

JOINT POWERS AGREEMENT
FORMING THE
STATE AND FEDERAL WATER
CONTRACTORS AGENCY

Effective August 19, 2009

**Joint Powers Agreement –
State and Federal Contractors Water Agency**

This AGREEMENT is made and entered into by and among the Metropolitan Water District of Southern California, a public agency formed pursuant to the Metropolitan Water District Act, [Statutes 1969, ch. 209, as amended; West’s California Water Code Appendix Chapter 109], the Kern County Water Agency, a public agency formed pursuant to the Kern County Water Agency Act [Statutes 1961, ch. 1003, as amended, West’s Water Code Appendix, Chapter 99], the State Water Project Contractors Authority, a joint powers agency formed pursuant to Government Code section 6500 et seq., acting through its Delta Specific Project Committee, the San Luis & Delta-Mendota Water Authority, a joint powers agency formed pursuant to California Government Code section 6500 et seq., the Westlands Water District, a public agency of the State of California formed pursuant to California Water Code section 37823, and the Santa Clara Valley Water District, a public agency formed pursuant to Santa Clara Valley Water District Act [Statutes 1951, ch. 56, as amended; West California Water Code Appendix, Chapter 60], which are referred to herein individually as a “Party” and collectively as “Parties”.

RECITALS

WHEREAS, each of the Parties is a public entity organized and operating under the laws of the State of California; and

WHEREAS, each of the Parties recognizes the close connection between the ecosystem health of the Sacramento-San Joaquin Delta (“Delta”) and the ability to provide crucial water supplies from the Delta and its tributaries to water users throughout the State; and

WHEREAS, the Parties desire to protect both the Delta ecosystem and the more than 25 million people and 3,000,000 acres of highly productive farm land that currently depend upon water conveyed through the Delta; and

WHEREAS, the Parties desire to provide such protection directly through improvements in the manner water is put to beneficial use, including method of diversion, demand side management programs, and integrated regional water management; and

WHEREAS, the Parties desire to provide such protection directly through the implementation of additional measures that are intended to provide for the conservation of protected species dependent on the Delta; and

WHEREAS, the Parties desire to ensure that key habitat areas are identified, secured, and protected as essential elements of a comprehensive approach to Delta management; and

WHEREAS, the Parties have a common interest in improving Delta habitat in an expeditious manner; and

WHEREAS, the Parties have a common interest in timely completion and efficient implementation of the Bay Delta Conservation Plan (“BDCP”); and

WHEREAS, the Parties have common interests in jointly cooperating on research and studies concerning the State Water Project and the Central Valley Project, and

WHEREAS, the aforementioned activities may best be achieved through the cooperative action of the Parties operating through a joint powers authority; and

WHEREAS, each of the Parties is authorized to contract with each other for the joint exercise of common powers under Article 1, Chapter 5, Division 7, Title 1 of the Government Code (commencing with Section 6500); and

WHEREAS, the Parties desire to create a joint powers authority that is named **State and Federal Contractors Water Agency (“Agency”)**.

Now, therefore, it is agreed by and between the Parties hereto as follows.

ARTICLE I: DEFINITIONS

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

- 1.1 “Agreement” means this Joint Powers Agreement, which creates the Agency.
- 1.2 “Board” or “Board of Directors” means the governing body of the Agency as established by Article II (**Creation of the Agency**) of this Agreement.
- 1.3 “Central Valley Project” or “CVP” means the federal reclamation project operated by Reclamation pursuant to federal reclamation law (Act of June 17, 1902 (32 Stat. 388)) and acts amendatory or supplementary thereto.
- 1.4 “Conservation Measures” are actions to protect species dependent upon the Sacramento-San Joaquin River Delta and/or to protect water supplies for the more than 25 million people and 3,000,000 acres of highly productive farm land that currently depend upon water conveyed through the Delta. Conservation Measures may include, but are not limited to, actions that provide for the conservation of protected species, improve habitat (quality or quantity), improve the water supply and conveyance system, limit effects of toxics, limit effects of non-native species, and/or limit the adverse effects of water diversions.
- 1.5 “Member” means a public entity, including each of the Parties, that satisfies the requirements of Article V (Membership) of this Agreement.
- 1.6 “Reclamation” means the United States Bureau of Reclamation.
- 1.7 “San Luis & Delta-Mendota Water Authority” means the joint powers authority formed pursuant to California Government Code section 6500 *et seq.* that consists of member public agencies that contract with the United States Bureau of Reclamation for water supply from the Central Valley Project for distribution and use within areas of California.

- 1.8 “State” means the State of California.
- 1.9 “State Water Project Contractors Authority” or “SWPCA” means the joint powers authority formed pursuant to California Government Code section 6500 *et seq.* that consists of member public agencies that contract with the California Department of Water Resources for water supply from the State Water Project for distribution and use within areas of California.
- 1.10 “Delta Specific Project Committee” or “DSPC” means the committee of the SWPCA formed, among other functions, to act for SWPCA in entering into and carrying out the terms and conditions of this Agreement.
- 1.11 “State Water Project” or “SWP” means the State Water Facilities, as defined in California Water Code section 12934(d).

ARTICLE II: CREATION OF THE AGENCY

There is hereby created pursuant to the Joint Exercise of Powers Act, California Government Code section 6500 *et seq.*, a public entity to be known as the State and Federal Contractors Water Agency, which shall be an agency that is separate from the Members.

ARTICLE III: TERM

This Agreement shall become effective upon execution by each of the Parties and shall remain in effect until terminated pursuant to the provisions of Article XV (**Withdrawal of Members**) of this Agreement.

ARTICLE IV: PURPOSES AND POWERS

4.1 Purpose. The purpose of this Agreement is to establish a public entity separate from its Members to pursue Conservation Measures, to carry out research and studies concerning the State Water Project and the Central Valley Project, and to pursue any and all activities related or incidental thereto.

4.2 Powers. The Agency, and more specifically those Members that elect to participate in the particular Project pursuant to a Project Agreement in accordance with Article X (Specific Projects) of this Agreement, shall have the power in the name of the Agency to exercise common powers of its Members, including, but not limited to, the following:

4.2.1 To make and enter into contracts necessary for the full exercise of its powers;

4.2.2 To perform environmental review, engineering, and design for, and, if appropriate, to permit, construct or develop Conservation Measures or other facilities consistent with the purposes of the Agency;

4.2.3 To obtain and hold rights, permits and other authorizations for or pertaining to Conservation Measures or other facilities either by the Agency alone or in cooperation with the State, the United States, or other non-member entities;

4.2.4 To contract for the services of engineers, scientists, attorneys, planners, technical specialists, financial consultants, and separate and apart therefrom, to employ such persons as it deems necessary;

4.2.5 To enter into agreements with the United States of America, the State, or any other public or private entity, including for the provision of all or a portion of the local contribution which may be required for the promotion, planning, construction, ownership, financing, operation, maintenance, and, if necessary, repair of any Conservation Measures or other facilities;

4.2.6 To act as and for the “Water Agencies” in a manner consistent with the “Memorandum of Agreement Regarding Collaboration on the Planning, Preliminary Design and Environmental Compliance for the Delta Habitat Conservation Program in Connection with the Development of the Bay Delta Conservation Plan,” a copy of which is attached hereto as Exhibit 1.

4.2.7 To incur debts, liabilities, or obligations subject to the limitation herein set forth;

4.2.8 To acquire, hold, and dispose of property necessary for the full exercise of its powers;

4.2.9 To issue bonds, notes, and other indebtedness, to enter into leases, installment sales, and installment purchase contracts;

4.2.10 To apply for, accept, and receive state, federal or local licenses, permits, grants, loans, or other aid from any agency of the United States, the State or other public or private entities necessary for the Agency’s full exercise of its powers;

4.2.11 To undertake any investigations, studies, and matters of general administration;

4.2.12 To develop, collect, provide, and disseminate to the Members and others information that furthers the purposes of the Agency;

4.2.13 To sue and be sued in its own name;

4.2.14 To perform all acts necessary or proper to carry out fully the purposes of this Agreement; and

4.2.15 To the extent not hereinafter specifically provided for, to exercise any powers in the manner and according to the methods provided under the laws applicable to the State Water Project Contractors Authority.

ARTICLE V: MEMBERSHIP

5.1 Members. Each Party which possesses the powers described in the recitals and in Article IV (**Purposes and Powers**) of this Agreement that executes this Agreement and any addenda, amendments or supplements thereto, and which has not, pursuant to the provisions hereof, withdrawn from this Agreement, shall be a Member.

5.2 New Members. Any public entity that is not a Member on the effective date of this Agreement shall be a Member upon (a) the approval of the Board of Directors, (b) payment of all previously incurred costs that the Board determines have resulted in benefit to the public entity, (c) payment of applicable fees and charges, and (c) written agreement to the terms and conditions of this Agreement.

ARTICLE VI: DIRECTORS AND OFFICERS

6.1 Formation of Board of Directors. The Agency shall be governed by a Board of Directors.

6.1.1 Westlands Water District, Metropolitan Water District of Southern California, Kern County Water Agency, and Santa Clara Valley Water District will each appoint one Director to the Board of Directors;

6.1.2 The San Luis & Delta-Mendota Water Authority will appoint three members to the Board of Directors; and

6.1.3 The DSPC will appoint two Directors to the Board of Directors.

6.1.4 Each Director shall be appointed prior to the initial meeting, as set forth in Article VII (**Director Meetings**) of this Agreement.

6.2 Requirements. The Directors shall be directors, officers, or employees of the Members. For Members that are joint powers agencies, the Directors appointed by those Members may be directors, officers or employees of the joint powers agency or of any public agency that is a member of the joint powers agency. Each Director shall certify to the Secretary in writing that he or she has been appointed to be a Director by the Member and that he or she meets the qualifications established by this section 6.2.

6.3 Alternate Directors. Each Member shall appoint one Alternate Director for each Director it appoints. Alternate Directors shall have no vote if the Director is present. If the Director is not present, the Alternate Director appointed by the Director to act in his/her place may cast a vote.

6.4 Removal of Directors. Directors and Alternate Directors serve at the pleasure of their respective Members and may be removed or replaced at any time. Upon removal of a Director, the Alternate Director shall serve as Director until a new Director is appointed by the Member. Members must submit any changes in Director or Alternate Director positions to the Secretary in writing and signed by the Member.

6.5 Officers. Officers of the Agency shall be a President, Vice President, Secretary, and Treasurer. Any number of offices may be held by the same person provided that the President shall not also serve as the Vice President, Secretary, or Treasurer. The Vice President, or in the Vice President's absence, the Secretary shall exercise all powers of the President in the President's absence or inability to act. The President, the Vice President, and the Secretary must be members of the Board of Directors. The Board, or its designated representative, shall contract either with an independent certified public accountant or the Treasurer or Chief Financial Officer of any Member, to serve as Treasurer of the Agency and to be the depository of and have custody of funds, subject to the requirements of Government Code sections 6505-6505.6. If the Treasurer for the Agency also serves as the Treasurer for one of the Members, the funds of the Agency shall be kept in accounts separate from those of the Member.

6.6 Appointment of Officers. Officers shall be chosen annually by, and serve at the pleasure of the Board. As provided for in Article VII (**Director Meetings**) of this Agreement, Officers shall be chosen at the first Board meeting following July 1st of each year. An Officer may serve for multiple consecutive terms. Any Officer may resign at any time upon written notice to the Board.

6.7 Legal Counsel. The Board may retain legal counsel, who shall report to the Board.

ARTICLE VII: DIRECTOR MEETINGS

7.1 Initial Meeting. The initial meeting of the Board of Directors shall be called by the State Water Project Contractors Authority, through the DSPC, and held in Sacramento, California within thirty (30) days of the effective date of this Agreement. The Directors shall, at their first meeting, elect all officers and select an Auditor. Unless changed by the Directors, Sacramento County shall be the domicile of the Agency.

7.2 Time and Place. The Directors shall meet at least twice per year at a time and place set by the Board, and at such other times as may be determined by the Board.

7.3 Special Meetings. Special meetings of the Directors may be called by the President or three (3) or more Directors and held at such times and places within California as may be ordered by the President or the Directors.

7.4 Conduct. All meetings of the Board, including special meetings, shall be noticed, held, and conducted in accordance with the Ralph M. Brown Act or the Bagley-Keene Open Meeting Act, to the extent applicable. The Board and Alternate Directors may use teleconferencing in connection with any meeting in conformance with and to the extent authorized by the applicable laws.

ARTICLE VIII: MEMBER VOTING

8.1 Quorum. A quorum of any meeting of the Board shall consist of a majority of the Directors. In the absence of a quorum, any meeting of the Directors may be adjourned from time to time by a vote of a majority present, but no other business may be transacted. For purposes of

this Article, a Director shall be deemed present if the Director appears at the meeting in person or telephonically.

8.2 Director Votes. Each Director shall have one (1) vote. Except as otherwise specified in this Agreement, all decisions shall be made by a majority vote of all the Directors.

8.3 Application to Specific Projects. The rights and obligations set forth in this Article shall apply to each Project, unless the Project Agreement states otherwise.

ARTICLE IX: EXECUTIVE DIRECTOR

9.1 Appointment. The Board shall hire an Executive Director who shall be compensated for his/her services, as determined by the Board.

9.2 Duties. The Executive Director 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 for the proper and efficient administration of the Agency. The Executive Director shall have the powers designated in the Bylaws.

9.3 Staff. The Executive Director shall 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 the approval of the Board for any contract in excess of \$ 100,000.00.

9.4 Term and Termination. The Executive Director will serve until he/she resigns or the Board decides to terminate his/her employment.

ARTICLE X: SPECIFIC PROJECTS

10.1 Project(s). The Agency intends to carry out Conservation Measures and other activities in furtherance of the purposes of and consistent with the powers established by this Agreement. Each of the Conservation Measures or related activities is considered for purposes of this Agreement as a "Project." The Agency may undertake all or any portion of each such Project on its own or in conjunction and cooperation with the United States, the State, or any other public or private entity.

10.2 Member Participation. A Project may involve all or less than all the Members, and no Member shall be required to be involved in a Project, as a Member of the Agency, involving less than all of the Members.

10.3 Project Agreement. Prior to undertaking any Project, the Members electing to participate in the Project shall enter into a Project Agreement. Except as may be explicitly provided in this Agreement, 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 or indebtedness of the Members who have executed the

respective Project Agreement in accordance with the terms of such Project Agreement and shall not be the debts, liabilities, obligations and indebtedness of those Members who have not executed the Project Agreement. If a Project is to be undertaken by less than all of the Members of the Agency, the Members intending to participate in that Project shall each appoint a representative to a Project committee for that Project.

10.4 Board 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 XI: COMMITTEES

The Board may from time to time appoint one or more advisory committees or establish standing committees to assist in carrying out the objectives of the Agency. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them. Each advisory or standing committee shall include at least one representative of a Member and a representative of a Member shall act as the chair thereof. However, no committee or participant on such committee shall have any authority to act on behalf of the Agency.

ARTICLE XII: ACCOUNTING PRACTICES

12.1 General. The Board shall establish and maintain such funds and accounts as may be required by generally accepted utility accounting practice.

12.2 Fiscal Year. Unless the Directors decide otherwise, the fiscal year for the Agency shall be March 1 through the last day of February of the following year.

12.3 Auditor.

12.3.1 An Auditor shall be chosen annually by, and serve at the pleasure of the Board. As provided for in Article VII (Director Meetings) of this Agreement, the Auditor shall be chosen at the first Board meeting. An Auditor may serve for multiple consecutive terms. The Auditor may resign at any time upon written notice to the Board.

12.3.2. The Auditor shall make an annual audit of the accounts and records of the Agency. A report shall be filed as a public record with the Auditor of the county where the Agency is domiciled consistent with Government Code section 6505, and with each agency that is a Member. Such report also shall be filed with the Secretary of State within twelve (12) months of the end of the fiscal year under examination.

12.4 Duties of the Treasurer. The Treasurer shall be the depository and have custody of all money of the Agency from whatever source and shall perform the duties specified in Government Code section 6505.5. The Treasurer shall be bound in accordance with Government Code section 6505.1 and shall pay demands against the Agency that have been approved by the Board. All funds of the Agency shall be strictly and separately accounted for, and regular reports shall be rendered to the Board of all receipts and disbursements at least quarterly during the

fiscal year. The books and records of the Agency shall be open to inspection by a Director at all reasonable times upon reasonable notice.

ARTICLE XIII: BUDGET AND EXPENSES

13.1 General Expense Accounts. For the purpose of funding general expenses for the ongoing operations of the Agency, there shall be established by the Board and approved in connection with the annual budget process a General Expense Account. Contributions to this General Expense Account shall be allocated fifty (50) percent to the State Water Project Contractors Authority and fifty (50) percent to the San Luis & Delta-Mendota Water Authority. The other Parties shall not be required to contribute to this General Expense Account, other than indirectly as a member of the State Water Project Contractors Authority and/or the San Luis & Delta-Mendota Water Authority.

13.2 Project Expense. Expenses associated with each Project shall be allocated among those Members participating in the Project. The method of allocation shall be established by the participating Members through the Project Agreement.

13.3 Return of Contributions. In accordance with Government Code section 6512.1, repayment or return to the Members of all or any part of any contributions made by Members and any revenues by the Agency may be directed by the Board at such time and upon such terms as the Board may decide. The Agency shall hold title to all funds and property acquired by the Agency during the term of this Agreement.

13.4 Issuance of Bonds. The issuance of bonds, notes or other forms of indebtedness, including entering into leases for real property or equipment, shall be approved at a meeting of the Directors by a supermajority of at least seventy (70) percent of all Directors. In the event of approval of indebtedness for a Project, bonds, notes, or other forms of indebtedness or leases of property for the Project must be approved by a supermajority of at least seventy (70) percent of the Directors who represent the Members that are parties to the Project Agreement for that Project.

ARTICLE XIV: LIABILITIES

14.1 No Member Liability. The debt, liabilities and obligations of the Agency shall be the debts, liabilities and obligations of the Agency alone, and not the Members.

14.2 Indemnity. 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, including pursuant to a Project Agreement. Other than for gross negligence or intentional acts, the Agency shall indemnify and hold harmless each Member, its officers, agents and employees from and against all claims, demands, or liability, including legal costs, arising out of or are encountered in connection with this Agreement and the activities conducted hereunder and shall defend each of them against any claim, cause of action, liability, or damage resulting therefrom. Should funds of the Agency be used pursuant to this paragraph as a result of actions taken under a Project Agreement, the provisions of paragraph 10.3

regarding responsibility for costs and other obligations related to a Project Agreement shall apply.

ARTICLE XV: WITHDRAWAL OF MEMBERS

15.1 Termination of Membership. The Board of Directors may terminate the membership of any Member upon good cause and a two-thirds majority vote. Good cause includes, but is not limited to, Members not possessing powers common to the other Members.

15.2 Unilateral 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 Executive Director.

15.3 Effect of Withdrawal or Termination.

15.3.1 A Party whose membership has been terminated or who withdraws shall remain obligated to pay its share of all debts, liabilities and obligations of the Agency incurred or accrued prior to the effective date of such termination or withdrawal other than debts, liabilities and obligations incurred pursuant to any Project Agreement to which the withdrawing or terminating Member is not a participant.

15.3.2 In the event the Party whose membership has been terminated or who withdraws has any rights in any Conservation Measures or obligations to the Agency, the Party cannot sell, lease, or transfer such rights or be relieved of its obligations, except in accordance with a written agreement executed between it and the Agency.

15.3.3 No refund or repayment of the initial commitment of funds shall be made to a Party whose membership has been terminated or who withdraws whether pursuant to this Article or any other Article of this Agreement. The refund or repayment of any other contribution shall be made in accordance with the terms and conditions upon which the contribution was made, or other agreement of the Agency and withdrawing Member.

15.4 Rescission or 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. Nothing in this Agreement shall prevent the Members from entering into other joint exercise of power agreements.

15.5 Return of Contribution. Upon termination of this Agreement, any surplus money on-hand shall be returned to the Members in proportion to their contributions made. The Board of Directors shall first offer any property, works, rights and interests of the Agency for sale to the Members on terms and conditions determined by the Board. If no such sale to Members is consummated, the Board shall offer the property, works, rights, and interest of the Agency for sale to any governmental agency, private party or persons for good and adequate consideration. The net proceeds from any sale shall be distributed among the Members in proportion to their contributions made. If no such sale is consummated, then all property, works, rights, and interests of the Agency shall be given equally to all of the Members that financed the property, works, rights and interests.

ARTICLE XVI: BYLAWS

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

ARTICLE XVII: MISCELLANEOUS PROVISIONS

17.1 Non-Waiver of Sovereign Authority. Nothing herein shall constitute a waiver or relinquishment of sovereign authority of any Member with respect to any decision related hereto, including, but not limited to, the decision to participate in any action hereunder or to participate in an action separate and apart herefrom.

17.2 No Predetermination or Irretrievable Commitment of Resources. Nothing herein shall constitute a determination that any action, including Conservation Measures, shall be undertaken or that any irretrievable commitment of resources shall be made, until such time as the required compliance with the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, has been completed.

17.3 Notices. Notices to a Director or Member hereunder shall be sufficient if delivered to the principal office of the respective Director or Member and addressed to the Director or Member. Delivery may be accomplished by U.S. Postal Service, private mail service, or electronic mail.

17.4 Amendments To Agreement. This Agreement may be amended or modified at any time only by subsequent written agreement approved and executed by each of the Members.

17.5 Agreement Complete. The foregoing constitutes the full and complete Agreement of the Members. There are no oral understandings or agreements not set forth in writing herein.

17.6 Severability. Should any part, term or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any applicable Federal law or any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions hereof shall not be affected thereby, provided however, that if the remaining parts, terms, or provisions do not comply with Government Code sections 6500 *et seq.*, this Agreement shall terminate.

17.7 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 the Agreement as to the remaining Members shall not be affected thereby.

17.8 Assignment. Except as otherwise provided in this Agreement, 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.

17.9 Binding on Successors. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Members hereto. No creditor, assignee, or third-party beneficiary of any Member shall have any right, claim or title to any part, share interest, fund, or asset of the Agency.

17.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

17.11 Singular Includes Plural. Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

17.12 Limitations on Liability. Section 14.2 of this Agreement defines the scope of the Agency's duty to defend, indemnify and hold harmless any Director, officer, agent or employee. The Agency may purchase such insurance as the Board may deem appropriate for this purpose. Notwithstanding Government Code section 6507, if, despite the separate nature of the Agency from its Members, and if the Members elect to be responsible for the liabilities imposed on the Agency, then, in contemplation of section 895.2 of the Government Code, and pursuant to the authority contained in sections 895.4 and 895.6 of that Code, each of the Members assumes that portion of the liability imposed upon the Agency or any of its Members, officers, agents or employees by law for injury caused by any negligent or wrongful act or omission occurring during the performance of any Project Agreement entered into by that Member pursuant to Article X (**Special Projects**) of this Agreement that is not covered by insurance, in accordance with the provisions of the Project Agreement. As to any other injury caused by any negligent or wrongful act or omission occurring during the performance of this Agreement, the State Water Project Contractors Authority and the San Luis & Delta-Mendota Water Authority assume the liability imposed upon the Agency or any of its Members, officers, agents or employees by law that is not covered by insurance, in the same proportions as their respective contributions to the General Expense Account provided for under Article XIII (**Budget and Expenses**) of this Agreement. Each Member shall, to the extent provided herein, indemnify and hold harmless the other Members for any loss, costs or expenses that may be imposed on such other Members solely by virtue of Government Code section 895.2. The provisions of section 2778 of the Civil Code are made a part of this Agreement as though fully set forth in this Agreement.

17.13 Official Bonds. The Executive Director and the Auditor are designated as officers required having and filing official bonds pursuant to Government Code section 6505.1 in amounts to be fixed by the Board.

IN WITNESS WHEREOF, the Members hereto have executed this Agreement by authorized officials thereof on the dates indicated below, which Agreement may be executed in counterparts.

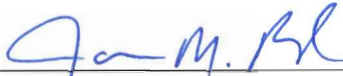
Dated: _____

The Metropolitan Water District of Southern California

By: _____
Jeffery Kightlinger, General Manager

Dated: _____

Kern County Water Agency

By:  _____
James M. Beck, General Manager

Dated: _____

State Water Project Contractors Authority

By: _____
William J. Brennan, President

Dated: _____

San Luis & Delta-Mendota Water Authority

By: _____
Daniel G. Nelson, Executive Director

Dated: _____

Westlands Water District

By: _____
Thomas W. Birmingham, General
Manager/General Counsel

Dated: _____

Santa Clara Valley Water District

By: _____
Beau Goldie, Chief Executive Officer

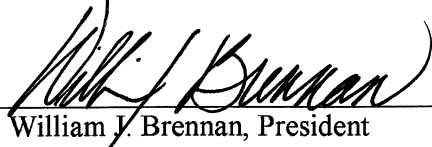
Dated: _____

Kern County Water Agency

By: _____
James M. Beck, General Manager

Dated: 8/13/09

State Water Project Contractors Authority

By: 
William J. Brennan, President

Dated: _____

San Luis & Delta-Mendota Water Authority

By: _____
Daniel G. Nelson, Executive Director

Dated: _____

Westlands Water District

By: _____
Thomas W. Birmingham, General
Manager/General Counsel

Dated: _____

Santa Clara Valley Water District

By: _____
Beau Goldie, Chief Executive Officer

Dated: _____

Kern County Water Agency

By: _____
James M. Beck, General Manager

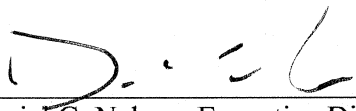
Dated: _____

State Water Project Contractors Authority

By: _____
William J. Brennan, President

Dated: August 14, 2009

San Luis & Delta-Mendota Water Authority

By: 
Daniel G. Nelson, Executive Director

Dated: _____

Westlands Water District

By: _____
Thomas W. Birmingham, General
Manager/General Counsel

Dated: _____

Santa Clara Valley Water District

By: _____
Beau Goldie, Chief Executive Officer

Dated: _____

Kern County Water Agency

By: _____
James M. Beck, General Manager

Dated: _____

State Water Project Contractors Authority

By: _____
William J. Brennan, President

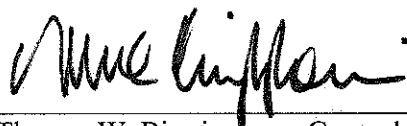
Dated: _____

San Luis & Delta-Mendota Water Authority

By: _____
Daniel G. Nelson, Executive Director

Dated: 8.18.09

Westlands Water District

By: 
for Thomas W. Birmingham, General
Manager/General Counsel

Dated: _____

Santa Clara Valley Water District

By: _____
Beau Goldie, Chief Executive Officer

Dated: _____

Kern County Water Agency

By: _____
James M. Beck, General Manager

Dated: _____

State Water Project Contractors Authority

By: _____
William J. Brennan, President

Dated: _____

San Luis & Delta-Mendota Water Authority

By: _____
Daniel G. Nelson, Executive Director

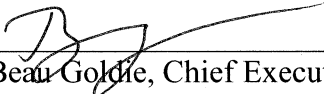
Dated: _____

Westlands Water District

By: _____
Thomas W. Birmingham, General
Manager/General Counsel

Dated: 8-14-09

Santa Clara Valley Water District

By:  _____
Beau Goldie, Chief Executive Officer