

2022
MEMORANDUM OF UNDERSTANDING
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING AND FUNDING IN
THE COLORADO RIVER BASIN FUNDING AREA

This Memorandum of Understanding (MOU) is entered into this 12th day of April 2022 (Effective Date) among the Parties listed below:

PARTIES:

1. Coachella Valley Regional Water Management Group (RWMG), hereinafter CVRWMG agencies includes the following member agencies which are each a Party to this MOU: Coachella Water Authority, hereinafter CWA; Coachella Valley Water District, hereinafter CVWD; Desert Water Agency, hereinafter DWA; Indio Water Authority, hereinafter IWA; Mission Springs Water District hereinafter MSWD; and Valley Sanitary District, hereinafter VSD.

2. Imperial RWMG, hereinafter IRWMG agencies, includes the following member agencies which are each a Party to this MOU: Imperial Irrigation District, hereinafter IID; Imperial County; and the City of Imperial.

3. Mojave RWMG, hereinafter MRWMG agencies, includes the following member agencies which are each a Party to this MOU: Mojave Water Agency, hereinafter MWA; Victor Valley Wastewater Reclamation Authority, hereinafter VVWRA; Technical Advisory Committee, hereinafter TAC; Mojave Desert Resource Conservation District, hereinafter Mojave Desert RCD; and Morongo Basin Pipeline Commission.

4. San Geronio RWMG, hereinafter SGRWMG, includes the following member agencies which are each a Party to this MOU: City of Banning, hereinafter Banning; Banning Heights Mutual Water Company, hereinafter BHMWC; Cabazon Water District, hereinafter CWD, High Valleys Water District, hereinafter HVWD, Riverside County Flood Control and Water Conservation District, hereinafter RCFCWCD; and the San Geronio Pass Water Agency, hereinafter SGPWA.

The agencies acting collectively under this agreement are the COLORADO RIVER INTEGRATED REGIONAL WATER MANAGEMENT GROUPS, hereinafter called the Colorado River IRWM RWMGs. The agencies also are sometimes referred to in this MOU collectively as “Parties” and individually as “Party.”

RECITALS:

- A. The Budget Act of 2021 (Stats. 2021, ch. 240, § 80) allocated \$300 million to DWR to deliver grants for interim and immediate drought relief to urban communities and for multibenefit projects. These grants are intended to provide water to communities that face the loss or contamination of their water supplies, to address immediate impacts on human health and safety, and to protect fish and wildlife resources. Funding is administered by the Department of Water Resources (DWR).

- B. The intent of the Urban and Multibenefit Drought Relief Grant Program (Drought Grant) is to provide water to communities that face the loss or contamination of their water supplies, to address immediate impacts on human health and safety, and to protect fish and wildlife resources. DWR included a \$5,000,000 Underrepresented Community (URC) set-aside in the Drought Grant for each funding area that currently has a Proposition 1 DACI Grant Agreement. As the Colorado River Funding Area (CRFA) has a grant agreement between CVWD and DWR for the Proposition 1 DACI program, the CRFA is eligible to receive these funds if the CRFA submits an application. The CRFA submitted an application to DWR for the \$5,000,000 URC set-aside in January 2022 and was awarded the \$5,000,000 funds on March 21, 2022.
- C. The Colorado River Basin Hydrologic Region, also known as the Colorado River Funding Area, is composed of the IRWM regions of the four Parties – the CVRWMG, IRWMG, MRWMG, and SGRWMG. The boundaries of the CVRWMG, IRWMG, MRWMG, and SGRMVG are shown in **Attachment A**. Each IRWM region has been accepted into the IRWM Grant Program via the Region Acceptance Process.
- D. For the purposes of this 2022 MOU, the division of funding and terms of the funding agreement among the Colorado River IRWM regions shall be consistent with terms articulated in **Attachment B**, which are summarized below:

| Urban and Multibenefit Drought Relief Grant Program URC Set-Aside Solicitation | |
|---|---------------------------|
| Region | Funding per Region |
| CVRWMG | \$1,857,771 |
| IRWMG | \$922,558 |
| MRWMG | \$635,807 |
| SGRWMG | \$513,326 |
| Non-IRWM Areas | \$715,538 |
| Grant Administration | \$355,000 |
| Total | \$5,000,000 |

- E. DWR does not consider the cost of applying for the URC Set-Aside to be an eligible cost. Therefore, each RWMG will be required to contribute funds to pay for their portion of the grant application cost. CVWD will enter into a contract with Woodard & Curran to complete the grant application. MRWMG, SGRWMG and IRWMG will provide their portion of the grant application cost, including costs for the Woodard & Curran contract, to CVWD. Each RWMG shall be responsible for payment of its respective share of grant application costs, based on the table below, to CVWD within 30 days of the date of invoices submitted by CVWD to the representatives for each RWMG as set forth in this MOU. The application cost for the non-IRWM applicant, City of Needles, was contracted separately between the City of Needles and Woodard & Curran, as the City of Needles is not a party to this MOU. The estimated grant application cost for the four RWMGs is \$69,394. The cost for Task 1 – Project Management (project management, CRFA and non-IRWM coordination) of \$24,222 was split equally between the four RWMGs and the cost for Task 2 – Grant Application of \$45,172 was split based on the number of projects each RWMG included in the application.

| Estimated URC Set-Aside Grant Application Cost Per RWMG | | |
|---|--|---------------------------------|
| RWMG | No of Projects Included in Application | Grant Application Cost per RWMG |
| Mojave RWMG | 3 | \$19,607.10 |
| San Gorgonio RWMG | 1 | \$10,572.70 |
| Imperial RWMG | 3 | \$19,607.10 |
| Coachella Valley RWMG | 3 | \$19,607.10 |
| Total | 10 | \$69,394.00 |

- F. Each Party, with the exception of the IRWMG, has adopted an accepted IRWM Plan pursuant to Water Code § 10530 et seq that meets the 2016 Integrated Regional Water Management Grant Program Guidelines (2016 Guidelines). An IRWM Plan that meets the 2016 Guidelines is not required to participate in the URC Set-Aside of the Drought Grant. The Parties now desire coordination of applications for the URC Set-Aside to fund projects to enhance the quality of planning, identify opportunities for supporting common goals and projects, and improve the quality and reliability of water in the CRFA and throughout the State of California. The Parties will rank and select projects for inclusion in the URC Set-Aside grant applications for their projects consistent with their respective IRWM Plans. A Call for Projects and project selection process was completed for the non-IRWM areas of the CRFA with the four parties ranking and selecting the project for inclusion in the URC Set-Aside application.
- G. The Parties will balance the necessary autonomy of each planning region to plan for itself at the appropriate scale with the need to coordinate among themselves to improve inter-regional cooperation and efficiency. By consensus, the Parties have developed the 2022 MOU to improve the IRWM planning process in the Funding Area to coordinate planning across planning region lines, and facilitate the appropriation of funding for IRWM projects by DWR.
- H. The Parties will coordinate on grant funding requests to ensure that the sum of the total grant requests does not exceed the amount designated for the funding region.

The RECITALS are incorporated herein and the PARTIES hereby mutually agree as follows:

1. Definitions

The following terms and abbreviations, unless otherwise expressly defined by their context, shall mean:

- A. **Funding Area** – refers to any one of the 12 regions and sub-regions referenced in Public Resources Code section 79744(b) and allocated a specific amount of funding to support IRWM activities. The Colorado River Basin Hydrologic Region (also referred to as Colorado River Funding Area or CRFA) incorporates lands in the Colorado River Basin Regional Water Quality Control Board.
- B. **RWMG** – refers to a group of at least three agencies, two of which must have statutory authority over water management, that have joined together to manage water resources to meet regional needs. Each RWMG is the documented leader of IRWM planning and implementation efforts in a planning region.
- C. **Planning Region** –refers to regions with integrated stakeholders, agencies and projects in their regions for the purpose of coordinating with other planning regions and DWR. The boundaries of the four planning regions in the Colorado River Funding Area are shown in **Attachment A**.

- D. **Colorado River Integrated Regional Water Management RWMGs (Colorado River IRWM RWMGs)** – refers collectively to the four RWMGs entering into this MOU. The Colorado River IRWM RWMGs is composed of at least one representative from each recognized RWMG in the Funding Area. The Colorado River IRWM RWMGs will meet periodically to discuss issues pertaining to the Funding Area and make recommendations to their RWMGs.
- E. **Stakeholder Advisory Committee** – refers to the recognized committee or committees of stakeholders advising a planning region’s RWMG and/or governing agencies on key issues related to IRWM planning and grant applications.
- F. **Non-IRWM Area** – refers to areas within the CRFA as shown in **Attachment A** that do not fall within the CVRWMG, MRWMG, SGRWMG and IRWMG boundaries accepted by DWR through the Region Acceptance Process (RAP).

2. General Planning Cooperation

All RWMGs will meet on an as-needed basis throughout the Drought Grant application and administration process. The number and timing of meetings will depend on the amount and intensity of planning and coordination efforts of the planning regions required to apply for and administer the Drought Grant. The efforts of the Colorado River IRWM Parties will be to coordinate on Drought Grant-related funding efforts, enhance the quality of planning, and identify opportunities for supporting common goals and projects in the Funding Area.

3. Scope of the Agreement

Nothing contained within this MOU binds the Parties beyond the scope or term of this MOU unless the Parties expressly so agree in subsequent agreements, amendments, or contracts. With the exception of Recital E for the grant application cost, this MOU does not require any commitment of funding beyond that which is voluntarily committed by separate board actions but recognizes in-kind contributions of RWMG agencies and stakeholders.

4. Term of Agreement

The term of this MOU is from its Effective Date set forth above to the end of the fund expenditure date included in the Urban and Multibenefit Drought Relief Grant Program (Drought Grant) unless extended or terminated by mutual agreement of the Parties.

5. Modification or Termination

This MOU may be modified or terminated with the concurrence of the RWMGs. Modification or termination shall be effective upon execution of a written agreement by all the RWMGs.

6. Notice

Any notices sent or required to be sent to any RWMG shall be electronically mailed to the representatives designated for each member agency of the RWMGs.

7. Funding Uncertainties

The RWMGs do not guarantee that these coordination efforts and applications for funding will result in actual funding of any specific project. Nothing in this MOU shall be construed as creating a promise or guarantee of future funding. No liability or obligation shall accrue to any Party if DWR does not provide funding in response to any Party’s application. The Parties are committed to planning and coordinating

notwithstanding IRWM funding. The form of such coordination may change based on the sources of funding.

8. Indemnification

To the fullest extent permitted by law, each Party shall defend, indemnify and hold harmless the other Parties, their consultants, and each of their directors, officers, agents, and employees from and against all liability, claims, damages, losses, expenses, and other costs including costs of defense and attorneys' fees, arising out of or resulting from or in connection with work performed pursuant to this MOU. Such obligation shall not apply to any loss, damage, or injury, as may be caused by the sole negligence or willful misconduct of a Party, its directors, officers, employees, agents, and consultants.

9. Miscellaneous Provisions

- A. **Governing Law:** This MOU is to be construed in accordance with the laws of the State of California. Any action at law or in equity brought by any of the Parties shall be brought in a court of competent jurisdiction in Imperial, Riverside, or San Bernardino Counties, and the parties hereto waive all provisions of law providing for change of venue in such proceedings to any other county.
- B. **Severability and Validity of Provisions:** If any provision of this MOU is held by a court to be invalid, void or unenforceable, the remaining provisions shall be declared severable and shall be given full force and effect to the extent possible.
- C. **Arms' Length Negotiations:** This MOU is the result of negotiations between the parties hereto and with the advice and assistance of their respective counsels. No provision contained herein shall be construed against any Party because of its participation in preparing this MOU.
- D. **Waiver:** Any waiver by a Party of any breach by the other of any one or more of the terms of this MOU shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of any of the respective Parties to require from the others exact, full and complete compliance with any terms of the MOU shall not be construed to change the terms hereof or to prohibit the Party from enforcement hereof.
- E. **Execution in Parts or Counterparts:** This MOU may be executed and delivered in any number of parts or counterparts, hereinafter called "Counterpart". When each Party has signed and delivered at least one Counterpart to the other parties hereto, each Counterpart shall be deemed an original and, taken together, shall constitute one and the same MOU, which shall be binding and effective as to the Parties hereto. Facsimile or electronic signatures shall be binding.
- F. **Exclusive Expression of Agreement:** This MOU is intended by the parties hereto as their final expression with respect to the matters herein, and is a complete and exclusive statement of the terms and conditions thereof. This MOU shall not be changed or modified except by the written consent of all Parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates shown on the attached counterpart signature pages:

On behalf of the Mojave Regional Water Management Group:

Mojave Water Agency

Allison Febbo, General Manager

Date

Technical Advisory Committee

Marina West, Chairperson

Date

On behalf of the San Geronio Regional Water Management Group:

City of Banning

Doug Schulze, City Manager

Date

On behalf of the Coachella Valley Regional Water Management Group

Jim Barrett
Coachella Valley Water District

Bryan H. Montgomery
Indio Water Authority

Arden Wallum
Mission Springs Water District

Mark Krause
Desert Water Agency

Dr. Gabriel Martin
Coachella Water Authority

Beverli Marshall
Valley Sanitary District

On behalf of the Imperial Regional Water Management Group:

Imperial County

Esperanza Colio, Deputy CEO

Date

Attachment B
Allocation of Drought Grant Funds

DWR included a \$5,000,000 Underrepresented Community (URC) set-aside in the Urban and Multibenefit Drought Relief Grant Program (Drought Grant) for each funding area that currently has a Proposition 1 DACI Grant Agreement. As the Colorado River Funding Area (CRFA) has a grant agreement between CVWD and DWR for the Proposition 1 DACI program, the CRFA is eligible to receive these funds if the CRFA submits an application. During a call on November 4, 2021, all Colorado River IRWM RWMGs agreed to use a funding split of 40% split evenly, and 60% of funds split by DAC population. Imperial RWMG returned a portion of their initial allocation (\$31,234) to the CRFA, which was reallocated to increase grant administration funds and then reallocated based on DAC population in the other three RWMGs and the non-IRWM area.

This MOU addresses only the Drought Grant solicitation, which is allocated in accordance with the amounts shown in the following table.

| Drought Grant -URC Set-Aside Solicitation | | | | |
|--|-----------------------|----------------------------|---------------------|-------------------------|
| IRWM Region | DAC Population | Initial Allocation* | Reallocation | Final Allocation |
| <i>Grant Administration</i> | <i>N/A</i> | <i>\$340,000</i> | <i>+\$15,000</i> | <i>\$355,000</i> |
| Coachella Valley | 352,290 | \$1,846,967 | +\$10,804 | \$1,857,771 |
| San Gorgonio | 62,395 | \$512,304 | +\$1,022 | \$513,326 |
| Mojave | 138,843 | \$633,894 | +\$1,913 | \$635,807 |
| Imperial | 33,338** | \$953,792 | -\$31,234 | \$922,558 |
| Non-IRWM | 81,310 | \$713,044 | +\$2,494 | \$715,538 |
| Total | 668,176 | \$5,000,000 | \$0 | \$5,000,000 |

**Initial allocation was based on a 40% / 60% split, with 40% of the available funding being split equally between the four RWMGs and the non-IRWM area and the remaining 60% split by DAC population in each of the four RWMGs and non-IRWM area.*

***Note: DAC population within existing Imperial IRWM region only; eastern Imperial County DAC population is included in Non-IRWM population.*

These funds will be disbursed through the existing DAC Involvement grant agreement. With respect to the funding designated to each planning region through this contract, the following shall apply:

1. The Colorado River IRWM RWMGs agree to use due diligence distributing and reimbursing for grant funding in an expeditious manner. Based on the current schedule elaborated by DWR, funding should be spent by March 31, 2026. To ensure that this condition is met, the RWMGs agree to do the following:
 - a. Review DWR invoices on a quarterly basis to monitor the amount of grant funding not yet encumbered.
 - b. As soon as practicable two and a half years after the contract has been executed with DWR, the RWMGs will conduct a formal evaluation of funds not yet encumbered. Any funding which has not yet been encumbered by one of the planning regions and the non-IRWM area is subject to redistribution. The redistribution calculation shall be determined first pursuant to the agreed upon allocation split based on DAC population and second determined by project need by Colorado River IRWM RWMGs.