

# WESTSIDE WATER QUALITY COALITION

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Pamela Creedon  
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Central Valley Regional Water Quality Control Board  
11020 Sun Center Drive, #200  
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**Re: Application to Serve as a Third-Party Representing Members  
Under General Order R5-2013-0120 for Growers within the  
Tulare Lake Basin Area**

Dear Ms. Creedon:

The Westside Water Quality Coalition (the “Westside Coalition”) is submitting this Application to Serve as a Third-Party Coalition pursuant to Section VIII(A) of California Regional Water Quality Control Board Central Valley Region Order R5-2013-0120, entitled Waste Discharge Requirements General Order for Growers Within the Tulare Lake Basin Area That Are Members of a Third-Party Group (the “Order”).

The Westside Coalition area is situated in the western portions of Kern and Kings Counties. The entire boundary of the Westside Coalition falls within the Tulare Lake Basin Area as described in the Order. The Westside Coalition encompasses about 284,000 acres and approximately 117,000 irrigated acres that share common groundwater characteristics that are unique to the Westside Coalition area. It encompasses all irrigated crop lands within the Belridge, Berrenda Mesa, and Lost Hills Water Districts, and the Western portion of the Dudley Ridge Water District, which share several large, common landowners. The coverage area is designed to maximize efficiencies and enable its members to effectively comply with the Order.

As described below, each of the factors listed in Section VIII(A) of the Order weigh in favor of approving the Westside Coalition as a Third-Party Coalition under the Order. Therefore, the Westside Coalition respectfully requests that the Board issue a Notice of Applicability (“NOA”) to the Westside Coalition.

**A. The Westside Coalition is able to carry out all activities for which third-party coalitions are responsible under the Order**

Section VIII(A)(1) indicates that the Board will consider the “[a]bility of the third-party to carry out the third-party responsibilities identified in this Order” in deciding whether to issue an NOA. Section IV(C) of the Order identifies 11 third-party responsibilities. The Westside Coalition is prepared to fulfill each of these responsibilities.

1. ***“Provide the Central Valley Water Board documentation of its organizational or management structure. The documentation shall identify persons responsible for ensuring that program requirements are fulfilled. The documentation shall be made readily available to Members.”***

The Westside Coalition is established as a California non-profit mutual benefit corporation pursuant to Corporations Code sections 7110, *et seq.* The Westside Coalition’s membership is comprised of individuals and entities that irrigate land within the jurisdiction of the Belridge Water Storage District, Berrenda Mesa Water District, Lost Hills Water District, and the portion of Dudley Ridge Water District located West of Interstate 5 (collectively, the “Water Districts”). The Westside Coalition’s organizational and management structure is detailed in its bylaws, which have been adopted and are enclosed as Attachment “A.”

As set forth in the bylaws, the Westside Coalition is governed by a seven-member Board of Directors. The Westside Coalition’s Board of Directors is comprised of members appointed by the Water Districts. The boards of the Water Districts are comprised almost entirely of members in the Westside Coalition, such that the Water Districts’ designation of board members is designed to give the members control of the board. The Bylaws also require that all members of the Board be dedicated to the purposes of the Westside Coalition.

The Board has primary responsibility for implementing the policies and structure necessary to ensure compliance with the Order. The Westside Coalition’s members will bear responsibility for implementing the Board’s policies for their particular parcels. The Board will engage consultants and hire staff as appropriate in order to ensure members of the Westside Coalition are complying with all aspects of the Order. The Westside Coalition does not intend to use subsidiary groups to carry out its responsibilities under the Order.

The Board is responsible for electing a Chairperson, a Vice-Chairperson, a Secretary, and a Treasurer to assist the Westside Coalition in performing its functions. An organizational chart illustrating the structure of the Westside Coalition is enclosed with this letter as Attachment “B.” These officers will be elected from amongst the directors during the first meeting of the Westside Coalition’s Board of Directors. The Chairperson will preside at meetings of the Board and will be responsible for appointing committees of the Board.

With respect to member rights, the Westside Coalition is organized with voting and non-voting members. Any grower located within the Westside Coalition’s geographic area that is subject to the Order and agrees to pay the dues and fees associated with membership is eligible to be a voting member. The voting membership ensures that the Westside Coalition is accountable to its member-growers. Further, the Bylaws require the members to have an annual meeting, and permit the members to hold special

meetings. During these meetings, the members can pass resolutions, which they can then convey to the Westside Coalition Board as member recommendations. As described above, members will have a voice at the Board level because (1) the boards of the Water Districts who appoint the Westside Coalition Board are voted in by the same landowners comprising the Westside Coalition membership; and (2) the boards of the Water Districts are comprised almost entirely of Westside Coalition members.

The Westside Coalition will make its Bylaws and all other relevant documentation available to its members.

2. ***“Prepare annual summaries of expenditures of fees and revenue used to comply with this Order. The summaries shall be provided to or made readily available to Members.”***

The Westside Coalition will maintain accurate accounts of all of its expenditures under the Order, and will prepare annual summaries detailing all monies used to comply with the Order. The Westside Coalition’s Bylaws provide for the election of a Treasurer who is charged with maintaining adequate and correct books and accounts of the Westside Coalition’s transactions. If necessary, the Westside Coalition will engage accountants or other outside personnel to prepare the necessary summaries.

The Westside Coalition will make all records of its expenditures, fees, and revenues available to its members, and will send the annual summaries of expenditures to all members.

3. ***“If the third-party group receives a notice of violation (NOV) from the Central Valley Water Board, the third-party must provide to Members in the area addressed by the NOV appropriate information regarding the reason(s) for the violation. The notification must be provided to all Members within the area affected by the NOV within thirty (30) days of receiving the NOV from the board. The third-party group must provide confirmation to the board of each notification. A summary of all notices of violation received by the third-party group must be provided to all Members annually. The annual NOV summary may be part of a written or electronic communication to Members.”***

The Westside Coalition agrees that it will mail and/or email all correspondence and relevant information regarding a NOV to every member affected by the NOV within 30 days of the Westside Coalition’s receipt of the NOV. To ensure that the Westside Coalition is able to efficiently communicate with members, the Westside Coalition maintains a database of up-to-date contact information for all landowners within the Water Districts. The Westside Coalition will provide timely confirmation to the Board that it has provided the relevant NOV materials to all of its affected members. Further, the Westside Coalition will prepare an annual summary of all violations under the Order, and distribute the annual summary to each member of the Westside Coalition.

**4. *“Develop and implement plans to track and evaluate the effectiveness of water quality management practices, pursuant to approved Surface Water Quality Management Plans and Groundwater Quality Management Plans.”***

The Westside Coalition plans to develop a comprehensive Surface Water Quality Management Plan (“SQMP”) and a comprehensive Groundwater Quality Management Plan (“GQMP”) in accordance with the requirements of the Order.

With respect to the SQMP, the Water Districts have been and will continue to implement efficient surface water management and evaluation practices. As members of the Kern River Watershed Coalition Authority and the Southern San Joaquin Valley Water Quality Coalition, the Water Districts have maintained landowner records for those enrolled in the Surface Waiver Program from 2006 to the present. The Water Districts also prepared and submitted Agricultural Water Management Plans, prepared pursuant to Water Code Section 10826, to the Department of Water Resources. The Westside Coalition will continue to implement these management plans and perform these evaluations in accordance with the requirements of the Order.

With respect to the GQMP, the Water Districts have already performed a preliminary Groundwater Assessment Report (“GAR”). The Westside Coalition will expand on the Water Districts’ initial report to create a final GAR, and will then use information obtained from the GAR to develop a GQMP that complies with the conditions of the Order and the associated Monitoring and Reporting Requirements.

The Westside Coalition will document and track management practices in a manner consistent with the requirements of the Order, using the farm evaluation process described in the Order.

**5. *“Provide timely and complete submittal of any plans or reports required by this Order.”***

The Westside Coalition will submit all plans or reports required under the Order in a timely and complete fashion. The Westside Coalition has retained AMEC to provide guidance and assistance on all required plans or reports. The Westside Coalition intends to retain Kennedy/Jenks to provide additional guidance and assistance on the technical aspects of the monitoring and reporting requirements. Through the use of these consultants, the Westside Coalition will develop templates for each of the required reports in order to increase efficiency. Thus, the Westside Coalition is prepared to work closely with third-parties in order to ensure that all reports are thorough, accurate, and submitted on time.

**6. “Conduct required water quality monitoring and assessments in conformance with quality assurance/quality control requirements and provide timely and complete submittal of any reports required by this Order.”**

The Westside Coalition will conduct the required water quality monitoring and assessments in conformance with the quality assurance and quality control requirements under the Order. To that end, the Water Districts have already performed a preliminary Groundwater Assessment Report for the entire area of the Westside Coalition.

The Westside Coalition will submit all plans or reports required under the Order in a timely and complete fashion. As part of its planning and reporting efforts, the Westside Coalition will follow the sampling and analytical procedures specified in Attachment C, Order No. R5-2008-0005, Coalition Group Monitoring Program Quality Assurance Project Plan Guidelines (QAPP Guidelines).

The Westside Coalition has retained AMEC to provide guidance and assistance on all required plans or reports. The Westside Coalition intends to retain Kennedy/Jenks to provide additional guidance and assistance. By seeking assistance from appropriate technical experts, the Westside Coalition will be able to implement the newly adopted groundwater components of the Order, and meet the Order’s monitoring requirements for both surface and groundwater.

**7. “Within 30 days of receiving an NOA from the Central Valley Water Board (as described in section VIII.A), inform Members of this Order’s requirements by providing a notice of confirmation form to be completed by each Member.”**

The Westside Coalition will create a Notice of Confirmation (“NOC”) form, which it will send to each of its members. Included with the NOC form will be a fact sheet with member and third-party responsibilities as well as information on how to access the approved Order and supporting documentation. Both the NOC and the fact sheet will be sent to the Westside Coalition’s members within 30 days of the Westside Coalition’s receipt of an NOA from the Board. The members will then be required to timely complete and return the form in order to maintain their good standing in the Westside Coalition. After receiving the completed NOC forms from the members, and within 180 days of the Board’s issuance of an NOA, the Westside Coalition will provide the Board with a list of its members.

The Water Districts maintain a list of all landowners within their respective boundaries, along with contact information each landowner. Thus, the Westside Coalition will be able to promptly and efficiently provide the NOC form to all of its members and to all other landowners who may wish to become members.

8. ***“Conduct education and outreach activities to inform Members of program requirements and water quality problems, including exceedances of water quality objectives or degradation of water quality, identified by the third-party or Central Valley Water Board. The third-party shall: (a) Maintain attendance lists for outreach events, provide Members with information on water quality management practices that will address water quality problems and minimize the discharge of wastes from irrigated lands, and provide informational materials on potential environmental impacts of water quality management practices to the extent known by the third-party group; and (b) Provide an annual summary of education and outreach activities to the Central Valley Water Board. The annual summary shall include copies of the educational and management practice information provided to the growers. The annual summary must report the total number of growers who attended the outreach events and describe how growers could obtain copies of the materials presented at these events.”***

The Westside Coalition agrees that it will conduct education and outreach to growers by meeting with members, and hosting educational presentations for members. These outreach events will take the form of grower meetings held on at least an annual basis, individual on-farm meetings with particular members, and informational seminars related to preserving surface and groundwater quality. The Westside Coalition plans to coordinate with other interested entities in hosting educational outreach activities, including the Water Association of Kern County, The Kern County Farm Bureau, the Kern River Watershed Coalition Authority, the Southern San Joaquin Valley Water Quality Coalition and the Kern County Department of Agriculture.

The Westside Coalition will document its members' attendance at these grower meetings and outreach events. It will also supply materials regarding proper water quality management practices, and potential environmental impacts of water quality management practices.

The Westside Coalition will also provide the Board with an annual summary of the education and outreach activities that the Westside Coalition undertook during the previous year. Among other things, the annual summary will include: (1) attendance information identifying the member growers who attended the activities; (2) a copy of the materials that were provided to the attendees of the outreach activities; and (3) an explanation of the methods undertaken by the Westside Coalition to ensure that all growers could obtain copies of the materials provided at the various outreach activities hosted by the Westside Coalition.

9. ***“Work cooperatively with the Central Valley Water Board to ensure all Members are providing required information and taking necessary steps to address exceedances or degradation identified by the third-party or board. As part of the Membership List submittal, identify the growers known by the third-party who have: (1) failed to implement improved water quality management practices within the timeframe specified by an applicable SQMP/GQMP; (2) failed to respond to an information request from the third-party associated with any applicable SQMP/GQMP or other provisions of this Order; (3) failed to participate as requested in third-party studies for which the third-party is the lead; (4) failed to provide confirmation of participation in an outreach event (per section IV.B.4 of this Order); or (5) otherwise failed to maintain good standing of their membership in the third-party group.”***

The Westside Coalition agrees to work cooperatively with the Board to assist all of its members in providing the required information. The Westside Coalition will develop and maintain a Member Database that will incorporate all information necessary to comply with the requirements listed in the above heading. After the Westside Coalition receives from its members their completed NOC forms, the Westside Coalition will submit the required information to the Board along with its membership list submission. As described above, this submission will occur within 180 days following the Board’s issuance of an NOA.

The Westside Coalition has a working database of contact information for all landowners within its boundaries, and is thus well-poised to create a member database containing the information described in items 1 through 5, above. The Westside Coalition will provide its members with copies of all required forms electronically or by mail.

10. ***“Ensure that any activities conducted on behalf of the third-party by other groups meet the requirements of this Order. The third-party is responsible for any activities conducted on its behalf.”***

The Westside Coalition will engage consultants to prepare and complete required technical reports and documents on behalf of its members, and will accept ultimate responsibility for ensuring that activities conducted by these consultants comply with the Order’s requirements. The Westside Coalition has retained AMEC to assist with preparing a preliminary Groundwater Assessment Report, and will continue to use AMEC in the future for assistance with technical reports. The Westside Coalition also intends to retain Kennedy/Jenks for additional guidance on compliance with the Order. Due to the close involvement between the Westside Coalition and the Water Districts, the Westside Coalition will make use of staff from the Water Districts in situations where doing so would be efficient and effective. The Westside Coalition will accept full responsibility for actions conducted by third-parties on its behalf.

***11. “Collect any fees from Members required by the State Water Board pursuant to the fee schedule contained in Title 23 CCR. Such fees shall then be submitted to the State Water Board. The fees invoiced by the State Water Board will be based on the Membership List submitted by the third-party group. The third-party group is responsible for ensuring the Members identified in the Membership List have provided their required portion of the State Water Board fees.”***

The Westside Coalition is aware of and understands the fee schedule provided for in Title 23 of the California Code of Regulations. The Water Districts maintain a directory of all landowners within their districts, which will enable the Westside Coalition to maintain close contact with the landowners for purposes of collecting fees. The Westside Coalition will establish the member fee assessments before each fiscal year. The Bylaws for the Westside Coalition require members to sign a membership agreement, which agreement will detail the fees, assessments, and dues that the Westside Coalition will collect. This agreement will ensure accountability among the membership, and enable the Westside Coalition to timely collect all fees and submit the fees to the Board.

**B. Geographic Area of Westside Coalition**

Section VIII(A)(1) of the Order indicates that the Board will consider “whether the third-party has clearly identified the geographic area proposed to be covered by the third-party” in deciding whether to issue an NOA.

A map depicting the proposed boundary for the Westside Coalition is enclosed with this application as Attachment “C.” As indicated by the attached map, the Westside Coalition encompasses all irrigated crop lands within the Belridge, Berrenda Mesa, and Lost Hills Water Districts, and the Western portion of the Dudley Ridge Water District. The Westside Coalition area is situated in the western portions of Kern and Kings Counties. The entire boundary of the Westside Coalition falls within the Tulare Lake Basin Area as described in the Order. The Westside Coalition encompasses about 284,000 acres; approximately 117,000 of the acres are irrigated.

**C. Reasonableness of Westside Coalition Boundaries**

Section VIII(A)(1) of the Order indicates that the Board will consider “reasonableness of the proposed boundaries” in circumstances where “a third-party request[s] to serve as a third-party for only a portion of this Order’s coverage area.”

The Westside Coalition's boundaries encompass less than all of the Order's coverage area. The boundaries are reasonable because:

- the groundwater within the coverage area shares common characteristics, including but not limited to perched groundwater and naturally occurring salinity;
- the common characteristics of the groundwater in the coverage area are unique to the coverage area and not shared by the rest of the Tulare Lake Basin. Thus, the Westside Coalition's strategy for implementing the Order will be tailored to the conditions found within the coverage area;
- a lack of surface water is common to the entire coverage area, such that Westside Coalition members will have a similar SQMP, and will be able to collaborate on monitoring and reporting practices under the SQMP;
- the coverage area shares several large, common landowners; and
- three of the four Water Districts within the coverage area have a preexisting Joint Powers Agreement pursuant to which they pool resources. The existing working relationship among the Water Districts will facilitate collaboration among the members, and will help ensure compliance with the Order.

In short, the coverage area is designed to maximize efficiencies and enable its members to effectively comply with the Order.

#### **D. Westside Coalition Entity**

Section VIII(A)(2) of the Order indicates that the Board will consider “[w]hether the third-party is a legally defined entity (i.e., non-profit corporation; local or state government; Joint Powers Authority) or has a binding agreement among multiple entities that clearly describes the mechanisms in place to ensure accountability to its Members.”

The Westside Coalition is a non-profit mutual benefit corporation formed under Corporations Code sections 7110, *et seq.* The Westside Coalition intends to apply for tax exempt status pursuant to IRC 501(c)(6). As a non-profit corporation, the Westside Coalition has members but does not issue shares. The Westside Coalition has adopted bylaws and is directed by a volunteer Board of Directors.

Full voting membership is open to all growers within the Westside Coalition coverage area that are subject to the Order and that agree to abide by the conditions of membership. In addition, the Bylaws authorize the admission of non-voting members. Non-voting members include any person that is interested in the purposes of the Westside Coalition who is approved by the Board of Directors.

The voting membership ensures that the Westside Coalition is accountable to its member-growers. Further, the Bylaws require the members to have an annual meeting, and permit the members to hold special meetings. During these meetings, the members can pass resolutions, which they can then convey to the Westside Coalition Board as member recommendations.

#### **E. Subsidiary Groups**

Section VIII(A)(3) of the Order indicates that the Board will consider “[w]hether the third-party has binding agreements with any subsidiary group (e.g., subwatershed group) to ensure any third-party responsibilities carried out by the subsidiary group, including the collection of fees, are done so transparently and with accountability to the third party and its Members.”

The Westside Coalition is not bound by any agreements with a subsidiary group. Rather, the Westside Coalition intends to assume direct responsibility for complying with the Third Party requirements of the Order. In doing so, the Westside Coalition will enter into agreements with certain consulting firms in order to assist with the technical monitoring and reporting aspects of compliance with the Order.

If the Westside Coalition were to at some point engage a subsidiary group to conduct activities, the Westside Coalition would accept full responsibility for the actions of the subsidiary group.

#### **F. Influence of Members**

Section VIII(A)(4) of the Order indicates that the Board will consider “[w]hether the third-party has a governance structure that includes a governing board of directors composed in whole or in part of Members, or otherwise provides Members with a mechanism to direct or influence the governance of the third-party through appropriate by-laws.”

The Board of Directors is comprised of seven members appointed by the Water Districts. The Bylaws provide that these members will initially be as follows: (1) William Phillimore; (2) Rod Steifvater; (3) Joseph MacIlvaine; (4) Leon Elwell; (5) Bernard Pugét; (6) Donald Elholm; and (7) Dale Melville. Six of the seven initial Boardmembers are employees or officers of landowners within the Westside Coalition boundaries who will be subject to the Order, and who are or will be members of the Westside Coalition.<sup>1</sup> Thus, the interests of the member-landowners of the Westside Coalition will have a voice at the Board level.

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<sup>1</sup> William Phillimore and Joseph MacIlvaine are officers of Paramount Farming Company, LLC, the largest landowner within the Westside Coalition’s proposed boundaries. Bernard Pugét is employed by Paramount. Rod Steifvater is the owner of RTS AgriBusiness, another grower subject to the Order and within the boundaries of the Westside Coalition. Leon Elwell is employed by Blackwell Land Company, which is also subject to the Order and within the boundaries of the Westside Coalition. Don Elholm is the owner of Elholm Farming, which is subject to the Order and within the Westside Coalition boundaries.

After the current Board's term expires, the Water Districts, acting through their respective boards of directors, are tasked with appointing new members to the Westside Coalition Board. The boards of the Water Districts are voted in by landowners who receive water from the Water Districts. These same landowners are subject to the Order, and are within the boundaries of the Westside Coalition. As a result, the members of the Westside Coalition control the governance of the Water Boards who appoint Westside Coalition Boardmembers. Of the 20 total members of the Water Districts' boards of directors, 18 are affiliated with members or potential members of the Westside Coalition. Thus, providing the Water Districts with appointment power for the Westside Coalition Board of Directors ensures that the members of the Westside Coalition will be able to influence the Westside Coalition's policy at the Board level.

Aside from the Board of Directors, the Westside Coalition bylaws provide members with influence over Westside Coalition policy. Any grower located within the Westside Coalition's geographic area that is subject to the Order and agrees to pay the dues and fees associated with membership is eligible to be a voting member. The voting membership ensures that the Westside Coalition is accountable to its member-growers. Also, the Bylaws require the members to have an annual meeting, and permit the members to hold special meetings.

#### **G. Conclusion**

Each of the factors that the Order describes as relevant to the Board's decision on whether to grant an entity's application to become a Third Party weighs in favor of granting this application. Due to the large size of the Westside Coalition area and the common landowner, groundwater, and surface water characteristics of the Westside Coalition, the granting of this application will enable Westside Coalition members to maximize efficiencies and effectively comply with the Order. The Westside Coalition requests that the Board issue an NOA authorizing the Westside Coalition to serve as a Third Party under the Order.

Please feel free to contact the Westside Coalition with any questions, comments, or feedback regarding this Application. The Westside Coalition understands the importance of the Third Party application process under the Order, and welcomes any opportunity to coordinate with Board staff regarding this application, or provide additional information to Board staff.

Respectfully,



JOSEPH D. HUGHES  
Legal Counsel, Westside Water Quality  
Coalition

# **EXHIBIT “A”**

# **BYLAWS OF WESTSIDE WATER QUALITY COALITION**

**(a California Nonprofit Mutual Benefit Corporation)**

## **I. General Provisions**

### **A. Name**

The name of this corporation is WESTSIDE WATER QUALITY COALITION. WESTSIDE WATER QUALITY COALITION is referred to in these Bylaws as “the corporation.”

### **B. Principal Office**

The principal office for the transaction of business of the corporation shall be located in California. The Board of Directors (“Board”) shall have the authority to set and change the precise location of the principal office so long as the principal office remains in California. The corporation may also have offices at such other places within or without the State of California where it is qualified to do business, as its activities may require, and as the Board may from time to time designate.

### **C. Purposes and Limitations**

The corporation is a non-profit mutual benefit corporation organized under California law. The corporation is formed for the purpose of engaging in any lawful act or activity for which a nonprofit mutual benefit corporation may be organized under the law.

The specific purpose of this corporation is to improve conditions and develop efficiencies for agricultural landowners by engaging in activities which include, but are not necessarily limited to: (1) establishing and/or participating in a third-party “coalition” under the Waste Discharge Requirements General Order for Growers Within the Tulare Lake Basin Area that are Members of a Third-Party Group (the “Order”), as promulgated by the Central Valley Regional Water Quality Control Board; (2) assisting its members with complying with the Order; and (3) reducing the burdens imposed by the Order.

## **II. Membership**

### **A. Voting Members**

The corporation is organized with members, but without capital stock. Any person who satisfies each of the following conditions is eligible for voting membership: (1) the person owns or operates commercial irrigated cropland within the area described in Exhibit “A,” which area

includes all land falling within the boundaries of the Belridge Water Storage District, the Lost Hills Water District, the Berrenda Mesa Water Storage District, and the Dudley Ridge Water District (collectively, “the Water Districts”); (2) the person is eligible to be represented through a third party coalition for purposes of the Order; and (3) the person pays the dues, fees and assessments established by the Board for voting members. There can only be one membership per parcel. For any parcel where there is both an owner and separate operator, the owner and operator must decide who will apply for membership.

For purposes of this section, “person” shall mean a government entity or an individual, sole proprietorship, limited or general partnership, limited liability company, corporation, or any other business entity recognized by the state of California.

“Person” shall also include any group of persons who have voluntarily agreed to be considered one entity for purposes of membership in the corporation. Where a group of persons have agreed to be considered one entity for purposes of membership in the corporation, every person within the group shall meet the eligibility requirements of this Section II(A). A group of persons accepted to membership as one entity shall pay one membership dues and shall pay the acreage assessment based on the total acreage of the whole group. A group of persons accepted as a member shall be considered as one member and shall be entitled to only one vote on membership matters.

Membership approvals shall be made by the Board (or by an individual designated by the Board to make such approvals) and are conditioned on the proposed member signing a membership purchase agreement, which agreement shall be in a form approved by the Board, and the payment of such dues, fees, and assessments as the Board may establish from time to time.

Each voting member who is not a natural person shall designate in writing the individual who shall exercise the voting rights and other privileges on behalf of the member. The designation shall be filed with the Secretary of the corporation and shall be maintained with the corporate records for the corporation. Said designation may be changed by written notice to the Secretary of the corporation.

All persons admitted to voting membership in the corporation shall have the rights afforded members under the California Nonprofit Mutual Benefit Corporation Law, including the right to vote on issues put before the membership. Each voting member shall have one (1) vote on membership issues.

## **B. Non-voting Associate Members**

The corporation may also admit Associate Members who shall be non-voting members of the corporation. Any person who is interested in the purposes of the corporation may submit a

written request for non-voting Associate Membership to the Board or the Secretary of the corporation.

Any such person shall be added as an Associate Member on approval by the Board (or by an individual designated by the Board to make such approvals) and the payment of such dues, fees, and assessments as the Board may establish from time to time for Associate Members. Associate Members shall be non-voting members of the corporation and shall not have any of the voting rights afforded voting members under the California Nonprofit Mutual Benefit Corporation Law.

**C. Dues, Fees and Assessments**

Each member must pay, within the time and on the conditions set by the Board, the dues, fees, and assessments established from time to time by the Board. Each member must also timely pay any and all dues, fees, and assessments described in the membership purchase agreement executed by the member as a condition of membership in the corporation.

**D. Good Standing**

Members of the corporation who have timely paid the required dues, fees, and assessments, who conduct themselves in accordance with any code of ethics established by the corporation, and who are not in violation of any agreement with the corporation, or any bylaw, rule, or policy of the corporation, shall be members in good standing.

**E. Termination of Membership**

Membership shall terminate immediately on the occurrence of any of the following events:

- (a) Resignation of a member upon notice to the corporation;
- (b) Failure of a member to pay any dues, fees, or assessments within the period of time fixed by the Board after they become due and payable;
- (c) Notice from the Central Valley Regional Water Quality Control Board that the member has failed to comply with all requirements of the ILRP program (as committed to in a membership agreement); or
- (d) Expulsion pursuant to Sections F through H of this Article.

## **F. Suspension or Expulsion from Membership**

Any member of the corporation may have its membership in the corporation terminated, or be expelled from the corporation, based on the good faith determination by the Board, or a committee authorized by the Board to make such a determination, that the member has failed in a material and serious degree to comply with the corporation's Articles of Incorporation, bylaws, policies, procedures, membership agreement, code of ethics (if any), or any law applicable to the corporation and its members, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the corporation.

A person whose membership is suspended shall not be a member in good standing during the period of suspension.

## **G. Procedure for Suspension or Expulsion**

If grounds appear to exist for suspension or expulsion of a member under Section II(F) of these Bylaws, the procedures set forth below shall be followed:

- (a) The member shall be provided at least 15 days prior notice of the proposed suspension or expulsion and the reasons for the proposed suspension or expulsion. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent first class or express mail to the member's last address as shown on the corporation's records;
- (b) The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed suspension or expulsion. The hearing shall be held, or the written statement considered, by the Board or by a committee authorized by the Board to determine whether the suspension or expulsion should take place;
- (c) The Board or authorized committee shall decide whether or not the member should be suspended, expelled or sanctioned in some other way. The decision of the Board or committee shall be final;
- (e) Any action challenging an expulsion, suspension or termination of membership, including any claim alleging defective notice, must be commenced within one year after the effective date of the expulsion, suspension or termination.

## **H. Effect of Suspension or Expulsion**

All rights and privileges of a member of the corporation shall cease upon suspension or expulsion from membership. If a suspended member also has a director/officer on the Board, he/she will not be eligible to serve on the Board during the period of the member's suspension. He/she may resume his/her director/officer duties if the suspension is lifted and good standing is restored.

In the case of expulsion, the member's membership in the corporation shall terminate on the effective date of the expulsion. If the expelled member had a director/officer on the Board, he/she shall no longer be eligible to serve on the Board as of the effective date of the member's expulsion.

However, suspension or expulsion shall not relieve the member (or former member) of any existing obligations to the corporation (e.g. unpaid dues, fees, or assessments, duties of loyalty and confidentiality to the corporation if the member had a director or officer on the Board, duty to return the corporation's property and documents, etc.)

## **I. No Property Rights or Withdrawal Value**

Membership in the corporation does not constitute an ownership interest in any asset of the corporation at any time. If a membership is terminated for any reason, the corporation shall not be liable for the payment of any amount whatsoever to the member. Each member is received into membership on its express agreement to this provision.

## **J. Transfer of Memberships**

A membership or any right arising from membership may not be transferred to another person without the prior written approval of the Board.

## **K. Limitations**

No person shall hold more than one membership in the corporation.

## **L. Liability of Members**

Except as provided by law, no member is liable for the corporation's debts, liabilities, or obligations.

### III. Meetings

#### A. Meetings of Members

- (a) Place of Meetings. Meetings of the members shall be held in any place designated by the Board. In the absence of any such designation, members' meetings shall be held at the corporation's principal office;
- (b) Annual Meeting. An annual meeting of the members shall be held each year at a time and location determined by the Board. At this meeting, any proper business may be transacted, subject to any limitations in law or these bylaws. Written notice of the annual members' meeting shall be given to all members of the corporation, and the board of directors, in accordance with the procedures provided in subsections (d) and (e) below. Only voting members of the corporation as described in Section A of Article II, above, may vote at the corporation's annual membership meeting. Other interested persons may attend (but do not vote), and may be excluded from some portions of the meeting in the discretion of the Board Chairperson;
- (c) Special Meetings of the Members. Other meetings of the members ("special meetings") may be called at any time by (1) the Board, (2) the Chairperson of the Board, or (3) five percent of the voting members.

A special meeting of members shall be called by written request, specifying the general nature of the business proposed to be transacted and submitted to the Chairperson or the Secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with subsections (d) and (e) below, stating that a meeting will be held at a specified time and date. If the meeting is called by anyone other than the Board or Chairperson, the meeting date shall be at least thirty-five (35), but not more than ninety (90) days after receipt of the request. If the Board or Chairperson calls the meeting, the meeting date may be any date for which appropriate notice is given in accordance with subsections (d) and (e) below. If notice of a requested special meeting is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice;

- (d) Notice Requirements for Members' Meetings. Written notice of any membership meeting shall be given, in accordance with these bylaws, to each voting member of the corporation. Subject to any additional

requirements in law or these bylaws, the notice shall state the place, date and time of the meeting, the means of electronic transmission by and to the corporation (Corporations Code Sections 20 and 21) or electronic video screen communication, if any, by which members may participate in the meeting, and the general nature of the business to be transacted, and no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given to members;

- (e) Manner of Giving Notice for Meetings. Except as otherwise provided in these Bylaws or by law, notice of any meeting of members shall be given not less than 10 nor more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote; provided, however, that if notice is given by mail, and the notice is not mailed by first-class or express mail service, then that notice shall be given not less than 20 days before the meeting.

Notice of a members' meeting or any report shall be given personally, by electronic transmission (Corporations Code sections 20 and 21), or by regular, bulk, or express mail service, addressed to a member at the address of the member appearing on the books of the corporation or given by the member to the corporation for purpose of notice; or if no such address appears or is given, at the place where the principal office of the corporation is located. An affidavit of giving of any notice or report in accordance with the provisions section, executed by the Secretary, shall be prima facie evidence of the giving of the notice or report.

Notice given by electronic transmission by the corporation under this subdivision shall be valid only if it complies with Corporations Code Section 20. Notwithstanding the foregoing, notice shall not be given by electronic transmission by the corporation after either of the following: (1) The corporation is unable to deliver two consecutive notices to the member by that means; or (2) The inability to so deliver the notices to the member becomes known to the Secretary or other person responsible for the giving of the notice.

## **B. Waiver of Notice or Consent.**

The transactions of any members' meeting, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (1) a quorum is present, and (2) either before or after the meeting, each member who is not present in person, signs a written waiver of notice, a consent to holding of the meeting, or an approval of

the minutes. The waiver of notice, consent or approval need not specify either the business to be transacted or the purpose of any meeting of members. All such waivers, and consents, or approvals shall be filed with the corporate records or made a part of the minutes.

A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting, unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting, but not so included, if that objection is expressly made at the meeting.

### **C. Quorum**

Ten percent (10%) of the voting members by number representing at least ten percent (10%) of the registered acreage (as that term is defined in Section F below) shall constitute a quorum for the transaction of business at any meeting of members. Provided, however, that if any meeting of members is actually attended by less than one-third of the voting power, the only matters that may be voted on are those for which the general nature of the action was specified on the notice of the meeting.

### **D. Loss of Quorum**

The members present at a duly called or held meeting at which a quorum is present may continue to transact business until notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum (or by a greater number if required by law or by the articles of incorporation or these bylaws). Any meeting may be adjourned by a majority of those members in attendance, whether or not a quorum is present.

### **E. Act of the Members**

If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number is required by law, or by the articles of incorporation or these bylaws.

### **F. Eligibility to Vote/Number of Votes**

Voting members entitled to vote at any meeting of members or by ballot shall be all those voting members in good standing as of the date the vote is taken. Each voting member shall be entitled to one vote per registered acre at any annual or special meeting of members. "Registered

acre” means the number of acres disclosed by the member on the membership agreement at the time the member joined the corporation.

**G. Proxies**

Proxy voting is not allowed.

**H. Action of Members by Written Ballot Without a Meeting**

Any action that may be taken at any meeting of members may be taken without a meeting by complying with the following procedure:

The Chairperson of the corporation shall cause a ballot to be distributed to each voting member in accordance with Section A(e) of this Article.

Any written ballot pursuant to this section shall: (1) set forth the proposed action, (2) provide an opportunity to specify approval or disapproval of any proposed action, and (3) provide a reasonable time within which to return the ballot to the corporation.

The cover letter or memo soliciting ballots shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of approvals necessary to pass the action submitted. The solicitation must specify the time by which the ballot must be received by the corporation in order to be counted.

Approval of an action by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Directors may be elected by written ballot under this section. If directors are to be elected by written ballot and the Board adopts a nomination procedure for the election process, the procedure may provide for a date for the close of nominations prior to the printing and distributing of the written ballots.

A written ballot may not be revoked. All written ballots shall be filed with the Secretary of the corporation and maintained in the corporate records for at least three years.

### III. Board of Directors

#### A. Powers of Board of Directors

The Board, subject to restrictions of law, the Articles of Incorporation, and these Bylaws, shall exercise all powers of the corporation. Without limitation on its general power, except as specified herein, the Board may do the following:

- (a) Policies. Adopt policies, rules and procedures for the management and operation of the corporation;
- (b) Administration. Employ or retain an individual or management firm to administer the day-to-day activities of the corporation. An individual retained pursuant to this authority, if any, shall be known as the Executive Director. The Executive Director, if any, cannot also be a member of the Board. The Board may also employ, retain, or authorize the employment of such other employees, independent contractors, agents, accountants, and legal counsel as it from time to time deems necessary or advisable in the interest of the corporation, prescribe their duties and fix their compensation;
- (c) Bonds. Require officers, agents, and employees charged by the corporation with responsibility for the custody of any of its funds or negotiable instruments to give adequate bond;
- (d) Borrowing money. Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporation name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, liens, and other evidences of debt and securities;
- (e) Gifts. Receive and accept gifts, devises, bequests, donations, annuities, and endorsements of real and personal property, and use, hold and enjoy the same, both as to principal and income, and to invest and re-invest the same or any part thereof for the furtherance of any objects, interests or purposes of this corporation;
- (f) Contributions. Make such contributions as the Board determines are necessary and advisable in furtherance of the interests and purposes of this corporation;
- (g) Fiscal Year. Fix and change the fiscal year of the corporation;

- (h) Seal. Adopt and use a corporate seal provided that the name of the corporation and the state are shown on it. The seal may be affixed to such instruments as the Board shall direct. However, the lack of a corporate seal shall not, by itself, affect the legality of any document executed on behalf of the corporation;
- (i) Contracts. Enter into contracts and agreements with individuals and with public and private entities for the advancement of the purposes for which the corporation is organized;
- (j) Property. Acquire, construct and possess real and personal property;
- (k) Bank Accounts and Special Funds. Establish one or more bank accounts and/or special funds in order to accomplish and further the purposes of the corporation;
- (l) Committees. Appoint committees as provided in these bylaws;
- (m) Lobbying/Political Activity. Lobby local, state, and federal agencies and officials and engage in political activity on issues important to the members of the corporation;
- (n) Litigation. Participate in litigation as a party or via amicus brief if such action is deemed in the best interests of the corporation by a 2/3 vote of the Board;
- (o) Other. Do and perform all acts and exercise all powers incidental to, or in connection with, or deemed reasonably necessary for the proper implementation of the purposes of the corporation.

**B. Composition of Board; Qualifications of Members**

The Board shall consist of seven (7) directors appointed by the Water Districts as follows:

- a. Two (2) directors designated by the Belridge Water Storage District;
- b. Two (2) directors designated by the Lost Hills Water District;
- c. Two (2) directors designated by the Berrenda Mesa Water Storage District;  
and

d. One (1) director designated by the Dudley Ridge Water District.

Of the initial directors, Bill Phillimore and Rod Steifvater will be deemed to have been designated by Belridge Water Storage District; Joe MacIlvaine and Leon Elwell will be deemed to have been designated by Berrenda Mesa Water Storage District; Bernard Pugét and Don Elholm will be deemed to have been designated by Lost Hills Water District; and Dale Melville will be deemed to have been designated by Dudley Ridge Water District.

Every director who serves on the Board must be interested in and committed to the mission and purposes of the corporation.

The first Board shall serve from October 23, 2013 until the end of their assigned first term (which may not be four years due to staggering).

This Section may only be amended or repealed by unanimous consent of the Water Districts.

### **C. Election/Appointment of Directors**

Subsequent to the term of the first Board, directors shall be elected at the annual meeting of the membership, or by written ballot in accordance with these Bylaws. The Board may adopt additional procedures relative to the nomination and election process or appointed pursuant to nomination and election/appointment procedures adopted by the Board.

This Section may only be amended or repealed by unanimous consent of the Water Districts.

### **D. Terms of Office**

The term of office for all voting directors shall be four (4) years and all directors shall serve until expiration of the term for which elected and until a successor has been elected and qualified. There shall be no limit on the number of terms a director may serve if he or she remains qualified and elected. The Board may stagger the terms of directors using any reasonable method.

### **E. Reduction of Number of Directors**

No change of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

## **F. Resignations and Removals.**

Any director may resign by giving written notice to the Chairperson or the Secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective.

Any director may be removed from the Board by the entity that designated the director. Subject to the approval of the entity that designated the director, any director may be removed by a majority vote of the Board or by a majority of the members of the corporation.

This Section may only be amended or repealed by unanimous consent of the Water Districts.

## **G. Vacancies**

A vacancy or vacancies on the Board shall exist on the occurrence of any of the following: (a) the death or resignation of any director, (b) the declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by an order of court or convicted of a felony, (c) the removal of any director pursuant to Section F, (d) the increase of the authorized number of directors, or (e) the failure of the members, at any meeting of members at which any director or directors are to be elected, to elect the number of directors required to be elected at that meeting or the failure of the Board or the corporation to appoint any director they are authorized to appoint.

This Section may only be amended or repealed by unanimous consent of the Water Districts.

## **H. Filling Vacancies**

Vacancies on the Board may be filled by the water district that designated the Board member whose departure caused the vacancy. Any individual filling a vacancy pursuant to this section shall meet the criteria for election/appointment to that seat. An individual appointed to fill a vacancy shall serve until the end of the term of the director whose vacancy he or she is filling.

This Section may only be amended or repealed by unanimous consent of the Water Districts.

## **I. Annual and Special Board Meetings**

An annual meeting of the Board shall be held on the same day as, or the day before or after, the annual membership meeting. Other meetings ("special meetings") of the Board may be

held from time to time on the call of the Chairperson, the Board, or any two directors. The time and purpose for any special meeting shall be set by the person(s) calling such meeting.

**J. Notice of Board Meetings**

Notice of meetings of the Board, specifying the time and place of the meeting, shall be given to each director at least seven (7) days before the meeting if sent by first-class mail or express mail service, or forty-eight (48) hours before the meeting if personally delivered or delivered by telephone (including a voice messaging system), or by electronic transmission by the corporation (Corporations Code Section 20).

Notice shall be deemed delivered when deposited in the U.S. mail or with an express mail service, or when received if delivered personally or by telephone, or on its confirmation of delivery if by electronic transmission. A notice, or waiver of notice, need not specify the purpose of any meeting of the board.

**K. Place and Time of Meetings**

Meetings of the Board shall be held at whatever place and time is designated from time to time by the Board or persons calling the meeting and, in the absence of any designation, shall be held at the principal office of the corporation.

**L. Board meetings by Telephone or Video Conference or by Electronic Transmission**

Directors may participate in a meeting of the Board through use of conference telephone, electronic video screen communication, or electronic transmission by and to the corporation (Corporation Code Sections 20 and 21).

Participation in a meeting through use of conference telephone or electronic video screen communication constitutes presence in person at that meeting as long as all directors participating in the meeting are able to hear one another.

Participation in a meeting through use of electronic transmission by and to the corporation, other than conference telephone and electronic video screen communication, constitutes presence in person at that meeting if both of the following apply: (1) Each director participating in the meeting can communicate with all of the other directors concurrently; and (2) Each director is provided the means of participating in all matters before the Board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

**M. Waiver of Notice and Consent to Meetings**

Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

**N. Quorum**

A majority of the authorized number of directors shall constitute a quorum of the Board for the transaction of business.

**O. Act of the Board**

Unless otherwise restricted by law or these bylaws, every act or decision done or made by a majority of directors present at a meeting duly held at which a quorum is present shall be regarded as an act of the Board. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of a director(s), if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

**P. Adjournment**

A majority of the directors present, whether or not a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of the adjournment to another time or place must be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment. Any business that might have been transacted at a meeting as originally noticed may be transacted at an adjourned and rescheduled meeting.

**Q. Closed Meetings**

Any meeting of the Board may be closed by the Chairperson so that only directors and individuals deemed necessary by the Chairperson are present. Members of the corporation who are not directors may attend any Board meeting unless excluded by the Chairperson as described in this Section.

**R. Board Action Without Meeting**

Any action required or permitted to be taken by the Board may be taken without a meeting, if all directors on the Board individually or collectively consent in writing to that action. An action by written consent shall have the same force and effect as a unanimous vote of the directors.

**S. Compensation of Directors and Officers**

Directors and officers shall not receive compensation for their services as directors or officers. Directors or officers may, at the discretion of the Board, receive reimbursement for travel and other actual expenses related to activities on behalf of the corporation if authorized by the Board or a committee having such authority.

**T. Voting Power**

For all purposes, the voting power of each voting director shall be one vote.

This Section may only be amended or repealed by unanimous consent of the Water Districts.

**U. Property Rights**

No director shall have any property rights in any assets of the corporation.

**IV. Officers**

**A. Officers of the Corporation**

The elected officers of the corporation shall be a Chairperson, Secretary, and Treasurer, and may include, at the discretion of the Board, a Vice-Chairperson. All elected officers must be directors. The Executive Director, if any, shall also be an officer of the corporation but not an elected officer.

**B. Election of Officers**

The elected officers of the corporation shall be elected by the Board from among its directors at the annual Board meeting.

### **C. Terms of Office; Term Limits**

Elected officers shall serve at the pleasure of the Board for one (1) year terms. There is no limit on the number of terms an elected officer may serve if she is a director and continues to be qualified and elected by the Board.

### **D. Removal of Officers**

Any officer may be removed at any time, with or without cause, and with or without prior notice, by a majority vote of the Board at any properly called and noticed meeting where a quorum is present.

### **E. Resignation of Officers**

An officer may resign at any time by giving written notice to the Chairperson or Secretary of the corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective.

### **F. Vacancies in Office**

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by a majority vote of the directors present at any annual or special meeting of the Board where a quorum is present. The individual filling a vacant elected officer position shall serve until the end of the term of the officer whose vacancy he or she is filling.

### **G. Responsibilities of Officers**

- (a) Chairperson. The Chairperson of the Board shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no Executive Director, the Chairperson of the Board shall also be the chief executive officer and shall have the powers and duties of the Executive Director of the corporation prescribed by these Bylaws;
- (b) Vice-Chairperson. If the Chairperson is absent or disabled, the Vice-Chairperson, if any, shall perform all duties of the Chairperson. When so acting, the Vice-Chairperson shall have all powers of and be subject to all restrictions on the Chairperson. The Vice-Chairperson shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe;

(c) Secretary.

- (i) **Book of Minutes.** The Secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and committees of the Board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual or special, and, if special, how authorized, the notice given, and the names of those present at the Board and committee meetings. The Secretary shall keep or cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and the Bylaws, as amended to date;
- (ii) **Notices, Seal, and Other Duties.** The Secretary shall give, or cause to be given, notice of all meetings of the Board and of its committees required by these Bylaws. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe;
- (iii) **Substitute Chairperson Duties.** If both the Chairperson and the Vice-Chairperson are absent or unable to serve, or if there is no Vice-Chairperson and the Chairperson is absent or unable to serve, the Secretary shall perform all the duties of the Chairperson. When so acting, the Secretary shall have all powers of and be subject to all restrictions on the Chairperson;
- (iv) **Appointment of Assistant.** The Secretary may, upon approval of the Board, appoint an Assistant Secretary to assist with his/her duties.

(d) Treasurer

- (i) **Books of Account.** The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times;

- (ii) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate, shall disperse the corporation's funds as the Board may order, shall render to the Chairperson or the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe;
- (iii) The Treasurer may, upon approval of the Board, appoint an Assistant Treasurer to assist with his/her duties.
- (e) Executive Director. The paid Executive Director, if any, serves at the pleasure of the Board and may not be an individual who is serving on the Board. The Executive Director shall be the chief executive officer and general manager of the corporation and shall supervise, direct, and control the corporation's day-to-day activities, affairs, and administration. The Executive Director shall keep the Board apprised of significant matters relating to the operation of the corporation, its activities, employees, contractors, and financial condition. The Executive Director shall have such other powers and duties as the Board or the Bylaws may prescribe.

## **V. Committees**

### **A. Committees of the Board**

The Board may create one or more "committees of the Board," each consisting of two or more directors and no persons who are not directors, to serve at the pleasure of the Board. Appointments to committees of the Board shall be made by the Chairperson. Any such committee, to the extent provided in the Board resolution creating the committee, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) Fill vacancies on the Board or on any committee that has the authority of the Board;
- (b) Fix compensation of the directors for serving on the Board or on any committee;
- (c) Amend or repeal Bylaws or adopt new Bylaws;

- (d) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- (e) Create any other committees of the Board or appoint the members of committees of the Board; or
- (f) Approve any contract or transaction to which the corporation is a party and in which one or more of its directors has a material financial interest, except as allowed by the California Corporations Code.

This Section may only be amended or repealed by unanimous consent of the Water Districts.

#### **B. Executive Committee**

The Executive Committee shall be a “standing committee of the board” subject to all the rules applicable to “committees of the board” described in this Article.

The Executive Committee shall consist of the elected officers of the corporation – Chairperson, Secretary, and Treasurer (and the Vice-Chairperson, if any).

The Executive Committee shall have the authority of the Board between Board meetings to make decisions and take actions relative to the operation of the corporation. The Executive Committee shall report any decisions made or actions taken at each meeting of the full Board. The Executive Committee may also develop policies for Board approval, and may review and recommend to the Board changes to the bylaws and to other operating policies.

Without diluting the general authority granted to the Executive Committee by this provision, the Executive Committee shall oversee and have final decision-making authority with respect to personnel matters.

This Section may only be amended or repealed by unanimous consent of the Water Districts.

#### **C. Notice Requirements for Committees of the Board**

Written notice for meetings of committees of the Board shall be given in accordance with Article III of these bylaws. Provided, however, that this notice may be waived in writing, or by the committee member’s actual attendance at the meeting.

#### **D. Quorum for Committees of the Board**

A majority of the voting members of any committee of the Board shall constitute a quorum, and the acts of a majority of the voting members present at a meeting at which a quorum is present shall constitute the act or recommendation of the committee.

#### **E. Advisory Committees**

The Board may also establish advisory committees composed of any number of directors and/or non-directors who shall be appointed by the Chairperson. Advisory committees shall provide advice and recommendations to the Board but shall not have the authority of the Board or any final decision making authority.

#### **F. Meetings by Telephone or Video Conference or by Electronic Transmission**

Any meeting of a committee may be held by telephone or video conference or by electronic transmission in the same manner provided for in Article III of these bylaws.

### **VI. Liability, Indemnification, and Insurance Stop**

#### **A. Liability**

Subject to any limitations contained in the California Corporations Code, there is no monetary liability on the part of, and no cause of action for damages shall arise against, any volunteer director or officer of the corporation based on any alleged failure to discharge the person's duties as a volunteer director or officer if the duties are performed in accordance with the standards of conduct provided for in the California Corporations Code.

#### **B. Indemnification**

- (a) Right to Indemnity. Right of Indemnity. To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code;

- (b) Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of members. At that meeting, the members shall determine under Section 7237(e) whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the members present at the meeting shall authorize the indemnification.

### **C. Insurance**

The Board shall adopt a resolution authorizing the purchase and maintenance of an insurance policy or policies or bond on behalf of its directors, officers or employees against any liabilities, other than for violating provisions against self-dealing, incurred by the director, officer or employee in such capacity or arising out of their status as such.

## **VII. Miscellaneous**

### **A. Inspection of Records**

The members and directors of the corporation shall have the right to inspect the records of the corporation to the extent and under the circumstances provided by the California Nonprofit Mutual Benefit Corporation Law.

### **B. Annual Report**

Within 120 days after the close of the corporation's fiscal year, the Board shall cause an annual report to be prepared in accordance with Section 8321 of the California Corporations Code. The report shall be made available to any member who requests a copy.

### **C. Annual Statement of Transactions and Indemnifications**

As part of the annual report described in Section B above, the Board shall cause to be prepared a statement of any transaction of indemnification if required by Section 8322 of the California Corporations Code.

#### **D. Fiscal Year**

Unless changed by the Board, the fiscal year of the corporation shall begin on the first day of January and end on the last day of December of each year.

#### **E. Conflicts of Interest**

Board members and committee members must actively seek to avoid situations and activities that create an actual or potential conflict between the individual's personal interests and the interests of the corporation. If a Board member or committee member believes that a conflict exists relative to a particular issue being considered by the Board or any committee, he or she shall disclose the conflict to the Board or committee, as appropriate, and abstain from discussion or voting on the issue.

For purposes of this section and these bylaws, a "conflict of interest" means a situation in which a Board or committee member is part of a discussion or decision by the Board or a committee which has the potential to financially benefit that Board or committee member or a member of that Board or committee member's immediate family. "Immediate family" means, spouse or same-sex domestic partner, children, parents, siblings, parents-in-law, or siblings-in-law.

Both the fact and the appearance of a conflict of interest should be avoided. Board members or committee members who are unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the Chairperson, who will determine whether disclosure to the Board or the assistance of legal counsel is required.

#### **F. Conflicts of Interest**

All intellectual property prepared or purchased by or on behalf of the corporation, including but not limited to the corporation's name, educational, promotional, and training materials, newsletters, contracts, logos, service marks, membership lists, contributor lists, and research results, shall be the exclusive property of the corporation and directors, members, contractors, and employees agree to deal with it as such. Directors, members, contractors, and employees agree that they will not sell, transfer, publish, modify, distribute, or use for their own purposes, the intellectual property belonging to the corporation without prior approval of the Board memorialized in a writing signed by the Chairperson.

#### **G. Required Disclosures and Reporting**

The corporation shall comply with the disclosure and reporting requirements of federal and state agencies to which it is subject.

## VIII. Amendments

### A. Amendment to Bylaws

The following provisions of these bylaws may be repealed only with the unanimous consent of the Water Districts: Sections B,C,F,G, H, and T of Article III; and Section A and B of Article V.

Unless otherwise stated, all other provisions of these bylaws may be initially adopted, amended, or repealed and new bylaws adopted, by a majority vote of the Board at any properly called and noticed meeting where a quorum is present.

However, approval of the members is also required for any amendment or for new bylaws after the initial adoption that would:

- (a) Materially and adversely affect the members' rights as to voting or dissolution;
- (b) Effect an exchange, reclassification, or cancellation of all or part of the memberships;
- (c) Authorize a new class of membership;
- (d) Change the number of authorized directors;
- (e) Change from a fixed number of directors to a variable number of directors, or vice versa;
- (f) Increase or extend the terms of directors;
- (h) Increase the quorum for members' meetings; or
- (i) Repeal, restrict, create, expand, or otherwise change proxy rights.

All proposed bylaw amendments or new bylaws must be sent to all directors and/or members eligible to vote on such amendments or new bylaws at least three (3) days prior to the meeting at which the amendments or new bylaws will be discussed and voted on.

## **IX. Dissolution**

### **A. Voluntary Dissolution**

The corporation may be voluntarily dissolved at any time by a majority vote of the voting members at any properly called meeting where a quorum is present. If the voting members approve the dissolution, the Board shall promptly cease operations and proceed to wind up and dissolve the corporation.

### **B. Remaining Assets**

Upon the dissolution of the corporation, all debts thereof shall be paid and its affairs settled, and all remaining assets shall be distributed as determined at the time of dissolution by the Board of the corporation in its sole discretion, so long as the distribution is not inconsistent with law.

**CERTIFICATE OF SECRETARY  
OF  
WESTSIDE WATER QUALITY COALITION**

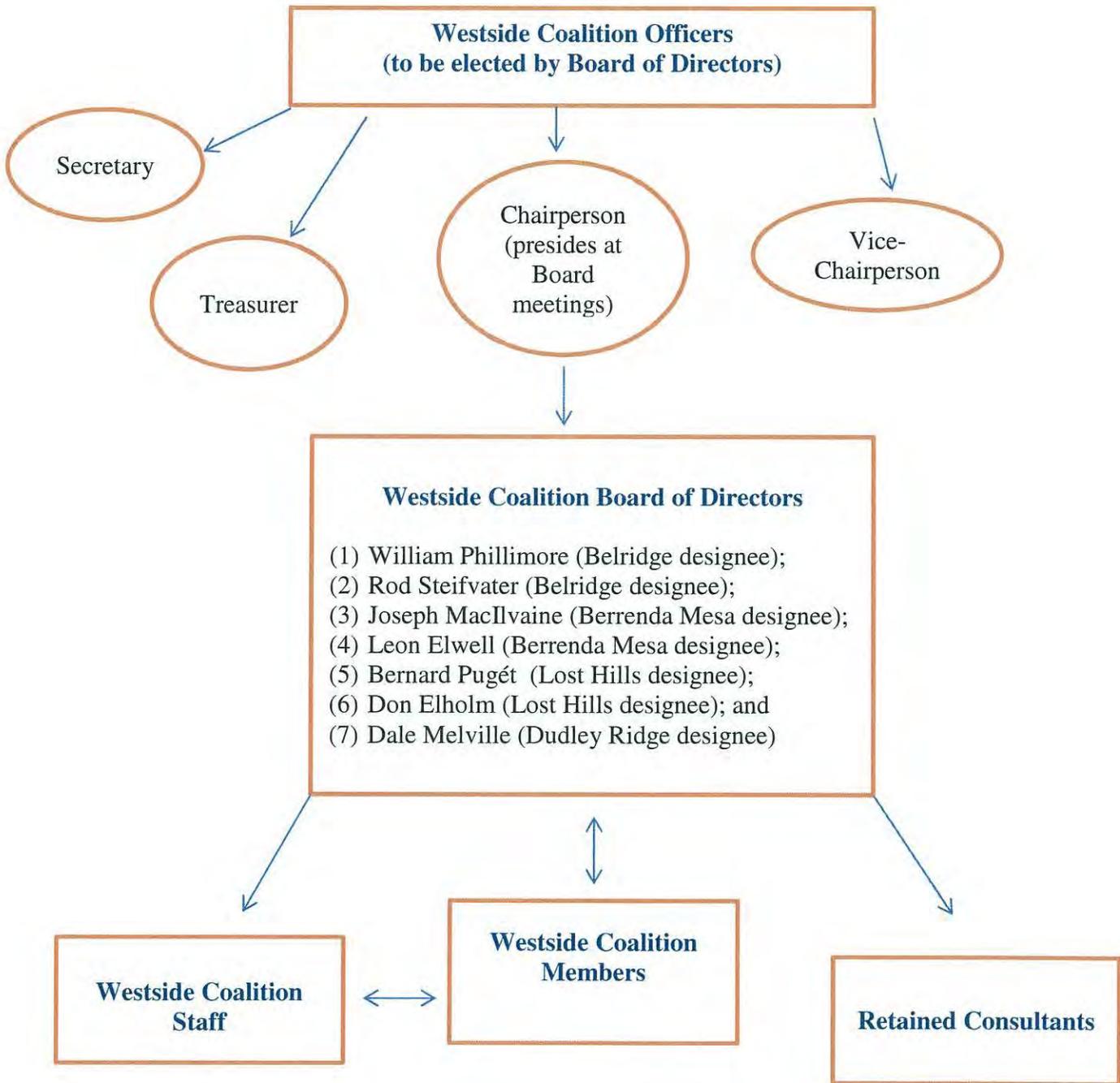
I certify that I am the duly elected and acting Secretary of WESTSIDE WATER QUALITY COALITION, a California nonprofit mutual benefit corporation; that the above Bylaws, consisting of \_\_\_\_ typewritten pages including this page, are the first Bylaws of this corporation as adopted on \_\_\_\_\_, 2013; and that these Bylaws have not been amended since that date.

Executed on the \_\_\_\_\_ day of \_\_\_\_\_, 2013, at  
\_\_\_\_\_, California.

\_\_\_\_\_  
\_\_\_\_\_, Secretary

# **EXHIBIT “B”**

## Organizational Chart for Westside Water Quality Coalition



# **EXHIBIT “C”**

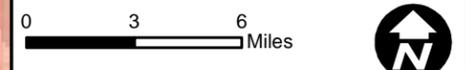
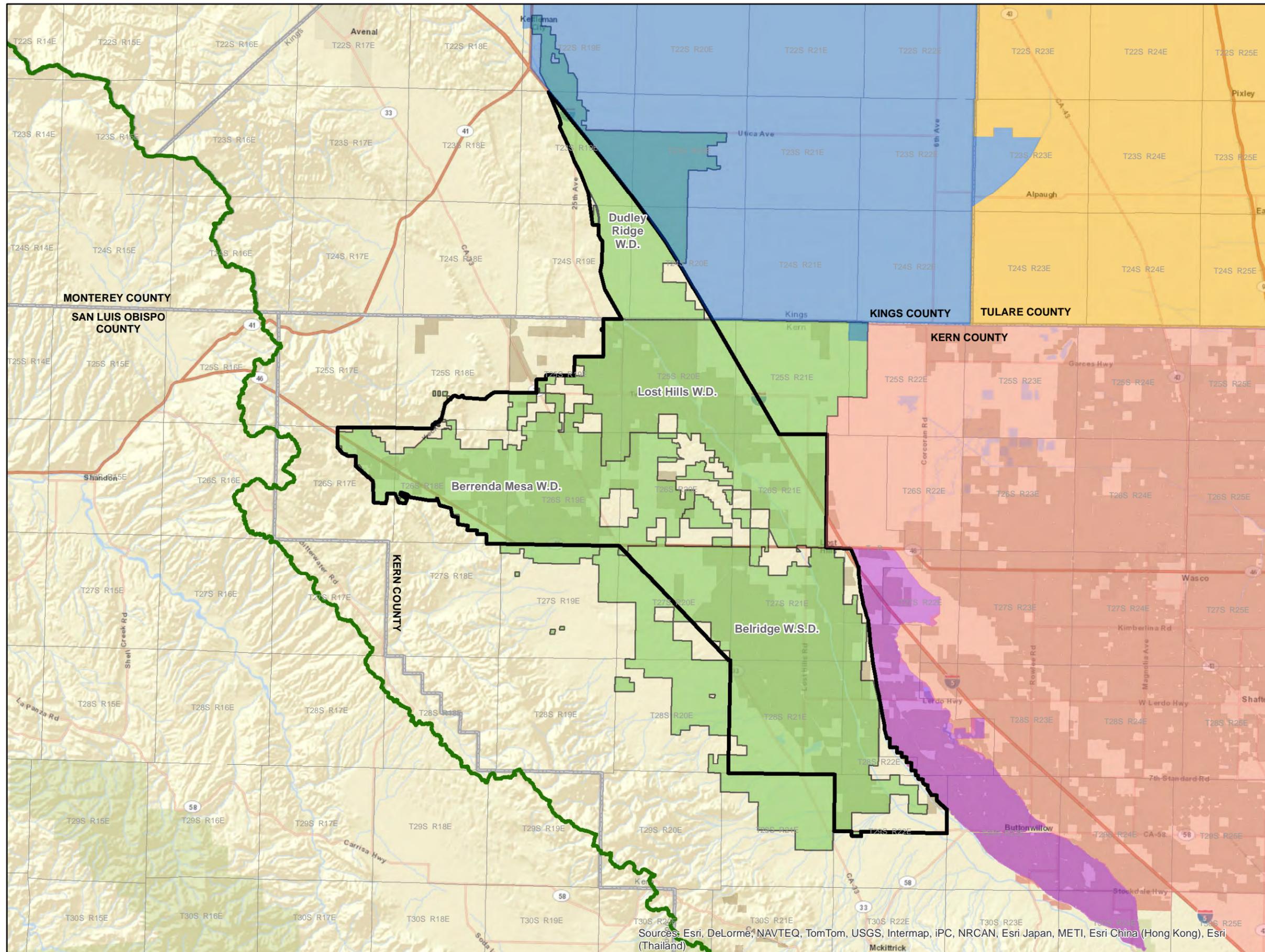


# Westside of Kern County Coalition

Draft Boundary

## Legend

-  Westside of Kern County Coalition (Draft)
-  Buena Vista Water Quality Coalition
-  Kings River Water Quality Coalition (Draft)
-  Kern River Watershed Coalition Authority (Draft)
-  Tule Basin Water Quality Coalition (Draft)
-  Coalition Water/Irrigation Districts
-  Township/Range
-  County
-  Tulare Lake Basin Area
-  Kern County Crop Survey - 2012



EST. 1968  
**PROVOST & PRITCHARD**  
 CONSULTING GROUP  
 An Employee Owned Company  
 286 W. Cromwell Ave.  
 Fresno, CA 93711-6162  
 (559) 449-2700

Sources: Esri, DeLorme, NAVTEQ, TomTom, USGS, Intermap, iPC, NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand)

**WESTSIDE DISTRICT**  
**WATER AUTHORITY**

Correspondence Directed to: 21908 Seventh Standard Road,  
McKittrick, CA 93251 (661) 762-7316 or (661) 633-9022

January 13, 2014

Clay Rodgers, Assistant Executive Officer  
Central Valley Regional Water Quality Control Board  
1685 E. Street  
Fresno, CA 93706-2020

**RE: Proposed Westside Water Quality Coalition Third-Party Boundary**

Dear Mr. Rodgers:

This letter is in regards to the Central Valley Regional Water Quality Control Board's (RWQCB) request for the Third-Parties located within the Tulare Lake Basin (basin) to provide coverage to the full extent of the basin's boundary. The WWQC is willing to cover growers within western most Kern County who request admission into the WWQC subsequent to our approval to act as a Third Party under certain circumstances, as described below.

The WWQC understands that the RWQCB's objective is to see that all lands in the Tulare Lake Basin have the opportunity for coverage under a Third-Party Coalition for purposes of complying with the Irrigated Lands General Order for the Tulare Lake Basin (General Order). The amount of irrigated land in western- most Kern County is very limited or non-existent. The WWQC has no experience or expertise in these areas, which consist primarily of foothill and mountainous areas.

The WWQC has nearly completed a draft Groundwater Assessment Report (GAR) for the areas (namely the Antelope Plain and South Tulare Lake sub-Basins) included in our application to serve as a Third-Party under the General Order. These sub-Basins are similar hydrogeologically and have similar surface water characteristics. As referenced in our application, the lands included in our proposed boundaries also have similar crops and irrigation practices and share many common landowners. Western-most Kern County or adjacent areas in Kings and San Luis Obispo County do not share these common characteristics, as they either overlie other sub-Basins and/or have surface and groundwater conditions that differ from those with in the proposed WWQC. These conditions will be considered by the WWQC before growers outside of the current WWQC boundaries are allowed to enroll. Once enrolled, new members would bear all WWQC administrative costs associated with their enrolled lands. Growers with lands that do not share common groundwater or surface water conditions will be encouraged to join a coalition with common interests.

The WWQC requests that the proposed boundaries submitted with our Application to serve as a third party under the General Order be tentatively adopted through the 180 day open enrollment period. If any growers in western-most Kern County wish to enroll lands with similar groundwater and surface conditions as those within our proposed coalition, they will be allowed to join the WWQC, and an updated boundary map, that includes the existing boundaries and those recently added, will be provided to the RWQCB. However, the WWQC does not wish to amend its proposed boundary at this time.

The WWQC submits that both of our best interests can be achieved using the alternative method that all growers within western-most Kern County with similar interests and conditions will have the option to comply with the General Order through the WWQC. This allows the WWQC to focus resources on areas that actually contain irrigated lands and growers that are willing to participate.

We are available to discuss our position with the Regional Board and Staff if necessary.

Respectfully,

A handwritten signature in blue ink, appearing to read 'G. Hammett', with a long horizontal flourish extending to the right.

Greg A. Hammett, PG

Westside Water Quality Coalition Coordinator

WESTSIDE WATER  
QUALITY COALITION

May 7, 2014

Subject: Irrigated Lands General Order

To whom it may concern:

The Regional Water Quality Control Board (RWQCB) adopted Waste Discharge Requirements General Order R5-2013-0120 for Growers within the Tulare Lake Basin Area that are Members of a Third Party Coalition (General Order). In response to the General Order, growers in the Belridge Water Storage District (BWSD), Berrenda Mesa Water District (BMWD), Lost Hills Water District (LHWD) and portions of Dudley Ridge Water District (DRWD) formed the Westside Water Quality Coalition, and filed an application with the RWQCB to serve as the Third Party Coalition for said growers under the General Order.

On February 6, 2014, the RWQCB issued a conditional Notice of Applicability to the WWQC that included a Supplemental Coverage Area (SCA) in addition to the boundaries of the districts that formed the WWQC (see attached). The Notice of Applicability approved the WWQC as a Third Party Coalition under the General Order. You are receiving this letter because our records indicate you are the owner or lessee of land in the SCA.

According to RWQCB publications there are four sub-basins within the WWQC and SCA boundaries (see attached). Research and available reports suggest that the Kettleman Plains (sub-basin # 58.50) and Reef Ridge Valley (59.30) sub-basins within the SCA have differing surface water drainage and groundwater conditions than those in the Antelope Plain (58.60) and South Tulare Lake (58.40) sub-basins. Agricultural practices also differ considerably. The differences are can be summarized as follows:

**Antelope Plain/South Tulare Lake**

Irrigation Source: Primarily (95%) surface water from California Aqueduct

Groundwater Quality: No Potable groundwater; groundwater quality marginal for agriculture (lesser quality groundwater blended with higher quality surface water for use on certain permanent crops)

Crops: Predominately Permanent crops on micro-sprinklers or drip.

**Reef Ridge/ Kettleman Plains**

Irrigation Source: Primarily (90% est) groundwater; some surface water from California Aqueduct

Groundwater Quality: Suitable for agriculture; also used as a potable source.

Crops: Predominately row crops on sprinklers and drip-tape.

Because of the conditions described above, RWQCB Staff recognizes that the surface water and groundwater issues in the WWCQ and SCA are low priority relative to those in the Valley. In an attempt to decrease the monitoring and reporting requirements under the General Order, it is WWQC's intent to seek "Low Vulnerability" status for lands in the WWQC and the SCA.

The WWQC has, until now, been reluctant to accept the SCA because of the differences described above, however, after discussion with RWQCB Staff, we are willing to represent growers in the SCA and comply with all third party coalition duties required by the General Order with the following understanding:

1. Growers in the SCA will pay their allocated share of costs associated with the administrations and operations of the WWCQ related to compliance with the General Order. A preliminary budget estimates these cost to be in the order of \$4-\$6 per irrigated acre.
2. Growers in the SCA will be responsible for all costs related to monitoring and reporting specific to the SCA as required by the General Order. In other words, growers in the Antelope Plain/South Tulare Lake area will not subsidize growers in the SCA nor will the reverse occur.
3. The WWQC (i.e., BWSD, BMWD, DRWD and LHWD) will seek to remove the municipal beneficial use designation (MUN) for the Antelope Plain and Southern Tulare Lake sub-basins through the Basin Plan Amendment process. If successful, the WWQC will then request that the RWQCB consider bifurcating the WWQC and the SCA and allow the SCA to move forward as a separate Third-Party Coalition under the General Order.

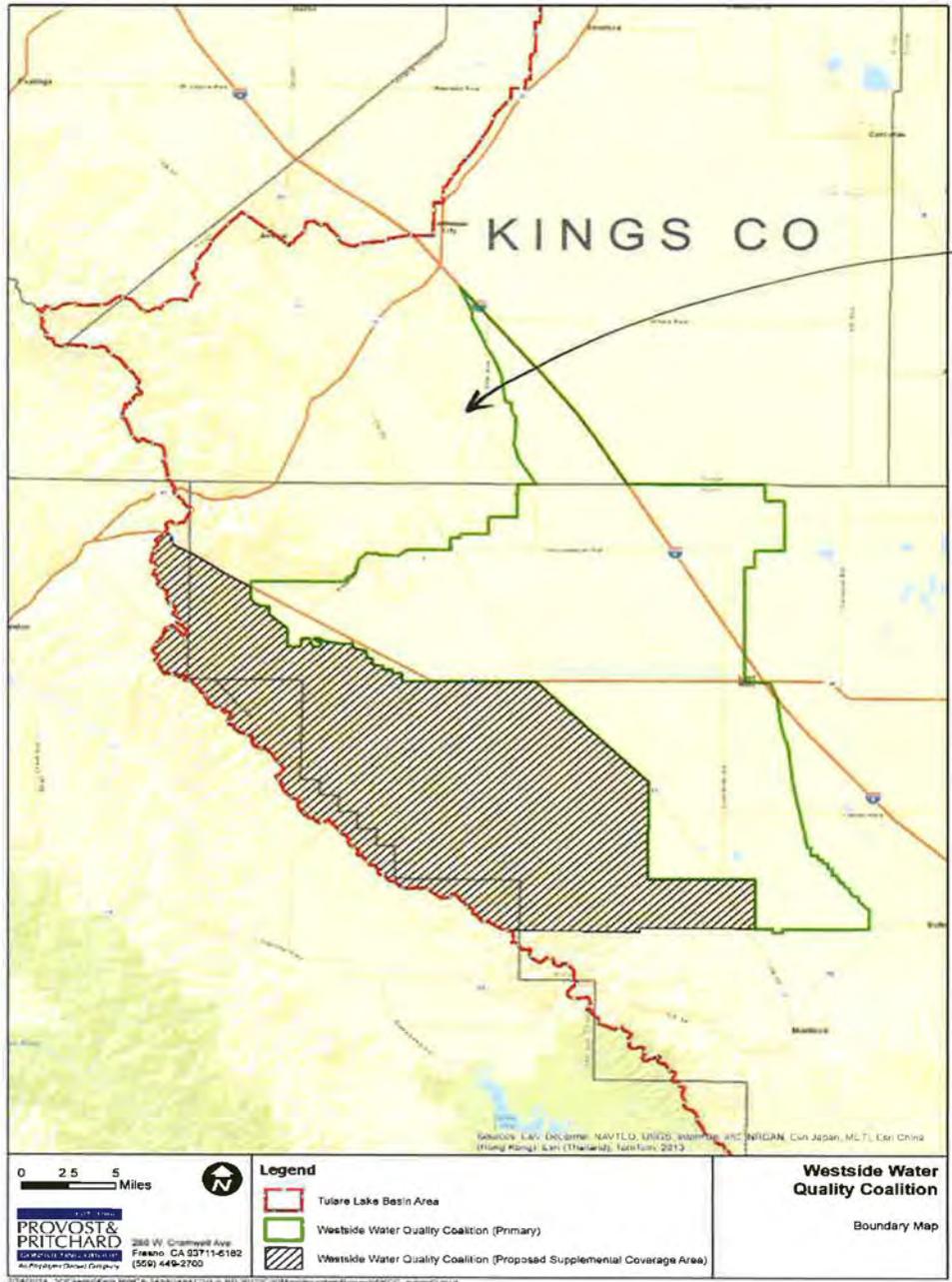
Again, the WWQC wanted to provide Growers in the SCA with a clear understanding of the conditions, obligations and duties the WWQC is willing to accept and provide as a Third-Party Coalition under the General Order prior to enrolling. These conditions, obligations and duties are more clearly described in the enrollment packet that will be provided by the WWQC. The RWQCB has asked that the WWQC provide a response to the conditional NOA by May 13, 2014. We ask that growers in the SCA notify the WWQC whether they intend to enroll, by that date, so that we may inform RWQCB Staff.

If you have any questions, please do not hesitate to contact me.

Respectfully;



Greg A. Hammett  
Coordinator





## Smaira, NicholasBassam@Waterboards

---

**From:** Sholes, David@Waterboards  
**Sent:** Friday, May 16, 2014 8:26 AM  
**To:** Smaira, NicholasBassam@Waterboards  
**Subject:** FW: Westside Water Quality Coalition  
**Attachments:** WKCC\_submit.pdf; WKCC\_submit.mpk

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From: Greg Hammett [<mailto:ghammett@belridgewsd.com>]  
Sent: Thursday, May 15, 2014 3:37 PM  
To: Rodgers, Clay@Waterboards; Sholes, David@Waterboards  
Subject: Westside Water Quality Coalition

Clay /David:

For clarification and to satisfy the requirements and functions of Third Party representation, the current members of the Westside Water Quality Coalition (WWQC) agree to provide landowners in the Supplemental Coverage Area two seats on the WWQC Board of Directors. These seats will have full voting rights on matters pertaining to the WWQC. The manner in which the SCA landowners select their representative(s) will be at their discretion. Attached is a file with revised boundaries between the WWQC and the SCA in the north that more clearly defines the individual sub-basin boundaries in the area described in our recent letter. I have included an ArcGIS file so that you may update your maps. If these circumstances and those described in our letter to growers in the SCA, dated May 7, 2014, are acceptable to RWQCB Staff and the Executive Officer, the WWQC is willing to accept the terms and conditions described in the conditional Notice of Applicability dated February 6, 2014. In light of the developments and understandings described above, we respectfully request that the dates shown in the Table of Compliance Dates Associated with the Issuance of the NOA be extended, as appropriate, in recognition of the time that has passed since the NOA was issued.

If you have any questions, please do not hesitate to call.

Thank you

Greg A. Hammett, PG  
*General Manager*  
Belridge Water Storage District  
661-762-7316  
[ghammett@belridgewsd.com](mailto:ghammett@belridgewsd.com)  
*Co-Manager*  
Berrenda Mesa Water District  
661-797-2671  
[ghammett@bmwd.org](mailto:ghammett@bmwd.org)

