Vandalia

Water District

Memorandum

To: Vandalia Board Members

CC: File

From: Cinthia Canales

Date: 05/06/2025

Re: May Board Packet

Enclosed is this Month's Board Packet, which includes:

- April Agenda
- Minutes April 9, 2025 & April 9, 2025 GSA
- Tule Subbasin SGMA Budget
- Self-Help Enterprise Agreement

See you Wednesday, May 14, 2025 at 10:30 am

Agenda Vandalia Water District

Tea Pot Dome Water District Office 105 W. Teapot Dome Ave. Porterville, Ca. 93257

Type of meeting:

Board of Directors

Attendees:

Open Session

Agenda topics

Administration

- Agenda Approval Action Item
- Minutes of the April 9, 2025 meeting Action Item
- Minutes of the April 9, 2025 GSA meeting Action Item

Public Comment

Pursuant to Government Code Section 54954.3, members of the public may directly address the members of the Board of Directors on any item of interest to the public within the Board of Director's subject matter jurisdiction before or during the Board of Director's consideration of the item. Public comment times may be limited to three minutes each at the discretion of the Chair.

Vandalia Water District GSA – Sustainable Groundwater Management Act

- **Updates**
- Tule Subbasin SGMA budget Action Item
- **Self-Help Enterprises Agreement Action Item**
- Other

VANDALIA WATER DISTRICT

Financial Statement/Bills

Treasurer's Report & Bills to approve – Action Item

Water Operations

Water delivery reports

Company Operations & Maintenance

- **Operations & Maintenance report**
- Rental Property: Request by tenant to Participate in CSET weatherization program **Action Item**

Other

• Tule River Association

Closed Session

• Possible adjournment to closed session to confer with counsel on pending or threatened litigation in accordance with Government Code Section 54956.9(B) (one case)

** If Necessary

Meetings Hearings and Notices

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the District to provide a disability-related modification or accommodation in order to participate in any public meeting of the District. Such assistance includes appropriate alternative formats for the agendas and agenda packets used for any public meetings of the District. Requests for such assistance and for agendas and agenda packets shall be made in person, by telephone, facsimile, or written correspondence at the office of Vandalia Water District, at least 48 hours before a public Authority meeting.

MEETING MINUTES OF THE BOARD OF DIRECTORS OF THE VANDALIA WATER DISTRICT

The Board of Directors of Vandalia Water District met at 10:30 a.m. on the 9th day of April 2025 at the Tea Pot Dome Water District office in Porterville, CA. The meeting was called to order, and it was determined that the following Directors were in attendance:

BOARD MEMBER ATTENDANC	E	TERM EXPIRES
STEVE MEIER	Present	November 2028
ROGER EVERETT	Present	November 2026
JIM ZIMMERMAN	Present	November 2028
DYSON SCHNEIDER	Present	November 2028
MIKE BENNETT	Present	November 2026

Also present were Lower Tule River Irrigation District representatives ERIC LIMAS, KIRK MASTERS, MARK GREENALL, JOHN MICHAEL DOMONDON, and General Counsel ALEX PELTZER via video conference.

1. BOARD ADMINISTRATION

President MEIER called the meeting to order.

On a motion by Director SCHNEIDER, second by Director BENNETT, and unanimously approved, the agenda was approved.

On a motion by Director BENNETT, second by Director ZIMMERMAN, and unanimously approved, the minutes of the March 12, 2025, board meeting were approved as presented.

2. <u>ADMINISTRATION/FINANCIAL STATEMENT/BILLS</u>

Lower Tule River Irrigation District representative GREENALL reviewed the treasurer's report, bills paid for March, and outstanding payables. On motion by Director EVERETT, second by Director SCHNEIDER, and unanimously approved, the bills paid were approved, and the treasurer's report was ordered and placed in file.

DRAFT

3. WATER OPERATIONS

DOMONDON reviewed the current water conditions, water operations, water

supply, and Success Reservoir monthly water deliveries for March. No action was taken.

4. OPERATIONS AND MAINTENANCE

Lower Tule River ID representative MASTERS reviewed operations and

maintenance activities, including water-related duties and general maintenance. No

action was taken.

5. OTHER

Manager LIMAS reviewed the SREP progress and activities. No action was taken.

6. CLOSED SESSION

The Board went into a closed session at approximately 11:00 a.m. Upon

reconvening into an open session, it was reported that no reportable action was taken

during the closed session. There being no further business to be brought to the Board's

attention, the meeting was adjourned.

Respectfully submitted,

Eric Limas

2

MEETING MINUTES OF THE BOARD OF DIRECTORS OF THE GROUNDWATER SUSTAINABILITY AGENCY OF THE VANDALIA WATER DISTRICT

The Board of Directors of Vandalia Water District, sitting as the GSA Board, met at 10:30 a.m. on the 9th day of April 2025 at the Tea Pot Dome Water District office in Porterville, CA. The meeting was called to order, and it was determined that the following Directors were in attendance:

BOARD MEMBER ATTENDANCE		TERM EXPIRES
STEVE MEIER	Present	November 2028
ROGER EVERETT	Present	November 2026
JIM ZIMMERMAN	Present	November 2028
DYSON SCHNEIDER	Present	November 2028
MIKE BENNETT	Present	November 2026

Also present were Lower Tule River Irrigation District representatives ERIC LIMAS, KIRK MASTERS, MARK GREENALL, JOHN MICHAEL DOMONDON, and General Counsel Alex Peltzer via videoconference.

1. BOARD ADMINISTRATION

President MEIER called the meeting to order.

On a motion by Director SCHNEIDER, second by Director BENNETT, and unanimously approved, the agenda was approved.

On a motion by Director BENNETT, second by Director ZIMMERMAN, and unanimously approved, the Minutes of the March 12, 2025 GSA meeting were approved as presented.

2. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

Lower Tule representative DOMONDON and Manager LIMAS reviewed the groundwater accounting status, monthly water use summary, and State Water Control Board correspondence. No action was taken.

3. CLOSED SESSION

Approved

The Board went into a closed session at approximately 11:00 a.m. Upon

reconvening into an open session, it was reported that no reportable action was taken

during the closed session. There being no further business to be brought to the Board's

attention, the meeting was adjourned.

There being no further business to be brought to the Board's attention, the meeting

was adjourned.

Respectfully submitted,

Eric Limas

2

Subbasin Consultants		
Task		Total
Thomas Harder and Co Administration/Coordination		
Preparation for and attendance at TAC Meetings	\$	14,840.0
Preparation for and attendance at Manager Meetings	\$	37,320.0
General Project Management Total	\$	9,760.0
Tule Subbasin Annual Report	1 *	01,020.0
Process groundwater level data, prepare groundwater contour maps for Spring and Fall of both the upper and lower		00.440.0
aquifers, and update hydrographs and tables for RMS wells	\$	28,110.0
Process land subsidence data, prepare maps with		
benchmark survey and DWR InSAR data, and update tables for land subsidence RMS	\$	7,750.0
Prepare groundwater extraction, surface water supplies, and	s	11,000.0
total water use tables Prepare groundwater storage analysis of the oppper adulter		
Prepare and compile the Annual Report text, figures, tables,	\$	11,000.0
appendicies, and attachements	\$	21,920.0
Total Dashboard Component #1 Governance Restru	\$	79,780.0
Dashboard Component #2 Mitigation Plan	Jure	
nall Community and Minicipal Well Risk Asssessment and Pla	\$	30,000.0
ritical Infrastructure Risk Assessment due to Land Subsidence		30,000.0
on-Drinking Water Wells Risk Assessment and Cost Estimat elop Standard Criteria for Determining Probable Cause of Im	\$	30,000.0
Stakeholder Outreach and Workshops	\$	10,000.0
Edits to Attachement 4 to the Coordination Agreement	\$	5,000.0
Total Dashboard Component #3 Land Subsidence SMC C	\$ oord	135,000.0
Friant Kern Canal Land Subsidence Management Plan	S S	
Support to Establish SMCs in the Southern Land Subsidence	\$	25,000.0
West Subbasin Land Subsidence Management Plan Edits to Attachement 6 to the Coordination Agreement	\$	30,000.0
Total	\$	10,000.0 65,000.0
Dashboard Component #4 Water Quality SMC Co.	ridn	ation
Update Monitoring Pian and Subbasin Setting Total	5	10,000.0
Dashboard Component #5 Interconnected Surface Water S	\$ UCI	10,000.0
Support to Fill Data Gaps	\$	40,000.0
Total	\$	40,000.0
Dashboard Component #6 Groundwater Flow Model Update Groundwater Flow Model		
Total	\$	520,000.0
Other	-	
State Water Resources Control Board and Staff Meetings	\$	10,000.0
WaterSMART Grant Application Total	\$	11,945.0 21,945.0
Total Thomas Harder and Co	5	933,645.0
4Creeks		
Subbasin Meetings/Administration/Grants/Outr		
Monthly Managers Meeting & Prep Quarterly TAC Meetings & Prep	\$	36,050.0 12,790.0
SWRCB/DWR Meetings	\$	10,230.0
Misc. Meetings	\$	8,760.0
Grant Applications Awarded Grant Administration	\$	12,830.0 15,000.0
DAC and Resident Outreach	\$	10,850.0
Tule SGMA Website Hosting	5	6,250.0
General Project Management	\$	10,000.0
Total Monitoring	\$	122,760.0
Monitoring Semi-Annual Groundwater Level Monitoring(127 wells 2x per	_	
well; Landowner Coordination; Data requests from agencies)	\$	66,025.0
Semi-Annual Groundwater Quality Monitoring(Field technician	1	
time and milage for 52 wells 2X per year, landowner coordination; data request from agencies)	s	53,600.0
Semi-Annual Groundwater Quality Monitoring(Field Technicial		20,000.0
time and mileage for 52 wells 2x per year w/ 1.25 FS for	\$	161,640.0
Semi-Annual Groundwater Quality Results Notice Letter of Results to Domestic Well Owners	\$	4,950.0
Annual Land Subsidence Benchmark Survey(97	\$	58,740.0
Ongoing Montioring Network Development	\$	18,700.0
Total Groundwater Sustainability Plan Annual Repo	\$	363,655.0
GSA Data Coordination	\$	8,950.0
Groundwater Quality SMC Analysis	\$	15,500.0
Annual Report Text(GWQ, Implementation)	\$	10,930.0
Annual Report Figures(GWQ, Implementation)	\$	15,040.0
Annual Report Submittal	\$	420.0
Total	\$ preen	50,840.0 ment
Technical/Admistration Support for Coordination &	\$	18,950.0
Technical/Admisitration Support for Coordination A		10,230.0
Technical/Admisitration Support for Coordination A Goverance Restructure Individual GSA Facilitation Meeting for Coordination	\$	
Technical/Admisitration Support for Coordination Al Goverance Restructure Individual GSA Facilitation Meeting for Coordination Mitigation Pian Development	\$	50,000.0
Technical/Admistration Support for Coordination A Goverance Restricture Individual GSA Facilitation Meeting for Coordination Mitgation Plan Development Claim Evaluations & Reports(asumes 10-claims per year)	\$ \$ \$	53,700.0
Technical/Admistration Support for Coordination Aj Goverance Restructure Individual GSA Facilitation Meeting for Coordination Mitigation Plan Development Claim Evaluations & Reports/(asumes 10-claims per year) Coordination with TBWF & SHE	\$ \$ \$	53,700.0 15,550.0
Technical/Admistration Support for Coordination A Goverance Restricture Individual GSA Facilitation Meeting for Coordination Mitigation Plan Development Claim Evaluations & Reports(asumes 10-claims per year)	\$ \$ \$	53,700.0 15,550.0 12,790.0
Technical/Admistration Support for Coordination Al Goverance Restructure Individual GSA Facilitation Meeting for Coordination Mitigation Plan Development Claim Evaluations & Reports/asumes 10-claims per year) Coordination with TBWF & SHE Quarterly Tule MAC Meetings & Prep Groundwater Quality	\$ \$ \$ \$	53,700.0 15,550.0 12,790.0 25,000.0
Technical/Admistration Support for Coordination Al Goverance Restructure Individual GSA Facilitation Meeting for Coordination Mogation Plan Development Claim Evaluations & Report/Susumens 10-claims per year) Coordination with TBWF & SHE Quarterly Tule MAC Meetings & Prep Groundwater Quality Coordination Agreement Revisions Total	\$ \$ \$ \$ \$	53,700.0
Technical/Admistration Support for Coordination Al Goverance Restructure Individual GSA Facilitation Meeting for Coordination Migaston Plan Development Claim Evaluations & Reports/gaumes 10-claims per year) Coordination with TBWP & SHE Quarterly Tule MAC Meetings & Prep Ground water Quality Coordination Agreement Revisions Total Data Management System	\$ \$ \$ \$ \$ \$ \$	53,700.0 15,550.0 12,790.0 25,000.0 30,000.0 216,220.0
Technical/Admistration Support for Coordination Al Goverance Restructure Individual GSA Facilitation Meeting for Coordination Migaston Plan Development Claim Evaluations & Reports/asumes 10-claims per year) Coordination with TBWF & SHE Quarterly Tule MAC Meetings & Prep Groundwater Quality Coordination Agreement Revisions Total Data Management System Monitoring Data Management	\$ \$ \$ \$ \$ \$ \$	53,700.0 15,550.0 12,790.0 25,000.0 30,000.0 216,220.0
Technical/Admistration Support for Coordination Al Goverance Restructure Individual GSA Facilitation Meeting for Coordination Mogation Plan Development. Claim Evaluations & Reports/asumes 10-claims per year) Coordination with TBWF & SHE Quarterly Tule MAC Meetings & Prep Groundwater Quality Coordination Agreement Revisions Total Data Management System Monitoring Data Management Monitoring Data Management	\$ \$ \$ \$ \$ \$ \$ \$ \$	53,700.0 15,550.0 12,790.0 25,000.0 30,000.0 216,220.0 12,375.0 33,600.0
Technical/Admistration Support for Coordination Al Goverance Restructure Individual GSA Facilitation Meeting for Coordination Migaston Plan Development Claim Evaluations & Reports/asumes 10-claims per year) Coordination with TBWF & SHE Quarterly Tule MAC Meetings & Prep Groundwater Quality Coordination Agreement Revisions Total Data Management System Monitoring Data Management	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	53,700.0 15,550.0 12,790.0 25,000.0 30,000.0 216,220.0 12,375.0 33,600.0 15,000.0
Technical/Admistration Support for Coordination Al Goverance Restructure Individual GSA Facilitation Meeting for Coordination Mitigation Plan Development Claim Evaluations & Reports/assumes 10-claims per year) Coordinations & Reports/assumes 10-claims per year) Coordination with TBWP & SHE Quarterly Tule MAC Meetings & Prep Groundwater Quality Coordination Agreement Revisions Total Data Management System Monitoring Data Management Monitoring Data Summany Reports DMS Hossing	\$ \$ \$ \$ \$ \$ \$ \$ \$	53,700.0 15,550.0 12,790.0 25,000.0 30,000.0 216,220.0 12,375.0 33,600.0

GSA	% of Subbasin Acreage	4Creeks	TH&Co		Total
Alpaugh ID	3.03%	\$ 24,683.90	\$ 28,253.68	\$	52,937.58
Delano-Earlimart ID	12.06%	\$ 98,246.79	\$ 112,566.12	\$	210,812.91
Eastern Tule	31.00%	\$ 252,541.50	\$ 289,415.76	\$	541,957.26
Kern-Tulare WD	1.81%	\$ 14,745.17	\$ 16,887.96	\$	31,633.13
Lower Tule River ID	22.01%	\$ 179,304.47	\$ 205,536.06	\$	384,840.53
Pidey ID	14.70%	\$ 119,753.55	\$ 137,228.36	\$	256,981.91
Tri-County WD	14.47%	\$ 117,879.86	\$ 135,113.46	\$	252,993.32
Teapot Dome WD	0.63%	\$ 5,132.30	\$ 5,911.93	\$	11,044.23
Vandalia WD	0.29%	\$ 2,362.49	\$ 2,731.75	\$	5,094.24
Total		814.650.00	\$ 933 645 68	5	1 748 295 68

DOMESTIC WELL MITIGATION AGREEMENT

THIS DOMESTIC WELL MITIGATION AGREEMENT ("Agreement") is made and entered into this DAY day of MONTH 2025 by and between the Vandalia Water District Groundwater Sustainability Agency, hereinafter referred to as "VANDALIA WATER DISTRICT GSA," and Self-Help Enterprises, a California nonprofit corporation, hereinafter referred to as "SHE." Collectively, VANDALIA WATER DISTRICT GSA and SHE shall be referred to as the "Parties." This Agreement is entered into in reference to the following facts:

RECITALS

- A. VANDALIA WATER DISTRICT GSA is a Groundwater Sustainability Agency formed under and pursuant to the provisions of the Sustainable Groundwater Management Act ("SGMA") (California Water Code Section 10720 et seq.) and is required to prepare and implement a Groundwater Sustainability Plan ("GSP") in order to provide for the sustainable management of groundwater basins;
- B. VANDALIA WATER DISTRICT GSA has approved such GSP, and entered into a Coordination Agreement with GSAs in the Tule Subbasin by which the seven GSAs have agreed to coordinate the development and implementation of their GSPs and mitigation actions;
- C. The Coordination Agreement describes a Tule Subbasin Mitigation Plan designed to "evaluate and protect beneficial users from lowering groundwater levels" (Coordination Agreement, Section 4.3) and states that each GSA will participate in a Subbasin-wide Mitigation Plan or will adopt an independent Mitigation Plan consistent with the Subbasin-wide Mitigation Plan;
- D. VANDALIA WATER DISTRICT GSA has drafted a Mitigation Plan that implements the Framework within VANDALIA WATER DISTRICT GSA 's jurisdiction;
- E. The Mitigation Plan establishes a Drinking Water Well Mitigation Track, by which users of domestic wells may obtain emergency, interim, and long-term mitigation of dry wells if the VANDALIA WATER DISTRICT GSA determines that the dry well is caused by overdraft conditions in the Subbasin;
 - F. SHE is a community development organization that operates in the Tule Subbasin jurisdiction;
- G. One of SHE's programs involves providing emergency water and interim supplies to domestic water well users who submit claims to SHE;
- H. VANDALIA WATER DISTRICT GSA and SHE have determined it is efficient and beneficial for VANDALIA WATER DISTRICT GSA to collaborate with and support SHE's existing programs as a means of implementation of the Drinking Water Well Mitigation Track;
- I. VANDALIA WATER DISTRICT GSA and SHE desire to enter into an agreement to establish said collaboration and define the respective obligations of each Party.

NOW THEREFORE, in and for consideration of the mutual covenants, conditions, and promises hereinafter set forth, the Parties hereby agree as follows:

- 1. **Recitals.** The above recitals are hereby incorporated by reference and made a part of this Agreement as though fully set forth herein.
- 2. **Purpose.** The purpose of this Agreement is to clarify the respective responsibilities of each Party for the purpose of the implementation and funding of the Mitigation Plan.
- 3. **Term.** The Term of this Agreement shall be a period of one year from the date of execution. The Agreement will be automatically renewed for an additional Term at the expiration of the Term, unless terminated by either Party pursuant to Section 17.
- 4. **Definitions.** As used herein, the following terms shall be defined as follows:
 - a. "Claimant" shall mean a landowner within the GSA who submits an application for mitigation by submitting SHE's online intake form pursuant to the Mitigation Plan.
 - b. "Contractor" shall mean any third-party construction, well drilling, or other professional company that is contracted to provide interim supplies or long-term mitigation measures.
 - c. "Dry Well" shall mean the domestic well, or agricultural well used for domestic purposes, that is the subject of mitigation.
 - d. "Emergency Water" shall mean the delivery of up to 60 gallons of bottled drinking water.
 - e. "Interim Supplies" shall mean the delivery of bottled drinking water, not to exceed 60 gallons per household per month, and the installation of temporary water tanks or delivery of hauled water, not to exceed 50 gallons per day per individual.
 - f. "Long-Term Mitigation" shall mean measures taken to ensure long-term access to water, including but not limited to connecting the impacted party with an existing water system, deepening the well, constructing a new well, modifying pump equipment, or establishing a new small public water system.
 - g. "Outreach" shall mean communication with landowners within the VANDALIA WATER DISTRICT GSA about the Mitigation Plan, including but not limited to the development and distribution of educational materials regarding stewardship of domestic wells, notification to landowners of the availability of the Track, and workshops explaining the Track and other available support.
 - h. "Project" shall mean the entire process of implementing mitigation measures, beginning when a Claimant submits an application for mitigation, and ending when VANDALIA WATER DISTRICT GSA determines the appropriate mitigation measures, whether longterm or interim, have been fully and completely administered.
 - i. "Qualified Claimant" means a claimant who has been approved for Long-Term Mitigation by the VANDALIA WATER DISTRICT GSA.
 - "Track" shall mean the Drinking Water Well Mitigation Track as described in the Mitigation Plan.
- 5. **SHE Responsibilities.** SHE shall have the following obligations:
 - a. Provide all technical and administrative services as needed for Program implementation; monitor, supervise, and review all work performed; and coordinate budgeting and

- scheduling to ensure the Program is implemented within budget, on schedule, and in accordance with approved procedures, applicable laws, and regulations;
- b. Conduct outreach to prospective Applicants including developing and distributing outreach materials by mail, door-to-door canvassing, community events and workshops, and other venues as appropriate;
- c. Receive and review all applications submitted by Claimants;
- d. Perform initial investigation of the Dry Well;
- e. Provide Emergency Water and Interim Supplies to Claimants;
- f. Provide VANDALIA WATER DISTRICT GSA, or Mitigation Advisory Committee, with a recommendation for Long-Term Mitigation pursuant to the Mitigation Plan, and coordinate with VANDALIA WATER DISTRICT GSA staff and consultants to modify or refine said recommendation;
- g. Upon approval of the Long-Term Mitigation proposal by VANDALIA WATER DISTRICT GSA or Mitigation Advisory Committee, present final Long-Term Mitigation Proposal (Terms of Award and Cost Estimate) to Claimant, and obtain consent and approval from Claimant in a form substantially similar to Exhibit A (if the Claimant elects not to move forward with the selected Proposal, SHE shall obtain documentation to that effect, and explain to Claimant that all further support by VANDALIA WATER DISTRICT GSA, including the Interim Supplies, will be terminated);
- h. Act as contract coordinator between Claimant and any Contractor used to implement the final Long-Term Mitigation;
- i. Lend Claimant the funding necessary to pay Contractor to implement Long-Term Mitigation;
- j. Install water quality filtration and monitoring equipment, and perform water quality testing, on Claimants new or mitigated well as necessary to ensure safe drinking water pursuant to SGMA and other state and local laws, and provide a certified copy of the testing results to VANDALIA WATER DISTRICT GSA, or Mitigation Advisory Committee;
- k. Terminate Interim Supplies and remove all related equipment, notify Claimant of said termination;
- 1. Host a Well Stewardship Training workshop for Claimant and provide additional educational resources;
- m. Conduct a final inspection of the well no later than 60 days after completion of Long-Term Mitigation to verify that the work performed was satisfactory and within the Project's scope of work;
- n. Obtain Acknowledgement and Release (Payment Request) (in a form substantially similar to Exhibit B attached hereto) from Claimant, and provide a Notice of Project Completion to VANDALIA WATER DISTRICT GSA.
- 6. **VANDALIA WATER DISTRICT GSA Responsibilities.** VANDALIA WATER DISTRICT GSA shall have the following obligations:

- a. Reimburse SHE for the costs incurred in supplying Emergency Water, Interim Supplies, and Long-Term Mitigation to Qualified Claimants within the GSAs jurisdiction;
- b. Upon receipt of SHE's recommendation for Long-Term Mitigation, VANDALIA WATER DISTRICT GSA's Mitigation Advisory Committee (MAC) shall conduct an investigation into whether each Dry Well qualifies for GSA funding pursuant to Step 6 of the Track;
- c. If necessary, coordinate with SHE to modify or refine the recommended Long-Term Mitigation action;
- d. Review and, if appropriate, approve funding for the final recommended Long-Term Mitigation within one month of receipt of the recommendation by the Mitigation Oualification Committee;
- 7. **Funding.** VANDALIA WATER DISTRICT GSA shall reimburse SHE, on a monthly basis, the costs of implementing the Track throughout the VANDALIA WATER DISTRICT GSA.
- 8. <u>Accounting.</u> SHE shall provide to VANDALIA WATER DISTRICT GSA, on a monthly basis, the following for VANDALIA WATER DISTRICT GSA review and approval:
 - a. <u>Invoice of Costs Incurred.</u> SHE shall provide VANDALIA WATER DISTRICT GSA with a detailed invoice for the total costs incurred the prior month from the administration of Emergency Water, Interim Supplies, and Long-Term Mitigation.
 - b. "Costs" as used in this Section 8 shall include both Direct Project Costs and Administrative Costs.
 - i. Administrative Costs may include, but are not limited to personnel, travel, and overhead costs including staff salary and fringe benefits, mileage reimbursement or rental vehicles and fuel costs, and overhead including routine clerical and administrative support, office expense, space, telephone, insurance, etc.
 - ii. Direct Project Costs may include, but are not limited to bottled water, hauled water, tank and pump purchase, professional contracted services, permits, laboratory analysis, water filtration devices, and water quality monitoring equipment.
- 9. VANDALIA WATER DISTRICT GSA Consultation and Cooperation. SHE hereby agrees to consult with and coordinate with VANDALIA WATER DISTRICT GSA staff, including but not limited to VANDALIA WATER DISTRICT GSA Board of Directors, Technical Advisory Committee, Mitigation Advisory Committee, and any consultants hired by VANDALIA WATER DISTRICT GSA, regarding the Emergency Water, Interim Supplies and Long-Term Mitigation. SHE further agrees that it will not commence, cause to be commenced, or allow commencement of, any Long-Term Mitigation without first consulting with VANDALIA WATER DISTRICT GSA and obtaining its written consent to the proposed actions.
- 10. <u>Recordkeeping.</u> SHE agrees to obtain copies of all documents related to the Project, including documents executed by Claimant and/or Contractor, including but not limited to any permits, site plans, Contractor estimates, Contractor invoices, Contractor contracts, lending agreements, disbursement receipts, Claimant agreements and consents, Claimant approvals to Project actions, water testing results and/or certifications, and any and all technical reports generated in relation to the Project. SHE further agrees to provide VANDALIA WATER DISTRICT GSA copies of all documents in its possession.
- 11. <u>Audit/Accounting.</u> On reasonable request, VANDALIA WATER DISTRICT GSA shall have the right to, at its own expense, inspect, audit, and copy from SHE's books, records, and other

documents, including computer files, supporting orders, and invoices, as necessary to verify SHE's adherence to this Agreement and to balance the accounts of VANDALIA WATER DISTRICT GSA related to the Projects.

- 12. **Outreach.** The Parties shall coordinate Outreach pursuant to the Mitigation Plan.
- 13. **Exhibits.** Each Exhibit attached to this Agreement is incorporated herein and made a party hereof by this reference.
- 14. Insurance. SHE shall carry workers compensation insurance in accordance with workers compensation laws of the State of California. SHE shall furnish VANDALIA WATER DISTRICT GSA with a Certificate of insurance with combined single limits of at least \$1,000,000.00 for bodily injuries and property damages on each occurrence. The Certificate of Insurance shall state that the contractual liability assumed under this Agreement is covered and shall provide that ten (10) days' notice of cancellation or reduction in coverage shall be given to VANDALIA WATER DISTRICT GSA. Certificates of said coverage shall be filed with VANDALIA WATER DISTRICT GSA before any work commences.
- 15. <u>Indemnification.</u> To the fullest extent permitted by law, SHE shall indemnify, hold harmless, and defend VANDALIA WATER DISTRICT GSA, its directors, officers, employees, consultants, agents, or authorized volunteers, and each of them, from any and all claims, demands, causes of action, damages, costs, expenses, losses, or liabilities, in law or in equity, of every kind or nature whatsoever, arising out of or in any manner directly or indirectly connected to this Agreement, including but not limited to any action related to water quality, water quantity, water supply, water source, well performance, well location, or well construction.

To the fullest extent permitted by law, VANDALIA WATER DISTRICT GSA shall indemnify, hold harmless, and defend SHE, its directors, officers, employees, consultants, agents, or authorized volunteers, and each of them, from any and all claims, demands, causes of action, damages, costs (including attorneys' fees), expenses, losses, or liabilities, in law or in equity, of every kind or nature whatsoever, arising out of or in any manner directly or indirectly connected to this Agreement, including but not limited to any action related to water quality, water quantity, water supply, water source, well performance, well location, or well construction.

- 16. <u>Disclaimer.</u> Nothing in this Agreement represents or should be construed to represent that VANDALIA WATER DISTRICT GSA, or any GSA, is responsible for water levels, well performance, wells going dry, or any other injury and adverse consequences related to groundwater use, levels, or elevations. The GSAs in the Tule Subbasin manage groundwater but do not pump groundwater and have no liability related to overdraft, pumping, water levels, or the impacts therefrom.
- 17. **Termination of Agreement.** This Agreement may be terminated with or without cause by either Party by giving thirty (30) days prior written notice to the other. Any funds SHE has expended pursuant to this Agreement prior to the date of termination shall be reimbursed by VANDALIA WATER DISTRICT GSA pursuant to Section 7, above. Any funds SHE has received in excess of its actual costs shall be returned to VANDALIA WATER DISTRICT GSA promptly.
- 18. <u>Default.</u> Failure to perform any of the terms of this Agreement shall be deemed a material default of either party.
- 19. **Remedies.** If either party defaults, or otherwise materially breaches this Agreement, each party may demand recission of this Agreement, damages, or any other action it deems appropriate for the implementation of the Mitigation Plan or the performance of this Agreement.

- 20. <u>Successors and Assigns.</u> All of the terms, covenants, and provisions hereof shall inure to the benefit of and be finding upon the respective successors and assigns of the Parties hereto.
- 21. <u>Compliance with all Laws.</u> The Parties are required to comply with all laws, regulations, permitting, including but not limited to VANDALIA WATER DISTRICT GSA Rules and Regulations, as they may exist from time to time.
- 22. <u>Attorney's Fees.</u> In the event of a dispute between the Parties related to or arising from this Agreement or any of the actions or events described herein, the prevailing party in any litigation or arbitration shall be entitled to recover all costs and fees associated with the action or arbitration, including, without limitation, all attorney's fees and expert witness fees.
- 23. <u>Governing Law.</u> The laws of the State of California shall govern under the interpretation and enforcement of this Agreement.
- 24. <u>Interpretation.</u> The Parties agree that the terms and provisions of this Agreement embody their mutual intent and that such terms and conditions are not to be construed more liberally in favor, or more strictly against, any party.
- 25. **Partial Invalidity.** If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, a provision shall be added to this Agreement as similar in terms to such invalid or unenforceable provision as may be possible, and be legal, valid and enforceable, and the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 26. <u>Counterparts.</u> This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.
- 27. <u>Independent Contractor Status.</u> It is mutually understood that, in performing the services herein specified, SHE shall act as an Independent Contractor and shall have control of the work and the manner in which it is performed. SHE shall be responsible for providing legally mandated benefits and to comply with the state and federal withholding regulations. VANDALIA WATER DISTRICT GSA retains the general right of inspection in order to judge whether, in VANDALIA WATER DISTRICT GSA's opinion, SHE is performing the work in accordance with the terms of this Agreement.

IN WITNESS WHEREOF, this Agreement is executed and made effective on the date first written above.

SELF-HELP ENTERPRISES	VANDALIA WATER DISTRICT GSA
By:	By:
Thomas J. Collishaw, President/CEO	Eric Limas, General Manager
P.O. Box 6520	357 E. Olive Ave.
Visalia, CA 93230	Tipton, CA 93272