

RESOLUTION NO. 2013-17

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN BENITO COUNTY WATER DISTRICT
STATING THE PRE-CONDITIONS OF THE
WATER SUPPLY AND TREATMENT AGREEMENT,
APPROVAL OF AN
OPERATION AND MAINTENANCE AGREEMENT
AND APPROVAL OF RATE INCREASES
BY THE CITY OF HOLLISTER AND
SUNNYSLOPE COUNTY WATER DISTRICT
HAVE BEEN MET, AND ALSO
THE APPOINTMENT OF THE DISTRICT MANAGER AS THE DISTRICT'S
REPRESENTATIVE TO THE ADVISORY COMMITTEE AND AS THE
NEGOTIATOR FOR ANY CHANGES TO SCOPE OR FEES FOR THE OPERATION
AND MAINTENANCE AGREEMENT**

WHEREAS,

San Benito County Water District, the City of Hollister and Sunnyslope County Water District, entered in a Water Supply and Treatment Agreement on May 29, 2013. In Article 2, Terms of Agreement, it states upon execution of said document, satisfaction of the conditions set forth in Article 2.1 must be completed for the agreement to become effective.

WHEREAS,

Article 2.1; page four, of the Water Supply and Treatment Agreement, states the following conditions are precedent to the Agreement:

(a) Operation and Maintenance Agreement

Execution by all Parties of the Agreement for Operations and Maintenance of the Water Supply and Treatment Program Facilities; and

(b) Effective Water Rates

Fully effective water rates adopted by each Retailer sufficient to meet payment obligations established hereunder, which rates shall be deemed to become effective either (1) upon final court judgment approving of such rates or (2) lapse of time for legal challenge to such rates, whoever first occurs.

WHEREAS,

San Benito County Water District and Sunnyslope County Water District entered into an Operations and Maintenance Agreement for the Water Supply and Treatment Program Facilities, signed May 29, 2013 and August 14, 2013; and

WHEREAS,

Sunnyslope County Water District's Board of Directors approved of effective water rates on August 6, 2013 and the City of Hollister's City Council approved of effective water rates on August 19, 2013;

WHEREAS,

Article 4, Advisory Committee, in the Water Supply and Treatment Agreement, page 8, states the parties to the agreement shall form a three member Advisory Committee, comprised of one management representative from each agency. San Benito County Water District hereby appoints the District Manager as the District's representative on this committee; and

WHEREAS,

Article 1. GENERAL, section 1.8, page 3, of the Operations and Maintenance Agreement, states each party shall designate an employee or representative to have full authority to negotiate changes to scope or fees to said agreement. San Benito County Water District hereby appoints the District Manager as the District's representative as their representative;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors:

1. The conditions of 2.1, page 4, Conditions Precedent of the Water Supply and Treatment Agreement have been met;
2. Hereby appoints the District Manager as its representative for the Advisory Committee; and
3. Hereby appoints the District Manager as its negotiator for changes to scope or fees for the Operation and Maintenance Agreement.

BE IT FURTHER RESOLVED that the President of the Board is authorized to sign said Resolution, on behalf of this Board and District.

PASSED AND ADOPTED by the Board of Directors of the San Benito County Water District this day 28th of August, 2013, by the following vote:

AYES: DIRECTORS: Tobias, Tonascia, Bettencourt, Flores and Torquato
NOES: DIRECTORS: None
ABSENT: DIRECTORS: None

/s/John Tobias
John Tobias
President

ATTEST: /s/Sara Singleton
Sara Singleton
Assistant Manager