AMENDMENT ONE TO THE MEMORANDUM OF UNDERSTANDING CREATING THE RUSSIAN RIVER WATERSHED ASSOCIATION

This Amendment One to the Memorandum of Understanding Creating the Russian River Watershed Association is made and entered into pursuant to the provisions of California Government Code Section 6500, et seq. by and between the parties to the Memorandum of Understanding Creating the Russian River Watershed Association. In accordance with subparagraph B.6(c) of the Memorandum of Understanding Creating the Russian River Watershed Association, this Amendment One will take effect and bind the parties to the Memorandum of Understanding Creating the Russian River Watershed Association upon approval of the governing bodies of 4/5's of the parties to that Memorandum of Understanding. Such approval shall be evidenced by the signatures of the authorized representatives of such parties in Exhibit A, which is attached to and made a part of this Amendment One. Parties in addition to those to the Memorandum of Understanding Creating the Russian River Watershed Association may become parties to the Memorandum of Understanding, as amended, upon signature of an authorized representative of such additional party as evidenced in Exhibit A to this Amendment One. This Amendment One may be executed in counterparts.

The Memorandum of Understanding creating the Russian River Watershed Association is hereby amended to read as follows:

Section A. Recitals:

1. Each of the parties to this MOU is a local government entity functioning within the watershed of the Russian River.

2. The parties desire to establish a watershed association in order to facilitate partnerships across political boundaries that promote the ecological vitality of the Russian River watershed.

3. It is to the parties' mutual advantage and benefit to develop and implement cooperative restoration and protection efforts throughout the watershed and promote a regional alliance that supplements local government programs.

4. The parties hereto plan to develop joint proposals for funding and to obtain public support for local, state, federal, and other funding opportunities for programs that implement the mission and goals of the Association.

5. The parties hereto recognize the value of using common resources effectively.

6. The parties hereto desire to be proactive on watershed-based regulatory issues which affect areas beyond traditional political boundaries.

7. The parties hereto desire to educate the communities in the Russian River watershed about the importance of watershed stewardship.

8. The parties hereto wish to coordinate on local, state and federal policies and programs.

9. The parties hereto find that promoting the stewardship of the Russian River watershed resources is in the public interest and for the common benefit of all within the Russian River watershed.

10. The parties recognize that there are current and future regulatory requirements which apply to water resources in the Russian River watershed affecting one or more of said parties, and that these multiple regulatory requirements may result in conflicts whenever one party's response to a regulatory requirement affects other requirements and/or parties. The parties find that sharing information and coordinating efforts in such circumstances may benefit the parties, the Russian River Watershed, and the communities within it. By this MOU, the parties intend to facilitate such information sharing and coordination.

Section B. General Provisions:

1. **Definitions**. As used in this MOU, the following words and phrases shall have the meanings set forth below unless the context clearly indicates otherwise.

(a) "MOU" shall mean this memorandum of understanding.

(b) "Association" shall mean the Russian River Watershed Association.

(c) "Board of Directors" shall mean the board composed of representatives from the parties to this MOU.

(d) "Party" or "Parties" shall mean the signatories to this MOU.

(e) "Watershed" shall mean the entire Russian River watershed. A map depicting the boundaries of the watershed is attached hereto and incorporated herein as Exhibit B.

(f) “Administrative Agency” shall mean that Party to this MOU authorized pursuant to paragraph B. 12 to enter into contracts and perform other administrative functions on behalf of the Parties to this MOU.

2. Purpose. This MOU is being entered into in order to carry out the mission, goals and objectives stated herein and as stated in the mission and goals attached hereto and incorporated herein as Exhibit C.

3. Eligibility Requirements. Only local and/or regional public agencies regulated under the Porter Cologne Water Quality Control Act, Water Code 513020 et seq., the Clean Water Act, 33 U.S.C. § 1251 et seq., the federal Safe Drinking Water Act, 42 U.S.C. § 300f et seq., and/or the state Safe Drinking Water Act, Health & Safety Code § 116275 et seq., that operate within or have jurisdiction over any area within the boundaries of the watershed of the Russian River are eligible to be parties to this MOU and participate in the Association.

4. Subsidiaries as Parties. Agencies that are a subsidiary of another Party or that share the same governing body as another Party may be a Party if they meet the eligibility requirements in Paragraph B.3 of this MOU and pay the full costs of participation.

5. Advisory Committees. One or more Advisory Committees to the Association may be established by the Board of Directors to be composed of any associations, organizations, private groups, owners and managers of land within the watershed and other interested persons or entities who reside or work within the watershed and who are supportive of the purposes of this Association and of any State and federal agencies with regulatory authority over or an interest in the watershed. The Board of Directors shall approve the size and make up of any Advisory Committee and shall set the length of terms of members and appoint persons to the Committee.

6. Membership of the Board of Directors.

The governing body of the Association shall be a Board of Directors consisting of a representative from each Party. The governing board of each Party shall appoint one representative and one alternate representative.

7. Voting Requirements.

(a) Each member of the Board of Directors shall have one vote. With the exception of the items set forth in subsections (b) and (c) below and as otherwise specified herein or pursuant to applicable law, if a quorum is present, the affirmative vote of the majority of members of the Board of Directors present is required to approve any item. However, an affirmative vote of a majority of the Board of Directors present is sufficient to adjourn a meeting, whether or not a quorum is present. In addition to conducting the regular business of the Association, the Board of Directors shall authorize all contracts and amendments

thereto entered into by the Administrative Agency on behalf of the Parties to the MOU, prior to Administrative Agency entering into such contracts and amendments and shall authorize acceptance of work under any such contract prior to the Administrative Agency accepting such work on behalf of the Parties to the MOU; except that the Board of Directors may authorize the Administrative Agency to enter into, modify or accept work under any contract in an amount not to exceed $10,000.

(b) If a quorum is present, the affirmative vote of two-thirds of the members of the Board of Directors present shall be required to adopt or modify the budget and to authorize the Administrative Agency to enter into, modify or accept work under any contract in excess of $10,000.

(c) Approval of the governing bodies of four-fifths of the Parties shall be required to modify this MOU.

8. Quorum. The presence of a sufficient number of members of the Board of Directors to equal or exceed a majority of the seats on the Board of Directors shall constitute a quorum for purposes of meetings and transacting business.

9. Terms of Office. Each member of the Board of Directors shall serve at the pleasure of his or her appointing body and may be removed as a member of the Board of Directors by the appointing body at any time. If at any time a vacancy occurs on the Board of Directors, a replacement shall be appointed by the Party to fill the unexpired term of the previous representative within ninety (90) days of the date that such position becomes vacant.

10. Alternates. Alternate representatives to the Association shall be empowered to cast votes in the absence of the regular member of the Board of Directors or, in the event of a conflict of interest preventing the regular member of the Board of Directors from voting, to vote because of such a conflict of interest.

11. Officers of the Association. The Board of Directors of the Association shall elect a Chair, a Vice-Chair and such other officers from the Board of Directors, as the Board of Directors deems appropriate. In electing a Chair and Vice-Chair, the Board of Directors shall encourage the election of individuals who are elected officials of the Parties. Such officers shall serve for a term of one (1) year unless sooner terminated at the pleasure of the Board of Directors. The duties of the Chair and Vice-Chair are as follows:

(a) Chair. The Chair shall represent the Board of Directors and, subject to the approval of the Board of Directors, oversee and carry out the affairs of the Association and the activities of the officers of the Board of Directors, the staff, and consultants. The Chair shall perform all duties incident to the office and such

other duties as may be required to carry out this MOU or which may be prescribed from time to time by the Board of Directors.

(b) Vice-Chair. The Vice-Chair shall serve as the Chair in the absence of the regularly-elected Chair. In the event both the Chair and Vice-Chair are absent from a meeting which would otherwise constitute a quorum and a temporary Chair was not designated by the Chair at the last regular meeting, any Board member may call the meeting to order, and a temporary chair may be elected by majority vote to serve until the Chair or Vice-Chair is present.

12. Administrative Agency. The Parties hereby designate The City of Ukiah to act as the Administrative Agency for the purpose of carrying out the provisions of this MOU. Pursuant to the provisions of Government Code Section 6509, the authority delegated herein to the Administrative Agency shall be subject to the restrictions upon the manner of exercising power applicable to the Administrative Agency, including but not limited to the purchasing ordinances and purchasing procedures of the Administrative Agency. The Administrative Agency, on behalf of the Association, shall:

(a) provide for notice of and agendas for all meetings of the Association in accordance with the Ralph M. Brown Act (Chapter 9 (commencing with section 54950) of Part 1 of Division 2 of Title 5 of the Government Code) or with any successor provision;

(b) through its staff or through any staff, executive director, or consultants authorized pursuant to Paragraph B. 15, award and administer such contracts as may be authorized by the Board of Directors;

(c) through its controller and treasurer act as the financial officer or functional equivalent and be the depositor and have custody of all money of the Association from whatever source. The Administrative Agency shall draw warrants to pay demands for expenditures authorized by the Board of Directors or by its authorized representative pursuant to any delegation of authority authorized by the Board of Directors. The Administrative Agency shall cause an independent annual audit of the Association's finances to be made by a certified public accountant;

(d) determine charges to be made against the Association for its services. Payment of these charges by the Administrative Agency, on behalf of the Association, shall be subject to the approval of the Board of Directors;

(e) complete the tasks identified in Paragraphs B. 16, B. 17, B. 18 and B. 23 if the Board of Directors has not designated another Party or person to complete the tasks.

The Administrative Agency may resign its position as Administrative Agency. Except as otherwise provided in Paragraph B.25 of this MOU, such resignation will become effective 120 days after the Administrative Agency has given written notice to all Parties to the MOU in accordance with Paragraph B.29 of the MOU. The Administrative Agency must transfer all funds and records held on behalf of the

Association to any designated successor Administrative Agency by the resignation effective date. The Board of Directors may designate a successor Administrative Agency. If the Board of Directors does not designate a successor Administrative Agency before the resignation of the current Administrative Agency becomes effective, this MOU will terminate in accordance with Paragraph B.25.

13. Clerk and Legal Counsel. The Board of Directors of the Association may appoint a clerk and legal counsel, as it deems appropriate. The clerk and/or legal counsel may be appointed from the staff of one of the Parties, with the consent of the governing body of the Party. If the clerk and/or legal counsel is appointed from the staff of one of the Parties, the governing body of that Party may determine charges to be made against the Association for the services of the clerk and/or legal counsel. Payment of these charges by the Administrative Agency, on behalf of the Association, shall be subject to the approval of the Board of Directors. The clerk and/or legal counsel may also be retained by the Administrative Agency pursuant to Paragraph B. 15.

14. Executive Director. The Board of Directors of the Association may appoint an Executive Director who shall be responsible to the Board of Directors for the proper and efficient administration of the Association as directed by the Board of Directors pursuant to the provisions of this MOU or of any resolution or order of the Board of Directors. The Executive Director may be appointed from the staff of one of the Parties or the Executive Director may be retained by the Administrative Agency pursuant to Paragraph B. 15.

The Executive Director may be authorized to:

(a) carry out action and direction from the Board of Directors as necessary;

(b) under the policy direction of the Board of Directors, plan, organize and supervise Association activities;

(c) authorize the Administrative Agency to pay expenditures within the designations and limitations of the budget approved by the Association; and

(d) make recommendations to and requests of the Board of Directors concerning any matter which is to be performed, done or carried out by the Board of Directors.

15. Staff and Consultants. The Administrative Agency may, pursuant to Paragraph B. 12 and subject to prior approval by the Board of Directors, employ or contract for any staff, including an Executive Director, or consultants as may be reasonably necessary to carry out the purposes of this MOU. If an employee from any Party performs staff or consulting work for the Association, the governing body of that Party may determine charges to be made against the Association for the services of that employee. Payment of these charges by the Administrative Agency, on behalf of the Association, shall be subject to the approval of the Board of Directors.

16. Annual Work Plan. Within ninety days after the first meeting of the Board of Directors, and each year by January 1, the Association shall prepare an annual work plan describing the work to be done by the Association in the ensuing fiscal year. The work plan shall segregate all work of the Association into two categories: overhead and programs. Work falling into the category of programs will be further segregated into sub-categories: programs of general benefit to all Parties and programs of specific benefit to one or more Parties. For each program, the work plan will set forth information including the following:

(a) the purpose of the program;
(b) the method by which the program will be carried out;
(c) the products to be produced by the program;
(d) the schedule for carrying out the program;
(e) the responsibility for carrying out the program; and
(f) the budget for the program.

The work plan will be prepared in three parts. Part A shall consist of the information on overhead. Part B shall consist of the information on programs of general benefit to all Parties. Part C shall contain the information on the programs of specific benefit to one or more Parties. The work plan shall become effective when approved by a two-thirds majority vote of a quorum of the Board of Directors.

17. Annual Budget. Within ninety days after the first meeting of the Board of Directors of the Association, and thereafter by March 31st, prior to the commencement of each fiscal year (defined as July 1 through June 30), the Board of Directors shall adopt a budget for the ensuing fiscal year. The budget shall include, but not be limited to, the following parts, with funding sources identified:

Part A of the budget shall set forth the cost of overhead and the allocation of overhead cost among Parties;

Part B of the budget shall set forth the cost of programs of general benefit and the allocation of costs of such programs among Parties;

Part C of the budget shall set forth the cost of programs of specific benefit to one or more Parties and the allocation of costs among participating Parties.

The budget shall become effective when approved by a two-thirds majority vote of a quorum of the Board of Directors.

18. Allocation of Costs.

(a) Costs for work described in Parts A and B of the annual work plan shall be allocated equally among each of the Parties as follows:

(i) One half of these costs shall be allocated equally among each of the Parties;

(ii) One half of these costs shall be allocated among Parties in proportion to each Party's annual operating budget as defined by the Board of Directors and excluding amounts devoted to municipal electric utility operations. The operating budget for counties shall be prorated based on

the percentage of the area of each county located within the Russian River watershed.

(b) Costs for work described in Part C of the annual work plan shall be allocated among those Parties participating in the programs in direct proportion to the benefits received by each Party in a manner established by the Board of Directors at the time each program of specific benefit is approved or revised.

19. Dues and Allocated Costs. The Board of Directors shall have the authority to assess initial dues for Parties not to exceed $5,000. The Board of Directors shall also have the authority to assess each Party for costs set out in the annual budget, adopted pursuant to paragraph B.17, and consistent with the allocation of costs, adopted pursuant to paragraph B.18. Parties who join part way through a fiscal year will be assessed dues, not to exceed $5,000, for their Part A and Part B allocation of costs. For their Part C allocation, for projects of specific benefit to the Party, in which the Party elects to participate, the Party will be assessed on a case-by-case basis.

20. Liability and Indemnity. This MOU is not intended to affect the legal liability of any of the Parties by imposing any standard of care other than the standard of care that applies by law.

(a) Except as provided in subparagraph(b) below, no Party or official, officer, employee, agent or volunteer of a Party is responsible for any liability, loss, damage, claims, expenses, or costs (including, but not limited to, attorney's fees or costs, and fees of litigation and other proceedings), (collectively, “Claims”), that result from anything any other Party or official, officer, employee, agent or volunteer of another Party does or fails to do concerning this MOU. In accordance with California Government Code Section 895.4, each Party agrees to indemnify, defend and hold harmless the other Parties and their officers, officials, employees, agents and volunteers from and against any and all Claims that result from anything such indemnifying Party or its officials, officers, employees, agents or volunteers does or fails to do concerning this MOU.

(b) The Parties acknowledge that the Administrative Agency will enter and administer contracts and perform administrative functions on behalf of the Parties pursuant to paragraph B.12 of this MOU. Accordingly, and notwithstanding anything to the contrary in this paragraph B.20 or this MOU, the Parties agree to provide a common defense to any Claims against the Administrative Agency that arise from the activities of the Administrative Agency under paragraph B.12 of this MOU. If any such Claim is made against the Administrative Agency, the Parties shall meet and agree on the manner of providing that defense and on the equitable sharing of the costs thereof and of any settlement or judgment.

21. Termination of Participation.

(a) Causes. The participation and rights of Parties shall terminate on the occurrence of any of the following:

(1) the voluntary resignation of a Party with notice as prescribed by Subparagraph B.21(b) below;

(2) the nonpayment of dues or assessments subject to the limitations set forth in Subparagraph B.21(c) below; or

(3) the occurrence of an event which renders an entity no longer eligible to be a Party in accordance with Paragraph B.3.

(b) Resignation by Giving Notice. Any Party may terminate its participation in the Association by giving written notice of resignation to the Administrative Agency and Chair of the Board of Directors in accordance with paragraph B.29. Such resignation will take effect sixty (60) days after giving notice of resignation in accordance with this subparagraph and paragraph B.29. There shall be no refund of any dues or assessments paid upon such resignation; except that any payments by a resigning Party for dues or assessments approved by the Board of Directors for a fiscal year that has not yet commenced as of the resignation effective date shall be refunded within 30 days of the resignation effective date.

(c) Nonpayment of Dues or Allocated Costs. The participation of any Party that fails to pay its dues or allocated costs when due or within one hundred and twenty (120) days thereafter will terminate in accordance with this subparagraph. Termination for nonpayment will not take effect until the Administrative Agency has given the non-paying Party written notice of non-payment in accordance with paragraph B.29 directing the Party to pay all outstanding amounts within fifteen (15) days of the notice, and the Board of Directors approves termination for non-payment.

(d) Effect of Termination. All rights of a Party in the Association pursuant to this MOU shall cease on the termination of such Party's participation. However, any obligation for charges incurred or service or benefits actually rendered pursuant to this MOU before the effective date of termination will survive such termination.

22. Procedures. The Board of Directors may adopt bylaws, rules of conduct of meetings, and operating procedures. The administrative procedures and policies of a Party may be adopted by the Association.

23. Reports to Parties. Each year the Executive Director or another person designated by the Board of Directors, shall submit a written report to the governing body of each of the Parties. This report shall describe the technical and financial activities of the Association during the preceding year.

24. Offices. The location for the principal office of the Association shall be the principal office of the Administrative Agency.

25. Termination. This MOU shall remain in effect until terminated by approval of the governing bodies of four-fifths of the Parties or until the Administrative Agency has given notice of resignation pursuant to paragraph B. 12 and no other Party has

been designated to act as Administrative Agency, and all debts and liabilities of the Association have been settled, and any remaining property, funds, assets and interests held on behalf of the Association are disposed of in accordance with paragraph B.26. If the Administrative Agency has given notice of resignation in accordance with paragraph B.12, and the Board of Directors has not appointed a successor Administrative Agency within 120 days of such notice, then the Administrative Agency will continue to act in that capacity and this MOU will remain in effect until all debts and liabilities of the Association have been settled and any remaining property, funds, assets and interests held on behalf of the Association are disposed of in accordance with paragraph B.26.

26. Disposition of Property and Surplus Funds. Prior to the termination of this MOU, all debts and liabilities of the Association will be settled, and any and all remaining property, funds, assets, and interests therein held by the Administrative Agency on behalf of the Association shall become the property of and be distributed to the Parties. Remaining monies paid by Parties and held in reserve by the Administrative Agency on behalf of the Association for payment of program costs shall be returned to the Parties that paid them. All other property, funds, assets, and interests of the Association that remain after all debts and liabilities of the Association have been settled shall be distributed by the Administrative Agency to the Parties in proportion to each Party's contributions to the Association for costs set forth in the annual budgets.

27. Minutes. The clerk appointed by the Board of Directors of the Association or, the Administrative Agency if no clerk is appointed, shall cause to be kept minutes of all meetings of the Board of Directors, and shall cause a copy of the minutes to be forwarded to each Party.

28. Effective Date. This MOU shall become effective when at least three agencies have authorized its execution provided that at least one of the three agencies is the Administrative Agency.

29. Notice. All notices, bills and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments shall be delivered or mailed addressed to each Party at the address shown on Exhibit A and when so addressed shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving written notice pursuant to this paragraph B. 29.

Amendment One to the
Memorandum of Understanding Creating
The Russian River Watershed Association

Exhibit A
[Signatures]

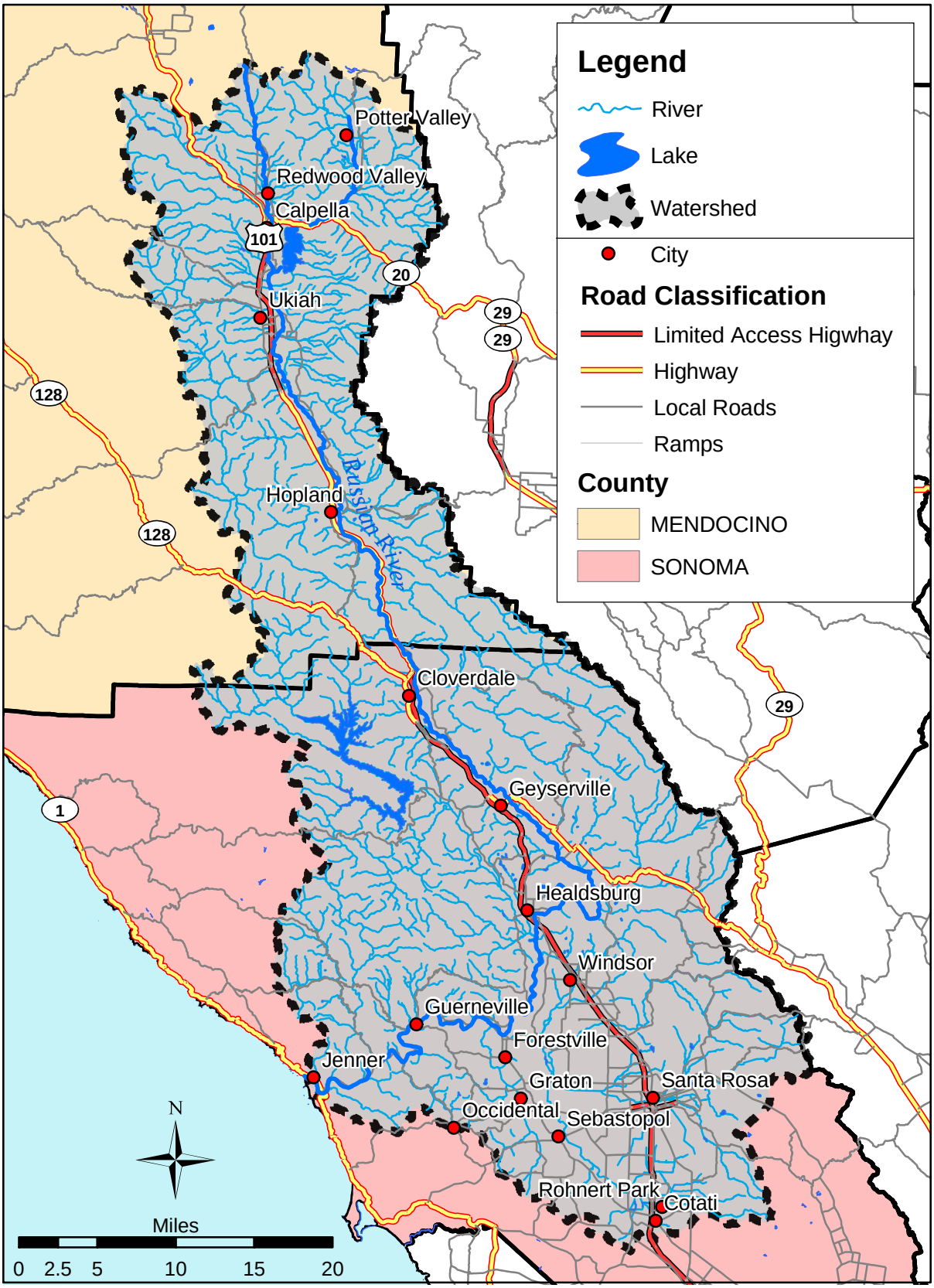
Party Name: _____
Party Address: _____
_____

Authorized Signatory (Name & Title): _____
Date of Signature: _____

Attestation by Clerk of Agency: _____
Date of Attestation: _____

Exhibit B

Russian River Watershed



Memorandum of Understanding Creating
The Russian River Watershed Association

Exhibit C

Mission Statement

Facilitate partnerships across political boundaries that promote stewardship of the Russian River watershed resources.

Goals & Objectives

Goal #1: Bring together counties, cities and local agencies to work cooperatively and effectively on issues of common interest.

Objectives:

1. Promote the development and implementation of cooperative restoration and protection efforts throughout the watershed.
2. Promote a regional alliance that supplements local government programs.

Goal #2: Be proactive on watershed-based regulation, which increasingly affects areas beyond traditional political boundaries.

Objectives:

1. Increase the knowledge and experience base of local agencies in responding to regulatory actions.
2. Develop a unified voice for the Russian River cities and public agencies pertinent to existing regulations.
3. Monitor legislation and take positions on behalf of the Russian River cities and public agencies.

Goal#3: Work cooperatively to increase eligibility for watershed based funding.

Objectives:

1. Develop joint proposals for funding.
2. Leverage the strength of public support for local, state, federal, and other funding.
3. Support programs that implement the mission & goals of the Russian River cities and public agencies

Goal#4: Maximize effective use of resources.

Objectives:

1. Efficiently share expenses by leveraging limited funding on coordinated efforts.
2. Efficiently share information and increase communication among participants.
3. Undertake a cooperative education program.

Goal#5: Enhance the Association's influence on local, state, and federal policies and programs.

Objectives:

1. Speak with a unified voice representing interests of the Russian River area .
2. Develop liaisons and communicate effectively with key officials.

Goal#6: Educate communities about the importance of watershed stewardship.

Objectives:

1. Increase education on the importance of habitat restoration and protection and implementation of sustainability concepts.
2. Conduct outreach that attracts volunteers to cooperative programs.
3. Increase public awareness on the values of holistic planning.
4. Serve as an informational clearinghouse – repository of information to provide collective presentation of ecosystem stewardship values.