SECOND SUPPLEMENT TO MEMORANDUM OF UNDERSTANDING REGARDING GOVERNANCE OF THE INDIO SUB-BASIN UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT

This SECOND SUPPLEMENT dated October 29, 2018 is entered into among the City of Coachella, a municipal corporation acting through, and on behalf of, the Coachella Water Authority (CWA), the Coachella Valley Water District (CVWD), the Desert Water Agency (DWA), and the City of Indio, a municipal corporation acting through, and on behalf of, the Indio Water Authority (IWA) for the purpose of developing a common understanding among the Partners regarding the governance structures applicable to implementation of the Sustainable Groundwater Management Act (Water Code, Part 2.74, Section 10720 et seq.) (SGMA) in the Indio Sub-Basin of the Coachella Valley Groundwater Basin. The Partners to this MOU shall be collectively referred to herein as "Partners" and individually as "Partner".

WHEREAS, each Partner is a party to a Memorandum of Understanding (MOU) dated October 5, 2016 regarding governance of the Indio Sub-basin under SGMA; and

WHEREAS, each Partner is a party to a Supplement to MOU dated April 3, 2018 for the purpose of retaining a consultant to assist in preparing the Groundwater Sustainability Agency's (GSA's) Indio Subbasin Annual Report for Water Year 2016-2017 in accordance with SGMA; and

WHEREAS, the Partners wish to supplement the MOU a second time for the purpose of retaining consultants to assist in the preparation of the GSA's Indio Sub-basin Annual Reports by Water Year for submission to the California Department of Water Resources (DWR) by April 1 of each year to satisfy SGMA requirements; and

WHEREAS, the Partners wish to supplement the MOU a second time for the purpose of retaining consultants to assist in updates and revisions identified and required by the DWR of the Alternative Groundwater Sustainability Plan (Alternative GSP) for the Indio Sub-basin to satisfy SGMA requirements;

NOW, THEREFORE, it is mutually understood and agreed as follows:

SECTION 1:

RETENTION OF CONSULTANTS AND EXECUTION OF AGREEMENTS

- 1.1 The Partners acknowledge and agree that DWR has required that the GSAs prepare and submit an annual report by April 1 of each year for the previous Water Year (October 1 through September 30) to DWR in accordance with SGMA. The Partners therefore agree to the following:
 - 1.1.1 The Partners agree to have CVWD develop a scope of work by the end of each Water Year for the preparation of the GSA's Indio Sub-basin Annual Report for the previous Water Year.

- 1.1.1.1 Each Partner shall have the opportunity to review the scope of work and provide comments for inclusion prior to release in a Request for Proposals (RFP) or Bid Package.
- 1.1.2 The Partners agree to have CVWD release an RFP or Bid Package in accordance with all Procurement Policies of the CVWD to solicit proposals from qualified consultants for the preparation of the GSA's Indio Sub-basin Annual Report for the previous Water Year. For the purposes of this Second Supplement to the MOU, qualified consultants consist of firms competitively selected and contracted by CVWD for on-call hydrogeological services.
 - 1.1.2.1 Each Partner shall have the opportunity to review and score the proposals received from each respondent to the RFP or Bid Package for the selection of the consultant.
- 1.1.3 The Partners agree to have CVWD enter into Agreements with selected consultants in accordance with all Procurement Policies of the CVWD to prepare the GSA's Indio Subbasin Annual Report for each Water Year.
 - 1.1.3.1 Each Partner shall have the opportunity to review and comment on the Draft Annual Report and the Draft Final Annual Report.
 - 1.1.3.2 Each Partner shall be provided one electronic and one hard copy of the Final Annual Report.
 - 1.1.3.3 Each Partner shall be provided electronic copies of all data and files used to create report graphics and tables.
- 1.2 The Partners acknowledge and agree that DWR may periodically notify the GSAs to perform updates, revisions, or modifications to the Alternative GSP in accordance with SGMA. The Partners therefore agree to the following:
 - 1.2.1 The Partners agree to have the CVWD develop a scope of work to perform required updates, revisions, or modifications to the Alternative GSP.
 - 1.2.1.1 Each Partner shall have the opportunity to review the scope of work and provide comments for inclusion prior to release in a Request for Proposals (RFP) or Bid Package.
 - 1.2.2 The Partners agree to have CVWD release an RFP or Bid Package in accordance with all Procurement Policies of the CVWD to solicit proposals from qualified consultants to perform updates, revisions, or modifications to the Alternative GSP. For the purposes of

this Second Supplement to the MOU, qualified consultants consist of firms competitively selected and contracted by CVWD for on-call hydrogeological services.

- 1.2.2.1 Each Partner shall have the opportunity to review and score the proposals received from each respondent to the RFP or Bid Package for the selection of the consultant.
- 1.2.3 The Partners agree to have CVWD enter into Agreements with selected consultants in accordance with all Procurement Policies of the CVWD to perform updates and revisions to the Alternative GSP.
 - 1.2.3.1 Each Partner shall have the opportunity to review and comment on the Draft Alternative GSP and Draft Final Alternative GSP.
 - 1.2.3.2 Each Partner shall be provided one electronic and one hard copy of the Final Alternative GSP.
 - 1.2.3.3 Each Partner shall be provided electronic copies of all data and files used to create report graphics and tables.

SECTION 2:

INVOICING AND PAYMENT

- 2.1 CVWD shall administer the Agreements with the consultants and pay the consultants per the terms of the Agreement.
- 2.2 CVWD shall invoice each Partner for reimbursement of one-fourth (1/4) of the payment that has been made to the consultants.
- 2.3 Each Partner shall pay invoices within 30 days of receipt of the invoice.

SECTION 3:

MISCELLANEOUS

- 3.1 Abbreviations, capitalized words, and phrases used in this Second Supplement shall have the same meaning as in the MOU.
- 3.2 All terms of the MOU remain unchanged, except, as supplemented herein.
- 3.3 This Second Supplement may be executed in any number of counterparts, each of which shall be deemed original, but all of which, when taken together, shall constitute one and the same instrument.

L.M.

Coachella Valley Water District

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Coachella Water Authority

Mark Krause

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