



**REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TUSCAN WATER DISTRICT**

TUSCAN WATER DISTRICT BOARD MEETING AGENDA

Date: Wednesday, January 15, 2024

Time: 9:00 a.m.

Location:
Chico State University Farm
311 Nicholas C Schouten Lane, Rooms 103 & 104
Chico, California 95928

BOARD MEMBERS:

- Rich McGowan, President
- Steve Koehnen, Vice President
- Raymond Antonowich, Secretary
- Andrew Mendonca, Treasurer
- Bill Chance
- Craig Knight
- Brian Mori
- James Paiva
- Todd Turley

NOTES

In compliance with the American with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services, to participate in this meeting, please email info@tuscanwaterdistrict.org by Noon on Tuesday prior to this meeting.

Written material related to an item on this agenda that is distributed less than 72 hours prior to this meeting to at least a majority of the members of the legislative body will be available for inspection during the meeting at the Chico State University Farm's entrance gate at 311 Nicholas C Schouten Lane.

Written material distributed during a public meeting will be available for public inspection at the meeting, if prepared by the District or a member of its legislative body, or after the meeting if prepared by some other person. Any materials related to an item on this Agenda are available for public inspection online at <https://www.tuscanwaterdistrict.org/>

TUSCAN WATER DISTRICT BOARD MEETING AGENDA

Wednesday, January 15, 2024

1. TUSCAN WATER DISTRICT (TWD) REGULAR BOARD MEETING

- a. Call to Order and Roll Call
- b. Pledge of Allegiance

2. PUBLIC HEARING: Special Benefit Assessment Ballot Proceeding Tabulation and Results

- a. Consideration of public protests. This hearing is the final opportunity for interested persons to submit protests regarding the proposed assessment. Written protests must be received prior to the conclusion of the public hearing.
- b. Tabulation of ballots related to the Proposition 218 election and announcement of the final results of the ballot proceeding certifying whether the assessment has been approved or rejected by the property owners.

3. REGULAR AGENDA

- a. Consider the December 18, 2024, TWD Board Meeting Minutes.
Requested Action: Approve.
- b. Consider recent invoices.
Requested Action: Approve.
- c. Update on Office Space at Butte County Farm Bureau HQ
Requested Action: Consider appointment of real property negotiator(s) for office lease.
- d. Consider TWD Regular Board Meeting Calendar for 2025
Requested Action: Adopt Resolution approving calendar.
- e. Update on MOUs with RCRD GSA, Vina GSA, and County of Butte GSA
Requested Action: Take appropriate action.

4. COMMUNICATIONS AND REPORTS

- a. General Manager Updates
- b. Board Member Announcements, Reports or Requests for Future Agenda Topics.

5. PUBLIC COMMENT

Members of the public may address the Board at this time on any matter not already listed on the agenda. Comments related to the proposed assessment may be addressed during the public workshop. The Board reserves the right to limit each comment to three minutes per speaker. The Board cannot take any action at this meeting on requests made under this section of the agenda.

ADJOURNMENT

ITEM 3a – MEETING MINUTES

MINUTES OF THE TUSCAN WATER DISTRICT

Regular Board Meeting of Wednesday, December 18, 2024

Chico State University Farm, 311 Nicholas C Schouten Lane, Room 104, Chico, CA 95928

The meeting was called to order at 9:05 a.m.

Item 1 – Roll Call:

- Board members present: Rich McGowan, Steve Koehnen, Bill Chance, Andrew Mendonca, Craig Knight, Bill Mori, Todd Turley
- Board members absent: Rayme Antonowich, Jim Paiva
- Public Present: Ken Devol, Gennesis Ospira, Kamie Loeser, Katie Hawley, Cheetah Tchudi, Emily McCabe, Bryce Ingersoll, Emily Alma, Patrizia Hironimus, Valerie Cisneros, Sam Stanton, Miranda Kokoszka, Madeline Mikles, Anne Dawson, Steve Lucas, Jim Bremner, Morgan Collings, Adin White, Florence Ives

Item 2a – Meeting Minutes

- Requested Action: Approve
- Board & Public Comment: None
- Action: Craig Knight Motion, Todd Turley Second. Vote: 6-0. (Mori absent)

Item 2b – Invoices

- Requested Action: Approve
- Board & Public Comment: None
- Action:
 - Bill Chance Motion to pay legal bill, Andrew Mendonca Second. Vote 6-0. (Mori absent)
 - Craig Knight Motion to pay staff bill, Steve Koehnen Second. Vote 6-0. (Mori absent)

Item 2c - Policies

- a. Requested Action:
 - i. Approval of Sponsorship and Conflict of Interest Policies
 - ii. Postpone action on Voluntary Contribution Policy
- b. Board Comment:
 - i. Todd Turley spoke on behalf of the Finance Ad Hoc Committee to provide a brief introduction for all 3 policies.
 - ii. Todd offered clarifying comments about the Sponsorship policy and explained the Ad Hoc's recommendation to postpone action on the Voluntary Contribution Policy until after the Prop 218 process concludes.
- c. Public Comment:
 - i. Anne Dawson asked for an example of a conflict of Interest. Response: If a Board Member owns agricultural land within the district and participates in decisions about contracts or policies that would directly enhance the value of their land, this could be considered a conflict of interest.

- ii. Genesis Ospira asked, “since folks have economic interest, how do we conclude that folks don’t have conflicts?” Response: It’s acknowledged that Board Members, as landowners within the TWD, inherently have economic interests tied to the district’s operations. However, conflicts of interest are avoided through strict adherence to the California Political Reform Act and the district’s Conflict of Interest Code. This requires Board Members to disclose their financial interests via Form 700 and abstain from participating in decisions where their personal financial interests are uniquely impacted, as distinct from those of other landowners within the district. This system ensures that decisions are made in the collective interest of all stakeholders rather than advancing individual gains. The “belts and suspenders” approach of disclosure and abstention safeguards against conflicts while enabling representation by those with a vested interest in the district’s success.
 - iii. Patrizia Hironimus asked, “what’s the dollar amount that triggers disclosure?” Response: Under the Political Reform Act, the disclosure thresholds for reporting financial interests on the Form 700 vary depending on the category of interest. Investments and real property are reportable if they have a fair market value of more than \$2,000. For comprehensive guidance, refer to the California Fair Political Practices Commission (FPPC) website or the instructions accompanying Form 700.
- d. Action:
- i. Conflict of Interest Policy.
 1. Andrew Mendonca Motion, Bill Chance Second. 7-0 vote.
 - ii. Sponsorship Policy.
 1. Craig Knight Motion, Brian Mori Second. 7-0 vote.
 - iii. Voluntary Contribution Policy. No vote.

Item 4 – Public Comment

- Genesis Ospira expressed concerns about the assessment and potential recharge projects.
- Florence Ives expressed concerns about TWD and how its activities may affect the region’s ecology and trees in Bidwell Park. Florence encouraged TWD to consider natural land restoration activities, like efforts at Verbena Fields.
- Adin White asked about the potential for using treated water from the City of Chico’s wastewater treatment facility. Kamie Loeser responded that the City is currently doing a feasibility study and would also be generating cost estimates. Andrew Mendonca explained that their ranching operation is nearby and they would happily use that water, if the infrastructure allowed.

Meeting Adjourned at 9:50 a.m.

Public Workshop on Proposed Special Benefit Assessment under Proposition 218

Following the December 18, 2024, regular meeting, TWD held a Public Workshop to discuss the proposed special benefit assessment under Proposition 218. The workshop lasted approximately 1.5 hours and included an overview of the Tuscan Water District and Proposition 218 process and an explanation of the benefits of the proposed assessment, provided by staff. Approximately 20 members of the public attended and participated in a Q&A session with the Board. No action was taken, as the workshop was for informational purposes only.

ITEM 3 b
Financial Issues

YEAR 1 TWD EXPENSE SUMMARY (as of 1-15-2025)	Approved Budget	Approved 6/19	Approved 7/17	Approved 8/19	Approved 10/2		Approved 10/16	Approved 11/20	Approved 12/18	For Approval 1/15	Billed to Date	Remaining
EXPENSE		15-May	15-Jun	15-Jul	15-Aug	2-Oct	16-Oct	20-Nov	18-Dec	15-Jan	Total	
District Counsel	\$ 50,000.00	\$ 1,350.00	\$ 10,098.50	\$ 480.00	\$ 712.50	\$ -	\$ 1,492.00	\$ 6,914.00	\$ 2,058.50	\$ 3,632.00	\$ 26,737.50	\$ 23,262.50
District Staff	\$ 35,000.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 28,000.00	\$ 7,000.00
Prop 218												
P&P Engineer	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ 6,782.60	\$ 13,161.00	\$ 8,955.10	\$ -	\$ 531.80	\$ 32,430.50	\$ 17,569.50
MKE Elections		\$ -	\$ 3,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Contingency												
Website	\$ 15,000.00	\$ 1,700.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,700.00	\$ 10,300.00
LAFCO Deposit for Condition 6(b) MSR		\$ 3,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
TOTALS	\$ 150,000	\$ 9,550.00	\$ 16,598.50	\$ 3,980.00	\$ 4,212.50	\$ 10,282.60	\$ 14,653.00	\$ 19,369.10	\$ 5,558.50	\$ 7,663.80	\$ 91,868.00	\$ 58,132.00

December 31, 2024

TUSCAN WATER DISTRICT
*****E-MAIL INVOICES*****

Invoice No. 1237187
Client No. 24618
Matter No. 001
Billing Attorney: JDH

INVOICE SUMMARY

For Professional Services Rendered for the Period Ending: December 18, 2024.

RE: TUSCAN WATER DISTRICT
GENERAL BUSINESS

Professional Services	\$ 3,632.00
Costs Advanced	<u> \$.00</u>
TOTAL THIS INVOICE	\$ 3,632.00

Invoice No. 1237187

December 31, 2024

PROFESSIONAL SERVICES

Date	Init	Description	Hours	Amount
11/19/24	JDH	TELEPHONE CONFERENCE WITH R. McGOWAN AND T. GIEZENTANNER REGARDING BOARD MEETING.	.50	197.50
11/20/24	AND	REVIEWED CONFLICT OF INTEREST CODE, VOLUNTARY CONTRIBUTION POLICY, AND CHARITABLE CONTRIBUTION POLICY; E-MAILED J. HUGHES REGARDING SAME.	.30	90.00
11/20/24	JDH	ATTENDED NOVEMBER REGULAR BOARD MEETING.	1.80	711.00
11/21/24	JDH	REVISED ROCK CREEK RD MOU; E-MAILED SAME TO T. GIEZENTANNER; CONFERENCE WITH T. GIEZENTANNER AND GSA REPRESENTATIVES.	1.40	553.00
12/06/24	AND	PREPARED FOR AND ATTENDED FINANCE COMMITTEE MEETING.	1.30	390.00
12/06/24	JDH	ATTENDED FINANCE COMMITTEE MEETING.	1.00	395.00
12/12/24	AND	REVISED VOLUNTARY CONTRIBUTION POLICY AND CHARITABLE CONTRIBUTION POLICY; E-MAILED T. TURLEY REGARDING SAME.	.50	150.00
12/17/24	JDH	TELEPHONE CONFERENCE WITH R. McGOWAN AND T. GIEZENTANNER REGARDING BOARD MEETING PREPARATION.	.60	237.00
12/18/24	JDH	ATTENDED DECEMBER REGULAR BOARD MEETING; ATTENDED ASSESSMENT TOWN HALL MEETING.	2.30	908.50

TOTAL PROFESSIONAL SERVICES

\$ 3,632.00

SUMMARY OF PROFESSIONAL SERVICES

Name	Init	Rate	Hours	Total
DOMINGUEZ, ALEX	AND	300.00	2.10	630.00
HUGHES, JOSEPH	JDH	395.00	7.60	3,002.00
Total			9.70	\$ 3,632.00

TOTAL THIS INVOICE

\$ 3,632.00

December 31, 2024

TUSCAN WATER DISTRICT
*****E-MAIL INVOICES*****

Invoice No. 1237187
Client No. 24618
Matter No. 001
Billing Attorney: JDH

REMITTANCE

**RE: TUSCAN WATER DISTRICT
GENERAL BUSINESS**

BALANCE DUE THIS INVOICE

\$ 3,632.00

All checks should be made payable to:
(Please return this advice with payment.)

Klein DeNatale Goldner
10000 Stockdale Hwy, Suite 200
Bakersfield, CA 93311

For payment by wire in USD:
(Please reference:
Client-Matter No. 24618-001,
Invoice No. 1237187)

J.P. Morgan Chase
Account No. 825707620
ABA No. 322271627

To pay by credit card, click here --->: [Pay Now](#) or call Accounting at (661) 395-1000.

DUE UPON RECEIPT

FEDERAL I.D. No. 95-2298220

Thank you! Your business is greatly appreciated.

INVOICE

Giezentanner & Associates
698 East 5th Street
Chico, California 95928
United States

BILL TO
Tuscan Water District
30 Independence Circle
Chico, California 95973
United States

Invoice Number: 20201281

Invoice Date: January 15, 2025

Payment Due: February 14, 2025

Amount Due (USD): \$3,500.00

Items	Quantity	Price	Amount
Service Period ending December 31, 2024 - For District staff support services as follows: <ul style="list-style-type: none">- LAFCO Conditions of Approval compliance- Logistical and financial issues- Board meeting prep and follow up- Meetings and communication with board members & Ad Hoc committees	1	\$3,500.00	\$3,500.00

Total: \$3,500.00

Amount Due (USD): \$3,500.00

PROVOST & PRITCHARD CONSULTING GROUP

455 W Fir Ave • Clovis, CA 93611 • (559) 449-2700
www.provostandpritchard.com

Tovey Giezentanner
Tuscan Water District
30 Independence Circle, Suite 300
Chico, CA 95973

December 19, 2024
Project No: 04380-24-001
Invoice No: 115737

Project Name: Tuscan WD Assessment Prop 218 Assistance

Client Project #:

Phase T1: Coordinate with District staff and balloting consultant. Project coordination related to finalizing ballot materials and engineer's report. Transmit final engineer's report to TWD staff ahead of Prop 218 Public Notice Period.

Professional Services from November 01, 2024 to November 30, 2024

Phase: T1 Benefit Assessment Roll and Engineer's Report

Labor

	Hours	Rate	Amount	
Senior Engineer	2.50	190.00	475.00	
Associate Specialist	.40	142.00	56.80	
Totals	2.90		531.80	
Total Labor				531.80

Total this Phase: \$531.80

Total this Invoice \$531.80

STAFF REPORT: ITEM 3c

TO: Board of Directors, Tuscan Water District

FROM: Tovey Giezentanner, General Manager

DATE: January 15, 2025

SUBJECT: Update on Office Space at Butte County Farm Bureau HQ

RECOMMENDATION

Appoint real property negotiator(s) for office lease.

BACKGROUND

On November 20, 2024, the Tuscan Water District (TWD) sent a letter of interest to the Butte County Farm Bureau (BCFB) regarding potential office space at their facility located at 3688 Durham Dayton Highway. The TWD outlined its need for permanent office space and highlighted the benefits of co-locating with BCFB, including strengthening existing partnerships and optimizing collaborative efforts.

In response, BCFB has offered a three-year lease of an office space. Their proposal includes the following terms:

1. **Monthly Rent:** \$1,000, with an annual 3% increase.
2. **Included Amenities:** Landscaping, garbage service, security, AC maintenance, internet, and access to the Four Corner Hall for monthly board meetings.
3. **TWD's Responsibilities:** Utilities (PGE, phone service), renter's insurance, and office cleaning.

STAFF REPORT: ITEM 3d

TO: Board of Directors, Tuscan Water District

FROM: Tovey Giezentanner, General Manager

DATE: January 15, 2025

SUBJECT: Approval of Resolution No. 2025-01 –
Establishing the 2025 Regular Meeting Schedule

RECOMMENDATION

Approve Resolution No. 2025-01 to formalize the 2025 TWD regular meeting schedule and associated procedures.

BACKGROUND

Resolution No. 2025-01 establishes the Tuscan Water District (TWD) Board's 2025 regular meeting schedule and sets the location for monthly meetings.

Regular meetings will occur on the third Wednesday of each month at 9:00 a.m. in the Conference Room at Chico State University Farm, Room 104, Chico, CA.

The resolution also outlines public notice requirements, including agenda postings on the TWD website and at the meeting location.

This schedule ensures effective governance, transparency, and timely decision-making by the Board.



RESOLUTION NO. 2025-01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TUSCAN WATER DISTRICT
ESTABLISHING THE 2025 REGULAR MEETING SCHEDULE**

WHEREAS, the Tuscan Water District (TWD) is committed to effective governance and transparency in conducting its business; and

WHEREAS, regular meetings of the TWD Board are essential for timely decision-making and oversight; and

WHEREAS, the TWD Board recognizes the need to establish a regular meeting schedule and set a location for its board meetings to ensure the efficient operation of the District;

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors of the Tuscan Water District that:

1. The 2025 Regular Meeting Schedule is hereby established, with board meetings to be held on the third Wednesday of each month at 9:00 a.m., as illustrated below:
 - February 19, 2025
 - March 19, 2025
 - April 16, 2025
 - May 21, 2025
 - June 18, 2025
 - July 16, 2025
 - August 20, 2025
 - September 17, 2025
 - October 15, 2025
 - November 19, 2025
 - December 17, 2025
2. The location for the monthly TWD Board meetings shall be the Conference Room at Chico State University Farm, located at 311 Nicholas C Schouten Lane, Room 104, Chico, CA 95928.
3. The agenda packets for the TWD Board meetings shall be posted for public review at the following locations:
 - a. The TWD website at www.tuscanwaterdistrict.org.
 - b. At the entrance gate fence to the Chico State University Farm, 311 Nicholas C Schouten Lane, Room 104, Chico, CA 95928.
4. The Board retains the ability to alter the established meeting schedule by a majority vote as necessary.

The foregoing resolution was duly passed and adopted by the Board of Directors of the Tuscan Water District at a regular meeting held on January 15, 2025, by the following vote:

- AYES:
- NOES:
- ABSENT:
- NOT VOTING:

Rich McGowan, President
 Tuscan Water District Board of Directors

ATTEST:

By: _____
 Tovey Giezentanner, General Manager
 Tuscan Water District

STAFF REPORT: ITEM 3e

TO: Board of Directors, Tuscan Water District

FROM: Tovey Giezentanner, General Manager

DATE: January 15, 2025

SUBJECT: Update on MOUs with County of Butte and Vina GSA/RCRD GSA

RECOMMENDATION

Approve the MOUs in their current form and authorize TWD staff and legal counsel to finalize and execute the documents following subsequent approvals by Vina GSA and the County of Butte GSA.

BACKGROUND

Tuscan Water District (TWD) has developed MOUs with the Vina GSA/Rock Creek Reclamation District GSA (RCRD GSA) and the County of Butte GSA to establish collaborative working relationships under the Sustainable Groundwater Management Act (SGMA). The Vina GSA/RCRD GSA MOU outlines cooperation in implementing the Vina Subbasin Groundwater Sustainability Plan (GSP), while the County of Butte GSA MOU similarly focuses on collaboration for the Butte Subbasin GSP. Both MOUs identify roles, responsibilities, and communication protocols, ensuring alignment with GSP objectives. These agreements are required under the Local Agency Formation Commission (LAFCo) conditions of TWD's formation.

The process to finalize these MOUs involved significant coordination between TWD staff, legal counsel, and respective agencies over the past months. RCRD GSA has approved the MOU, and Vina GSA will review it on January 15, 2025. The County of Butte GSA will consider its MOU on January 28, 2025.

Attachments

1. TWD & Vina GSA/RCRD GSA – Clean version
2. TWD & Vina GSA/RCRD GSA – Redline version
3. TWD & County of Butte GSA – Redline version

**MEMORANDUM OF UNDERSTANDING AMONGST AND BETWEEN TUSCAN
WATER DISTRICT, ROCK CREEK RECLAMATION DISTRICT GROUNDWATER
SUSTAINABILITY AGENCY, AND VINA GROUNDWATER SUSTAINABILITY
AGENCY**

THIS MEMORANDUM OF UNDERSTANDING (**MOU**) is entered into by and between TUSCAN WATER DISTRICT, a California water district (**Tuscan**), ROCK CREEK RECLAMATION DISTRICT GROUNDWATER SUSTAINABILITY AGENCY (**Rock Creek GSA**), and VINA GROUNDWATER SUSTAINABILITY AGENCY (**Vina GSA**) this ____ day of _____, 2024 (**Effective Date**). Tuscan, Rock Creek GSA, and Vina GSA may each be referred to individually as a “**Party**” and collectively as the “**Parties.**”

RECITALS

A. Tuscan is a newly created California water district within Butte County formed to provide its landowners with sustainable management of groundwater resources within Tuscan’s boundaries, including, within those boundaries, implementation of the Sustainable Groundwater Management Act (**SGMA**) as well as the adopted Groundwater Sustainability Plan for the Vina Subbasin (**Vina Subbasin GSP**).

B. There are two Groundwater Sustainability Agencies (**GSAs**) within The Vina Subbasin (Subbasin 5-021.57) (Rock Creek GSA and Vina GSA). There is a single groundwater sustainability plan for the Vina Subbasin – the Vina Subbasin GSP. The GSAs are responsible for preparing, adopting, and implementing the Vina Subbasin GSP within their respective boundaries.

C. The boundaries of the Tuscan overlap with the GSA boundaries. Tuscan was formed in 2024, well after Rock Creek GSA and Vina GSA became GSAs, in 2016 and 2019 respectively. Tuscan is not a GSA and has not adopted the Vina Subbasin GSP. However, the Tuscan recognizes the Vina Subbasin GSP is the planning document that provides guidance with regard to achieving groundwater sustainability in the Vina Subbasin, including the land within the Tuscan boundary. Tuscan’s primary purpose as a California water district is to sustainably manage groundwater resources within its boundaries and pursue projects and management actions designed to achieve and maintain groundwater sustainability.

D. Rock Creek GSA commented to the Local Agency Formation Commission of the County of Butte (**LAFCo**) during the process to form Tuscan as a California water district. In its May 11, 2021 comment letter, Rock Creek GSA supported formation of Tuscan, subject to the following principles and understandings:

1. Tuscan will not perform any service currently performed by RCRD;
2. RCRD, in its capacity as a GSA, will retain its autonomy to develop, adopt, and implement the Vina Subbasin GSP within its boundaries. Tuscan may, however, participate in the development and implementation of the Vina Subbasin GSP; and
3. Tuscan will, subject to an agreement with RCRD, cooperate with the Rock Creek GSA in the pursuit of projects and management actions identified in the Vina Subbasin GSP.

E. LAFCo, by its Resolution No. 18 2022/2023, approved the formation of Tuscan as a California water district. LAFCo's Certificate of Completion for the formation of Tuscan dated February 1, 2024 and recorded on the same date as Document No. 2024-0003918 in the Official Records of Butte County (**Certificate of Completion**) identifies the conditions of formation required by LAFCo. Condition 13 (**Condition 13**) requires Tuscan, within one year from recordation of the Certificate of Completion, to enter into a memorandum of understanding with Rock Creek GSA and other GSAs within the Vina Subbasin whose jurisdictional boundaries overlap with Tuscan establishing the formal government to government working relationship between Tuscan and the Vina Subbasin GSAs (including (1) acknowledgment of the roles of each agency under SGMA, and methods for communication, cooperation and collaboration, and (2) establishing points of contact and any other matter leading to cooperation in the implementation of the Vina Subbasin GSP, and identifying Tuscan as a GSA partner.

F. Condition 18 provides, in part, that before approving any groundwater sustainability plan (**GSP**) implementation activity subject to the California Environmental Quality Act (**CEQA**), Tuscan should work with the Vina GSA to ensure such projects are consistent with the Vina Subbasin GSP.

G. The Parties desire to enter into this MOU to comply with Condition 13.

THEREFORE, the Parties agree as follows:

AGREEMENT

1. Purpose. The purpose of this MOU is to establish a formal collaborative and cooperative working relationship between Tuscan, on the one hand, and Rock Creek GSA and Vina GSA, on the other hand, in the implementation of the Vina Subbasin GSP enabling Tuscan to serve as a partner with those GSAs implementing SGMA within the Vina Subbasin.

2. Acknowledgement of Roles.

(a) Tuscan:

1. Tuscan will represent its landowners in the development of projects and activities funded by Tuscan in achieving groundwater sustainability.
2. Tuscan will serve as a partner to Rock Creek GSA and Vina GSA and provide support through implementation of projects and management actions as identified in the Vina Subbasin GSP, as that GSP may be amended from time to time. Tuscan is not a GSA and will not undertake any duties or authorities of a GSA.
3. Except as otherwise provided in this MOU, Tuscan may participate in the implementation of SGMA and the Vina Subbasin GSP to the same extent as any interested party within the Vina Subbasin.

(b) Rock Creek GSA and Vina GSA:

1. Rock Creek GSA and Vina GSA will fulfill their duties and responsibilities as GSAs in the Vina Subbasin; neither GSA has delegated to Tuscan, and they each will retain, all of their authority as a GSA under SGMA, including all of their authority to amend and implement the Vina Subbasin GSP.
2. Rock Creek GSA and Vina GSA shall continue to fulfill their respective duties as GSAs, which may include, but is not limited to, submission of annual reports, updates to the Vina Subbasin GSP, continued collaboration with the Department of Water Resources, and implementation of projects and management actions identified for each in the Vina Subbasin GSP. In the event either GSA collaborates with Tuscan on any of those projects and management actions, the GSA reserves for its discretion the scope of that collaboration.

3. Methods for Communication, Cooperation, and Collaboration. The Parties shall communicate, cooperate, and collaborate in the following ways:

(a) Information Sharing:

1. The Parties agree to share data, studies, reports, and other information related to groundwater conditions, Vina Subbasin GSP projects and management actions, and other topics reasonably related to groundwater management in the Vina Subbasin.
2. The Parties shall each commit to timely and transparent communication regarding any changes or updates to projects and management actions that may affect the other Party.

(b) Cooperation and Collaboration:

1. Subject to and as provided under Condition 18, Tuscan may develop and implement groundwater projects and management actions within those areas of Tuscan's boundaries overlapping with Rock Creek GSA and Vina GSA and commits to inform and collaborate with the GSAs on such endeavors.
2. The Parties will use their best efforts to identify opportunities to work together on groundwater management projects and management actions benefitting the sustainability goals outlined in the Vina Subbasin GSP.
3. The Parties may collaborate to secure grants and funding for Vina Subbasin GSP projects and other groundwater sustainability actions in the Vina Subbasin.

4. Points of Contact. Tuscan, Rock Creek GSA, and Vina GSA shall each designate and maintain a primary point of contact to facilitate communication and coordination. In the event of any change in the point of contact, the designating Party shall promptly notify the

others of the change. The designated points of contact for each Party shall meet, either in-person or by videoconference, at least annually to discuss water management activities in the Vina Subbasin, including ongoing Vina Subbasin GSP implementation efforts, opportunities for collaboration, and any potential challenges needing to be addressed.

5. Term, Termination, and Amendment.

- (a) This MOU will remain in effect for a period of five (5) years following the Effective Date and may be extended upon mutual agreement of the Parties.
- (b) Any Party may terminate its participation in this MOU upon sixty (60) days' written notice to the other Parties. However, before sending any notice of termination to the other Parties, the Party seeking to terminate participation in this MOU shall meet and confer informally with the other Parties to attempt resolution of any concern or dispute giving rise to its desire to no longer participate in this MOU.
- (c) This MOU may be amended or modified in writing by mutual consent of all Parties at any time during the term of MOU.

6. General Provisions.

- (a) Except as expressly provided in this MOU, nothing in this MOU creates any financial rights or obligations among the Parties. Any sharing of costs among the Parties will be the subject of a separate written agreement.
- (b) This MOU (i) is the final and complete expression of the agreement among the Parties regarding its subject matter and may not be contradicted by evidence of any prior or contemporaneous oral or written agreement or representation, (ii) may not be amended, nor may any of its provisions be waived, except by an instrument in writing signed by all Parties, (iii) will be construed according to the laws of the State of California, and (iv) has been jointly negotiated and drafted, and Civil Code section 1654 will not apply in its interpretation.

TUSCAN WATER DISTRICT

ROCK CREEK RECLAMATION
DISTRICT GSA

By: _____
Richard McGowan, President Date

By: _____
Darren Rice, Chairman Date

VINA GSA

By: _____
Evan Tuchinsky, Board Chair Date

**MEMORANDUM OF UNDERSTANDING AMONGST AND BETWEEN TUSCAN
WATER DISTRICT, ROCK CREEK RECLAMATION DISTRICT GROUNDWATER
SUSTAINABILITY AGENCY, AND VINA GROUNDWATER SUSTAINABILITY
AGENCY
ESTABLISHING WORKING RELATIONSHIP**

THIS MEMORANDUM OF UNDERSTANDING (MOU) is entered into by and between TUSCAN WATER DISTRICT, a California water district (~~TWD~~, and Tuscan), ROCK CREEK RECLAMATION DISTRICT GROUNDWATER SUSTAINABILITY AGENCY (~~RCRD~~Rock Creek GSA), and VINA GROUNDWATER SUSTAINABILITY AGENCY (Vina GSA) this _____ day of _____, 2024 (Effective Date). ~~TWD~~Tuscan, Rock Creek GSA, and RCRDVina GSA may each be referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

A. ~~TWD~~Tuscan is a newly created California water district within Butte County formed to provide its landowners with ~~a public agency to sustainably managesustainable management of~~ groundwater resources within ~~TWD’s~~Tuscan’s boundaries, including, within those boundaries, implementation of the Sustainable Groundwater Management Act (SGMA) as well as the adopted ~~the~~ Groundwater Sustainability Plan for the Vina Subbasin (**Vina Subbasin GSP**).

B. ~~RCRD serves as a~~There are two Groundwater Sustainability Agency (~~GSA~~Agencies (GSAs)) within ~~the~~The Vina Subbasin (Subbasin 5-021.57) (Rock Creek GSA and Vina GSA). There is a single groundwater sustainability plan for the Vina Subbasin – the Vina Subbasin GSP. The GSAs are responsible for preparing, adopting, and implementing the Vina Subbasin GSP within ~~its~~their respective boundaries. ~~There is overlap between the~~

B. ~~—~~The boundaries of ~~RCRD~~the Tuscan overlap with the GSA boundaries. Tuscan was formed in 2024, well after Rock Creek GSA and TWD.

C. ~~TWD’s~~Vina GSA became GSAs, in 2016 and 2019 respectively. Tuscan is not a GSA and has not adopted the Vina Subbasin GSP. However, the Tuscan recognizes the Vina Subbasin GSP is the planning document that provides guidance with regard to achieving groundwater sustainability in the Vina Subbasin, including the land within the Tuscan boundary. Tuscan’s primary purpose as a California water district is to sustainably manage groundwater resources within its boundaries and pursue projects and management actions designed to achieve and maintain groundwater sustainability. ~~RCRD’s primary purpose as a reclamation district is flood control and drainage and, as a GSA, to implement SGMA. TWD did not exist when RCRD elected in October 2016 to serve as a Groundwater Sustainability Agency (GSA) within the Vina Subbasin.~~

D. ~~RCRD~~Rock Creek GSA commented to the Local Agency Formation Commission of the County of Butte (LAFCo) during the ~~TWD formation~~ process to form Tuscan as a California water district. In its May 11, 2021 comment letter, RCWDRock Creek GSA supported formation of TWDTuscan, subject to the following principles and understandings:

1. FWD Tuscan will not perform any service currently performed by RCRD;
2. RCRD, in its capacity as a GSA, will retain its autonomy to develop, adopt, and implement the Vina Subbasin GSP within its boundaries. FWD Tuscan may, however, participate in the development and implementation of the Vina Subbasin GSP; and
3. FWD Tuscan will, subject to an agreement with RCRD, cooperate with the RCRD Rock Creek GSA in the pursuit of projects and management actions identified in the Vina Subbasin GSP.

E. LAFCo, by its Resolution No. 18 2022/2023, approved the formation of FWD Tuscan as a California water district. LAFCo's Certificate of Completion for the formation of FWD Tuscan dated February 1, 2024 and recorded on the same date as Document No. 2024-0003918 in the Official Records of Butte County (Certificate of Completion) identifies the conditions of formation required by LAFCo. Condition 13 (**Condition 13**) ~~of those conditions~~ requires FWD Tuscan, within one year from recordation of the Certificate of Completion, to enter into a memorandum of understanding with RCRD, Rock Creek GSA and other GSAs within the Vina Subbasin, whose jurisdictional boundaries overlap with Tuscan establishing the formal government to government working relationship between FWD Tuscan and the Vina Subbasin GSAs (including (1) acknowledgment of the roles of each agency under SGMA, and methods for communication, cooperation and collaboration, and (2) establishing points of contact and any other matter leading to cooperation in the implementation of the Vina Subbasin GSP),² and identifying FWD Tuscan as a GSA partner.

F. Condition 18 provides, in part, that before approving any groundwater sustainability plan (GSP) implementation activity subject to the California Environmental Quality Act (CEQA), Tuscan should work with the Vina GSA to ensure such projects are consistent with the Vina Subbasin GSP.

F.G. The Parties desire to enter into this MOU to comply with Condition 13.

THEREFORE, the Parties agree as follows:

AGREEMENT

1. **Purpose.** The purpose of this MOU is to establish a formal collaborative and cooperative working relationship between FWD Tuscan, on the one hand, and RCRD, in its capacity as a Rock Creek GSA and Vina Subbasin GSA, on the other hand, in the implementation of the Vina Subbasin GSP enabling FWD Tuscan to serve as a partner with RCRD in its role as a GSA ~~those GSAs~~ implementing SGMA within the Vina Subbasin.

2. **Acknowledgement of Roles.**

(a) FWD:

1. ~~TWD will not perform any services currently provided by RCRD, related to SGMA or otherwise, including flood control and drainage services, unless expressly requested by RCRD in writing.~~

(a) TWD Tuscan:

1. Tuscan will represent its landowners in the development of projects and activities funded by Tuscan in achieving groundwater sustainability.
2. Tuscan will serve as a GSA partner with RCRD to Rock Creek GSA and Vina GSA and provide support in RCRD's through implementation of projects and management actions as identified in the Vina Subbasin GSP, as that GSP may be amended from time to time. Tuscan is not a GSA and will not undertake any duties or authorities of a GSA.
3. Except as otherwise provided in this MOU, TWD Tuscan may participate in the implementation of SGMA and the Vina Subbasin GSP to the same extent as any stakeholder interested party within the Vina Subbasin, ~~with or without direction from RCRD.~~

(b) RCRD:

~~RCRD~~

(b) Rock Creek GSA and Vina GSA:

1. Rock Creek GSA and Vina GSA will fulfill their duties and responsibilities as GSAs in the Vina Subbasin; neither GSA has not delegated to TWD Tuscan, and they each will retain, all of its their authority as a GSA under SGMA, including all of its their authority to amend and implement the Vina Subbasin GSP.
2. RCRD Rock Creek GSA and Vina GSA shall continue to implement fulfill their respective duties as GSAs, which may include, but is not limited to, submission of annual reports, updates to the Vina Subbasin GSP, continued collaboration with the Department of Water Resources, and implementation of projects and management actions identified for RCRD each in the Vina Subbasin GSP with or without collaboration from TWD. In the event RCRD either GSA collaborates with TWD Tuscan on any of those projects and management actions, RCRD the GSA reserves for its discretion the scope of that collaboration.

3. **Methods for Communication, Cooperation, and Collaboration.** The Parties shall communicate, cooperate, and collaborate in the following ways:

(a) Information Sharing:

1. The Parties ~~will proactively agree to~~ share data, studies, reports, and other information related to groundwater conditions, Vina Subbasin GSP projects and management actions, and other topics reasonably related to groundwater management in the Vina Subbasin.

2. The Parties shall each commit to timely and transparent communication regarding any changes or updates to projects and management actions that may affect the other Party.

(b) Cooperation and Collaboration:

1. ~~TWD may participate in the development and implementation of as provided under Condition 18, Tuscan may develop and implement~~ groundwater projects and management actions within ~~the those areas of Tuscan's boundaries overlapping area of the boundaries of RCWD and TWD, so long as that participation is consistent with the Rock Creek GSA and Vina Subbasin GSP and does not interfere~~ GSA and commits to inform and collaborate with RCWD's activities as a GSA or otherwise the GSAs on such endeavors.
 2. The Parties will use their best efforts to identify opportunities to work together on groundwater management projects and management actions benefitting the sustainability goals outlined in the Vina Subbasin GSP.
 3. The Parties ~~will~~may collaborate to secure grants and funding for Vina Subbasin GSP projects and other groundwater sustainability actions in the Vina Subbasin.
4. **Points of Contact.** ~~TWD, Tuscan, Rock Creek GSA, and RCRD~~Vina GSA shall each designate and maintain a primary point of contact to facilitate communication and coordination ~~between the two agencies.~~ In the event of any change in the point of contact, the designating Party shall promptly notify the ~~other~~others of the change. The designated points of contact for each Party shall meet, either in-person or by videoconference, at least ~~quarterly~~annually to discuss water management activities in the Vina Subbasin, including ongoing Vina Subbasin GSP implementation efforts, opportunities for collaboration, and any potential challenges needing to be addressed.
5. **Term, Termination, and Amendment.**
- 1.(a) This MOU will remain in effect for a period of five (5) years following the Effective Date and may be extended upon mutual agreement of the Parties.
 - 2.(b) ~~Either~~Any Party may terminate its participation in this MOU upon sixty (60) days' written notice to the other ~~Party~~Parties. However, before sending any notice of termination to the other ~~Party~~Parties, the Party seeking ~~termination of~~ to terminate participation in this MOU shall meet and confer informally with the other ~~Party~~Parties to attempt resolution of any concern or dispute giving rise to its desire to ~~terminate no longer participate in~~ this MOU.
 - 3.(c) This MOU may be amended or modified in writing by mutual consent of ~~both~~all Parties at any time during the term of MOU.

6. General Provisions.

1.(a) Except as expressly provided in this MOU, nothing in this MOU creates any financial rights or obligations ~~between~~among the Parties. Any sharing of costs ~~between~~among the Parties will be the subject of a separate written agreement ~~between the Parties.~~

2.(b) This MOU (ai) is the final and complete expression of the agreement ~~between~~among the Parties regarding its subject matter and may not be contradicted by evidence of any prior or contemporaneous oral or written agreement or representation, (bii) may not be amended, nor may any of its provisions be waived, except by an instrument in writing signed by ~~both~~all Parties, (ciii) will be construed according to the laws of the State of California, and (div) has been jointly negotiated and drafted, and Civil Code section 1654 will not apply in its interpretation.

TUSCAN WATER DISTRICT

ROCK CREEK RECLAMATION
DISTRICT GSA

By: _____

By: ____

Richard McGowan, President

Date

Date

Darren Rice, Chairman____

VINA GSA

By: _____
Evan Tuchinsky, Board Chair Date

**MEMORANDUM OF UNDERSTANDING
ESTABLISHING WORKING RELATIONSHIP**

THIS MEMORANDUM OF UNDERSTANDING (**MOU**) is entered into by and between TUSCAN WATER DISTRICT, a California water district (**Tuscan**), and COUNTY OF BUTTE GROUNDWATER SUSTAINABILITY AGENCY (**COB GSA**) this _____ day of _____, 2024 (**Effective Date**). Tuscan and COB GSA may each be referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A. Tuscan is a newly created California water district within Butte County formed to provide its landowners with a public agency to sustainably manage groundwater resources within Tuscan’s boundaries, including, within those boundaries, implementation of the Sustainable Groundwater Management Act (**SGMA**) as well as the adopted the Groundwater Sustainability Plans (**GSP**) for the Butte Subbasin (**Butte Subbasin GSP**).

B. The County of Butte serves as a groundwater sustainability agency (**COB GSA**) within the Butte Subbasin (Subbasin 5-021.70) for those areas not served by another GSA, and is responsible for preparing, adopting, and implementing the Butte Subbasin GSP within portions of the County’s boundaries. The boundaries of Tuscan include portions of the Butte Subbasin for which COB GSA has those responsibilities.

C. The boundaries of the Tuscan overlap a portion of the COB GSA’s boundaries. Tuscan was formed in 2024, well after the COB GSA became a GSA in October 2015 to serve as a GSA within portions of the Butte Subbasin. Tuscan is not a GSA and has not adopted the Butte Subbasin GSP. However, the Tuscan recognizes the Butte Subbasin GSP is the planning document that provides guidance with regard to achieving groundwater sustainability in the Butte Subbasin, including the land within the Tuscan boundary. Tuscan’s primary purpose as a California water district is to sustainably manage groundwater resources within its boundaries and pursue projects and management actions designed to achieve and maintain groundwater sustainability. Tuscan did not exist when the County elected

D. County commented to the Local Agency Formation Commission of the County of Butte (**LAFCo**) during the Tuscan formation process. In its September 28, 2021 comment letter, County supported formation of Tuscan, subject to, among other things, the following condition:

“Projects and Programs conducted by the district must be consistent with Projects and Management Actions or implementation activities as described in the relevant Groundwater Sustainability Plan in the Vina or Butte Subbasin. Such a condition could help address concerns regarding representation and harm to small landowners due to large landowners dominating the decisions and actions of the district.”

E. LAFCo, by its Resolution No. 18 2022/2023, approved the formation of Tuscan. LAFCo’s Certificate of Completion for the formation of Tuscan dated February 1, 2024 and recorded on the

same date as Document No. 2024-0003918 in the Official Records of Butte County (**Certificate of Completion**) identifies the conditions of formation required by LAFCo. Condition 13 (**Condition 13**) requires Tuscan within one year from recordation of the Certificate of Completion to enter into a memorandum of understanding with the Butte Subbasin GSAs whose jurisdictional boundaries overlap with Tuscan establishing the formal government to government working relationship between Tuscan and those GSAs including (1) acknowledgment of the roles of each agency under SGMA, and methods for communication, cooperation and collaboration, and (2) establishing points of contact and any other matter leading to cooperation in the implementation of their respective GSP, and identifying Tuscan as a GSA partner.

F. The Parties desire to enter into this MOU to comply with Condition 13.

THEREFORE, the Parties agree as follows:

AGREEMENT

1. **Purpose.** The purpose of this MOU is to establish a formal collaborative and cooperative working relationship between Tuscan and COB GSA, in its capacity as a Butte Subbasin GSA, in the implementation of the Butte Subbasin GSP, enabling Tuscan to serve as a partner with County in its role as a GSA implementing SGMA within those subbasins.

2. **Acknowledgement of Roles.**

(a) **Tuscan:**

1. Tuscan will represent its landowners in the development of projects and activities funded by Tuscan in achieving groundwater sustainability.
2. Tuscan will serve as a partner with the COB GSA and provide support through COB GSA's implementation of projects and management actions as identified in the Butte Subbasin GSP for those areas within the COB GSA's boundaries that overlap the Tuscan. The Tuscan acknowledges that the GSP may be amended from time to time.
3. Except as otherwise provided in this MOU, Tuscan may participate in the implementation of SGMA and the Butte Subbasin GSP to the same extent as any stakeholder within the Butte subbasin.

(b) **COB GSA:**

1. COB GSA will fulfill its duties and responsibilities as a GSA in the Butte Subbasin; the GSA has not delegated to Tuscan, and will retain, all of its authority as a GSA under SGMA, including all of its authority to amend and implement the Butte Subbasin GSP.

2. The COB GSA shall continue to fulfill its respective duties as a GSA, which may include, but is not limited to annual reports, updates to the Butte Subbasin GSP, continued collaboration with the Department of Water Resources, and implementation of projects and management actions identified for the COB GSA in the Butte Subbasin GSP. In the event COB GSA collaborates with Tuscan on any of those projects and management actions, COB GSA reserves for its discretion the scope of that collaboration.

3. **Methods for Communication, Cooperation, and Collaboration.** The Parties shall communicate, cooperate, and collaborate in the following ways:

(a) Information Sharing:

1. The Parties agree to share data, studies, reports, and other information related to groundwater conditions, Butte Subbasin GSP projects and management actions, and other topics reasonably related to groundwater management in those subbasins.
2. The Parties shall each commit to timely and transparent communication regarding any changes or updates to projects and management actions that may affect the other Party.

(b) Cooperation and Collaboration:

1. Tuscan may participate in the development and implementation of groundwater projects and management actions within the overlapping area of the boundaries of COB GSA and Tuscan, so long as that participation is consistent with the governing GSP and also does not interfere with County's activities as a GSA or otherwise.
2. The Parties will use their best efforts to identify opportunities to work together on groundwater management projects and management actions benefitting the sustainability goals outlined in the Butte Subbasin GSP, as the case may be.
3. The Parties may collaborate to secure grants and funding for Butte Subbasin GSP projects and other groundwater sustainability actions in those subbasins.

4. **Points of Contact.** Tuscan and COB GSA shall each designate and maintain a primary point of contact to facilitate communication and coordination between the two agencies. In the event of any change in the point of contact, the designating Party shall promptly notify the other of the change. The designated points of contact for each Party shall meet, either in-person or by videoconference, at least annually to discuss water management activities in the COB GSA boundaries within the Butte Subbasin that overlap with Tuscan, including ongoing GSP implementation efforts, opportunities for collaboration, and any potential challenges needing to be addressed.

5. Term, Termination, and Amendment.

- (a) This MOU will remain in effect for a period of five (5) years following the Effective Date and may be extended upon mutual agreement of the Parties.
- (b) Either Party may terminate this MOU upon sixty (60) days' written notice to the other Party. However, before sending any notice of termination to the other Party, the Party seeking termination of this MOU shall meet and confer informally with the other Party to attempt resolution of any concern or dispute giving rise to its desire to terminate this MOU.
- (c) This MOU may be amended or modified in writing by mutual consent of both Parties at any time during the term of MOU.

6. General Provisions.

- (a) Except as expressly provided in this MOU, nothing in this MOU creates any financial rights or obligations between the Parties. Any sharing of costs between the Parties will be the subject of a separate written agreement between the Parties.
- (b) This MOU (i) is the final and complete expression of the agreement between the Parties regarding its subject matter and may not be contradicted by evidence of any prior or contemporaneous oral or written agreement or representation, (ii) may not be amended, nor may any of its provisions be waived, except by an instrument in writing signed by both Parties, (iii) will be construed according to the laws of the State of California, and (iv) has been jointly negotiated and drafted, and Civil Code section 1654 will not apply in its interpretation.

TUSCAN WATER DISTRICT

COUNTY OF BUTTE GROUNDWATER
SUSTAINABILITY AGENCY

By: _____
Richard McGowan, President

By: _____
Tod Kimmelshue, Chair