the equal to twenty-five percent (25%) of the budgeted amount for the fiscal year, or another amount if the budget is amended by the Board: (“Quarterly Invoice”).

Within thirty (30) days of UVBGSA’s receipt of the Quarterly Invoice, UVBGSA will pay the invoiced amount to the CITY.

- b. **TIME TRACKING:** ~~The~~In preparing the Quarterly Invoice, the CITY shall implement a “project code” for time spent on implementation of the tasks it performs pursuant to this ~~Services~~Agreement on an hourly basis. The CITY and the Board shall review the quarterly payments once per year to determine if the costs are exceeding the budgeted amount, and to determine if a budget amendment is necessary.
- c. **PAYMENT FOR OTHER SERVICES:** Unless a different rate is stipulated at the time, if Other Services are requested by UVBGSA, the CITY will charge UVBGSA for staff services according to the CITY’s Charge Out Rate Schedule which is updated annually, or at the same rate that it pays for such services to outside third parties. The CITY will bill for these services on a quarterly basis and payment for the services provided in any quarter is due no later than thirty (30) days after presentation of such quarterly invoice to the UVBGSA Board, and approval by the Board, at a regularly scheduled Board meeting. The CITY will also be eligible for any dedicated administration reimbursements from grants awarded to the UVBGSA that are allowable expenses in the administration of activity delivery for the corresponding grant, except to the extent the annual UVBGSA budget compensated the CITY for services covered by said administration reimbursements.

EXHIBIT B

Clean Version

**UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
PROFESSIONAL SERVICES AGREEMENT WITH
CITY OF UKIAH
TO PERFORM ADMINISTRATIVE SERVICES**

This Agreement is by and between the UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY, hereinafter referred to as “UVBGSA”, and the CITY OF UKIAH, hereinafter referred to as “CITY,” and it shall be effective as of the date it is fully executed. UVBGSA and CITY may sometimes hereinafter be referred to as “Party,” or collectively as “Parties.”

RECITALS

WHEREAS, pursuant to Article 5 Section 5.2.7 of the Joint Powers Agreement, adopted on May 10, 2017, forming the Ukiah Valley Basin Groundwater Sustainability Agency (JPA), UVBGSA shall have the power to make and enter into contracts necessary to the full exercise of the Agency’s power; and

WHEREAS, the JPA was established to provide sustainable groundwater management in the Ukiah Valley groundwater basin pursuant to the Sustainable Groundwater Management Act (“SGMA”) (Part 2.74 of the California Water Code); and

WHEREAS, in order to meet the various requirements of a groundwater sustainability agency under the Sustainable Groundwater Management Act (Part 2.74 of the California Water Code) (“SGMA”), UVBGSA is in need of specialized, efficient, and cost-effective administrative services to administer the adopted Ukiah Valley Basin Groundwater Sustainability Plan; and

WHEREAS, in order to function in compliance with applicable law and achieve its objectives, the Parties mutually agree it is in each of their own best interests for CITY to provide such services on the terms and conditions set forth in this agreement, and CITY is willing to provide the same; and

WHEREAS, the Parties are contemplating a subsequent amendment to this Agreement to expand the scope of administrative services provided by CITY to include fiscal responsibilities, such as the CITY assuming responsibility for administering the roles of Treasurer and Controller of the UVBGSA.

NOW, THEREFORE, it is agreed that UVBGSA does hereby retain CITY to provide the administrative services described herein, and CITY accepts such engagements hereinafter specified in this Agreement.

[END OF RECITALS]

AGREEMENT

1. DEFINITIONS: Capitalized terms used in this Agreement shall have the same meaning as provided in Article I of the JPA, unless otherwise specified herein.

2. GENERAL TERMS AND CONDITIONS:

a. TERM: This Agreement shall commence on the Effective Date and remain in effect until terminated by either the Board or the CITY in writing. Termination shall occur not sooner than ninety (90) days after either Party gives written notice of termination. A different termination date may be established by mutual written agreement of the Parties. Upon termination of the Agreement by either Party, the CITY shall fully cooperate in the transition to another means of performing the services provided by CITY under this Agreement, provided that UVBGSA pays the CITY its actual and reasonable costs of such cooperation. Upon the termination of this Agreement the CITY shall have no authority, responsibility or liability for UVBGSA's continued operations.

b. INDEPENDENT CONTRACTOR:

- i. It is the express intention of the Parties that CITY is an independent contractor and not an employee, joint venturer, or partner of UVBGSA for any purpose whatsoever. UVBGSA shall have no right to and shall not control the manner or prescribe the method of accomplishing those services contracted to and performed by CITY under this Agreement, which are not policy decisions or do not require Board approval, and the general public and all governmental agencies regulating such activity shall be so informed.
- ii. Those provisions of this Agreement that reserve ultimate authority in UVBGSA have been inserted solely to achieve compliance with federal and state laws, rules, regulations, and interpretations thereof. No such provisions and no other provisions of this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between CITY or any of CITY's employees and UVBGSA.
- iii. CITY shall pay all estimated and actual federal and state taxes that are due the state and federal government and shall furnish and pay worker's compensation insurance, unemployment insurance and any other benefits required by law for its employees.
- iv. CITY agrees to indemnify and hold UVBGSA and its officers, agents and employees harmless from and against any claims or demands by federal, state or local government agencies for any such taxes or benefits due but

not paid by CITY, including the legal costs associated with defending against any audit, claim, demand or lawsuit.

- v. In carrying out the work contemplated herein, CITY shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered CITY's employees and not treated or considered in any way as officers, agents and/or employees of UVBGSА.
- vi. CITY does, by this Agreement, agree to perform its said work and functions at all times in strict accordance with all applicable federal, state and county laws, including ,but not limited to, laws applicable to California general law cities.

c. HOLD HARMLESS AND INDEMNITY:

- i. UVBGSА agrees to defend, indemnify, and save the CITY harmless from and against any and all claims, liability, damages or costs arising out of the decisions or directives of the Board. The CITY agrees to indemnify and defend UVBGSА from and against any claims, liability, damages or costs caused by the negligent acts, errors, omissions or willful misconduct of its officers or employees in performing pursuant to this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by the CITY's officers, employees, or agents.
- ii. Each Party hereby agrees to defend itself from any claim, action or proceeding by third parties arising out of the acts or omissions of its officers or employees. In such cases, each Party agrees to retain its own legal counsel, bear its own defense costs, and waive its right to seek reimbursement of such costs from each other.
- iii. Notwithstanding the above, where a trial verdict or arbitration award allocates or determines the comparative fault of the Parties, the Parties may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with said comparative fault.
- iv. As required by Section 9 herein, the Parties are responsible to provide workers compensation insurance for injuries sustained in the normal course and scope of their respective employees' performance of services. The Parties waive any right of subrogation against each other for any and all

losses sustained by the Parties, subject to such workers compensation coverage.

- v. For purposes of this section, the terms “employee” or “employees” shall refer to and include employees, officers, agents, representatives, or subcontractors.
- vi. Notwithstanding the foregoing subsections i-v, no employee, officer, agent, representative, or subcontractor of any Party shall be considered an “employee” of the other Party for purposes of indemnification.

d. INSURANCE:

- i. Each Party shall be responsible for maintaining a program of insurance that shall cover each Party’s indemnification obligations. Without in any way affecting the indemnity herein provided and in addition thereto, each Party shall secure and maintain throughout the Agreement the following types of insurance, including coverage through a pooled risk joint powers agency with limits as shown.
- ii. Workers’ Compensation. If the Party has employees, a program of Workers’ Compensation Insurance or a state-approved self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer’s Liability with \$250,000 limits covering all persons providing services on behalf of each Party and all risks to such persons under this Agreement.
- iii. Comprehensive General and Automobile Liability Insurance: This coverage is to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy or self-insurance shall have combined single limits for bodily injury and property damage of not less than two million dollars (\$2,000,000.00).
- iv. Additional Named Insured: All policies, and/or memoranda of coverage, except Workers’ Compensation, shall contain additional endorsements naming each Party and its officers, employees, agents and volunteers as additional named insureds with respect to liabilities arising out of each Party’s performance hereunder.
- v. Policies Primary and non-Contributory: All policies required above are to be the primary and non-contributory with any insurance or self-insurance carried or administered by each Party.

e. CONFORMITY WITH LAW AND SAFETY:

- i. In performing services under this Agreement, CITY shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CITY shall indemnify and hold UVBGSA harmless from any and all liability, fines, and penalties from any of CITY's failure to comply with such laws, ordinances, codes and regulations.
 - ii. Accidents: If a death, serious personal injury or substantial property damage occurs in connection with CITY's performance of this Agreement, CITY shall immediately notify UVBGSA by telephone. CITY shall promptly submit to UVBGSA a written report, in such form as may be required by UVBGSA of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CITY's sub-contractor, if any; and (3) a detailed description of the accident and whether any of UVBGSA's equipment, tools, material, or staff were involved.
 - iii. CITY further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to UVBGSA the opportunity to review and inspect such evidence, including the scene of the accident.
- f. TAXES: CITY shall pay all taxes to which it is subject in the course of performing under this Agreement. UVBGSA shall pay taxes imposed on property acquired for it by CITY at the direction or with the approval of the Board or as the Parties otherwise agree with respect to a particular transaction or event.
- g. OWNERSHIP OF DOCUMENTS: CITY hereby assigns UVBGSA an irrevocable license to use any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) prepared by CITY in performing services under this Agreement in which the CITY has any copyright or protected interest. UVBGSA's rights under this paragraph "g" shall not extend to any computer software used to create such Documents and Materials.
- h. CONFLICT OF INTEREST: Each Party shall use its best efforts to inform the other Party of any actual or potential conflict of interest in their respective performance under this Agreement of which they become aware and shall endeavor in good faith to

mutually agree on measures to be taken to avoid or mitigate any such conflict that may arise.

- i. NOTICES: All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:
 - i. Personal delivery: When personally delivered to the recipient, notices are effective on delivery.
 - ii. First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
 - iii. Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.
 - iv. Email: When sent by email, notice is effective on receipt, provided that (a) a duplicate copy of the notice is promptly given by first-class or certified mail or overnight delivery, or (b) the receiving party acknowledges receipt. Any notice given by email shall be deemed received on the date it is received.

When the UVBGSA Board Chair or Counsel changes, the UVBGSA shall promptly notify the CITY in writing of the new contact information for notices purposes.

Addresses for purpose of giving notice are as follows:

To UVBGSA: Ukiah Valley Basin Groundwater Sustainability Agency
Ukiah Civic Center
300 Seminary Ave.
Ukiah, CA 95482
Attn: UVBGSA Board Chair
Email address: clinem@mendocinocounty.gov

UVBGSA Legal Counsel
1331 Garden Highway, 2nd Floor
Sacramento, CA 95833
Attention: Holly Roberson, Shareholder
Email: hroberson@kmtg.com

To CITY: Ukiah Civic Center
300 Seminary Ave.
Ukiah, CA 95482
Attn: City Manager
Email: ssangiacomo@cityofukiah.com

Ukiah City Attorney
Law Offices of Rapport and Marston
405 West Perkins St.
Ukiah, CA 95482
Email: drapport@cityofukiah.com

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service. Any Party may change its postal or email address by giving the other Party notice of the change in any manner permitted by this Agreement.

- j. USE OF UVBGSA PROPERTY: CITY shall not use UVBGSA property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
- k. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS: CITY certifies that it will comply with all applicable federal, state, and local laws, rules and regulations pertaining to nondiscrimination in employment and grant administration. CITY represents that it also has its own equity policies, with which it complies.
- l. AUDITS; ACCESS TO RECORDS: CITY shall make available to UVBGSA, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to UVBGSA, and shall furnish to UVBGSA, within sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as UVBGSA may require with regard to any such expenditure or disbursement charged by the CITY.

CITY shall maintain full and adequate records of the actual costs incurred by the CITY in the performance of this Agreement. CITY shall retain records in compliance with its records retention schedule from June 5, 2019, and as may be amended from time to time, which were adopted via Resolution 2019-25. CITY shall immediately make such records available to the UVBGSA upon request.

- m. DOCUMENTS AND MATERIALS: CITY shall maintain and make available to UVBGSA for its inspection and use during the term of this Agreement, all Documents and Materials, related to performance of this Agreement. CITY's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by UVBGSA or CITY), and CITY shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following UVBGSA's last payment to CITY under this Agreement. Alternatively, the CITY may furnish all such Documents and Materials to UVBGSA, after which it shall have no further obligation to preserve such records.
- n. TIME OF ESSENCE: Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
- o. TERMINATION: Either Party may terminate this Agreement for cause upon 60 days written notification to the other Party.
- p. NON-APPROPRIATION: If UVBGSA should fail to appropriate or otherwise fail to make available funds sufficient to compensate the CITY for the agreed upon scope of services in accordance with this Agreement the CITY may suspend this Agreement only upon thirty (30) days written notice to UVBGSA. If the UVBGSA does not cure the insufficient appropriation at its next Board meeting after receipt of the notice of suspension, the CITY may initiate termination proceedings consistent with the terms of this Agreement. Upon termination, UVBGSA shall remit payment for all products and services delivered to UVBGSA and all expenses incurred by CITY prior to UVBGSA's receipt of the notice of suspension. Notice shall be deemed effective upon receipt.
- q. CHOICE OF LAW: This Agreement, and any dispute arising from the relationship between the Parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
- r. VENUE: All lawsuits relating to this contract must be filed in Mendocino County Superior Court, Mendocino County, California, subject to the provisions of California Code of Civil Procedure section 394. If either Party exercises its right

under Section 394 to transfer the case to a neutral county, *in lieu* thereof, the Parties agree to request the appointment of an out of county Judge to hear the case in Mendocino County.

- s. WAIVER: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the Party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
- t. ADVERTISING OR PUBLICITY: CITY shall not use the name of UVBGSAs, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of UVBGSAs. For the avoidance of doubt, this term does not preclude the CITY from providing information about the UVBGSAs on the CITY's website, including the CITY's role as a member and in providing services under this Agreement.
- u. ENTIRE AGREEMENT: This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between UVBGSAs and CITY relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the Parties and sets forth the entire understanding of the Parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both Parties. In the event of a conflict between the body of this Agreement and any of the Exhibits, the provisions in the body of this Agreement shall control.
- v. HEADINGS: Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
- w. MODIFICATION OF AGREEMENT: This Agreement may be supplemented, amended or modified only by the mutual agreement of the Parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both Parties.
- x. ASSURANCE OF PERFORMANCE: If at any time UVBGSAs has good objective cause to believe CITY may not be adequately performing its obligations under this Agreement or that CITY may fail to complete the Services as required by this Agreement, UVBGSAs may request from CITY prompt written assurances of performance and a written plan acceptable to UVBGSAs, to correct the observed deficiencies in CITY's performance. CITY shall provide such written assurances and

written plan within thirty (30) calendar days of its receipt of UVBGSA's request and shall thereafter diligently commence and fully perform such written plan. CITY acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.

- y. **SUBCONTRACTING/ASSIGNMENT:** CITY shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without UVBGSA's prior written approval.
 - i. Neither Party shall, on the basis of this Agreement, contract on behalf of or in the name of the other Party. Any agreement that violates this Section shall confer no rights on any Party and shall be null and void.
 - ii. CITY shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CITY and its subcontractors.
- z. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (paragraph "c"), Ownership of Documents (paragraph "g"), and Conflict of Interest (Paragraph "h"), shall survive termination or expiration for two (2) years.
- aa. **SEVERABILITY:** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of 12 of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
- bb. **INTELLECTUAL PROPERTY WARRANTY:** To the best of its knowledge, the CITY represents that it has secured all rights and licenses necessary for any and all materials, services, processes, software, or hardware ("CITY PRODUCTS") to be provided or used by CITY in the performance of this AGREEMENT.
- cc. **ELECTRONIC COPIES:** The Parties agree that an electronic copy, email, or scanned copy of the executed Agreement, shall be deemed, and shall have the same legal force and effect as, an original document.
- dd. **COOPERATION WITH UVBGSA:** CITY shall cooperate with UVBGSA and UVBGSA staff in the performance of all work hereunder.
- ee. **PERFORMANCE STANDARD:** CITY shall perform all services hereunder in a manner consistent with the level of competency, care and skill ordinarily exercised by a person practicing in CITY's position under similar circumstances at the same time ("Standard of Care"). UVBGSA has relied upon the professional ability and training

of CITY personnel as assigned to perform the CITY's obligations under this Agreement as a material inducement to enter into this Agreement. CITY hereby agrees to provide all services under this Agreement in accordance with and Standards of Care, as well as the requirements of applicable federal, state, and local laws, it being understood that acceptance of CITY's work by UVBGSA shall not operate as a waiver or release. If UVBGSA determines that any of CITY's work is not in accordance with such level of competency and Standard of Care, UVBGSA, in its sole discretion, shall have the right to do any or all of the following: (a) require CITY to meet with UVBGSA to review the quality of the work and resolve matters of concern; (b) require CITY to repeat the work at no additional charge until it is satisfactory; or (c) terminate this Agreement pursuant to the provisions of paragraph "o" (Termination) or (d) pursue any and all other remedies at law or in equity.

- ff. **ALTERNATIVE DISPUTE RESOLUTION:** If a dispute arises out of or relates to this Agreement, or the alleged breach thereof ("Dispute"), the Parties mutually agree to act in good faith and to the best of their ability to take part and cooperate in the following three-step dispute resolution process, provided, however, that neither Party waives any provision of the California Tort Claims Act:
- i. **STEP ONE—NEGOTIATION:** Upon written notice of any Dispute that arises out of or relates to CITY's obligations to provide administrative services as described herein, the Parties shall attempt to resolve it promptly by negotiations between the Parties who have authority to settle the Dispute. This process should be completed within 30 days of such written notice ("Negotiation").
 - ii. **STEP TWO—MEDIATION:** If the Dispute cannot be resolved through Negotiation, the Parties agree first to make a good faith attempt to resolve the Dispute by mediation lasting at least one day before resorting to arbitration, litigation or any other dispute resolution procedure ("Mediation"). The process shall be confidential based on terms acceptable to the mediator.
 - iii. **STEP THREE—ARBITRATION:** Any Dispute not resolved through Negotiation or Mediation in accordance with Steps 1 and 2 shall be resolved by final and binding arbitration pursuant to the provisions of California Code of Civil Procedure, Section 1280 et seq.. The Parties understand that arbitration is final and binding and that they are waiving their rights to other resolution processes such as court action, which may provide a right to a jury trial and the opportunity to take witness testimony prior to such a proceeding, or administrative proceeding.

gg. **ATTORNEYS' FEES:** In any action to enforce or interpret the terms of this agreement, including but not limited to any action for declaratory relief, each Party shall be solely responsible for and bear its own attorneys' fees, regardless of which Party prevails.

3. GENERAL MANAGER SERVICES: Commencing on the Effective Date of this Agreement, CITY shall serve as the General Manager of the UVBGS. In keeping with section 13.1 of the JPA, the Board will appoint a General Manager. The holder of that position will remain the General Manager until the Board, with the agreement of the CITY's City Manager, makes a different appointment with written consent of the Board. The General Manager shall provide the following administrative services:

a. FISCAL AND CONTRACT MANAGEMENT:

- i. Prior to the commencement of each fiscal year (July 1 through June 30), present a preliminary budget to the Board for consideration and by no later than June 15, submit a final budget for approval by the Board. The Parties may agree in writing and by mutual consent to alter this schedule.
- ii. Contract management, including vendor procurement and development and management of vendor and CITY contracts.
- iii. Invoice management, including monthly review and processing of vendor and CITY invoices.

b. PERFORM THE DUTIES OF THE GENERAL MANAGER TO THE UVBGS:

- i. Prepare meeting materials including Board packets, staff reports, PowerPoint slide decks, and coordination of consultant deliverables for Board, Ad Hoc, and Technical Advisory Committee ("TAC") meetings.
- ii. Attend and facilitate four quarterly Board meetings and four quarterly TAC meetings per year.
- iii. Perform follow-up activities from Board meetings and TAC meetings to implement direction given by the Board or TAC.

c. PERFORM THE DUTIES OF CLERK TO THE BOARD:

- i. Preparation of meeting notices and agendas in compliance with the Brown Act, for legal counsel review as needed.
- ii. Preparation of action minutes from the meetings and other documents requiring Board approval.

- iii. Performing follow-up administrative tasks, including posting information to the UVBGSA website and implementing direction given by Board and committee members.
 - iv. Act as the custodian of UVBGSA records created after the Effective Date and secure documents existing prior to the Effective Date that can be reasonably located, with copies to legal counsel.
- d. PROVIDE STAFF SERVICES FOR TECHNICAL ADVISORY COMMITTEE (TAC) MEETINGS:
- i. Prepare meeting materials, including preparation and posting of agendas and agenda materials in compliance with the Brown Act.
 - ii. Attend meetings and provide clerical services during the meeting, including recordation of the meetings, record actions taken, manage remote participation, if available via Zoom or similar technology.
 - iii. Follow-up administrative tasks, including preparation of action minutes.
- e. OVERSEE GROUNDWATER SUSTAINABILITY PLAN (“GSP”) IMPLEMENTATION:
- i. Direct technical Consultants, including management of each of the UVBGSA’s technical Consultants assigned to perform specific GSP implementation tasks. Work with technical consultants, including, but not limited to, Larry Walker and Associates, Hansford Environmental Consulting, Mendocino County Resource Conservation District, and the California Land Steward Institute. Prepare or oversee the 5-year update to the GSP.
 - ii. Review well permit applications and coordinate with the county as needed.
 - iii. Miscellaneous support for meetings, as necessary.
 - iv. Annual report and project management action (“PMA”) coordination, including oversight of the technical Consultant hired by UVBGSA who is responsible to prepare the annual report and develop an implementation plan for future PMAs.
 - v. Coordination with the UVBGSA’s legal counsel, including support to and coordination with UVBGSA legal counsel on all legal matters related to the UVBGSA, including, but not limited to, Form 700 compliance, coordinating compliance with executive orders, state and federal law and policy,

resolution development, required trainings for Board members, contracting, and, in consultation with UVBGSA legal counsel, answering legal questions from the Board.

f. STAKEHOLDER OUTREACH AND COMMUNICATION:

- i. External communications, including reviewing and responding to public inquiries by email and phone.
- ii. Develop outreach materials, including preparing materials to facilitate stakeholder outreach and communications.
- iii. Conduct outreach meetings, as necessary, to communicate important UVBGSA activities.

g. WEBSITE AND EMAIL MAINTENANCE, including the direct costs and associated administrative effort to maintain the website hosting plan, UVBGSA email account, and phone service hosting.

h. ADMINISTRATION AND MANAGEMENT OF RATE AND FEE STUDY IMPLEMENTATION:

- i. Support and coordination for rate and fee implementation, including coordination with and support to UVBGSA CITY on the fee implementation, non-appeal related corrections in billings, coordinating with the county as necessary, and coordinating with water purveyors.
- ii. Appeals, including administrative work to support the fee appeal process, in coordination with the fee consultant and legal counsel, as necessary.
- iii. Direct billing of annual fees.

i. GRANT ADMINISTRATION, including all coordination and administrative duties associated with grant management, billing, and reporting. Coordinate with legal counsel on grant compliance as needed. If directed by the Board, research grant opportunities for the UVBGSA, apply for grants, and manage funded grants.

4. OTHER SERVICES: When mutually agreed by the Parties as directed by the Board via Resolution, and/or by an amendment to this Agreement, CITY will provide Other Services to UVBGSA including other professional services as agreed upon pursuant to such subsequent agreements.

5. PAYMENT FOR SERVICES PROVIDED PURSUANT TO THIS AGREEMENT:

- a. **ANNUAL COMPENSATION:** The annual UVBGSA budget proposed by the CITY and approved by the Board shall include compensation to the CITY for the services provided under Section 2 of this Agreement.

UVBGSA operates on a fiscal year that runs from July 1 through June 30. The four quarters of the fiscal year are as follows:

- Quarter 1: July 1 through September 30
- Quarter 2: October 1 through December 31
- Quarter 3: January 1 through March 31
- Quarter 4: April 1 through June 30

Within thirty (30) days of the conclusion of each quarter of each fiscal year, the CITY shall prepare and submit to UVBGSA a quarterly invoice in an amount equal to twenty-five percent (25%) of the budgeted amount for the fiscal year, or another amount if the budget is amended by the Board (“Quarterly Invoice”).

Within thirty (30) days of UVBGSA’s receipt of the Quarterly Invoice, UVBGSA will pay the invoiced amount to the CITY.

- b. **TIME TRACKING:** In preparing the Quarterly Invoice, the CITY shall implement a “project code” for time spent on implementation of the tasks it performs pursuant to this Agreement on an hourly basis. The CITY and the Board shall review the quarterly payments once per year to determine if the costs are exceeding the budgeted amount, and to determine if a budget amendment is necessary.
- c. **PAYMENT FOR OTHER SERVICES:** Unless a different rate is stipulated at the time, if Other Services are requested by UVBGSA, the CITY will charge UVBGSA for staff services according to the CITY’s Charge Out Rate Schedule which is updated annually, or at the same rate that it pays for such services to outside third parties. The CITY will bill for these services on a quarterly basis and payment for the services provided in any quarter is due no later than thirty (30) days after presentation of such quarterly invoice to the UVBGSA Board, and approval by the Board, at a regularly scheduled Board meeting. The CITY will also be eligible for any dedicated administration reimbursements from grants awarded to the UVBGSA that are allowable expenses in the administration of activity delivery for the corresponding grant, except to the extent the annual UVBGSA budget compensated the CITY for services covered by said administration reimbursements.



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT: Consider Adoption of a Resolution Setting Groundwater Sustainability Fees for Fiscal Year 2026-2027.

PREPARED BY: Maya Simerson, Senior Management Analyst

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. GSA Reso - Setting Groundwater Sustainability Fees for FY 26-27
2. April 29 2026 HEC Fee Memo UVBGS

Summary: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGS) Board of Directors will consider adoption of a resolution that will adjust the Ukiah Valley Basin Groundwater Sustainability Agency's Groundwater Sustainability Fee for Fiscal Year 2026-2027 by 3.12%, consistent with Resolution No. 005-2024, which authorizes annual fee adjustments based on the West Region Consumer Price Index for All Urban Consumers (CPI-U), not to exceed four percent annually.

Background:

The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGS) adopted a Groundwater Sustainability Fee in June 2024 pursuant to the authority granted under the Sustainable Groundwater Management Act (SGMA) and California Water Code Section 10730. The fee funds the Agency's ongoing groundwater sustainability program, including implementation of the Groundwater Sustainability Plan (GSP), groundwater monitoring and data collection, technical studies, regulatory compliance activities, public outreach, legal services, consultant support, and agency administration.

Resolution No. 005-2024 established the fee structure and included provisions allowing annual fee adjustments to account for inflationary increases in program costs. Specifically, Section 2.2.3 authorizes the Board to adjust fees annually based on the change in the West Region CPI-U, not to exceed four percent in any fiscal year. Each year the agency is required to adopt a resolution for the next year's fees. (Attachment #1)

The Agency's fee consultant, Hansford Economic Consulting (HEC), prepared a memorandum dated April 29, 2026, calculating the annual adjustment. (Attachment #1) The West Region CPI-U increased by 3.12% between March 2025 and March 2026. Consistent with Resolution No. 005-2024, the proposed FY 2026-2027 fee schedule reflects a 3.12% increase over the FY 2025-2026 rates.

Discussion:

The proposed adjustment is intended to maintain the Agency's ability to fund ongoing SGMA implementation activities while keeping pace with inflationary increases in labor, professional services, monitoring, and administrative costs.

The proposed FY 2026-2027 fees are as follows:

Fee Component	FY 2025-26	FY 2026-27
Base Fee	\$4.16 per acre	\$4.29 per acre
Group 1 – Public Water Systems	\$0.1382 per 1,000 gallons extracted	\$0.1425 per 1,000 gallons extracted
Group 2 – Crop Land	\$33.48 per cropped acre	\$34.53 per cropped acre
Group 3 – Improved Properties	\$35.44 per acre	\$36.55 per acre
Group 4 – All Other Parcels	\$0.00	\$0.00

In addition, the minimum threshold for direct-billed parcels will increase from \$20.45 to \$21.09.

The proposed fee adjustment remains within the annual adjustment authority established by Resolution No. 005-2024 and does not alter the fee methodology, parcel classifications, or fee structure previously adopted by the Board.

The proposed fee adjustment will generate revenues necessary to support implementation of the Agency's FY 2026-2027 budget and ongoing groundwater sustainability activities. The increase reflects inflationary cost adjustments and is consistent with the Agency's adopted fee program.

Recommended Action: Adopt Resolution setting Groundwater Sustainability Fees for Fiscal Year 2026-2027, and authorizing implementation of the fee collection process.

RESOLUTION NO. 2026-**RESOLUTION OF THE BOARD OF DIRECTORS OF THE UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY (UVBGS/GSA) SETTING GROUNDWATER SUSTAINABILITY FEES FOR FY26-27.**

WHEREAS, the Sustainable Groundwater Management Act (SGMA) of 2014 provides groundwater sustainability agencies (GSAs) with the authority to impose and collect fees on all applicable properties to fund regulatory activities within the GSAs' jurisdictional boundaries; and

WHEREAS, the Ukiah Valley Basin GSA is the exclusive GSA over the Ukiah Valley Basin and developed a Groundwater Sustainability Plan (GSP) covering the entire basin, which the Department of Water Resources approved on July 27, 2023; and

WHEREAS, the Board of Directors of the Ukiah Valley Basin GSA approved a groundwater sustainability fee on June 18, 2024, as authorized by Water Code section 10730 to fund the costs of a groundwater sustainability program, including implementation of the Ukiah Valley Basin GSP; and

WHEREAS, the fee resolution (No. 005-2024) authorized the Board of Directors to adjust the maximum fee rate to be levied in future fiscal years based on the annual change in the West Region Consumer Price Index for All Urban Consumers ("CPI" or "CPI-U"), measured each March of the preceding calendar year, with an annual adjustment not to exceed 4% per year based on increased cost projections for each upcoming fiscal year; and

WHEREAS, the prepared annual budget for the agency includes increased costs due to inflation; and

WHEREAS, the West Region Consumer Price Index for All Urban Consumers ("CPI" or "CPI-U") from March 2025 to March 2026 was 3.12%; and

WHEREAS, a 3.12% increase of the groundwater sustainability fee would result in the rates set forth in Attachment A; and

WHEREAS, the Board of Directors reviewed and considered the UVBGS's Annual Budget for the period July 1, 2026, to June 30, 2027, attached hereto, and has determined that a 3.12% increase to the Groundwater Sustainability Fee is necessary to account for inflationary cost increases in the upcoming fiscal year.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF UKIAH VALLEY BASIN GSA DOES HEREBY RESOLVE AS FOLLOWS:

1. The Groundwater Sustainability Fee for Fiscal Year 2026-2027 is set at the rates identified in Attachment A on the terms and conditions set in Resolution No. 005-2024; and

2. The Agency Administrator is hereby authorized and directed to file a certified copy of this resolution with the Auditor-Controller of the County of Mendocino. Upon such filing, the County Auditor-Controller shall enter on the County assessment roll opposite each lot or parcel of land the amount of fee thereupon as shown in the levy roll. The fees shall continue to be collected at the same time and in the same manner as County taxes are collected and all the laws providing for collection and enforcement shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Agency; and
3. The Agency General Manager is hereby authorized and directed to cause the direct billing of the fee for entities that do not receive a tax bill; and
4. The Agency General Manager and Agency Counsel are hereby authorized and directed to take such other and further steps as may be necessary or appropriate to implement the intent and purpose of this resolution.

PASSED AND ADOPTED by the Board of Directors of Ukiah Valley Groundwater Sustainability Agency, this 11th day of June 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Madeline Cline, UVBGSA Chair

ATTEST:

Kristine Lawler, UVBGSA Clerk

ATTACHMENT A

Calculated Fee for Fiscal Year 2026/27

The following table shows the current fiscal year fees and calculated Fee schedule for fiscal year 2026/27 after applying the West Region CPI-U increase of 3.12%.

Fee Component	FY 2025	FY 2026	FY 2027	
	Fee	Fee	Fee	
		2.24%	3.12%	
PART 1 FEE: BASE FEE	\$4.07	\$4.16	\$4.29	Per Acre in GSA Boundary
				<i>Every parcel is charged the base fee plus the group fee for the group the parcel is classified as [1]</i>
PART 2 FEES				
GROUP 1 PUBLIC WATER SYSTEMS	\$0.1352	\$0.1382	\$0.1425	Per 1,000 gallons extracted
GROUP 2 CROP LAND	\$32.75	\$33.48	\$34.53	Per Cropped Acre [2]
GROUP 3 IMPROVED PROPERTIES [4]	\$34.67	\$35.44	\$36.55	Per Acre of Entire Parcel [3]
GROUP 4 ALL OTHER	\$0.00	\$0.00	\$0.00	

- [1] Federal properties and tribal properties held in trust by the Federal government are exempt.
- [2] Properties classified Group 2 because of a medium, large, or nursery cannabis license capped at 1.0 acre.
- [3] Residential Group 3 properties capped at 0.5 acres.
- [4] Improved properties not in Groups 1 or 2.

Additionally, pursuant to Resolution 001-2025, the minimum total bills threshold for hand-billed parcels will increase from \$20.45 in FY 25/26 to \$21.09 in FY 26/27.

Technical Memorandum

To: Ukiah Valley Basin Groundwater Sustainability Agency

From: Catherine Hansford

Date: April 29, 2026

Subject: Groundwater Sustainability Fee Increase Fiscal Year 2026/27

Background

The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA or Agency) Groundwater Sustainability Fee (Fee) was adopted by Resolution 2024-05. The final Fee Study report, dated May 20, 2024, contains detail of the considerations and steps taken to determine the most appropriate fee structure for the Agency's funding needs. The regulatory fee is paid by all property owners in the UVBGSA management area, with the exception of properties owned by the federal government.

The fee funds the reasonable costs of the Agency's regulatory program, which in any given year may include, but not be limited to:

- Groundwater Sustainability Plan (GSP) development and updates
- Investigations and inspections
- Data networks and monitoring
- Compliance assistance and enforcement
- Program administration (such as agency staffing, legal counsel, and consultants)
- Prudent operating reserves

Methodology to Update the Fee

Per Resolution 2024-05, Section 2.2.3– Annual Fee Adjustment:

In order to keep pace with inflationary costs of service in carrying out the Ukiah Valley Basin GSA's purposes for which the fees are collected, the Board may adopt an annual fee increase based on annual data updates and the adopted budget. In the event the required annual data updates are not performed and/or the budget is adopted later than May, there shall be an automatic annual fee increase of 4% or the 12-month change (March to March) in the Western Region Consumer Price Index for All Urban Consumers (CPI-U) published by the U.S. Department of Labor, Bureau of Labor Statistics, whichever is lower, and not less than zero.

The CPI change from March 2025 to March 2026 is:

West Region CPI-U	
March 2025	339.627
March 2026	350.226
Change	10.599
Percentage Change	3.12%

Calculated Fee for Fiscal Year 2026/27

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[4] Improved properties not in Groups 1 or 2.

Additionally, pursuant to Resolution 001-2025, the minimum total bills threshold for hand-billed parcels will increase from \$20.45 in FY 25/26 to \$21.09 in FY 26/27.

The customer groups are defined as:

Group 1 Parcel - “A parcel that is located within the service boundary of a Public Water System that is not defined as a Group 2 Parcel.”

Group 2 Parcel – “A parcel that is identified as growing crops for at least some portion of the year using the California Department of Water Resources’ most recently released publicly available crop mapping dataset, or a property with at least one medium, large, or nursery stock cannabis license issued by Mendicino County as on June 1 of each year.”

Group 3 Parcel – “A parcel that has improvements value determined by the County Assessor for structure(s) located on property, and the property is not located within the service boundary of a Public Water System but may be served by a State Small Water System and is not identified as a Group 2 Parcel.”

Group 4 Parcel – “A parcel that is not an Exempt Parcel and is not in Groups 1, 2, or 3. The land is located outside Public Water System service provider boundaries and is unimproved (not assessed by the County Assessor for any structure(s) located on the property).”



**UKIAH VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY (GSA)**

STAFF REPORT

SUBJECT:Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA/GSA) General Manager Update.

PREPARED BY: Maya Simerson, Senior Management Analyst

PRESENTER: Maya Simerson, General Manager

ATTACHMENTS:

1. GM Report 6 11 2026
2. Factsheet Small GSA Coalition_MAY 2026
3. Ukiah GSA factsheet DRAFT
4. UVBGSA Financial Report FY26 Q3

Summary:Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA/GSA) General Manager Update.

Background: The Ukiah Valley Basin Groundwater Sustainability Agency (UVBGSA/GSA) General Manager will provide an update on ongoing projects and activities of the agency.

Discussion: See attached list of projects and activities (Attachments 1-4), and materials to be discussed.

Recommended Action: Receive Updates and Provide Direction if Needed.

UVBGSA General Manager Report

Item	Agency/ Consultant	Term	Main Focus	Status/ Comments/ Notes
Agreement	West Yost	3/10/22-12/31/25	GM duties	Transition complete; term extension to board in June for final invoices
Agreement	Larry Walker & Associates	08/2025-06/30/2026	2025 annual report	completed
Agreement	Larry Walker & Associates	08/2025-02/01/2027	On Call Tec Services	Amendment Executed, Contract renewal to be consideration at a future Board meeting
Agreement	MCRCD	08/2025-06/30/2026	groundwater monitoring	Contract renewal to be consideration on June agenda
Agreement	MCRCD- CDFW Grant	Term of Grant (4/30/28)	ISW Field and Tec Support	Agreement executed; term extension on June agenda
Agreement	CLSI	08/2025-06/30/2026	surface water monitoring	Contract renewal to be consideration on June agenda
Agreement	KMTG	2022 - 6/30/2026	Legal Counsel	Contract renewal to be consideration on June agenda
Agreement	Hansford Consulting	4/23/2026-12/31/2029	Tax roll calculations & GIS map	Contract executed
Agreement	City of Ukiah	ongoing	Professional Services Agreement	ongoing support services

Project	Larry Walker & Associates	Due January 2027	Periodoc Evaluation	Work in progress
Project	Small GSA Coalition	ongoing	Engagement with the group	GM attending coalition meetings, Prop 4 tracking, workshop, new TAC Ad Hoc
Project	Small GSA Coalition	asap	Submit FPPC form	Submitted
Project	Small GSA Coalition	asap	Update Fact Sheet	completed-ATTACHED COMPLETED FORM
Project	UVBGSA Website	ongoing	Updating	Feedback welcome
Project	Stantec	12/31/2026	ISP, FSS & Tec Memo	Work in progress
Project	DWR	asap	Update contact in portat	completed
Project	CDFW	asap	Update contact in portat	completed
Project	CDFW Grant	Due March 2028	Staff engaged to support LWA	ongoing
Project	Tribal Engagement Meeting	June 30 at 5:30pm	GSA update, director and alternate nominations for board and TAC	coordinating with Stantec & DWR
Project	Governing Docs Update	n/a	updating of all three docs	in progress, next step board direction then legal review
Project	Community Outreach	ongoing	Updated FAQ's	draft attached
Project	Prop 4 TAC Ad Hoc	summer/fall 2026	Identify Prop 4 projects	planning stage
Project	Joint Board and TAC Meeting	July 10th at 10:00am	ISP update from Stantec and Periodic Evaluation update from LWA	coordinating with Stantec & LWA
Update	Quarterly Financial Report		Jan- March 2026	see attached financial reports



Implementing Groundwater Sustainability Plans

Funding Small Basins

The Problem

Groundwater sustainability agencies (GSAs) managing very small groundwater basins are struggling to fund GSA administration and the implementation of groundwater water sustainability plans (GSPs). Very small GSAs need support to reduce administration and reporting tasks (which are not traditionally eligible for DWR grants) or to help fund these tasks.

Proposed Solutions

The Small GSA Coalition proposes the following multi-pronged approach to ensure the ongoing viability of GSAs that manage basins, sub-basins, or portions of basins with less than 10,000 acre-feet of groundwater pumped annually (AFY):

- Include language in the implementation guidelines for Proposition 4 that allows very small GSAs to use funds for administration, reporting and monitoring;
- Work with the Department of Water Resources to reduce duplicative or overly complex administrative reporting and monitoring;
- Amend the Water Code to clarify or eliminate duplicative or unnecessary reporting; and
- Continue state support of SGMA to ensure that all California basins are sustainable by 2042.



Why are small GSAs struggling?

The mandates under SGMA result in fixed administrative and reporting costs. These include support for running a public agency such as Brown Act compliance, budgeting, accounting, and legal review. Costs also are incurred for maintaining new monitoring networks, data management, annual reports, groundwater models, and five-year updates.

In basins with large populations or extensive commercial agriculture, these costs can be spread out over many users, but smaller basins do not benefit from such an economy of scale. Table 1, below, illustrates these challenges in 12 GSAs that manage basins or portions of basins with annual groundwater pumping of less than 10,000 AFY. The table includes one larger basins for comparison purposes. The table only includes administrative and reporting costs – not the projects or management actions that may be needed for basin sustainability.

Table 1. Annual costs (2025-2026) per acre-foot for basic SGMA compliance

Basin	Location	Acre feet pumped annually (AFY)	Annual compliance costs	Cost per AFY
Spadra	Los Angeles County	591	\$162,175	\$274
Ukiah Valley	Mendocino County	6,450	\$ 516,888	\$80
Langley Subbasin	Monterey County	1,510	\$477,115	\$316
Monterey/Corral de Tierra	Monterey County	1,164	\$409,265	\$352
Sierra Valley	Plumas/Sierra Counties	8,700	\$229,000	\$26
Santa Ynez River CMA	Santa Barbara	2,500	\$358,650	\$143
Santa Margarita	Santa Cruz County	2,500	\$478,000	\$191
Santa Cruz Mid-County	Santa Cruz County	5,100	\$664,500	\$130
Petaluma Valley	Sonoma County	2,600	\$740.800	\$285
Sonoma Valley	Sonoma County	6,400	\$815,100	\$127
Mound Basin	Ventura County	3,125	\$286,000	\$92
Upper Ventura River	Ventura County	4,035	\$669,000	\$166
Ojai Basin	Ventura County	4,000	\$300,000	\$75
Eastside Subbasin**	Monterey County	81,540	\$477,115	\$6

*Compliance costs vary widely from basin-to-basin depending on local labor costs, staff support provided by other local government agencies, history of groundwater issues/monitoring, and other factors.

**One larger basin is included to illustrate how economies of scale affect costs per acre foot.

GSA Funding Options

Statewide, two common funding approaches being pursued by GSAs are (1) member-agency funding, particularly when the GSA is created through a Joint Powers Authority (JPA), and (2) groundwater pumping-fees, based on actual or estimated pumping amounts.

Member-agency funding has been a useful tool for some JPAs but leads to questions of equitable distribution of costs. For example, in the Santa Cruz Mid-County Groundwater Basin, some residents are paying for GSA costs through both water rates and property taxes. Cost allocations are based on pumping impacts to the basin from each member agency, although the administrative burdens of SGMA are arguably independent of those impacts.

Groundwater pumping fees are based on actual or estimated amounts of groundwater pumped annually and are often levied in agricultural areas. Table 1 illustrates the fee levels that would be required if these very small basins charged fees for basic SGMA compliance based on groundwater pumping. Groundwater users unused to paying any charges for pumping are understandably skeptical of high per-acre-foot fees that pay for basic government compliance – especially if pumpers in a nearby basin are paying substantially lower fees.

For more information, please contact Mark Fenstermaker at mark@pacificpolicygroup.com.

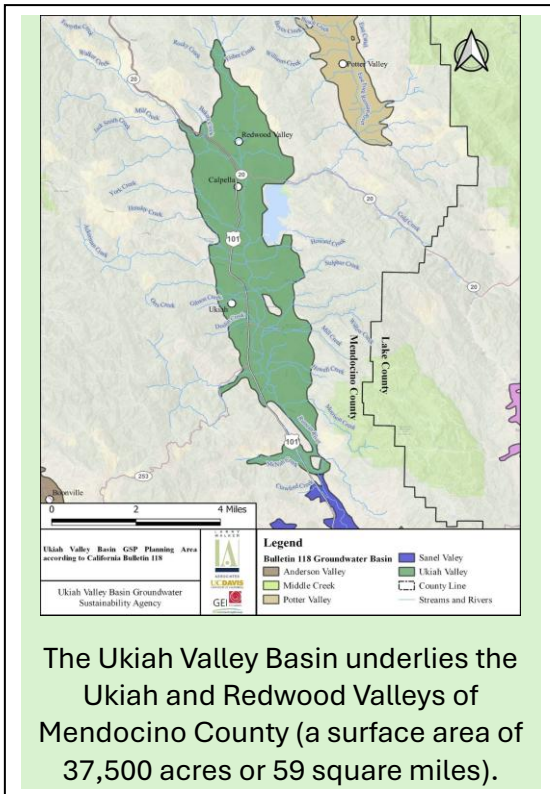


2026 SMALL GROUNDWATER SUSTAINABILITY AGENCY COALITION MEMBERS:

- Mound Basin Groundwater Sustainability Agency
- Ojai Basin Groundwater Management Agency
- Petaluma Valley Groundwater Sustainability Agency
- Salinas Valley Groundwater Sustainability Agency
- Santa Cruz Mid-County Groundwater Sustainability Agency
- Santa Margarita Groundwater Sustainability Agency
- Santa Ynez River Valley Groundwater Basin CMA Groundwater Sustainability Agency
- Sierra Valley Groundwater Management Agency
- Spadra Basin Groundwater Sustainability Agency
- Sonoma Valley Groundwater Sustainability Agency
- Ukiah Valley Basin Groundwater Sustainability Agency
- Upper Ventura River Basin Groundwater Agency



FACTSHEET: Sustainable Groundwater Management in the Ukiah Valley Basin



In response to drought conditions, California enacted the Sustainable Groundwater Management Act of 2014 (SGMA) to establish local management of groundwater resources in basins throughout the state. The [Ukiah Valley Basin Groundwater Sustainability Agency](#) (UVBGS) was created in 2017 to meet SGMA requirements.

Groundwater

Water from rain and melting snow seeps into the ground and is stored beneath the earth's surface. This underground water can be pumped from wells for drinking water, irrigation, and other uses. In the Ukiah Valley region, agriculture is the largest user of groundwater, followed by urban and municipal uses that supply homes, businesses, parks, and public facilities.

Sustainable Groundwater Management Act (SGMA)

Is a California law designed to prevent excessive groundwater pumping and protect underground water supplies for future generations. Before SGMA, there were few limits on groundwater use in many areas of the state. The law provides a framework for local agencies to sustainably manage groundwater resources, helping ensure a reliable water supply for drinking water, agriculture, businesses, and the environment.

The UVBGS Board of Directors include members of the City of Ukiah, County of Mendocino the Russian River Flood Control and Water Conservation Improvement District, a Tribal and an Agricultural Seat. It is supported by a Technical Advisory Committee and administered by the City of Ukiah.

The [Ukiah Valley Basin Groundwater Sustainability Plan \(GSP\)](#) was developed by the GSA and approved in 2023. The GSP sets policies and strategies for how the basin will reach long-term sustainability and outlines standards for groundwater management and use, considering the needs of agricultural, residential, industrial, municipal, and ecological users. Sustainability indicators monitored in the basin include groundwater levels, groundwater storage, water quality, land subsidence, and interconnected surface water.

The UVBGS works to safeguard water supply and quality by:

- **Implementing the GSP:** conducting studies to characterize surface and groundwater interconnections and ecosystems that support Chinook salmon and steelhead as well as conducting public outreach.
- **Reporting on SGMA compliance:** monitoring conditions in the basin to demonstrate progress towards sustainability.

The GSA funds these activities with grants and revenue collected through the **Groundwater Sustainability Fee**, enacted in 2024. *Depending on how you receive your water, you may also be paying a utility bill to your water provider. Whereas those fees cover the cost of everyday water use, the GSA's annual fee supports the region in ensuring groundwater is used sustainably for decades to come.*

UVBGS
Groundwater
Sustainability Fee
Scan the QR code
to estimate how
much you can
expect to pay:





UKIAH VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

● 340 Lake Mendocino Dr. ● Ukiah ● California 95482 ●

Financial Reports for YTD Q3

Items Included:

- Balance Sheet
- P&L vs. Budget
- Customer Balance Summary

Open Items/Unresolved Items Impacting Financials:

- The prior year-end reserves are not reflected in the QuickBooks budget module, causing budgeted revenue to appear lower than what was on approved FY26 budget.

Items to Note:

- 03/16 - received grant reimbursement of 138K

Ukiah Valley Basin GSA

Balance Sheet

As of March 31, 2026

	<u>Mar 31, 26</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank Account - County	641,524.51
Total Checking/Savings	<u>641,524.51</u>
Accounts Receivable	
Accounts Receivable	234,878.62
Total Accounts Receivable	<u>234,878.62</u>
Total Current Assets	<u>876,403.13</u>
TOTAL ASSETS	<u>876,403.13</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	180,727.30
Total Accounts Payable	<u>180,727.30</u>
Total Current Liabilities	<u>180,727.30</u>
Total Liabilities	180,727.30
Equity	
Opening Balance Equity	5,315.31
Unrestricted Net Assets	330,817.47
Net Income	359,543.05
Total Equity	<u>695,675.83</u>
TOTAL LIABILITIES & EQUITY	<u>876,403.13</u>

Ukiah Valley Basin GSA Profit & Loss Budget vs. Actual July 2025 through March 2026

	Jul '25 - Mar 26	Budget	% of Budget
Ordinary Income/Expense			
Income			
Bad Debt	0.00	-15,800.00	0.0%
Grants	138,499.25	471,700.00	29.4%
GSA Fee Revenue			
Direct Billing - PWS	182,264.24	0.00	100.0%
Direct Billing - TE	6,144.16	0.00	100.0%
Penalties and Interest	-71.39		
Property Tax Roll	492,512.68	0.00	100.0%
GSA Fee Revenue - Other	0.00	643,860.00	0.0%
Total GSA Fee Revenue	680,849.69	643,860.00	105.7%
Total Income	819,348.94	1,099,760.00	74.5%
Gross Profit	819,348.94	1,099,760.00	74.5%
Expense			
GSA Admin			
Admin Staff Transition	11,457.61	0.00	100.0%
Board & TAC Meetings	28,555.40	42,000.00	68.0%
County Administration	0.00	5,500.00	0.0%
County Fee Costs	5,266.36	12,000.00	43.9%
Fee Program Admin	0.00	7,600.00	0.0%
Insurance	2,437.50	2,800.00	87.1%
Legal	15,839.00	45,000.00	35.2%
Levy Administration	22,205.93	24,000.00	92.5%
PSA - City of Ukiah	12,227.75		
Stakeholder Outreach/Comms	1,856.21		
Total GSA Admin	99,845.76	138,900.00	71.9%
GSA Admin - PMA			
Contracts/Fiscal Management	29,183.95	20,200.00	144.5%
Grant Administration	3,155.55	45,000.00	7.0%
GSP Implementation Oversight	1,438.56	10,600.00	13.6%
Outreach, Engagement, Annual WS	0.00	3,700.00	0.0%
Small GSA Coalition Membershi	2,500.00	3,750.00	66.7%
Website/Email	2,143.61	2,500.00	85.7%
Total GSA Admin - PMA	38,421.67	85,750.00	44.8%
GSA Support GSP Implementation			
Annual Reporting	5,757.25	25,000.00	23.0%
As-needed Technical Support	9,097.75	20,000.00	45.5%
Compliance Reporting	21,895.75		
Monitoring and Data Collection	16,756.21	31,500.00	53.2%
Technical Support	24,103.00	56,400.00	42.7%
Total GSA Support GSP Implementation	77,609.96	132,900.00	58.4%
Project & Management Actions			
GSP Periodic Evaluation	0.00	168,240.00	0.0%
Interconnected SW-GW Study	243,928.50	426,700.00	57.2%
Periodic Model Updates	0.00	89,520.00	0.0%
Well Inventory Study	0.00	97,200.00	0.0%
Total Project & Management Actions	243,928.50	781,660.00	31.2%
Total Expense	459,805.89	1,139,210.00	40.4%
Net Ordinary Income	359,543.05	-39,450.00	-911.4%
Net Income	359,543.05	-39,450.00	-911.4%

Ukiah Valley Basin GSA
Customer Balance Summary
As of March 31, 2026

	Mar 31, 26
_PROPERTY TAX ASSESSMENTS	229,888.01
CALTRANS	88.87
FOREST PRODUCTS MENDOCINO	30.84
FRED SAGEHORN & SON INC	116.69
GREAT REDWOOD TRAIL AGENCY	95.53
GROVER T WRIGHT TTEE	210.85
HOOPER RANCH LLC	29.26
LUCIELLE M NEESE TTEE	40.19
MARK HELLER	49.48
MENDOCINO COUNTY OFFICE OF EDUCATION	149.74
MINERVA C OGLE	85.47
NEBULA HOLDINGS RV LLC	992.31
NELSON CHRISTOPHER C TTEE	288.78
NORGARD PROPERTIES INC	22.71
ORACLE OAK RANCH	38.72
PACIFIC GAS & ELECTRIC CO	253.31
QUASAR HOLDINGS LLC	83.51
REDWOOD EMPIRE FAIR	232.34
SHAW FAMILY PARTNERSHIP	61.60
STATE OF CALIFORNIA	131.94
THORNHILL VINEYARD PROPERT	756.06
Twelfth District Agricultu	199.64
VICHY SPRINGS COMMUNITY HO	106.25
VICHY SPRINGS UNIT 2 HOMEO	87.27
YOKAYO TRIBE OF INDIANS	799.15
ZAINA VINEYARDS LLC	40.10
TOTAL	234,878.62