

CITY OF MERCED AND MERCED IRRIGATION DISTRICT JOINT FUNDING AGREEMENT FOR LOCAL SHARE OF GROUNDWATER MODEL GRANT FROM THE STATE DEPARTMENT OF WATER RESOURCES

This JOINT FUNDING AGREEMENT is entered into and effective as of June 3, 2013, by and between the City of Merced, a California charter municipal corporation ("Merced"), and Merced Irrigation District, an irrigation district organized and existing pursuant to Division 11 of the Water Code of the State of California ("MID").

RECITALS

A. In 1992, AB 3030 was adopted by the California Legislature and signed into law as Water Code Section 10752 *et seq.* AB 3030 imposed certain requirements upon local groundwater agencies.

B. As a result of AB 3030, and the prior groundwater investigations, the Merced Area Groundwater Pool Interests ("MAGPI") was formed as the governing body for the management of the groundwater basin and for the adoption and implementation of a regional AB 3030 plan.

C. Merced and MID have again begun to move ahead on the Merced Water Supply Plan (MWSP). Each agency has budgeted funds for expenditure on behalf of the MAGPI, including but not limited to an implementation scope of work, potential governance structures, hydrogeology, groundwater recharge pilot programs, and other investigations.

D. Merced and MID intend to develop an Integrated Water Resources Model (Merced IWRM), with partial funding by the California Department of Water Resources (DWR) and funding participation by Merced, MID, and other MAGPI members. Each agency has budgeted funds for expenditure on behalf of MAGPI, including, but not limited to, the development of the IWRM model, and its application to various projects.

E. MAGI, with MID as its agent, applied for and has received a Proposition 50, the "Water Security, Clean Drinking Water, Coastal and Beach Protection Act of

2002” grant (“Proposition 50 Grant”) of \$500,000 which requires a local match of a similar amount.

F. Both MID and Merced have previously agreed to supply the local match, with each entity providing half of the local match, not to exceed \$250,000.00 each.

G. The purpose of the Joint Funding Agreement is to provide the authority to MID to act as the contracting agent and for Merced to provide its share of the local match.

NOW, THEREFORE, Merced and MID, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, do hereby agree as follows:

1. Merced agrees to provide to MID with up to the not-to-exceed sum of Two-Hundred-Fifty-Thousand Dollars (\$250,000.00) which is Merced’s share of the local match for the DWR’s Proposition 50 Grant. City shall disburse the funds to MID for the Proposition 50 Grant eligible project work plan tasks as identified on periodic invoices sent to Merced’s Director of Water Resources and Reclamation.

2. MID agrees to provide a similar sum which shall be held in a special fund within MID’s accounting system to which all receipts and withdrawals shall be made so that an accurate accounting of the grant funds can be made.

3. The funding committed hereunder by both Merced and MID shall be proportionately reduced by any funding provided by any other MAGPI member once the project’s budget obligations have been met.

4. It is expressly understood and agreed that Merced and MID’s provision of this funding is subject to the Conditional Project Cost Reimbursement Agreement entered into between Merced, MID, and MAGPI.

5. MID agrees to do all things necessary and required by the agreement with DWR to ensure the groundwater modeling project is completed and completed meeting all of the requirements of the Proposition 50 Grant and the agreement with DWR.

6. Notices. All notices required or provided for under this Joint Funding Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid and presumed delivered upon actual receipt by personal delivery or within three (3) days following deposit thereof in United States Mail. Notice required to be given to City shall be addressed as follows:

To Merced: City of Merced
678 West 18th Street
Merced, California 95340
Attn: Director of Water Resources and Reclamation

Notices required to be given to MID shall be addressed as follows:

To MID: Merced Irrigation District
P.O. Box 2288
744 West 20th Street
Merced, California 95344
Attn.: Deputy General Manager – Water Resources

A party may change the address by giving notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

7. Counterparts. This Joint Funding Agreement may be executed in multiple counterparts, each of which so fully executed counterpart shall be deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterpart executed by the other party to this Joint Funding Agreement is in the physical possession of the party seeking enforcement thereof.

8. Authority to Execute. Each party hereto expressly warrants and represents that he/she/they has/have the authority to execute this Joint Funding Agreement on behalf of his/her/their corporation, partnership, business entity, or governmental entity and warrants and represents that he/she/they has/have the authority to bind his/her/their entity to the performance of its obligations hereunder.

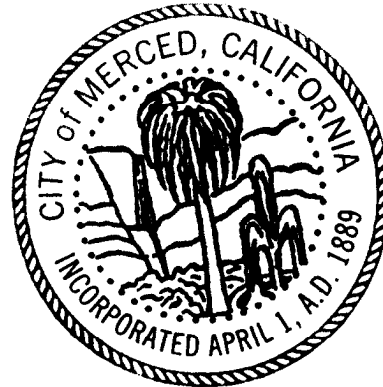
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

CITY OF MERCED
A California Charter Municipal
Corporation

By: John M. Bramble
City Manager

ATTEST:
JOHN M. BRAMBLE, CITY CLERK

By: [Signature]
Assistant/Deputy City Clerk



APPROVED AS TO FORM:

By: [Signature] 5/17/2013
City Attorney Date

Signatures continued on next page

v-264

213507 PO#: 109789
FUNDS/ACCOUNTS VERIFIED

[Signature] 6-6-13
FINANCE OFFICE DATE

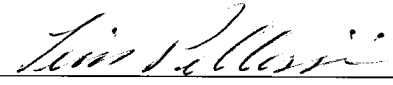
Funds Contingent upon City Council
Approval of FY 13/14 Budget. met 6/3/13 R

553-1108-637-6500 114007 \$125,000.00

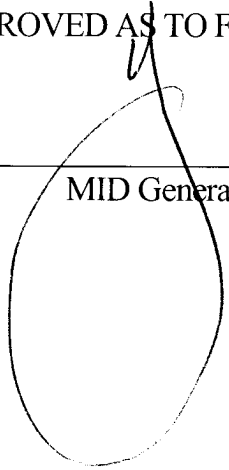
557-1106-637-6500 114008 125,000.00

\$250,000.00

MERCED IRRIGATION DISTRICT, An
Irrigation District Organized and Existing
Pursuant to Division 11 of the Water
Code of the State of California

By: 
Chair of the Board

APPROVED AS TO FORM:

By: 
MID General Counsel