

**JOINT POWERS AGREEMENT
FOR
WESTSIDE DISTRICT WATER AUTHORITY**

THIS AGREEMENT is made by and among BELRIDGE WATER STORAGE DISTRICT, a California water storage district, BERRENDA MESA WATER DISTRICT, a California water district, and LOST HILLS WATER DISTRICT, a California water district, effective as of January 1, 2012, to establish the Westside District Water Authority, and to provide for the sharing of resources among Members¹ of the Authority.

RECITALS

A. Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the state of California (commencing with section 6500, the “Joint Exercise of Powers Act” or the “Act”) permits two or more local public entities to jointly exercise, under an agreement, any power that is common to each of them.

B. Each Member is a supplier of water and is vitally interested in (a) securing dependable and affordable sources of water, (2) the operation and maintenance of works designed to deliver water, and (3) efficient and cost-effective use of employee and equipment resources to operate their respective Districts.

C. Belridge, Berrenda Mesa, and Lost Hills are parties to a Joint Management Agreement as of December 8, 2010, which terminates on December 31, 2011. Under that agreement, the Districts saved on expenses, gained economies of scale, and maximized efficiencies by sharing the services and the costs related to the employment of general managers and office staff.

D. The boards of directors of Belridge, Berrenda Mesa, and Lost Hills have found and determined that operations of those three districts under the Joint Management Agreement has been beneficial to the Districts, and that it is in the best interest of the Districts to continue their joint relationship as described in this Agreement.

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual promises, covenants and conditions hereinafter set forth, it is agreed by and among the Members as follows:

¹ Unless otherwise defined in the body of this Agreement, capitalized terms and phrases in this Agreement are defined in Article I hereof, and those definitions govern the interpretation of this Agreement.

ARTICLE I

Definitions

As used in this Agreement, unless the context requires otherwise, the meaning of the following terms will be as follows:

- (1) "Agreement" means this Joint Powers Agreement.
- (2) "Authority" means the Westside District Water Authority, which is the separate entity created by this Agreement.
- (3) "Belridge" means BELRIDGE WATER STORAGE DISTRICT, a California water storage district.
- (4) "Berrenda Mesa" means BERRENDA MESA WATER DISTRICT, a California water district.
- (5) "Authority Board" means the governing committee of the Authority.
- (6) "Authority Board Member" means a member of the Authority Board.
- (7) "District" or "Districts" means each district that is a Member.
- (8) "District Employees" or "District Employee" means the General Manager, Administrator, Controller, Office Staff, and Field Operations Employees or any one of them, as the case may be.
- (9) "District Board" means the governing body of each District.
- (10) "Equipment" means tools, vehicles, office supplies, and other personal property required by (i) the General Managers to provide the General Management Services, (ii) the Office Staff to provide administrative support services for the Districts, and (iii) the Field Operations Employees to operate and maintain the Districts' equipment and systems.
- (11) "Field Operations Employees" means O&M superintendants, water tenders, electricians, dispatchers, mechanics, and maintenance workers currently employed by the Districts, including any replacements to the above positions, and any same or similarly characterized employees added to the Districts' respective employment rosters.
- (12) "Field Operations Services" means the usual and customary duties and functions historically provided by the Districts' Field Operations Employees.

(13) "Fiscal Year" means that period of 12 months which is established as the Fiscal Year, which is January 1 through December 31 of the next calendar year.

(14) "General Manager" means a person hired by one of the Districts to provide General Management Services.

(15) "General Management Services" means the usual and customary duties and functions historically provided by a general manager for one of the Districts.

(16) "Lost Hills" means LOST HILLS WATER DISTRICT, a California water district.

(17) "Authority Board" means the governing body of the Westside District Water Authority as established under Article VI of this Agreement.

(18) "Member" means the members of the Authority, which initially consist of Belridge, Berrenda Mesa, and Lost Hills, but excludes any party that withdraws from the Authority.

(19) "Office Staff" means administrative office staff assisting the General Manager, Administrator and Controller, as it may exist from time to time.

(20) "Personnel Costs" means salary and fringe benefits paid to employees.

ARTICLE II

Creation of Westside District Water Authority

Belridge, Berrenda Mesa, and Lost Hills hereby create a public agency pursuant to the Joint Exercise of Powers Act, separate and apart from each District, now to be known as the Westside District Water Authority.

ARTICLE III

Purpose

The purpose of this Agreement is to establish an organization that is separate from the Members and is responsible for the administration of this Agreement among the Members.

ARTICLE IV

Powers of the Authority

4.00. Powers.

The Authority is authorized, in its own name, to exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or as otherwise authorized by law, including the power to (a) make and enter into contracts, (b) incur debts, liabilities and obligations, (c) acquire, hold or dispose of personal property, (d) sue and be sued in its own name, (e) employ agents and employees, (f) lease real or personal property including leasing from a Member, and (g) receive, collect, invest and disburse monies. Notwithstanding the foregoing, Members shall at all times retain control and authority, independent of the Authority, over their own internal matters, including expenses and revenues, water supplies, facilities, and water supply projects, and the Authority shall have no power to interfere with a Member's use or management of the Member's water or water supply. Except as otherwise provided in this Agreement, nothing herein will affect the assets, functions, duties or powers of the Members as they existed under the Joint Management Agreement, but instead provides the foundation for such effects as may be agreed to by the Members in the future.

4.01 Restrictions on Powers.

In accordance with Government Code section 6509, the powers enumerated in section 4.00 hereof are subject to the restrictions upon the manner of exercising these powers pertaining to Lost Hills Water District as specified in the California Water District Law, Division 13 of the Water Code, commencing at section 34000.

ARTICLE V

Member Workforce

5.00. General Manager.

(a) *General Manager.*

A qualified General Manager will service the Members to provide General Management Services. The initial General Manager position will be served by two individuals as Co-General Managers, namely, Greg Hammett and Phil Nixon. The General Manager will be an employee of the District that employs him or her, and will provide the Members with their usual and customary General Management Services.

(b) *Vacant General Manager Position.*

In the event of a vacancy in one of the initial two Co-General Managers, the position of General Manager will be served by one individual so that there will be one person providing General Management Services to the Members. Following that consolidation, in the event of a vacancy in the General Manager position, the Authority Board will locate a replacement General Manager and recommend to the Members which District should employ the replacement General Manager. The proposed employing District will then, in its sole and absolute discretion, hire the recommended General Manager or decline to do so.

5.01 Office Staff.

(a) *Administrator.*

One administrator will service the Members to provide administrative services. The initial administrator will be the existing Belridge administrator, namely, LaDonna Hickernell.

(b) *Controller.*

One controller will service the Members to provide controller services. The initial controller will be the existing Lost Hills controller, namely, Mary King.

(c) *Employment.*

The Administrator and the Controller will continue as employees of their respective Districts and (i) support the General Managers in providing the General Management Services and (ii) provide the Members with their usual and customary administrative support.

5.02 Field Operations Employees.

Field Operations Employees will continue as employees of their respective Districts and provide the Members with the usual and customary services of Field Operations Employees as provided in their job descriptions with their respective Districts.

5.03. Allocation of Employee Resources.

The General Manager in coordination with the Authority Board may allocate or reallocate as appropriate (a) the General Management Services of the General Manager, (b) the General Management Services among the Members, (c) the administrative functions of the Office Staff among the Members, and (d) the Field Operations Employees among the Members. The General Manager and the Authority Board will keep each District Board reasonably apprised of these allocations and reallocations.

5.04 Employer-Employee Relationship.

- (a) *Employer-Employee Relationship of District Employees with Employing District.*

Each District Employee will remain the general employee of the District that hired him or her, will appear on that District's payroll, and will receive all insurance and retirement benefits which employees of that District enjoy. The employing District shall comply with all rules, regulations, and statutes governing employers with respect to its District Employees.

- (b) *No Independent Contractor Status with the Non-Employing District.*

The Members recognize that this Agreement does not create an employer-employee relationship between a District Employee and any Member that does not directly employ that District Employee. The District Employees are not entitled to participate in any of the non-employing District's benefits, including any remuneration, benefits, or expenses other than as specifically provided for in this Agreement. The non-employing District is not liable for taxes, worker's compensation, unemployment insurance, employers' liability, employer's FICA, social security, withholding tax, or other taxes or withholding for or on behalf of any District Employees. These costs are the responsibility of the District with which the particular District Employee has an employer-employee relationship.

5.05 Vacant or Additional Administrator, Controller, Office Staff or Field Operations Employee Position.

In the event of a vacancy in an Administrator, Controller, Office Staff or Field Operations Employee position, the General Manager may fill the position if he or she elects to do so. The General Manager may also determine that additional employees are needed, and may locate new employees. The General Manager will recommend to the Authority Board which Member should employ the new or replacement Administrator, Controller, Office Staff or Field Operations Employee. If the Authority Board concurs with the General Manager's recommendation, then the General Manager will then present the recommendation to the proposed employing District, which may, in its sole and absolute discretion, hire the recommended employee or decline to do so.

ARTICLE VI

Services Provided to Members

6.00. General Management Services.

Each Member is entitled to an equal one-third share of the services provided by the General Manager, Administrator, Controller and Office Staff.

6.01. Field Operations Employee Services.

The General Manager will allocate services performed by the Field Operations Employee to ensure that optimal Field Operations Services are provided to each Member. The Authority Board will monitor the allocation of services, and work with the General Manager to assure optimal allocation.

ARTICLE VII

Financial Administration

7.00. Establishment of Personnel Costs.

The District that employs a particular District Employee shall negotiate and set the Personnel Costs of that District Employee. Each Member is solely responsible, at its own expense, for providing its District Employees with all compensation, insurance of any kind, workers' compensation, sick leave, vacation, retirement, training, permits, and licenses for the services provided under this Agreement. The employing District must notify the other Districts within 30 days after employing District has adjusted its Personnel Costs.

7.01. Allocation of Personnel Costs for General Manager, Administrator, Controller and Office Staff.

Personnel Costs of the General Manager, Administrator, Controller and Office Staff will be shared equally among the Districts. This equal allocation may be adjusted from time to time by the Authority Board to reflect unequal allocation of General Management Services, or the services provided by the Administrator, Controller or Office Staff among the Districts for particular periods of time. Each Member shall contribute to the employing District on the first day of each calendar quarter one-third of 25 percent of the annual Personnel Costs for the General Manager, Administrator, Controller and Office Staff it employs. The employing District shall then disburse funds as necessary from the contributions to pay the Personnel Costs of the General Manager, Administrator, Controller and Office Staff which it employs. The employing District shall create a separate fund for Personnel Costs to account for receipts of contributions and disbursements to satisfy its Personnel Costs.

7.02. Equipment for General Management Services and Office Staff.

Each District shall purchase the Equipment required by the General Manager, Administrator, Controller or Office Staff to perform the services of these positions for that District. This purchase of Equipment will be at the expense of the particular District, unless otherwise determined by the Authority Board.

7.03. Allocation of Personnel Costs for Field Operations Employees.

Personnel Costs of the Field Operations Employees will be borne by the District that employees the particular District Employee. This allocation may be adjusted

from time to time by the General Manager in coordination with the Authority Board to reflect actual allocation of Field Operations Employee Services among the Members. If this allocation of Personnel Costs, in whole or in part, for Field Operations Employees is made to a Member that does not employ the particular District Employee, then:

(a) Within 45 days after notice of the allocation, the Member to which an allocation has been made shall contribute its allocated share of Personnel Costs to the employing Member;

(b) The employing District shall deposit all contributions into a District account where they may be commingled with its other District funds. The employing District shall disburse funds as necessary from the contributions to pay the Personnel Costs of the Field Operations Employees which it employs. The employing District shall create a separate fund for Personnel Costs to account for receipts of contributions and disbursements to satisfy Personnel Costs.

The General Manager in coordination with the Authority Board may make allocations retroactively for up to 90 days after Field Operations Employee Services have been rendered.

7.04. Books and Records.

The Authority Board, in coordination with the General Manager and the Controller, will make and keep books, records, and accounts that, in reasonable detail, accurately and fairly reflect in all material respects (a) activities and time spent by the General Manager, Administrator, Controller, Office Staff and Field Operations Staff in the provision of services under this Agreement, and (b) Personnel Costs allocated among the Members.

ARTICLE VIII

Westside District Water Authority Board

8.00. Composition.

The Authority will be governed by a committee, known as the Authority Board, which will be composed of two representatives from each Member.

8.01. Initial and Subsequent Appointment of Authority Board Members.

Each Member shall appoint one director from its District Board and one additional person, who may or may not be a director, to be a member of the Authority Board. Upon a vacancy on the Authority Board, the Member that lost its representative shall appoint another representative consistent with this section, within 60 days after the vacancy is created.

8.02. Alternates.

If a Authority Board Member is unable to attend any meeting, his or her District Board may appoint an alternate to attend the meeting in the Authority Board Member's stead, and the alternate may discuss, deliberate, and vote on any action before the Authority Board as if the alternate was the absent Authority Board Member.

8.03. Term of Office.

Each Authority Board Member will serve at the pleasure of his or her appointing Board. Authority Board Members may be reappointed multiple times without limit. A Member shall notify the other Members and the Authority Board within 10 days of a change in its appointed Authority Board Member.

8.04. Compensation.

Authority Board Members will serve without compensation, except that costs may be reimbursed as allowed by law.

8.05. Bylaws.

The Authority Board may adopt such bylaws as it may deem necessary to regulate the affairs of the Authority in accordance with this Agreement. The Authority Board may amend the bylaws from time to time as it may deem necessary.

8.06. Officers.

The Authority Board will elect or appoint a Committee Chair, Vice-chair, and Secretary/Treasurer from the Authority Board Members. These officers serve one-year terms, but may be re-elected or re-appointed to the same or different office without limit.

8.07. Sub-committees.

The Authority Board may establish such sub-committees as needed to accomplish its objectives, and authorize the sub-committee to undertake such activities as may be necessary to advise the Authority Board.

8.08. Auditor.

The Authority Board will retain an auditor, who may be someone from a Member or a certified public accountant. The Auditor may not be a member of the Authority Board. The Auditor must work with the Secretary/Treasurer to arrange for an annual audit of the Authority. The Auditor is responsible for filing the completed audit with the county auditor who makes copies available to the public. The Members shall share the expense of the Auditor equally.

8.09. Filings.

The Secretary/Treasurer shall cause to be filed all required notices with the California Secretary of State, in accordance with Government Code sections 6503.5 and 53051.

8.10. Committee Meetings.

Meetings of the Authority Board will be held as follows:

(a) *Frequency.*

The Authority Board will meet from time to time as it deems appropriate, but no less frequently than quarterly.

(b) *Quorum.*

A quorum is required for any action of the Authority Board to be taken at a meeting. There will be no quorum at any meeting of the Authority Board unless at least one representative from each Member is in attendance.

(c) *Voting.*

Each Authority Board Member is entitled to one vote. The Authority Board will act only by a concurrence of two-thirds of the representatives of the Members of the Authority present and voting on such matter, except as otherwise provided in this Agreement or by law.

(d) *Location.*

The Authority Board will meet at such time and place as may be agreed to among the Authority Board Members.

(e) *Open Meetings.*

All meetings of the Authority Board will be conducted in accordance with the Ralph M. Brown Act, commencing with Government Code section 54950. Any special meeting of the Authority Board, however, may be called by a Member, in addition to the presiding officer or a majority, following the notice required under that Act.

ARTICLE IX

Term

This Agreement is effective and binding upon each joining Member until (1) the Authority is terminated, (2) the Member withdraws from the Authority, or (3) the Member is terminated from the Authority.

ARTICLE X

Admission, Withdrawal, and Termination of Members.

10.00. Documentation.

Admission, withdrawal, or termination of a Member must be documented by written addendum to this Agreement that reflects such admission, withdrawal, or termination.

10.01. Admission of Additional Members.

Additional qualified districts may join in this Agreement and become Members upon the unanimous approval of the Authority Board. Before becoming a new member, a joining district must execute an addendum to this Agreement agreeing to be bound by the terms of this Agreement as if the party had been an original signatory.

10.02. Withdrawal.

Any Member may withdraw from this Agreement by giving 120 days written notice of its election to do so, which shall be given to the Authority Board; provided, that such withdrawal does not in any way impair any contracts, resolutions, indentures or other obligations of the Authority then in effect. In the event of a disagreement between the Authority Board and the withdrawing party as to whether such withdrawal will cause the impairment of any contracts, resolutions, indentures, or other obligations of the Authority, such determination must be made by the vote of two-thirds of the Authority Board representing the non-withdrawing Members present and voting.

10.03. Termination.

Membership of a Member may be terminated by a vote of the Authority Board representing two-thirds of the Members, and upon termination the terminated Member will no longer be a member of the Authority.

10.04. Notice of Termination.

Prior to any vote to terminate a Member, written notice of the proposed termination and the reason(s) for such termination must be presented at a Authority Board meeting with opportunity for discussion. At the next Authority Board meeting and prior to a vote regarding termination, the Member subject to possible termination must

have the opportunity to respond to any reasons and allegations that may be cited as a basis for termination. A withdrawing or terminated member remains liable for its proportionate share of (a) any call for funds or assessment incurred by the Authority prior to the date of withdrawal or termination and (b) the amount of any annual budget approved prior to the date of withdrawal or termination.

10.05. Liabilities Upon Withdrawal or Termination.

Any withdrawing or terminated member remains liable for any liability of the Authority to the extent such liability arises from any action or inaction of that member occurring during the period in which the withdrawing or terminated member was a member of the Authority. A withdrawing or terminated member is liable for its share of the approved expense as of the date of its withdrawal or termination; provided, that such share is reduced by a percentage as determined by multiplying the number of months within the Fiscal Year for which such withdrawing or terminated member was not a member during any part of such month, divided by twelve. Any amounts advanced by a Member prior to withdrawal will be applied to reduce any amounts owed. Any advance by the Member in excess of amounts owed by the Member shall be refunded to the Member. If a Member withdraws from the Authority in violation of any provision of this Agreement, then such Member will not receive a refund of any amounts advanced by such Member prior to the date of its withdrawal.

ARTICLE XI

Disposition of Property

11.00. Termination of Authority.

This Agreement may be terminated by consent of all Members, and upon full and complete liquidation of all liabilities. Upon the date of termination, payment of any and all obligations and division of any and all assets of the Authority shall be conducted subject to the then-applicable requirements of the law, and this Agreement.

11.01. Successor Entity.

In the event of termination of the Authority where there is a successor public entity that will conduct all of the activities of the Authority and will assume all of its obligations, any and all Authority assets and liabilities remaining upon termination of the Authority shall be transferred to the successor public agency. In that instance no additional termination terms apply.

11.02. Sale of Property.

The Authority Board must first offer any properties, works, rights and interests of the Authority for sale to the Members. If no such sale is consummated, then the Authority Board must offer the properties, works, rights and interests of the Authority for sale to any governmental agency, private entity or persons for good and adequate consideration. The net proceeds from any sale must be distributed among the Members

equally or, if different, in proportion to the Members' contributions for the purchase of the property. If no such sale is consummated, then all of the properties, works, rights and interests of the Authority must be allocated to the Members in the same manner as the allocation of the net proceeds from the sale.

ARTICLE XII

Financial Provisions

12.00. Additional Officers.

The Authority Board must from time to time designate the officers and persons, in addition to the Secretary/Treasurer, who have charge of, handle, or have access to any property of the Authority. Each such officer and person must file a bond in an amount designated by the Authority Board. This designation is subject to ratification by the parties in compliance with Government Code section 6505.1.

12.01. Budget.

By a date set by the Authority Board each Fiscal Year, the Authority Board will adopt a budget for the Authority.

12.02. Contributions; Payments to the Authority.

All fees, costs, and expenses incurred by the Authority in connection with the operation and maintenance of the Authority will be allocated equally among the Members. The Authority may, in lieu, in whole or in part, of levying assessments, fix and collect charges for any service furnished by the Authority to Members of the Authority.

12.03. Title.

The Authority shall own and hold title to all funds, property and works acquired by it during the term of this Agreement.

ARTICLE XIII

Agreed Upon Share of Liability or Judgment for Damages

13.00. Contribution.

The parties to this Agreement are not obligated either jointly or severally for the debts, liabilities, or obligations of the Authority, except as may be specifically provided for in Government Code section 895.2 as amended or supplemented. But if the Members of the Authority are, under such applicable law, held liable for the acts or omissions of the Authority caused in the performance of this Agreement, caused by negligent or wrongful acts or omissions occurring in the performance of this Agreement,

such Members are entitled to contribution from each of the other Members so that after said contribution each Member party shall bear an equal share.

13.01. Insurance.

Each Member shall carry, keep in full force and effect, and pay the premiums on public liability and property damage insurance to indemnify all the Members, jointly and individually, against liability on account of the actions or omissions of District Employees, for injury or damage to persons or property, in companies and in amounts satisfactory to the Members, shall add each of the Members as an additional named insured to any existing policy properly endorsed to provide such insurance with respect to the acts or omissions of District Employees as special employees, and shall furnish to the Members certificates or other evidence showing that such insurance and endorsement are in full force and effect, that the premiums thereon have been paid, and that such insurance and endorsement will not be amended, cancelled, or terminated unless the company will give the Members 30 days' written notice of such expiration, alteration, or termination.

13.02. Indemnity.

No Member will have any claim against any other Member on account of the acts or omissions of a District Employee performed for itself. Each Member shall indemnify and hold the other Members free and harmless of and from any and all claims, losses, damages and liabilities directly relating to services performed by a District Employee of that district.

ARTICLE XIV

Miscellaneous Provisions

14.00. Amendment.

This Agreement may be amended from time to time by the concurrence of each Member.

14.01. Severability.

Should the participation of any Member, or any part, term or provision of this Agreement be decided by the courts or the legislature to be illegal, in excess of that Member's authority, in conflict with any law of the state of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, or provisions of this Agreement will not be affected.

14.02. Assignment.

Except as otherwise provided in this Agreement, the rights and duties of the Members may not be assigned or delegated without the advance approval by the Authority Board.

14.03. Execution in Parts or Counterparts.

This Agreement may be executed in parts or counterparts, and all parts or counterparts are considered as constituting one complete original and may be attached together when executed by the Members.

14.04. Notices.

Notices authorized or required to be given under this Agreement must be in writing and are deemed to have been given (i) when received if given in person, or by facsimile or e-mail, (ii) on the date of acknowledgment of receipt if sent overnight courier, or (iii) five days after being deposited in the U.S. mail, certified or registered mail – return receipt requested, postage prepaid to the addresses set forth below, or to such other changed addresses communicated to the Authority and the Members in writing:

If to Belridge, addressed as follows:

Belridge Water Storage District
P.O. Box 250
Lost Hills, CA 93249

If to Berrenda Mesa, addressed as follows:

Berrenda Mesa Water District
14823 Hwy 33
Lost Hills, CA 93249-9734

If to Lost Hills, addressed as follows:

Lost Hills Water District
3008 Sillect Avenue, Suite 205
Bakersfield, CA 93308

If to the Authority, addressed to each of the above.

Each notice given to a Member shall be concurrently given to the then President of the Member's Board at his or her business address.

14.05. Headings.

The headings preceding the text of sections of this Agreement, and any attachments or exhibits, are for convenience only and are not part of this Agreement.

14.06. Further Assurances.

Each Member will, at the reasonable request of any other Member, execute and deliver further instruments, assignments, assurances and other documents, and take such actions as the other party may reasonably request in connection with the carrying out of this Agreement.

14.07. Waiver; Estoppel.

The failure of a Member to require performance of any provision of this Agreement will not affect its right at a later time to enforce performance. No waiver by a Member of any condition or of any breach of any term contained in this Agreement is effective unless in writing, and no waiver in any one or more instances will be deemed to be a further or continuing waiver of the condition or breach previously waived.

14.08. Construction.

The language in this Agreement is construed according to its fair meaning. The Members acknowledge that each of them and their counsel have reviewed and revised this Agreement, and that the normal rule of construction that ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement.

14.09. Remedies Cumulative.

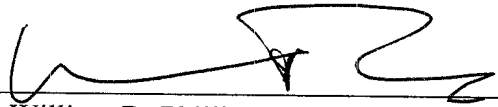
No remedy set forth in this Agreement or otherwise conferred upon or reserved to any Member is exclusive of any other remedy available to it, but instead remedies are distinct, separate, and cumulative.

14.10. Entire Understanding.

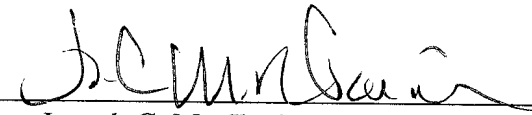
This Agreement sets forth the entire agreement and understanding of the Members with respect to the transactions contemplated, and supersedes all prior agreements, arrangements, and understandings relating to the subject matter. There have been no representations or statements, oral or written, that have been relied on by any party, except those expressly set forth in this Agreement.

IN WITNESS WHEREOF, the parties to this Agreement, pursuant to resolutions duly and regularly adopted by their respective Boards of Directors, do agree, and do bind their respective Districts, by and through the authorized representatives of the Districts, as of the effective date first written above.

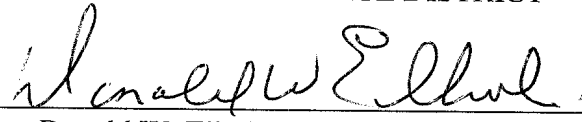
BELRIDGE WATER STORAGE DISTRICT

By: 
William D. Phillimore, President

BERRENDA MESA WATER DISTRICT

By: 
Joseph C. MacIlvaine, President

LOST HILLS WATER STORAGE DISTRICT

By: 
Donald W. Elholm, President