



CITY COUNCIL

CITY COUNCIL MEETING

Pedro "Pete" M. Sanchez, Mayor  
Lori Wilson, Mayor Pro-Tem  
Jane Day  
Michael J. Hudson  
Michael A. Segala

First and Third Tuesday  
Every Month

## A G E N D A

### SPECIAL MEETING OF THE SUISUN CITY COUNCIL

TUESDAY, SEPTEMBER 6, 2016

6:00 P.M.

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SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

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#### **TELECONFERENCE NOTICE**

*Pursuant to Government Code Section 54953, Subdivision (b), the following Council meeting includes teleconference participation by Councilmember Jane Day from: 301 Morgan Street, Suisun City, CA 94585.*

(Next Ord. No. – 741)  
(Next City Council Res. No. 2 016 – 75)  
Next Suisun City Council Acting as Successor Agency Res. No. SA2016 – 07)  
(Next Housing Authority Res. No. HA2016 – 05)

#### **ROLL CALL**

Council Members

#### **PUBLIC COMMENT**

*(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).*

#### **CONFLICT OF INTEREST NOTIFICATION**

*(Any items on this agenda that might be a conflict of interest to any Councilmembers / Boardmembers should be identified at this time.)*

#### **GENERAL BUSINESS**

##### City Council

1. Extension of Suisun-Solano Water Authority (SSWA) Agreements to Facilitate Awarding Bonds for Needed Improvements – (Anderson).
  - a. Council Adoption of Resolution No. 2016-\_\_: Approving the Sixth Amendment to the Suisun-Solano Water Authority Joint Exercise of Powers Agreement, and Authorizing the Mayor to Execute It on the City's Behalf; and
  - b. Council Adoption of Resolution No. 2016-\_\_: Approving the First Amendment to the Suisun-Solano Water Authority Implementation Agreement and Lease Agreement, and Authorizing the Mayor to Execute It on the City's Behalf.

#### **ADJOURNMENT**

DEPARTMENTS: AREA CODE (707)

ADMINISTRATION 421-7300 ■ PLANNING 421-7335 ■ BUILDING 421-7310 ■ FINANCE 421-7320  
FIRE 425-9133 ■ RECREATION & COMMUNITY SERVICES 421-7200 ■ POLICE 421-7373 ■ PUBLIC WORKS 421-7340  
SUCCESSOR AGENCY 421-7309 FAX 421-7366

A complete packet of information containing staff reports and exhibits related to each item for the open session of this meeting, and provided to the City Council, are available for public review at least 72 hours prior to a Council /Agency/Authority Meeting at Suisun City Hall 701 Civic Center Blvd., Suisun City. Agenda related writings or documents provided to a majority of the Council/Board/Commissioners less than 72 hours prior to a Council/Agency/Authority meeting related to an agenda item for the open session of this meeting will be made available for public inspection during normal business hours. An agenda packet is also located at the entrance to the Council Chambers during the meeting for public review. The City may charge photocopying charges for requested copies of such documents. Assistive listening devices may be obtained at the meeting

*PLEASE NOTE:*

1. The City Council/Agency/Authority hopes to conclude its public business by 11:00 P.M. Ordinarily, no new items will be taken up after the 11:00 P.M. cutoff and any items remaining will be agendaized for the next meeting. The agendas have been prepared with the hope that all items scheduled will be discussed within the time allowed.
2. Suisun City is committed to providing full access to these proceedings; individuals with special needs may call 421-7300.
3. Agendas are posted at least 72 hours in advance of regular meetings at Suisun City Hall, 701 Civic Center Boulevard, Suisun City, CA. Agendas may be posted at other Suisun City locations including the Suisun City Fire Station, 621 Pintail Drive, Suisun City, CA, and the Suisun City Senior Center, 318 Merganser Drive, Suisun City, CA.

I, Donna Pock, Deputy City Clerk for the City of Suisun City, declare under penalty of perjury that the above agenda for the meeting of September 6, 2016 was posted and available for review, in compliance with the Brown Act.

## AGENDA TRANSMITTAL

**MEETING DATE:** September 6, 2016

**CITY AGENDA ITEM:** Extension of Suisun-Solano Water Authority (SSWA) Agreements to Facilitate Awarding Bonds for Needed Improvements:

- a. Council Adoption of Resolution No. 2016-\_\_: Approving the Sixth Amendment to the Suisun-Solano Water Authority Joint Exercise of Powers Agreement, and Authorizing the Mayor to Execute It on the City's Behalf; and
- b. Council Adoption of Resolution No. 2016-\_\_: Approving the First Amendment to the Suisun-Solano Water Authority Implementation Agreement and Lease Agreement, and Authorizing the Mayor to Execute It on the City's Behalf.

**FISCAL IMPACT:** There would be no direct fiscal impact, however approval would facilitate the sale of the 2016 Bond issue, which would fund a major portion of SSWA's Capital Improvement Program.

**BACKGROUND:** The two foundation agreements of SSWA are the 1988 Joint Exercise of Powers Agreement (JEPA) and the 1990 Implementation Agreement and Lease Agreement (IA/LA). The JEPA forms SSWA, and the IA/LA leases water treatment and distribution facilities of Solano Irrigation District (SID) and Suisun City to SSWA.

One aspect of this bond measure is that in order to gain a lower interest rate, the issue will be insured. The insurance company is concerned that even though the JEPA indicates that it will not expire so long as there are outstanding bonds to pay off, the agreements on their face would expire early. So the issue is the timing of the expiration of the SSWA Agreements and leases relative to the maturity of the new bonds.

- The maturity date of the 2016 Bonds will be 30 years after their sale, which should be September 2046.
- Section 4 of the JEPA sets its term to expire on January 1, 2038.
- Section 7.0 of the IA/LA sets its term equal to the term of the JEPA, or January 1, 2038.
- Section 7.0 of the IA/LA sets the term of the leases of facilities from SID and Suisun City to SSWA to the term of the JEPA but not more than 50 years. The leases started on January 1, 1990, so they expire either on January 1, 2038 with the Agreements, or January 1, 2040, even if the Agreements' terms are extended, unless they are specifically renewed. If the parties do nothing the leases expire.

To properly assure the bondholders, the terms of these agreements must extend beyond the bond maturity date. Extension of the expiration dates to two years beyond the bond maturity date, as recommended by the Authority's bond issuance team, would be accomplished by amendments to the two Agreements.

**PREPARED BY:**

Ronald C. Anderson, Jr., Assistant City Manager

**REVIEWED/APPROVED BY:**

Suzanne Bragdon, City Manager

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**STAFF REPORT:** Suisun-Solano Water Authority (SSWA) is selling \$8.75 million in bonds to raise funding for capital improvement projects. The timing of the expiration of the SSWA Agreements and leases is currently January 1, 2038, which is before the maturity date of the new bonds in September 2046. To properly assure the bondholders that they will be paid off, these expiration dates must extend beyond the bond maturity date. Extension of the expiration dates and lease periods to two years beyond the bond maturity date would be accomplished by amendments to the two foundation agreements of SSWA:

- The Sixth Amendment to the 1988 Joint Exercise of Powers Agreement would extend the JEPA to December 31, 2048. [A conformed copy of the JEPA with tracked changes is provided as Attachment 3.]
- The Third Amendment to the 1990 Implementation Agreement and Lease Agreement would extend the SID and City Leases of Facilities to December 31, 2048. (Note that the extended term of the JEPA is automatically applied to the IA/LA, so no action to extend the IA/LA term is necessary.)

The SID Board of Directors is scheduled to meet on Thursday, September 1, 2016, to approve two resolutions that are consistent with the two resolutions before the City Council.

Since SSWA is also a signatory to the IA/LA, its amendment also requires SSWA Board authorization for its Board President and SSWA Manager to execute the First Amendment to the IA/LA. This is planned for consideration at a special SSWA Board meeting immediately after the City Council's special meeting, that being about 6:15 pm on Tuesday, September 6, 2016. SSWA Board Authorization for the SSWA Manager to submit the amended JEPA to the Secretary of State will also be requested at the Special Board meeting on September 6, 2016.

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**RECOMMENDATION:** It is recommended that the City Council adopt:

- Resolution No. 2016-\_\_: Approving the Sixth Amendment to the Suisun-Solano Water Authority Joint Exercise of Powers Agreement, and Authorizing the Mayor to Execute It on the City's Behalf; and
- Resolution No. 2016-\_\_: Approving the First Amendment to the Suisun-Solano Water Authority Implementation Agreement and Lease Agreement, and Authorizing the Mayor to Execute It on the City's Behalf.

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**ATTACHMENTS:**

1. Resolution No. 2016-\_\_: Approving the Sixth Amendment to the Suisun-Solano Water Authority Joint Exercise of Powers Agreement, and Authorizing the Mayor to Execute It on the City's Behalf.
  - 1a. Conformed copy of the Suisun-Solano Water Authority Joint Exercise of Powers Agreement after the proposed amendment is incorporated with tracked changes.
2. Resolution No. 2016-\_\_: Approving the First Amendment to the Suisun-Solano Water Authority Implementation Agreement and Lease Agreement, and Authorizing the Mayor to Execute It on the City's Behalf.
  - 2b. Conformed copy of the Suisun-Solano Water Authority Implementation Agreement and Agreement after the proposed amendment is incorporated with tracked changes.

**RESOLUTION NO. 2016-\_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY  
APPROVING THE SIXTH AMENDMENT TO THE SUISUN-SOLANO WATER  
AUTHORITY JOINT EXERCISE OF POWERS AGREEMENT, AND AUTHORIZING  
THE MAYOR TO EXECUTE IT ON THE CITY’S BEHALF**

**WHEREAS**, the City and the Solano Irrigation District (SID) entered into a Joint Exercise of Powers Agreement (JEPA) in 1988 to form the Suisun-Solano Water Authority (SSWA), as well as an Implementation Agreement and Lease Agreement (IA/LA) in 1990; and

**WHEREAS**, SSWA is in the process of issuing revenue bonds to fund needed capital improvements to its water production, treatment and distribution systems; and

**WHEREAS**, Bond Counsel has advised that the terms of the JEPA and IA/LA need to survive the bond issue by at least two years; and

**WHEREAS**, both the City and SID must approve any amendments to the JEPA and IA/LA.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Suisun City hereby approves the attached Sixth Amendment to the 1988 Joint Exercise of Powers Agreement, and authorizes the Mayor to execute the amendment on the City’s behalf.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Suisun City on the 6<sup>th</sup> day of September, 2016 by the following vote:

<b>AYES:</b>	Councilmembers:	_____
<b>NOES:</b>	Councilmembers:	_____
<b>ABSTAIN:</b>	Councilmembers:	_____
<b>ABSENT:</b>	Councilmembers:	_____

**WITNESS** my hand and the seal of said City the 6<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
Linda Hobson, CMC  
City Clerk

**FIRST AMENDMENT TO  
IMPLEMENTATION AGREEMENT AND LEASE AGREEMENT**

THIS FIRST AMENDMENT TO IMPLEMENTATION AND LEASE AGREEMENT is dated as of \_\_\_\_\_, 2016 by and between the CITY OF SUISUN CITY, a California municipal corporation and general law city organized and existing under the laws of the State of California (hereinafter called "City"), the SOLANO IRRIGATION DISTRICT, an irrigation district organized and existing under the laws of the State of California (hereinafter called "District"), and the SUISUN/SOLANO WATER AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (hereinafter called "Authority"), amending that certain Implementation Agreement and Lease Agreement dated as of January 1, 1990 (referred to as "The Agreement") entered into by and among the District, the City and the Authority.

**RECITALS**

WHEREAS, Sections 5 and 6 of the Agreement provide for the lease of facilities of District and City to Authority, respectively, as follows:

"5.0 DISTRICT leases to AUTHORITY, and AUTHORITY leases from DISTRICT for the term set forth in Section 7 of this Agreement those facilities described in Exhibit D together with all right, title and interest (an undivided half interest) DISTRICT has, or may have in the distribution lines, valves and meters serving the Joint Service Area, and all DISTRICT'S interest (an undivided half interest) in the receivables, equipment and other tangible and intangible property held by DISTRICT and CITY pursuant to the JEPa."

"6.0 CITY leases to AUTHORITY and AUTHORITY leases from CITY for the term set forth in paragraph 7 of this agreement those facilities described in Exhibit C, together with all right, title and interest (an undivided half interest) CITY has, or may have in the distribution lines, valves and meters serving the City Service Area and Joint Service Area and all of CITY'S interest (an undivided half interest) in the receivables, equipment and other tangible and intangible property held by DISTRICT and CITY pursuant to the JEPa."

WHEREAS, Section 7 of the Agreement provides for the Term of the Agreement and Leases, as follows:

“7.0 The term of this agreement and the leases hereunder shall be the term of the AUTHORITY as set forth in the Agreement forming the AUTHORITY, including any renewals or extensions thereof, except that no lease shall extend for a period of more than fifty years unless specifically renewed by the parties hereto. Either CITY or DISTRICT may terminate the lease of their facilities to AUTHORITY prior to the termination of this agreement (and termination of the AUTHORITY), providing all bond indebtedness or any other indebtedness secured by the stream of revenue generated by the leased premises have been satisfied. Termination of its lease by one party shall automatically terminate the lease of the other under the same terms and conditions unless otherwise agreed in writing by CITY and DISTRICT. Upon termination the improvements and additions to leased facilities shall be the property of the owner/lessor of the leased facilities.”

WHEREAS, both District and City desire to extend the term of the Leases;  
and,

WHEREAS, the information for notice to District has changed and should be updated.

NOW, THEREFORE, in recognition of the premises set forth above, City and District agree as follows:

1. Amendment of the Agreement, Section 4 entitled “Term of Agreement and Leases”, shall hereafter be amended to state as follows:

“7.0 The term of this agreement and the leases hereunder shall be the term of the AUTHORITY as set forth in the Agreement forming the AUTHORITY, including any renewals or extensions thereof, ~~except that no lease shall extend for a period of more than fifty years unless specifically renewed by the parties hereto.~~ Either CITY or DISTRICT may terminate the lease of their facilities to AUTHORITY prior to the termination of this agreement (and termination of the AUTHORITY), providing all bond indebtedness or any other indebtedness secured by the stream of revenue

**ATTACHMENT NO. 1**

generated by the leased premises have been satisfied. Termination of its lease by one party shall automatically terminate the lease of the other under the same terms and conditions unless otherwise agreed in writing by CITY and DISTRICT. Upon termination the improvements and additions to leased facilities shall be the property of the owner/lessor of the leased facilities.”

2. Amendment of the Agreement, Section 18 entitled “Notices” shall be hereafter amended to state the District as follows:

DISTRICT:  
Solano Irrigation District  
810 Vaca Valley Parkway, Suite 201  
Vacaville, CA 95688

3. Counterparts. This document may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute one original, by each of the parties hereto on the dates respectively indicated in their signatures below, notwithstanding that all parties are not signatories to the original or the same counterpart.

IN WITNESS WHEREOF, the City has caused this First Amendment to Implementation Agreement and Lease Agreement to be executed and attested in its corporate name by its duly authorized officers and sealed with its corporate seal, the District has caused this First Amendment to Implementation Agreement and Lease Agreement to be executed and attested in its corporate name by its duly authorized officers and sealed with its corporate seal, and the Authority has caused this First Amendment to Implementation Agreement and Lease Agreement to be executed and attested in its corporate name by its duly authorized officers and sealed with its corporate seal, all as of the date hereinabove stated.

[Signatures on the Following Two Pages.]

CITY OF SUISUN CITY:

\_\_\_\_\_  
Pete Sanchez, Mayor

Attest:

\_\_\_\_\_  
Linda Hobson, City Clerk

Approved as to Form:

\_\_\_\_\_  
Anthony R. Taylor, City Attorney

SOLANO IRRIGATION DISTRICT:

\_\_\_\_\_  
Glen Grant, President  
Board of Directors

Attest:

\_\_\_\_\_  
Cary Keaten, Secretary  
Board of Directors

Approved as to Form:

\_\_\_\_\_  
Paul R. Minasian, District Counsel

SUISUN/SOLANO WATER AUTHORITY:

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Pete Sanchez, President  
Board of Directors

Attest:

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James S. Daniels, Secretary  
Board of Directors

Approved as to Form:

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Mona Ebrahimi, Authority Counsel

[End of Signatures.]



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**JOINT EXERCISE OF POWERS AGREEMENT**  
**BY AND BETWEEN SOLANO IRRIGATION DISTRICT,**  
**AND CITY OF SUISUN CITY**  
**FORMING THE SUISUN/SOLANO WATER AUTHORITY**

CONFORMED VERSION

Including Amendment 1 dated January 1, 1990

Including Amendment 2 dated April 24, 1990

Including Amendment 3 dated October 16, 1990

Including Amendment 4 dated February 6, 2007

Including Amendment 5, dated November 17, 2009

Including Amendment 6, dated September xx, 2016

This Agreement, dated for convenience as of December 31, 1988, by and between Solano Irrigation District, an irrigation district in the State of California ("SID"), and the City of Suisun City, a general law City of the State of California ("Suisun City");

**WITNESSETH:**

**WHEREAS**, SID is empowered by law to acquire, construct, maintain and operate real and personal property, and in connection therewith to acquire, construct, maintain and operate facilities for the treatment, supply and distribution of water; and,

**WHEREAS**, Suisun City is empowered by law to acquire, construct, maintain and operate real and personal property, and in connection therewith to acquire, construct, maintain and operate facilities for the treatment, supply and distribution of water;

**NOW, THEREFORE**, Solano Irrigation District and Suisun City, for and in consideration of the mutual agreements and covenants herein contained, do agree as follows:

**SECTION 1: Definitions**

Unless the context otherwise requires, the terms defined in this section shall for all purposes of the Agreement have the meanings herein specified.

Agreement

The term "Agreement" shall mean this Joint Exercise of Powers Agreement as originally executed and as it may from time to time be amended by all supplemental agreements entered into pursuant to the provisions hereof.

Authority

The term "Authority" shall mean the Suisun/Solano Water Authority, a joint exercise of powers authority created by the Members pursuant to the Agreement.

Board

The term "Board" shall mean the Board of the Authority.

Executive Committee

The Executive Committee shall be made up of four (4) designated positions: the SSWA Board President, the SSWA Board Vice President, the SSWA Manager, and the SSWA Assistant Manager.

Law

The term "law" shall mean Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, and all laws amendatory thereof or supplemental thereto.

Member

The term "Member" shall mean either SID or Suisun City.

Project

The term "Project" shall mean a facility for the storage, distribution, conveyance treatment or pressurization of water and all appurtenant and associated facilities to be acquired and constructed by the Authority pursuant to the Agreement.

Revenue Bonds

The term "Revenue Bonds" shall mean revenue bonds of the Authority authorized and issued pursuant to the Law to finance a Project, including temporary notes payable from the revenues of the Authority unless paid from the proceeds of such bonds.

SID

The term "SID" shall mean Solano Irrigation District, an irrigation district duly organized and existing under the Constitution and laws of the State of California.

Suisun City

The term "Suisun City" shall mean the City of Suisun City, a general law City duly organized and existing under the Constitution and laws of the State of California.

**SECTION 2: Purpose**

The Agreement is made pursuant to the Law and its purpose is to provide for the joint exercise of powers common to the Members. The Members are each empowered by the laws of the State of California to exercise the powers specified in the recitals herein, and in connection therewith to acquire, construct, maintain and operate facilities for the storage, distribution, conveyance, treatment or pressurization of water and all appurtenant facilities, and these common powers shall be jointly exercised in the manner hereinafter set forth. The Members shall pay for the costs and expenses associated with the maintenance and operation of the Authority and are entitled to all the revenues of the Authority in the following percentages:

Solano Irrigation District	50%
Suisun City	50%

**ATTACHMENT NO. 1a****SECTION 3: Formation of the Authority**

There is hereby created pursuant to the Law an agency and public entity to be known as the "Suisun/Solano Water Authority." As provided in the Law, the Authority shall be a public entity separate from the Members, and the debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the Members or either of them.

**SECTION 4: Term**

The Agreement shall become effective as of the date hereof and shall continue in full force and effect until ~~January 1, 2038~~ **December 31, 2048** or until such time as all Revenue Bonds issued by the Authority and the interest thereon shall have been paid in full or provision for such payment shall have been made, whichever period is longer.

**SECTION 5: Powers; Restrictions Upon Exercise**

The Authority shall have power to acquire, construct, operate and maintain Projects for the purpose of storing, distributing, conveying, treating or pressurizing water and all associated or appurtenant purposes and to enter into contracts with any entity to provide security for the repayment of any Revenue Bonds issued to finance such Projects, subject, however, to the conditions and restrictions contained in the Agreement.

The Authority is authorized, in its own name, to do all acts necessary or convenient for the exercise of such powers for such purposes that each of its Members could do separately, including but not limited to any or all of the following: to make and enter into contracts; to exercise the power of eminent domain for the acquisition of property for Projects; to employ agents and employees; to acquire, construct, manage, maintain and operate any buildings, works or improvements; to acquire, hold or dispose of property; to enter into water contracts with any entity to provide water or water services to such entity and to set service charges and fees therefor; to incur debts, liabilities or obligations (which do not constitute debts, liabilities or obligations of the Members or either of them); and to sue and be sued in its own name.

Such powers shall be exercised subject only to such restrictions upon the manner of exercising such power as are imposed upon irrigation districts in the exercise of similar powers.

**SECTION 6: Termination of Powers**

The Authority shall continue to exercise the powers herein conferred upon it until the termination of the Agreement or until the Members shall have mutually rescinded the Agreement, except that if any Revenue Bonds are issued and delivered then in no event shall the exercise of the powers herein granted be terminated until all Revenue Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made.

**SECTION 7: Board**

The Authority shall be administered by the Board, which shall consist of ten members, each serving in his or her individual capacity as a member of the Board, constituting the members of the Board of Directors of SID and the members of the City Council of the City of Suisun City. The term of office of each member of the Board shall continue only so long as such member is a member of either of said legislative bodies, and shall terminate if such member of the Board shall cease to be a member of either of said legislative bodies.

**ATTACHMENT NO. 1a**

Members of the Board shall receive compensation for serving as such, and shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member if the Board shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose. The Board itself is vested with authority to set its own compensation.

**SECTION 8: Executive Committee**

(a) The Executive Committee shall meet on an as needed basis and meetings are subject to be called, noticed, held and conducted subject to the provisions of Sections 54950 through 54961 of the Government Code of the State of California and any amendments or supplements thereto and the Secretary of the Authority shall cause minutes of all meetings of the Committee to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Committee and to the Secretary of SID and Clerk of the City Council. A quorum shall consist of three (3) members. The concurring vote of three (3) members shall be required for any action of the Committee.

(b) The function of the Executive Committee shall be as an administrative entity and advisory body for the purposes of program development, policy formulation and program implementation in connection with the project. The Executive Committee shall exercise only the functions delegated to it from time to time by concurring resolutions of the entities, and nothing herein shall be construed to extend to the Committee the power to sue or be sued in its own name.

(c) Each Committee member may have an Alternate Member, as approved by the Board. Alternate Members are encouraged to attend and participate in Committee meetings. However, Alternate Members will only be allowed to vote, or to receive compensation for attending, when the member they are replacing does not attend the meeting.<sup>1</sup>

(d) If the Committee Chairperson and Vice-Chairperson are not available, then the meeting will be rescheduled.<sup>2</sup>

**SECTION 9: Board Officers; Duties**

(a) The Board shall, biennially, in odd-numbered years, elect a President of the **Authority Board of Directors** from among its members.

(b) The position of Board Vice President is created, and shall be filled by election biennially, in odd-numbered years.

(c) The position of Board President and Board Vice President shall be for two-year terms whereby an elected official of Suisun City and an elected official of the SID Board shall alternate filling each office, in January of each odd numbered year.

(d) The position of SSWA Manager shall be filled by the person occupying the position of SID Secretary/General Manager from time to time, or his/her designee.<sup>3</sup>

(e) The position of SSWA Assistant Manager shall be filled by the person occupying the position of Suisun City, City Manager from time to time, or his/her designee.<sup>4</sup>

<sup>1</sup> This section was added by Amendment 5.

<sup>2</sup> This section was added by Amendment 5.

<sup>3</sup> This section was modified by Amendment 5.

<sup>4</sup> This section was modified by Amendment 5.

**ATTACHMENT NO. 1a**

(f) The position of SSWA Secretary shall be filled by an individual chosen by the SSWA Manager from the staff of SID from time to time.

(g) The Finance Director of the City of Suisun City is hereby designated pursuant to the Law as Auditor-Treasurer of the Authority. Subject to the applicable provisions of any resolution issuing any Revenue Bonds and providing for a fiscal agent, the Auditor-Treasurer is designated as the depository of the Authority to have custody of all money of the Authority from whatever source and to draw checks to pay demands against the Authority when such demands have been approved by the Authority, and such officer shall have the powers, duties and responsibilities of the offices of auditor and treasurer of the Authority specified in the Law.

(h) The Auditor-Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond with the Authority in the amount of \$50,000.

(i) The Board shall have the power to elect such other officers and employees as it may deem necessary and to retain independent accountants, counsel, engineers and other consultants.

**SECTION 10: Meetings of the Board**

(a) The Board shall hold at least one meeting each year, and, may provide for the holding of meetings at more frequent intervals. The dates upon which, and the hour and place at which, each such meeting shall be determined by the Authority, through its Executive Committee.

(b) Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California.

(c) All meetings of the Board shall be called, noticed, held and conducted subject to the provisions of Sections 54950 through 54961 of the Government Code of the State of California and any amendments or supplements thereto.

(d) The Secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the Secretary of SID and Clerk of the City Council.

(e) Three members of the Board of Directors of SID and three members of the City Council of the City of Suisun City shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The Board shall take no other action except upon the affirmative vote of at least three members of the respective legislative agency of each Member.

(f) If the President and Vice-President are both unavailable to attend the meeting, then the Secretary shall assume the role of President. However, in that event, the Secretary's sole purpose is to convene the Board and accept a motion from the remaining Board members to select a temporary President, provided a quorum of the Board exists.<sup>5</sup>

<sup>5</sup> This section was added by Amendment 5.

**SECTION 11: Fiscal Year**

Unless and until changed by resolution of the Board, the fiscal year of the Authority shall be the period from July 1 of each year to and including the following June 30.

**SECTION 12: Disposition of Assets**

In the event that Revenue Bonds to finance a Project are issued as provided in Section 13 hereof, then at the end of the term of such Revenue Bonds the Project financed thereby shall be transferred to the Members as tenants in common. Upon the termination of the Agreement, all other assets of the Authority shall be distributed to the respective grantors or assignors thereof, and any surplus money on hand shall be returned to the Members in proportion to their respective contributions made.

**SECTION 13: Acquisition and Construction of a Project**

The Authority shall have power to proceed with the acquisition and construction of a Project when the Members shall have agreed to acquire and construct such Project and when the Authority shall have completed arrangements for obtaining funds sufficient to pay all costs of the acquisition and construction of such Project and sufficient to provide adequate replacement reserves for such Project and when all the contracts for the acquisition and construction of such Project shall have been approved by the Members and when all necessary permits for such acquisition and construction shall have been obtained.

**SECTION 14: Revenue Bonds**

The Authority shall have power to issue Revenue Bonds, including temporary notes payable from the revenues of the Authority unless paid from the proceeds of such bonds, from time to time in accordance with the provisions of the Law for the purpose of raising funds necessary to finance a Project and to carry out its powers under the Agreement.

**SECTION 15: Agreement Not Exclusive**

The Agreement shall not be exclusive and shall not be deemed to amend or alter the terms of other agreements by and between the Members.

**SECTION 16: Contributions and Advances**

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by either Member for any of the purposes of the Agreement. Any such advance may be made subject to repayment, and in such case shall be repaid in the manner agreed upon by the Member making such advance and the Authority at the time of making such advance. If there is no such agreement, surplus funds existing at the termination of the agreement shall be reimbursed to the respective parties in proportion to their total contributions to the Authority.

**SECTION 17: Accounts and Reports**

The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any resolution of the Authority providing for the issuance of Revenue Bonds. The books and records of the Authority shall be open to inspection at all reasonable times by the Members and their representatives.

**ATTACHMENT NO. 1a**

The **Commission Board** of the Authority shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, and in each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards; except that the Members may, by unanimous request of the Boards of Directors thereof, replace the annual special audit with an audit covering a two-year period. A report of each such audit shall be filed as a public record with each Member and with the county auditor of the county in which each Member is located, which such report shall be filed within twelve (12) months of the end of the fiscal year or years under examination. All costs of such audit shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for the purpose.

The Authority shall maintain during the term of the Agreement appropriate books, records, accounts and files relating to the costs and expenses of maintenance and operation of each Project and revenues of each Project, all of which shall be open to inspection at all reasonable times by the Members and their representatives.

All the books, records, accounts and files referred to in this section shall be open to the inspection of holders of Revenue Bonds to the extent and in the manner provided in any resolution providing for the issuance of Revenue Bonds.

**SECTION 18: Breach**

If default shall be made by either Member in any covenant contained in the Agreement, such default shall not excuse the other Member from fulfilling its obligations under the Agreement and such other Member shall continue to be liable for the payment of all contributions and the performance of all obligations herein contained. The Members hereby declare that the Agreement is entered into for the benefit of the Authority created hereby and the Members hereby grant to the Authority the right to enforce by whatever lawful means the Authority deems appropriate all of the obligations of each Member hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the exercise of any one right or remedy shall not impair the right of the Authority to any or all other remedies.

**SECTION 19: Severability**

Should any part, term or provision of the Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

**SECTION 20: Successors; Assignment**

The Agreement shall be binding upon and shall inure to the benefit of the successors of each Member. Neither Member may assign any right or obligation hereunder without the consent of the other Member.

**SECTION 21: Amendment of the Agreement**

The Agreement may be amended by a supplemental agreement executed by the Members at any time prior to issuance of any Revenue Bonds, or at any time after the issuance of such Revenue Bonds subject to the conditions and restrictions set forth in the resolution or resolutions providing for the issuance of such Revenue Bonds.

**SECTION 22: Section Headings**

All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of the Agreement.

**SECTION 23: Notices**

Notice required to be given by this Agreement shall be in writing and shall be given by U. S. mail, postage prepaid, certified return receipt requested or by personal service during working hours to the following persons:

<p><del>Secretary/Manager</del> <b>General Manager</b>  Solano Irrigation District  <del>508 Elmira Road</del> <b>810 Vaca Valley Parkway, Suite 201</b>  Vacaville, CA 95688</p>	<p>City Manager  City of Suisun City  701 Civic Center Drive  Suisun City, CA 94585</p>
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**SECTION 24: Attorneys Fees**

If it shall be necessary for either Party to commence legal or equitable action to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of litigation and costs for experts hired to prepare for and/or testify at such legal proceedings.

*IN WITNESS WHEREOF*, the parties hereto have caused the Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

**SOLANO IRRIGATION DISTRICT**

By \_\_\_\_\_  
President of the Board of Directors

Attest: \_\_\_\_\_  
Secretary of the Board of Directors

Approved as to form:

\_\_\_\_\_  
District Counsel

**CITY OF SUISUN CITY**

By \_\_\_\_\_  
Mayor of Suisun City

Attest: \_\_\_\_\_  
Clerk to the City Council, Deputy

Approved as to form:

\_\_\_\_\_  
City Attorney

**RESOLUTION NO. 2016-\_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY  
APPROVING THE FIRST AMENDMENT TO THE SUISUN-SOLANO WATER  
AUTHORITY IMPLEMENTATION AND LEASE AGREEMENT, AND AUTHORIZING  
THE MAYOR TO EXECUTE IT ON THE CITY’S BEHALF**

**WHEREAS**, the City and the Solano Irrigation District (SID) entered into a Joint Exercise of Powers Agreement (JEPA) in 1988 to form the Suisun-Solano Water Authority (SSWA), as well as an Implementation Agreement and Lease Agreement (IA/LA) in 1990; and

**WHEREAS**, SSWA is in the process of issuing revenue bonds to fund needed capital improvements to its water production, treatment and distribution systems; and

**WHEREAS**, Bond Counsel has advised that the terms of the JEPA and IA/LA need to survive the bond issue by at least two years; and

**WHEREAS**, both the City and SID must approve any amendments to the JEPA and IA/LA.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Suisun City hereby approves the attached First Amendment to the 1990 Implementation and Lease Agreement, and authorizes the Mayor to execute the amendment on the City’s behalf.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Suisun City on the 6<sup>th</sup> day of September, 2016 by the following vote:

<b>AYES:</b>	Councilmembers:	_____
<b>NOES:</b>	Councilmembers:	_____
<b>ABSTAIN:</b>	Councilmembers:	_____
<b>ABSENT:</b>	Councilmembers:	_____

**WITNESS** my hand and the seal of said City the 6<sup>th</sup> day of September, 2016.

---

Linda Hobson, CMC  
City Clerk

**FIRST AMENDMENT TO  
IMPLEMENTATION AGREEMENT AND LEASE AGREEMENT**

THIS FIRST AMENDMENT TO IMPLEMENTATION AND LEASE AGREEMENT is dated as of \_\_\_\_\_, 2016 by and between the CITY OF SUISUN CITY, a California municipal corporation and general law city organized and existing under the laws of the State of California (hereinafter called "City"), the SOLANO IRRIGATION DISTRICT, an irrigation district organized and existing under the laws of the State of California (hereinafter called "District"), and the SUISUN/SOLANO WATER AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (hereinafter called "Authority"), amending that certain Implementation Agreement and Lease Agreement dated as of January 1, 1990 (referred to as "The Agreement") entered into by and among the District, the City and the Authority.

**RECITALS**

WHEREAS, Sections 5 and 6 of the Agreement provide for the lease of facilities of District and City to Authority, respectively, as follows:

"5.0 DISTRICT leases to AUTHORITY, and AUTHORITY leases from DISTRICT for the term set forth in Section 7 of this Agreement those facilities described in Exhibit D together with all right, title and interest (an undivided half interest) DISTRICT has, or may have in the distribution lines, valves and meters serving the Joint Service Area, and all DISTRICT'S interest (an undivided half interest) in the receivables, equipment and other tangible and intangible property held by DISTRICT and CITY pursuant to the JEPA."

"6.0 CITY leases to AUTHORITY and AUTHORITY leases from CITY for the term set forth in paragraph 7 of this agreement those facilities described in Exhibit C, together with all right, title and interest (an undivided half interest) CITY has, or may have in the distribution lines, valves and meters serving the City Service Area and Joint Service Area and all of CITY'S interest (an undivided half interest) in the receivables, equipment and other tangible and intangible property held by DISTRICT and CITY pursuant to the JEPA."

WHEREAS, Section 7 of the Agreement provides for the Term of the Agreement and Leases, as follows:

“7.0 The term of this agreement and the leases hereunder shall be the term of the AUTHORITY as set forth in the Agreement forming the AUTHORITY, including any renewals or extensions thereof, except that no lease shall extend for a period of more than fifty years unless specifically renewed by the parties hereto. Either CITY or DISTRICT may terminate the lease of their facilities to AUTHORITY prior to the termination of this agreement (and termination of the AUTHORITY), providing all bond indebtedness or any other indebtedness secured by the stream of revenue generated by the leased premises have been satisfied. Termination of its lease by one party shall automatically terminate the lease of the other under the same terms and conditions unless otherwise agreed in writing by CITY and DISTRICT. Upon termination the improvements and additions to leased facilities shall be the property of the owner/lessor of the leased facilities.”

WHEREAS, both District and City desire to extend the term of the Leases; and,

WHEREAS, the information for notice to District has changed and should be updated.

NOW, THEREFORE, in recognition of the premises set forth above, City and District agree as follows:

1. Amendment of the Agreement, Section 4 entitled “Term of Agreement and Leases”, shall hereafter be amended to state as follows:

“7.0 The term of this agreement and the leases hereunder shall be the term of the AUTHORITY as set forth in the Agreement forming the AUTHORITY, including any renewals or extensions thereof, ~~except that no lease shall extend for a period of more than fifty years unless specifically renewed by the parties hereto.~~ Either CITY or DISTRICT may terminate the lease of their facilities to AUTHORITY prior to the termination of this agreement (and termination of the AUTHORITY), providing all bond indebtedness or any other indebtedness secured by the stream of revenue generated by the leased premises have been satisfied.

**ATTACHMENT NO. 2**

Termination of its lease by one party shall automatically terminate the lease of the other under the same terms and conditions unless otherwise agreed in writing by CITY and DISTRICT. Upon termination the improvements and additions to leased facilities shall be the property of the owner/lessor of the leased facilities.”

2. Amendment of the Agreement, Section 18 entitled “Notices” shall be hereafter amended to state the District as follows:

DISTRICT:  
Solano Irrigation District  
810 Vaca Valley Parkway, Suite 201  
Vacaville, CA 95688

3. Counterparts. This document may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute one original, by each of the parties hereto on the dates respectively indicated in their signatures below, notwithstanding that all parties are not signatories to the original or the same counterpart.

IN WITNESS WHEREOF, the City has caused this First Amendment to Implementation Agreement and Lease Agreement to be executed and attested in its corporate name by its duly authorized officers and sealed with its corporate seal, the District has caused this First Amendment to Implementation Agreement and Lease Agreement to be executed and attested in its corporate name by its duly authorized officers and sealed with its corporate seal, and the Authority has caused this First Amendment to Implementation Agreement and Lease Agreement to be executed and attested in its corporate name by its duly authorized officers and sealed with its corporate seal, all as of the date hereinabove stated.

[Signatures on the Following Two Pages.]

CITY OF SUISUN CITY:

\_\_\_\_\_  
Pete Sanchez, Mayor

Attest:

\_\_\_\_\_  
Linda Hobson, City Clerk

Approved as to Form:

\_\_\_\_\_  
Anthony R. Taylor, City Attorney

SOLANO IRRIGATION DISTRICT:

\_\_\_\_\_  
Glen Grant, President  
Board of Directors

Attest:

\_\_\_\_\_  
Cary Keaten, Secretary  
Board of Directors

Approved as to Form:

\_\_\_\_\_  
Paul R. Minasian, District Counsel

SUISUN/SOLANO WATER AUTHORITY:

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Pete Sanchez, President  
Board of Directors

Attest:

---

James S. Daniels, Secretary  
Board of Directors

Approved as to Form:

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Mona Ebrahimi, Authority Counsel

[End of Signatures.]

CITY OF SUISUN CITY:

By:

\_\_\_\_\_  
Pete Sanchez, Mayor

Attest:

\_\_\_\_\_  
Linda Hobson, City Clerk

Approved as to Form:

By: \_\_\_\_\_  
Anthony R. Taylor, City Counsel

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**SUISUN/SOLANO WATER AUTHORITY IMPLEMENTATION AGREEMENT  
AND LEASE AGREEMENT**

CONFORMED VERSION  
Including the First Amendment dated September 6, 2016

THIS AGREEMENT is entered into as of January 1, 1990 by and between the CITY OF SUISUN CITY, a municipal corporation, (hereinafter called "CITY") , the SOLANO IRRIGATION DISTRICT, a state agency organized under the laws of the State of California, (hereinafter called "DISTRICT"), and the SUISUN/SOLANO WATER AUTHORITY, a joint powers authority organized under the laws of the State of California (hereinafter called "AUTHORITY") with reference to the following:

NOW THEREFORE, the undersigned parties agree, for full and valuable consideration, the receipt of which is hereby acknowledged as follows:

**RECITALS**

THIS AGREEMENT is made with reference to the following facts and conditions which the parties agree are a true and accurate description of the basis upon which the Agreement is made:

WHEREAS, in 1976 CITY and DISTRICT entered into a Joint Exercise of Powers Agreement (hereinafter called "JEPA"). DISTRICT through the issuance of general obligation bonds, constructed a water treatment plant, storage tank and appurtenant facilities, the design of which allowed for future expansion;

WHEREAS, water utilized by these facilities is provided by DISTRICT, under entitlement from the Solano Project, treated and delivered via DISTRICT facilities, to the Joint Service Area and then sold and distributed through a water distribution system owned jointly by CITY and DISTRICT under the JEPA;

WHEREAS, the lands served by these facilities are of two types: (1) areas within the boundaries of both the CITY and the DISTRICT, entitled Joint Service Area as shown on Exhibit "A" to this Agreement and (2) areas within the boundaries of the DISTRICT but outside the limits of CITY, and entitled District Service Area as shown on Exhibit "A" to this Agreement;

WHEREAS, lands within the boundaries of CITY but not within the boundaries of DISTRICT are currently provided with water by CITY through a treatment facility, transmission pipeline and distribution system owned and operated by CITY, which are described as the City Service Area as shown on Exhibit "A" to this Agreement;

WHEREAS, under an implementation agreement of the JEPA dated July 1, 1982 titled Agreement No. 1, DISTRICT agreed to and is responsible for operating and maintaining the water treatment plant, storage tank, transmission facilities and appurtenant facilities which provide water to the Joint Service Area and District Service Area while CITY agreed to and is responsible for providing certain billing services and maintaining distribution mains and facilities within the limits of the Joint Service Area, the costs of which are reimbursed to CITY and DISTRICT from the JEPA;

WHEREAS, additional facilities are now necessary to provide water service to the Joint Service Area and the City Service Area which expansion and rehabilitation is described in the Master Plan prepared by Summers Engineering and attached hereto as Exhibit "B" to this Agreement;

WHEREAS, CITY and DISTRICT have agreed to provide for the integration of the facilities of CITY and DISTRICT, and to provide for the necessary expansion and rehabilitation of the facilities serving all areas of the CITY including those in common with the DISTRICT and have further agreed that the most practical and economical way to do so is by formation of the AUTHORITY which would finance the required expansion and rehabilitation of these facilities through the issuance of revenue bonds and operate all of these facilities;

WHEREAS, on December 31, 1988 CITY and DISTRICT entered into a written agreement which created the Suisun/Solano Water Authority for the purpose of accomplishing these goals; and

WHEREAS, CITY and DISTRICT recognize that in order to finance the necessary rehabilitation and expansion through revenue bonds, the AUTHORITY must exercise control over these facilities and, therefore CITY and DISTRICT have agreed to lease those facilities described in Exhibits "C" and "D" to this Agreement, to AUTHORITY.

## **AGREEMENT**

### **Section 1**

#### **SUSPENSION OF JOINT EXERCISE OF POWERS**

**1.0** The Joint Exercise of Powers Agreement (JEPA) dated May 17, 1976, together with the Implementation Agreement thereto and any other related agreements, is suspended and superseded by the AUTHORITY and this Agreement, except as to those provisions of that agreement which set standards and procedures for the day to day operation of the facilities contained in the JEPA and leased to AUTHORITY under this Agreement, and then only to the extent that said standards and procedures do not conflict with the terms of this Agreement. Said JEPA agreements shall not be terminated and shall be reactivated and re-implemented

upon the termination of this AUTHORITY or the occurrence of other acts or events specified in this Agreement.

## **Section 2**

### **ADOPTION AND IMPLEMENTATION OF THE MASTER PLAN PREPARED BY SUMMERS ENGINEERING**

**2.0** The Master Plan prepared by Summers Engineering dated February, 1989 as revised in April, 1989, Exhibit B to this Agreement, is adopted by the AUTHORITY and made a part of this agreement. The facilities leased to AUTHORITY by CITY and DISTRICT may be added to, modified, remodeled, rehabilitated or reconstructed in accordance with said Master Plan which is hereby agreed to be the plan for construction and implementation by AUTHORITY. It is the goal and intent of the AUTHORITY to construct the repairs and improvements described and recommended in said Master Plan unless otherwise agreed to by the parties.

**2.1** The AUTHORITY may construct or perform such additional repairs, improvements, or new facilities to serve the needs and requirements of the water users within the geographical limits of the Joint Service Area, District Service Area and City Service Area as CITY and DISTRICT may from time to time agree on, which agreement shall be in writing either as a separate instrument or as an amendment to this Agreement.

## **Section 3**

### **INCLUSION OF NEW LANDS**

**3.0** CITY and DISTRICT may agree to add additional lands to the Joint Service Area covered by this Agreement. Such action shall be accomplished only by amendment to this Agreement or by a separate written agreement. The inclusion of any new land to the Joint Service Area shall be conditioned on the annexation of said lands to Suisun City and also to the Solano Irrigation District. The inclusion of such new lands to the Joint Service Area shall be further conditioned on a determination of the source of water and ownership of the water entitlement which will serve the new lands under the following conditions:

(a) CITY shall provide for the purpose of serving newly annexed lands within the Joint Service Area all entitlement to Solano Project Water not used within the City Service Area.

(b) CITY shall provide for the purpose of serving newly annexed lands within the Joint Service Area any Solano Project water obtained under the exchange provisions of paragraph 4.7, below until such entitlement is exhausted.

(c) If the amount of Solano Project water including that from sources described in subparagraphs "a" and "b", above, are not sufficient to serve the proposed annexed lands, DISTRICT shall provide sufficient Solano Project water from its entitlement to serve said new lands and if sufficient water is not available from its entitlement to Solano Project water, shall take all reasonable steps to acquire an entitlement from this source for this purpose, subject to any limitations created by place of use restrictions established by the State Water Resources Control Board, and further subject to the limitation that DISTRICT shall not be required to deprive other lands within the Solano Irrigation District of Solano Project water service entitlement to meet the needs of the proposed lands to be annexed.

**3.1** In the event the parties agree to annex new lands into the Joint Service Area, DISTRICT and CITY shall make appropriate application for and shall seek to have lands being annexed into the city simultaneously annexed into the Solano Irrigation District. DISTRICT shall thereafter provide water to said lands from District's entitlement from the Solano Project subject to the priorities in water sources and other limitations set out in paragraph 3.0 above.

**3.2** CITY shall not annex new lands into the City Service Area without a written agreement between CITY and DISTRICT which among other things shall establish the source and method of providing water to such newly annexed lands.

#### **Section 4**

#### **NO TRANSFER OF WATER ENTITLEMENTS**

**4.0** By this agreement, including any action which may be taken under it, neither CITY or DISTRICT grants, transfers, assigns, encumbers to the other any interest in its water entitlements, water contracts, rights to receive water, or any expectancy to said rights in regard to water or water supply held by or anticipated to be held by CITY or DISTRICT. Except as specifically provided in paragraphs 4.5 below, each party covenants that it shall take no action nor make any claim that it is directly or indirectly entitled to any amounts of water which are otherwise available to the other, nor shall any party object to the renewal of any contract with the Solano County Flood Control and Water Conservation District or any successor organization thereto, by either DISTRICT or CITY for any water right or entitlement held by that party on the effective date of this agreement .

**4.1** Each party, by execution hereof, specifically waives and disclaims as to the other, the following:

(a) Any claim to additional waters from the Solano Water Project, the acquisition of which would reduce the water quantity available to the other party that existed on the effective date of this Agreement;

(b) Any right to exchange waters from the Solano Water Project or any other source with the other, except as is otherwise set out herein in paragraph 4.7 or as the parties may agree upon in writing specifically reforming or amending this provision;

(c) Any right to claim water as a result of municipal and industrial use in such a manner or fashion that the right, entitlement or capacity of the other shall be reduced, qualified or impaired below that which existed on the effective date of this agreement .

**4.2** During the term of this agreement, and subject to the provisions of paragraphs 3.0(a) through 3.0(c), DISTRICT shall provide, from its water entitlement for delivery from the Putah South Canal to the Cement Hill Water Treatment Plant, a quantity of water sufficient to provide treated water service to the lands within the District Service Area and Joint service Area and lying within the boundaries of the Solano Irrigation District. The cost of providing such water, both direct and indirect, shall be payable semi-annually to DISTRICT by AUTHORITY.

**4.3** During the term of this agreement CITY shall provide, from its water entitlement for delivery from the Putah South canal to the Cement Hill Water Treatment Plant or the Gregory Hills Water Treatment Plant, a quantity of water sufficient to provide treated water service to the lands within the boundaries of the City Service Area and the Joint service Area as provided in Paragraphs 3.0(a) through 3.0(c). The cost of providing such water, both direct and indirect, shall be payable semi-annually to CITY by AUTHORITY.

**4.4** The maximum amount payable by the AUTHORITY to either CITY or DISTRICT under paragraphs 4.2 and 4.3, above, shall be the price payable per acre foot for municipal and industrial water delivered from the Putah South Canal which water originates from the Solano Project, except that as to any water provided by DISTRICT or CITY pursuant to paragraphs 4.7, 3.0(a), 3.0(b) and 3.0(c), DISTRICT and/or CITY shall be reimbursed by AUTHORITY for all direct and indirect costs incurred by it.

**4.5** In the event DISTRICT ever totally dissolves, ceases to exist and otherwise ceases to own its entitlement to Solano Project water, CITY shall have the right to acquire an entitlement for water from the Solano Project equal to that used by DISTRICT to serve the Joint Service Area at the time of dissolution. Also in such event, CITY shall have the right to acquire the Cement Hill Treatment Plant and the Potrero Hills storage facility together with the transmission lines connecting those facilities to the Authority water system. The Cement Hill Treatment Plant distribution and transmission facilities, shall be purchased from DISTRICT at their value, as defined in paragraph 9.1(a), below at the time of acquisition and the Potrero Hills Facilities distribution and transmission facilities shall be purchased for one-half of their value, value as defined in paragraph 9.1(a), below, at the time of acquisition. DISTRICT or its successor shall retain the right to serve the District Service Area via these facilities.

**4.6** The amount of water delivered by each party from its entitlement shall concur on a calendar-month basis with the use by CITY in the City Service Area and with the use by DISTRICT in the District Service Area and the Joint Service Area combined.

**4.7** Subject to the creation of a point of transfer which shall be the subject of a separate agreement, and subject to the provisions established in Section 3, above, DISTRICT shall, upon request from CITY, exchange on a one-for-one basis, at no cost to DISTRICT any water entitlement of CITY from the North Bay Aqueduct for water from the Solano Project for use within the lands served by AUTHORITY and/or from the well owned by CITY located in Suisun Valley. This separate agreement shall address all issues of transfer including by not limited to the method of transfer, costs of transfer, compensation for the burden of transfer and each party's obligation to bear a portion of these costs. This right to exchange shall terminate upon termination of the leases and termination of the JEPAs as provided in Sections 7 and 10 herein.

## **Section 5**

### **DISTRICT LEASE OF FACILITIES TO AUTHORITY**

**5.0** DISTRICT leases to AUTHORITY, and AUTHORITY leases from DISTRICT for the term set forth in Section 7 of this Agreement those facilities described in Exhibit D together with all right, title and interest (an undivided half interest) DISTRICT has, or may have in the distribution lines, valves and meters serving the Joint Service Area, and all DISTRICT'S interest (an undivided half interest) in the receivables, equipment and other tangible and intangible property held by DISTRICT and CITY pursuant to the JEPAs.

**5.1** The AUTHORITY'S right to the facilities described above shall be subject to DISTRICT'S continuing right to utilize the Cement Hill Treatment Plant, Storage Facility and associated transmission lines to provide water service to the District Service Area.

## **Section 6**

### **CITY LEASE OF FACILITIES TO AUTHORITY**

**6.0** CITY leases to AUTHORITY and AUTHORITY leases from CITY for the term set forth in paragraph 7 of this agreement those facilities described in Exhibit C, together with all right, title and interest (an undivided half interest) CITY has, or may have in the distribution lines, valves and meters serving the City Service Area and Joint Service Area and all of CITY'S interest (an undivided half interest) in the receivables, equipment and other tangible and intangible property held by DISTRICT and CITY pursuant to the JEPAs.

## **Section 7**

### **TERM OF AGREEMENT AND LEASES**

**7.0** The term of this agreement and the leases hereunder shall be the term of the AUTHORITY as set forth in the Agreement forming the AUTHORITY, including any renewals or extensions thereof, ~~except that no lease shall extend for a period of more than fifty years unless specifically renewed by the parties hereto.~~ Either CITY or DISTRICT may terminate the lease of their facilities to AUTHORITY prior to the termination of this agreement (and termination of the AUTHORITY), providing all bond indebtedness or any other indebtedness secured by the stream of revenue generated by the leased premises have been satisfied. Termination of its lease by one party shall automatically terminate the lease of the other under the same terms and conditions unless otherwise agreed in writing by CITY and DISTRICT. Upon termination the improvements and additions to leased facilities shall be the property of the owner/lessor of the leased facilities.

**7.1** Termination of the leases shall be accomplished by either party giving written notice to the other of its intent to terminate. The notice of termination shall specify an effective date of termination of the leases (hereafter called the "termination date") which shall be not less than two years, nor more than five years from the date the notice of termination is given. The giving of a notice of termination by a party shall constitute an election which may not be rescinded or withdrawn without the written consent of the other.

## **Section 8**

### **PAYMENT TO DISTRICT FOR DETACHED LANDS AND USE OF DISTRICT FACILITIES**

**8.0** DISTRICT now receives ad valorem assessments upon the lands served by DISTRICT and lying within the boundaries of the Solano Irrigation District. Said assessments are made on a per acre basis on developed and undeveloped land and include a portion for debt service of DISTRICT'S 1978 Water Bond Issue. So long as DISTRICT continues to receive assessments from the Joint Service Area in an amount proportional to the amounts presently received by DISTRICT on a yearly basis, as adjusted for changes in the indebtedness of DISTRICT and for the value of lands subject to assessment within the Solano Irrigation District, AUTHORITY shall make no additional payment to DISTRICT for use of the Cement Hill Water Treatment Plant and storage facilities other than as provided in Section 13.0 of this Agreement .

**8.1** If during the term of this agreement, any lands within the Joint Service Area are detached from the Solano Irrigation District, without payment of detachment fees which are sufficient to reimburse DISTRICT for all amounts which would have been received during the term of the Authority for ad valorem assessments upon such land, or if a change should occur in the law or assessment procedures applicable to ad valorem assessments which deprives DISTRICT of such income, in whole or in part, then the AUTHORITY shall pay annually to DISTRICT the amount of income lost, provided however, that the amount paid shall not, exceed the total revenues which DISTRICT would have received from said detached lands.

**8.2** DISTRICT shall not voluntarily waive payment of such detachment fees or assessment payments or take any action to seek a waiver of such fees or payments.

**8.3** DISTRICT shall have the right to restructure, refinance or prepay the outstanding balance of the 1978 Water Bond Issue. Any such restructure, refinance or prepayment shall not alter the obligation of AUTHORITY to pay DISTRICT any sum, described in paragraph 8.1. DISTRICT shall not be required to utilize any payment by AUTHORITY for the purpose of retirement or refinancing of such 1978 Water Bond Issue and each party hereto stipulates that such payment is not for the purpose of retiring or restructuring this debt.

**8.4** Upon retirement of the 1978 Water Bond indebtedness or any refinance thereto, all facilities constructed with those bond proceeds, including later improvements or expansions to those facilities, shall remain the property of DISTRICT subject only to any leasehold interest of AUTHORITY established under this agreement including any amendment or modification thereof.

## **Section 9**

### **PAYMENT OF VALUE UPON TERMINATION OF LEASES**

**9.0** Upon termination of the leases described herein, those facilities belonging to CITY shall return to CITY and those belonging to DISTRICT shall return to DISTRICT. Prior to the termination date of the leases, the AUTHORITY shall prepare and submit to both CITY and DISTRICT a statement setting forth the value of facilities constructed, repaired, expanded or modified by AUTHORITY as described in paragraph 9.1 below. The value of the facilities shall not include the value of any facilities, equipment, site improvements or other property leased to AUTHORITY by CITY or DISTRICT. Upon the termination date, the party having received the greater value attributable to the improvements, modifications, replacements or alterations of the leased facilities shall pay to the other one-half of the amount by which the value for the AUTHORITY Constructed facilities received by that party exceeds the value received by the other.

**9.1** The term "value" shall mean and include:

(a) The value of the additions or improvement built by and/or paid for by the AUTHORITY as of the termination date of the leases of the facilities leased to the AUTHORITY by the CITY or DISTRICT. Value is defined as the actual cost of the additions or improvements less the cost of all physical depreciation or deterioration as determined at the time of actual termination of the lease.

(b) The total of any unrecovered operation, maintenance, repair, management or other costs incurred by the AUTHORITY from the effective date of this agreement to the date of termination, plus the amount of any such expenses which were the obligation of the

AUTHORITY but were paid by either CITY or DISTRICT which are attributable to the respective leased facilities of each party. The total of the value and costs described in sub-paragraphs (a) and (b), shall be allocated to the party owning the facilities to which said costs or value are allocated and shall constitute the value as used in paragraph 9.0, above.

**9.2** The difference in values received by the parties upon termination of the leases as described in paragraph 9.0, above, shall be due and payable upon the date of termination. However, a party may choose to pay this obligation over a period of five years with equal annual installments of principal plus interest on the unpaid balance equal to the U .S. Treasury Bill five year notes interest rate in existence upon the date of termination. The party seeking such installment arrangements shall notify the other no later than six months prior to the termination date and shall execute an appropriate promissory note or other debt instrument evidencing this obligation.

**9.3** Any dispute involving the computation of value and costs or means of payment, or any other aspect of this section shall be resolved by the arbitration procedures set forth herein.

## **Section 10**

### **RE-ACTIVATION OF JOINT EXERCISE OF POWERS UPON TERMINATION OF LEASE**

**10.0** Upon termination of the leases as provided in Section 7 of this Agreement, the JEPA shall be reactivated and all facilities previously operated under that agreement shall resume operation under that agreement, including the First Implementation Agreement thereof.

**10.1** Upon termination of the lease, both CITY and DISTRICT shall re-establish the JEPA operating fund by each depositing Five Hundred Thousand Dollars (\$500,000) into the operating fund of the JEPA. This amount shall be increased, or decreased, in accordance with a ratio based on the change in the Consumer Price Index for the Urban Wage Earners and Clerical Workers, All U .S. Index wherein the index as of January 1, 1989 shall be used as the denominator and the index as of first of January in the year of the date of termination shall be used as the numerator.

**10.2** Upon termination of the leases, any moneys due DISTRICT by AUTHORITY under Section 8 of this Agreement shall thereafter be paid to DISTRICT from JEPA operating revenues.

**10.3** In accordance with the JEPA and its implementation agreement, DISTRICT shall provide for the management, operation, maintenance, repair and reconstruction of all facilities operated under the JEPA and CITY shall provide all billing services to customers within the Joint Service Area.

## Section 11

### DISPOSITION OF AUTHORITY OWNED FACILITIES UPON TERMINATION OF AUTHORITY

**11.0** In the event the AUTHORITY terminates for any reason, any facilities which have been constructed by and/or are owned by the AUTHORITY other than leased facilities and improvements thereto shall be jointly owned one-half by CITY and one-half by DISTRICT and operated under the JEPA, unless otherwise agreed on in writing by the parties. All leased facilities including all improvements, modifications, and alterations thereto shall be returned to, and shall become the sole property and be owned by the respective lessors upon termination of the leases.

**11.1** In the event the AUTHORITY terminates, and ownership of the Cement Hill Treatment Facility reverts to DISTRICT, DISTRICT agrees to provide to CITY and to assure that CITY continues to have the right to have Solano Project water from CITY'S entitlement thereto treated at and delivered to the City Service Area through the Cement Hill Treatment Facility in a quantity equal to that required to serve the needs of the City Service Area as of the date of termination of the AUTHORITY leases. This quantity and capacity shall be determined based upon operations utilizing the Gregory Hill storage and transmission facilities owned by CITY and the continued availability of all other facilities and operating practices previously available to produce the required quantity and capacity. The cost of treatment charged to CITY shall reflect a pro rata share of all costs of providing water treatment services including maintenance costs, replacement costs, capital depreciation and all other indirect costs associated with this service.

**11.2** Upon termination of the leases, the facilities owned by CITY and serving the City Service Area shall be isolated by valves from the facilities serving Joint Service Area. The cost of such valves shall be borne one-half (1/2) by each party and shall be of a locking type. Unless otherwise agreed by CITY and AUTHORITY in writing, said valves shall be opened only in and for an emergency need to provide water service to either the City Service Area or the Joint Service Area from the other and in such case, only for the duration of the emergency circumstances and only with prior oral or written notice by the party declaring the emergency to the other. Nothing contained in the paragraph shall limit CITY'S right to receive treated water through the Cement Hill Treatment Facility as described in paragraph 11.1 above.

**11.3** Upon termination of the Authority, the storage facility at Potrero Hills, together with the line transmitting water to and from such facility, the twelve-inch line connecting the City Service Area to the Joint Service Area, if constructed as described in Exhibit "B" and any other improvements owned and constructed by the Authority shall continue to be owned in equal shares by CITY and DISTRICT. Upon termination of the Authority, these facilities shall be utilized, maintained and operated under the terms of the JEPA Agreements. The JEPA shall pay monthly for the costs of operation, maintenance, repair and reconstruction allocable to these facilities. If the JEPA is terminated these costs shall be shared equally by CITY and DISTRICT. DISTRICT shall provide for the operation, maintenance and repair of those facilities and the

transmission pipelines shall be owned equally by CITY and DISTRICT as tenants in common and the benefits and costs thereof shall be enjoyed and borne in equal shares. DISTRICT shall be reimbursed monthly for its costs of maintaining, operating and repairing the facilities.

**11.4** If there shall hereafter be constructed facilities other than additions or improvements to the leased facilities, or new facilities not described in the Summers Report, Exhibit "B", are constructed or acquired, a new agreement shall be entered into prior to that construction or acquisition, setting out disposition of said assets upon dissolution of the AUTHORITY, sharing of costs and other terms of use after termination of the leases, the AUTHORITY and the JEPA.

## **Section 12**

### **ESTABLISHMENT OF RATES AND CHARGES OF AUTHORITY**

**12.0** The AUTHORITY shall from time to time establish, by Resolution, rates, charges and levies sufficient to provide for the cost of all operation, maintenance, repairs, water supplies or materials, reasonable reserves for operation and maintenance, accounts for depreciation and sinking funds, together with funds for rehabilitation or expansion of existing facilities and acquisition of further facilities as may be agreed on by the AUTHORITY. Any dispute over the setting of rates or charges which continues for at least 60 days shall entitle either party to declare an impasse, and the dispute shall be submitted to arbitration as provided for in Section 15 of this agreement.

**12.1** Each party agrees to make all reasonable efforts to enforce the payment of those rates and charges established by the AUTHORITY. Each party shall condition the provision of any other services, including the granting of any approval to a customer or landowner by CITY or DISTRICT, upon the payment and collection of all fees and charges owed to the AUTHORITY by said customer or landowner. Neither party shall take any action which directly or indirectly impairs, reduces or delays the collection of such fees, charges or levies by AUTHORITY.

**12.3** DISTRICT shall set and collect all charges for service with the District Service Area and shall pay to AUTHORITY a pro rata share of all treatment costs for water delivered to the District Service Area. DISTRICT shall bear all costs of operating, maintaining, repairing and replacing the water distribution system within the District Service Area and all costs of water delivered to the Cement Hill Treatment Facility.

## **Section 13**

### **OPERATION, MAINTENANCE, REPAIR AND RECONSTRUCTION OF FACILITIES**

#### **RESPONSIBILITIES OF CITY AND DISTRICT**

**13.0** Effective on the first day January, 1990, the effective date of this agreement, DISTRICT shall assume the responsibility for, and shall provide for the maintenance, operation, repair, reconstruction, and management of all water purification, storage, distribution, transmission and control facilities under the control of AUTHORITY, and otherwise described in Exhibits "C" & "D" to this Agreement. Subject to prior approval by AUTHORITY, AUTHORITY shall reimburse DISTRICT monthly for all its costs, both direct and indirect, incurred in providing these services, including overhead, expenses including a sum to repay DISTRICT for the time expended by the Secretary/Manager of the DISTRICT on AUTHORITY affairs. The actual rates or amounts of compensation shall be determined by the AUTHORITY Board but the rate for both DISTRICT and CITY shall be equal.

**13.1** Effective on the first day of the month following the effective date of this agreement, CITY shall assume the responsibility to provide all billing of water service on behalf of the AUTHORITY and for the collection, maintenance and investment of all moneys held by AUTHORITY. CITY shall provide periodic reports of the collection of delinquencies and the status of all funds. Subject to prior approval by AUTHORITY, AUTHORITY shall reimburse CITY monthly for all its costs, both direct and indirect, incurred in providing these services together with the cost to the CITY of any other efforts incurred by CITY for the water system, including overhead, and a sum to repay CITY for the time of the City Manager devoted to AUTHORITY affairs as a rate to be set by the AUTHORITY as described in paragraph 13.0, above.

**13.2** In providing those services described in paragraph 13.0, above, the parties recognize and acknowledge that the portion of the water system serving the City Service Area is aged and in general disrepair which may require extraordinary maintenance efforts and costs until such time as the rehabilitation efforts contemplated under this Agreement can be accomplished. The parties agree that CITY shall bear the cost of all extraordinary maintenance costs incurred by AUTHORITY in the City Service Area, prior to the sale of revenue bonds, the purpose of which is to provide funds to repair and rehabilitate this portion of the water system, which costs shall be paid or repaid to AUTHORITY by CITY. This obligation of CITY shall terminate upon the sale of any revenue bonds the purpose of which is to provide funds to repair and rehabilitate this portion of the water system.

**13.3** The term "extraordinary maintenance costs" as used in paragraph 13.2, above, shall mean and include any cost or repair directly attributable to the extreme age, condition of disrepair or obsolescence of the water storage and distribution system serving the City Service Area and which is in excess of the repair and maintenance performed in the Joint Service Area. The term "extraordinary maintenance" specifically does not mean nor include any project of rehabilitation, repair, or construction contained in the Summers Engineering Report and Plan which is Exhibit B to this Agreement.

**13.4** The payment by CITY to AUTHORITY for extraordinary maintenance costs incurred shall be made by City within the fiscal year the expense was incurred by AUTHORITY, but in no event sooner than four months from the date the cost was incurred. In the event that

CITY is unwilling or unable to make such payment to AUTHORITY, AUTHORITY shall be entitled to recover said cost by imposing an increased service charge to the customers of the City Service Area.

#### **Section 14**

##### **INDEMNIFICATION**

**14.0** AUTHORITY shall indemnify and hold harmless DISTRICT and/or CITY, its directors, officers, officials, employees, agents and independent contractors from any and all liability to any third party, arising directly or indirectly from any act or omission or alleged act or omission arising from the performance or failure to perform any duty or obligation to AUTHORITY or the other party under this Agreement including but not limited to all expenses, attorney's fees and other costs.

**14.1** AUTHORITY shall indemnify and hold harmless DISTRICT and CITY for any and all damage or loss to DISTRICT or CITY arising from the performance of their duties and obligations under this Agreement. This indemnity shall apply to and include acts or omissions claimed to be negligently undertaken or omitted except that AUTHORITY shall assume no liability for any misappropriation, embezzlement or loss of funds by either party.

#### **Section 15**

##### **ARBITRATION**

**15.0** In the event of a dispute between the parties as to any right, alleged right, obligation or alleged obligation under this agreement including any action, proposed action or other issue requiring agreement between CITY and DISTRICT the parties shall make a good faith effort to resolve the dispute. In the event that a resolution of the dispute cannot be reached despite these efforts, either party may declare an impasse and its intent to submit the matter to arbitration as provided in this Section. Notice of such impasse shall be given in writing to the other and shall include a description of the disputed issue or issues, a description of the possible solutions or resolutions to the dispute and the course of action or solution advocated by the party declaring the impasse.

**15.1** The party receiving the notice of impasse described in paragraph 15.0 shall respond in writing within 21 days. Said response shall contain that party's response to the issues raised and the responding party's proposed resolution to the impasse. The parties shall then meet within ten days and attempt to resolve the impasse.

**15.2** In the event that the impasse is not resolved the parties shall jointly appoint a mutually agreeable arbitrator who is a licensed civil engineer with experience and expertise in

the area in dispute. The arbitrator shall be selected upon within 30 days and in the event that the parties cannot do so, application may be made, by either or both parties, to the Superior Court of Solano County to appoint an arbitrator meeting these qualifications.

**15.3** The arbitrator appointed pursuant to paragraph 15.2 shall set a date within 30 days of his appointment to meet with the parties and review all aspects of the issue in contention. The arbitrator shall receive and consider any documents or other written evidence submitted by the parties together with any oral presentation of information by either or both of the parties. The arbitrator shall be entitled to conduct his own inquiry in to the facts of the dispute or require further information of either or both of the parties. The arbitrator shall render his decision in writing within 10 days of receipt of all information he deems necessary to his decision.

**15.4** The arbitrator's determination may provide for mechanisms of enforcement and terms of compliance. The arbitrator may direct the preparation, execution, and recordation of any agreement, or conveyance resulting from his determination. The arbitrator may determine issues involving adjustment of contractual obligations based on changed circumstances and appropriate limits of insurance coverage, insurance. The arbitrator award to the prevailing party, as may be determined by the arbitrator, attorneys fees, expert and consultant fees and costs reasonably incurred in pursuing the arbitration to the prevailing party, or may divide such fees and cost between the parties. Unless appealed, as set forth in paragraph 15.4 below, the arbitrator decision shall be binding and enforceable against the parties.

**15.5** If either party to the arbitration wishes to contest the decision of the arbitrator, that party may do so, only under the following conditions:

(a) The notice of intent to appeal the arbitration decision must be made within 30 days of receipt of that decision.

(b) The party seeking to appeal the decision shall pay for all cost of the appeal including any experts, consultants or other expenses deemed necessary by the appellate panel.

(c) The party seeking the appeal shall abide by the original arbitration decision including and payments required thereunder, unless doing so would create an irrevocable situation or condition making further arbitration moot. In this case the party seeking appeal shall pay any money awarded by the arbitrator and abide by as much of the decision as possible without creating an irrevocable condition.

**15.6** The appeal of an arbitration decision shall be made to a panel consisting of three arbitrators. Each arbitrator shall be a civil engineer licensed in California. The arbitrator who made the decision being appealed shall not be a member of the panel. Each party to the dispute shall appoint one arbitrator to the panel who shall then appoint a third arbitrator mutually agreeable to them. Each party shall appoint its arbitrator within 30 days of initiation of the notice of appeal. The two arbitrators shall then make their appointment of the third

arbitrator within 20 days of the date on which the last arbitrator was appointed by a party. If the two members of the arbitration panel are unable to agree on the selection of the third member the parties may apply to the Superior Court of Solano County to appoint that arbitrator.

**15.7** The arbitration appeal panel shall have the right to consult with the original arbitrator, conduct its own inquiry into the facts of the dispute or require further information of either or both of the parties. The panel shall have the right to employ consultants or other experts to assist in rendering its determination. The panel shall render its decision in writing within 10 days of receipt of all information it deems necessary to its decision.

**15.8** The decision of the arbitration panel shall be final and binding upon the parties and shall be implemented in accordance with any provisions contained in the arbitration determination. The parties waive the right to commence any court proceeding involving any issue which is subject to arbitration, except as may be necessary to enforce any final decision of arbitration. In the event court proceedings are necessary to enforce any decision of the arbitrator, the court may award reasonable attorneys fees and costs incurred in connection with said action upon a finding that said action was reasonably necessary to enforce or accomplish the arbitration determination.

## **Section 16**

### **AMENDMENT**

**16.0** This agreement may be amended only in writing. Any amendment shall require the approval of the Board of Directors of the AUTHORITY which must include a concurring vote from at least three of the members from both CITY and DISTRICT.

## **Section 17**

### **CONTINUATION OF AUTHORITY AGREEMENT UPON TERMINATION OF LEASES**

**17.1** Upon the termination of the lease agreements, the other terms of this implementation agreement shall continue in full force and effect and the covenants provided herein shall remain in full force and effect regardless of the termination of the lease, termination of the JEPA, dissolution of the AUTHORITY or any other event.

## **Section 18**

### **NOTICES**

**17.0** All notices required under this Agreement shall be sent to the parties as shown below:

CITY:

City of Suisun City  
701 Civic Center Boulevard  
Suisun City, CA 94585

DISTRICT:

Solano Irrigation District  
~~508 Elmira Road~~ 810 Vaca Valley Parkway, Suite 201  
Vacaville, CA 95688

AUTHORITY:

Suisun/Solano Water Authority  
~~508 Elmira Road~~ 810 Vaca Valley Parkway, Suite 201  
Vacaville, CA 95688

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date for shown above.

CITY OF SUISUN CITY

SOLANO IRRIGATION DISTRICT

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Secretary

SUISUN/SOLANO WATER AUTHORITY

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President

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Secretary

DRAFT