

REGIONAL PARK AND OPEN-SPACE DISTRICT BOARD SUBMITTAL
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Date: October 23, 1992



FROM: General Manager

SUBJECT: Cooperative Management Agreement for the Multi-Species Habitat Conservation Plan for Southwestern Riverside County

RECOMMENDED MOTION: That the Board:

- 1) Approve the Cooperative Management Agreement;
- 2) Authorize the Vice-Chairman of the Board to execute two (2) copies of the agreement at a signing ceremony in Los Angeles on October 28, 1992; and
- 3) Authorize the General Manager and County Counsel to administer all necessary documents to complete the transaction.

INFORMATION: On June 6, 1992, by Minute Order 6.2B, your Honorable Board approved the Cooperative Management Agreement for the Roy E. Shipley Reserve ("Shipley Management Agreement"). Pursuant to the terms of the agreement, the District is currently responsible for the maintenance and protection of natural habitats located at the Shipley Reserve, lands in Crown Valley and Rawson Canyon near Lake Skinner in the western portion of Riverside County.

REVIEWED BY ADMINISTRATIVE OFFICE (Continued)

DATE: 10/24/92 *[Signature]*

FINANCIAL DATA: Funds were deposited into Fund 636, Shipley, Other Lands.

CURRENT YEAR COST:	\$ <u>0</u>	ANNUAL COST \$	<u>-0-</u>
NET COUNTY COST:	\$ <u>0</u>	IN CURRENT YEAR BUDGET:	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>

SOURCE OF FUNDS:

MINUTES OF THE REGIONAL PARK AND OPEN SPACE DISTRICT BOARD

On motion of Supervisor Younglove, seconded by Supervisor Cenicerros and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Abraham, Dunlap, Cenicerros, Larson and Younglove

Noes: None

Absent: None

Date: October 27, 1992

xc: Parks, County Counsel, A.O.

Gerald A. Maloney
Clerk of the Board

BY: *[Signature]*
Deputy

Prev. Agn. ref.

Dist.

AGENDA NO.

8.2

Board of Directors

October 19, 1992

Subject: Cooperative Management Agreement for the Multi-Species
Habitat Conservation Plan for Southwestern Riverside County

The Metropolitan Water District of Southern California ("MWD") and the Riverside County Habitat Conservation Agency ("RCHCA") have subsequently prepared a Multi-Species Habitat Conservation Plan ("MSHCP"), which provides for the management, operation and maintenance of property owned by the Riverside County Park Facilities Corporation, lands leased to the County by MWD for recreation purposes (Shipley Reserve and Lake Skinner Reserves) and additional lands located in and around the Domenigoni Valley of Riverside County.

The attached Cooperative Management Agreement provides for the maintenance and protection of the Shipley and Lake Skinner reserves and additional lands collectively referred to as the Multi-Species Reserve, in conformance with the requirement of the MSHCS. The execution of the agreement will in effect, terminate the Shipley Management Agreement, and substitute in its place, the terms of the subject agreement, in order that the entire Multi-Species Reserve may be managed.

Pursuant to the terms of the Shipley Management Agreement, the District has received \$1,021,000 from MWD and \$500,000 from RCHCA for the maintenance and protection of plants, wildlife and their habitats on the Shipley and Lake Skinner reserves. The District will continue to utilize those funds for the benefit of the Shipley and Lake Skinner reserves.


Paul D. Romero, General Manager

PDR/SH/0236J

Attachment: Cooperative Management Agreement

c: Administrative Office
County Counsel
Auditor-Controller

APPENDIX B

to

**MULTI-SPECIES HABITAT CONSERVATION PLAN
for SOUTHWESTERN RIVERSIDE COUNTY, CALIFORNIA**

COOPERATIVE MANAGEMENT AGREEMENT

APPENDIX B
to
MULTI-SPECIES HABITAT CONSERVATION PLAN
for SOUTHWESTERN RIVERSIDE COUNTY, CALIFORNIA

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to
COOPERATIVE MANAGEMENT AGREEMENT**

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APPENDIX B

to

**MULTI-SPECIES HABITAT CONSERVATION PLAN
for SOUTHWESTERN RIVERSIDE COUNTY, CALIFORNIA**

COOPERATIVE MANAGEMENT AGREEMENT

THIS COOPERATIVE MANAGEMENT AGREEMENT (CMA) dated for reference only as of _____, is made and entered into by and among the DEPARTMENT OF FISH AND GAME OF THE STATE OF CALIFORNIA (DEPARTMENT); the FISH AND WILDLIFE SERVICE OF THE UNITED STATES DEPARTMENT OF THE INTERIOR (SERVICE); THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (METROPOLITAN); the RIVERSIDE COUNTY HABITAT CONSERVATION AGENCY (RCHCA); the RIVERSIDE COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT (DISTRICT); the COUNTY OF RIVERSIDE, a political subdivision of the State of California (COUNTY), and THE RIVERSIDE COUNTY PARK FACILITIES CORPORATION (FACILITIES CORPORATION).

I. DEFINITIONS

All terms as originally defined and utilized in the Multi-Species Habitat Conservation Plan (MSHCP), shall have the same meaning when utilized in this Cooperative Management Agreement (CMA).

II. RECITALS OF PURPOSE AND STATEMENT OF FACTS

This CMA is entered into with reference to the following facts:

A. MSHCP: METROPOLITAN and RCHCA have jointly submitted the MSHCP to the SERVICE and the DEPARTMENT. The MSHCP provides for the acquisition, management, operation and maintenance of certain lands located in the southwestern portion of Riverside County, California, (the Multi-Species Reserve) for the conservation, protection, restoration, and enhancement of certain species of flora and fauna indigenous to that area, as well as the execution and performance of certain research activities designed to provide scientific information regarding the species.

B. MSHCP LANDS: The area included within the MSHCP constitutes lands owned or to be acquired by METROPOLITAN, as well as lands owned by the FACILITIES CORPORATION, as more particularly set forth on Exhibit "1" attached hereto as the District Reserve Area and by this reference made a part hereof (collectively, the MSHCP lands). Exhibit "2" attached hereto and by this reference made a part hereof is identical to Exhibit "1", except for certain detail, including the legend stating the basis for bearings on the map, as well as increased clarity resulting from its scale.

C. METROPOLITAN MSHCP LANDS: The MSHCP lands owned by METROPOLITAN consist of the following: All of which are more particularly shown in Exhibit "1".

1. A portion of the lands encompassed within the MSHCP and owned by METROPOLITAN are leased to the COUNTY which DISTRICT operates and maintains as the Lake Skinner Recreation Area pursuant to the Lake Skinner Lease, and which has previously set aside a part thereof included in the Lake Skinner Reserve Area for the protection of Stephens' kangaroo rats, an endangered species, pursuant to the terms of the Lake Skinner Subordination Agreement. Pursuant to the MSHCP, the Lake Skinner Reserve Area includes additional lands.

2. Domenigoni Valley Reservoir Area, shown in Exhibit "1" as the northern part of the "MWD Operational Area." This part is separate from the southern part of the MWD Operational Area referred to as the Lake Skinner Reservoir Area.

3. Domenigoni Valley and Lake Skinner Reservoir Recreation Areas.

4. Shipley Reserve Area.

5. Domenigoni Reserve Area.

6. Lake Skinner Reservoir Area, shown in Exhibit "1" as the southern part of the "MWD Operational Area."

D. FACILITIES CORPORATION MSHCP LANDS: With respect to the MSHCP lands owned by the FACILITIES CORPORATION, the entirety thereof is leased to COUNTY and is set aside to be a

part of the Multi-Species Reserve. These lands are referred to as the District Reserve Area and are more particularly shown on Exhibit "1".

E. MULTI-SPECIES RESERVE LANDS: The MSHCP requires that the Lake Skinner Reserve Area, the Shipley Reserve Area, the District Reserve Area (marked as "County Property" on Exh. 1), and the Domenigoni Reserve Area be managed, operated and maintained as the Multi-Species Reserve. Both parts of the MWD Operational Area, the Domenigoni Valley and the Lake Skinner Recreation Areas are not part of the Multi-Species Reserve. The Multi-Species Reserve is more particularly shown on Exhibit "1".

F. PREVIOUS AGREEMENTS: The Lake Skinner Reserve Area, the Shipley Reserve Area and the District Reserve Area (but not the Domenigoni Reserve Area) are affected by the Shipley Mitigation Agreement and the Shipley Management Agreement, both of which were previously entered into among the parties hereto.

By execution hereof, METROPOLITAN, SERVICE, AND DEPARTMENT reaffirm and ratify the terms of the Shipley Mitigation Agreement, and all parties terminate the Shipley Management Agreement, and substitute in its place, the terms hereof, in order that the entire Multi-Species Reserve (including the Domenigoni Reserve Area) may be managed pursuant to the terms of this CMA. The parties further reaffirm and ratify management activities previously begun under the Shipley Management Agreement which are to be continued as provided for

in this CMA. In the event of conflict, the CMA shall control over the Shipley Mitigation Agreement.

G. PURPOSE: The purpose of this Agreement is to provide for the management of the Multi-Species Reserve in conformance with and to fulfill the requirements of the MSHCP and the Shipley Mitigation Agreement.

III. TERM

A. TERM: The term of this Agreement shall commence upon the date of execution by all the parties and shall remain in effect until terminated by the parties. In the event this Agreement is terminated, the fee owners shall manage, operate, and maintain their respective lands in accordance with the conservation easements previously granted.

IV. LANDS GOVERNED

A. THE MULTI-SPECIES RESERVE LANDS: This CMA and each of its terms, covenants and conditions is intended to provide for the management of the Multi-Species Reserve, and each of its constituent parts, all of which are more particularly shown in Exhibit "1".

B. OTHER LANDS GOVERNED BY THE MSHCP: This CMA and each of its terms, covenants, and conditions is intended to establish the relationship of both parts of the MWD Operational

Area, and the Domenigoni Valley and Lake Skinner Recreation Areas to the Multi-Species Reserve.

C. ADDITIONAL LANDS: Subject to the unanimous approval of the Management Committee, any party hereto, or any other person, firm or entity may, subject to such terms and conditions as the Management Committee may prescribe, agree to have lands not now governed by the terms of this CMA become subject to the provisions hereof.

D. SUBSTITUTE LANDS: METROPOLITAN may, subject to the unanimous approval of, and such terms and conditions as the Management Committee may prescribe, substitute lands for any portion of those shown in Exhibit "1" determined to be infeasible to acquire or required for operation of the Reservoir. If any lands proposed for substitution result in a loss of suitable habitat or cause impact to a sensitive species, which were not previously addressed by the MSHCP, METROPOLITAN shall provide a comparable additional protection of MSHCP Reserve Lands to maintain the integrity and management for the purposes of the MSHCP.

V. MANAGEMENT COMMITTEE -- RATIFIED

A. REPRESENTATIVES: The Management Committee established by the Shipley Management Agreement and consisting of a representative of each of the following parties to this CMA is hereby ratified in accordance with the terms herein.

Commencing as of the date hereof, the representative of each of the parties is:

DEPARTMENT ----- Its Regional Manager, Region V.

SERVICE ----- Its Field Supervisor, Carlsbad Office.

METROPOLITAN --- Its General Manager.

RCHCA ----- Its Executive Director.

DISTRICT ----- Its General Manager.

Any party may change its representative at any time and from time to time during the term hereof by giving written notice to each of the other parties.

B. PARTIES NOT ON COMMITTEE: The COUNTY and the FACILITIES CORPORATION are parties to this CMA solely for the purpose of accomplishing certain transactions. Neither the COUNTY nor the FACILITIES CORPORATION shall serve on the Management Committee.

C. CHAIR: Unless changed by the Management Committee, the representative of the DISTRICT shall serve as Chair of the Management Committee and shall prepare agendas and convene meetings.

D. PURPOSE AND OBLIGATION: The purpose of the Management Committee, and the obligation of each of its members, is to manage the Multi-Species Reserve and the natural resources contained therein in a fashion consistent, and in compliance with the terms of the Shipley Mitigation Agreement and the MSHCP.

VI. RESERVE AND RESOURCE DIRECTORS

A. **RESOURCE DIRECTOR:** A Resource Director shall be responsible for implementing the MSHCP in the manner prescribed by the Management Committee throughout the Multi-Species Reserve in accordance with the CMA. Until replaced by the Management Committee, METROPOLITAN shall be the Resource Director.

B. **SHIPLEY RESERVE DIRECTOR:** A Reserve Director shall be responsible for administering the Shipley, DISTRICT, and Lake Skinner Reserve Areas, under the direction of the Resource Director which shall be consistent with and subject to the actions of the Management Committee. Until replaced by the Management Committee, the DISTRICT shall be the Shipley Reserve Director.

C. **DOMENIGONI RESERVE DIRECTOR:** A Domenigoni Reserve Director shall be responsible for administering all portions of the Domenigoni Reserve, under the direction of the Resource Director in the manner prescribed by the Management Committee. Until replaced, METROPOLITAN shall be the Domenigoni Reserve Director.

VII. MANAGEMENT COMMITTEE -- MEETINGS

A. **REGULAR MEETINGS:** Regular meetings of the Management Committee shall be held at least annually, and at more frequent

times as the Management Committee may from time to time determine. The Chair shall give at least fifteen (15) days written notice of regular meetings to all members.

1. Notice for the regular annual meeting shall be provided by District and accompanied by financial statements of receipts and expenditures for the previous year, a proposed operating budget for the ensuing year, reports from consultants and scientists doing research upon the Multi-Species Reserve during the previous year, and a proposed work plan for the next year.

2. At its annual meeting, the Management Committee shall review and approve the annual budget and the work plan for the next year.

B. SPECIAL MEETINGS: Special meetings may be called by any member of the Committee upon fifteen (15) days written notice, including a proposed agenda, to each other member.

C. TELEPHONE MEETINGS: With the consent of all members, and except for the annual meeting, meetings may be held telephonically by conference call or seriatim.

D. QUORUM AND VOTE REQUIREMENTS: Three members shall constitute a quorum for the transaction of business, and no business may be conducted in the absence of a quorum. A quorum must include either the SERVICE member or the DEPARTMENT member. If the SERVICE member or the DEPARTMENT member is absent, the Chair shall attempt to contact the absent member or members telephonically. Any member who is contacted shall be

permitted to participate in the meeting telephonically. Except as otherwise required herein, all actions of the Management Committee shall require the unanimous consent of members present and participating telephonically. No action of the Management Committee shall be inconsistent with the MSHCP.

VIII. MANAGEMENT COMMITTEE -- ACTIONS

A. **CONSISTENCY:** All actions of the Management Committee shall be consistent with the requirements of the Shipley Mitigation Agreement and the MSHCP.

B. **ANNUAL OPERATING BUDGET AND WORK PLAN:** The Management Committee shall adopt an annual operating budget and annual work plan which will set forth specific activities to be carried on during the ensuing year to fulfill the requirements of the Shipley Mitigation Plan and the MSHCP. Except as otherwise provided herein, only activities approved in the annual work plan shall be allowed within the Multi-Species Reserve.

1. Any member wishing to propose an activity for the annual work plan shall submit a detailed activity proposal, together with an estimate of the expense of that activity, in writing, to the Resource Director at least sixty (60) days prior to the annual meeting date for the purpose of assisting the Resource Director in preparing a proposed annual operating budget and annual work plan.

2. The annual work plan shall consist of all the activities proposed to be carried on within the Multi-Species Reserve, such as but not limited to, scientific research, natural resource management activities, security actions, public access, natural resource interpretation activities and historical and cultural resource activities. The work plan shall designate the member(s) or consultant responsible to carry out each activity.

3. The annual operating budget shall reflect the amount of funds then available for expenditure from all sources, including, but not limited to, income from any endowment or grant created by or for a party or a consultant, earnings from the Metropolitan Endowment and the RCHCA Endowment administered by the Shipley Reserve Director, annual appropriations from any member, revenue from fees for use of any part of the Multi-Species Reserve, annual payments from METROPOLITAN for on-going natural resource management and protection activities and donations. It shall also reflect in-kind services or other non-monetary support or donations received for the administration and management of the Multi-Species Reserve.

C. ACTIVITIES NOT INCLUDED IN ANNUAL WORK PLAN: In the event any member wishes to propose an activity within the Multi-Species Reserve at a time other than at the annual meeting, that member shall call a special meeting, and shall include a description of the activity in the notice of that

meeting. The description of the proposal shall be in writing, be in sufficient detail to allow members to make an informed judgment regarding the proposal and the competence of the person, firm or entity that will conduct the activity, together with an estimate of the cost of the activity. The proposal shall also suggest the source of the funds to carry on the activity. The Management Committee may not authorize any activity pursuant to this Paragraph if any member has objected to the activity either in writing or in person at the special meeting.

D. EMERGENCIES: Notwithstanding the provisions of Paragraphs B and C of this Section, any member may respond immediately to any emergency which presents an imminent threat to habitat values, structures or facilities located on the Multi-Species Reserve or damage to or interference with the natural resources of the Multi-Species Reserve or which presents an immediate threat to public safety. Any member taking any such emergency action shall promptly notify each of the other members.

IX. MANAGEMENT COMMITTEE -- RESPONSIBILITIES

A. ATTENDANCE: Each member of the Management Committee shall attend and participate in the meetings of the Committee.

B. RULES, REGULATIONS, AND ORDINANCES: Each member of the Management Committee may, subject to its respective legal

or regulatory authority, adopt such rules, regulations or ordinances deemed necessary to govern the use of, and permissible activities upon the Multi-Species Reserve in a fashion consistent with the Shipley Mitigation Agreement and the MSHCP.

C. PROTECTION OF RESOURCES: Consistent with the terms of this CMA, each member of the Management Committee shall conduct its respective programs and otherwise exercise its authority in a manner designed to protect the natural, historical and cultural resources of the Multi-Species Reserve.

D. RESPONSIBILITY OF METROPOLITAN: METROPOLITAN shall:

1. Serve as Resource Director until it is replaced as provided hereinafter.

2. Serve as Domenigoni Reserve Director until it is replaced as provided hereinafter.

3. Irrespective of METROPOLITAN's status as Domenigoni Reserve or Resource Director it shall, in a manner consistent with the MSHCP:

a. In construction areas within the MSHCP lands, provide patrol, natural resource protection and related-facilities maintenance services, as well as implement MSHCP and other natural resources monitoring and management program activities.

b. Furnish, at its own cost, personnel and equipment for grading, and otherwise keeping in good repair,

principal unpaved service roads within Multi-Species Reserve areas.

c. Maintain fencing and service roads around Domenigoni Valley Reservoir.

d. During construction and initial filling of the Domenigoni Valley Reservoir, provide all security on lands owned or controlled by METROPOLITAN north of the Shipley Reserve headquarters complex, in conjunction with providing natural resource protection, as provided in subparagraph (a) of this paragraph.

4. Make only the following payments for any activities on, or related to, the Multi-Species Reserve or any of its constituent areas.

a. As more particularly set forth in the MSHCP, provide through periodic installments, commencing in 1992 and terminating December 31, 1998, a total sum of Thirteen Million Eight Hundred Eighty-Six Thousand Dollars (\$13,886,000) to the Management Committee for expenditure by it to fulfill the goals and objectives of the MSHCP.

b. Provide, from income received as a result of activities upon the Reservoir Recreation Areas, for management and protection of the Multi-Species Reserve an annual sum of Two Hundred Thousand Dollars (\$200,000), or fifty percent (50%) of the net income, whichever is greater.

c. Pursuant to the Shipley Mitigation Agreement, payment of the sum of One Million Twenty-One

Thousand Dollars (\$1,021,000) as an endowment (Metropolitan Endowment), receipt of which is hereby acknowledged by the DISTRICT, for the future protection and restoration of the plants, wildlife and their habitats on the Shipley and Lake Skinner Reserves.

d. As more particularly set forth in a Memorandum of Understanding dated June 14, 1991, between METROPOLITAN and the University of California, Riverside (University), METROPOLITAN has paid to the University the sum of \$479,000 for surveying, monitoring, studying and otherwise providing advice and special expertise to the Management Committee relevant to the protection and propagation of native plants and coastal sage scrub on the Shipley and Lake Skinner Reserves.

5. Subject to availability, furnish any water which may be required for use on the Multi-Species Reserve, which water shall not be deemed delivered by any Metropolitan member public agency; provided, however, that the Multi-Species Reserve shall pay for any water so delivered.

6. Grant to a Designated Agent a conservation easement in substantially the same form as that set forth in Exhibit "3" attached hereto and by this reference made a part hereof, affecting the Lake Skinner Reserve Area, the Shipley Reserve Area and the Domenigoni Reserve Area.

7. Acknowledge that this CMA continues the non-exclusive right granted to the DISTRICT by the Shipley

Management Agreement to use the Shipley Reserve Area which is to be in a manner that will not interfere with METROPOLITAN's water operations, with the natural resource management activities undertaken under the direction of the Management Committee, or with any possessory interests retained by Dr. Roy E. Shipley pursuant to any agreement with METROPOLITAN. Further, by execution of this CMA, and consistent with Paragraph XXI.B. (Conservation Easements and Lease Subordination) confirm the continuation of the Lake Skinner Lease.

E. RESPONSIBILITY OF DISTRICT: The DISTRICT shall serve as Shipley Reserve Director, unless it is replaced by the Management Committee. In the event the DISTRICT is replaced, the Management Committee may, subject to the approval of DISTRICT, provide that the DISTRICT shall continue to function as Reserve Director for the District Reserve. It is agreed by all the parties that DISTRICT's duties, responsibilities, and obligations under this CMA do not exceed and shall not be construed as exceeding the DISTRICT's previous duties, responsibilities, and obligations under the Shipley Management Agreement. Specifically, DISTRICT is not required to provide personnel or funding for maintenance of the Multi-Species Reserve.

Upon exhaustion of the endowments set forth in subparagraph A of Section XV (Shipley Reserve Director-- Financial Responsibilities), the DISTRICT in its sole

discretion may terminate its duties, responsibilities and obligations under this CMA. Should an alternate funding source be ascertained and committed to the DISTRICT for its use, DISTRICT shall continue to comply with the terms of this CMA. Nothing in this paragraph shall relieve Metropolitan of its obligations for the continuation of the Multi-Species Reserve as provided in this agreement.

F. RESPONSIBILITY OF DEPARTMENT: The DEPARTMENT shall:

1. Exercise all of its powers as trustee over the fish and wildlife resources of the State of California to manage the native species located upon the Multi-Species Reserve.

2. Issue, subject to applicable laws and regulations, permits to properly qualified persons to conduct research upon the Multi-Species Reserve.

3. Consult with other members of the Management Committee regarding biological issues upon the Multi-Species Reserve, and participate in carrying out the purposes of this CMA.

4. Conduct law enforcement activities.

G. RESPONSIBILITY OF SERVICE: The SERVICE shall:

1. Consult with other members of the Management Committee regarding biological issues upon the Multi-Species Reserve, and participate in carrying out the purposes of this CMA, subject to the availability of appropriated funds.

2. Review research proposals and issue, subject to applicable rules and regulations, permits to properly qualified persons to conduct research upon the Multi-Species Reserve.

3. Whenever federal laws administered by the SERVICE are involved, the SERVICE may supplement law enforcement activities upon the Multi-Species Reserve.

H. RESPONSIBILITY OF RCHCA: The RCHCA shall:

1. Participate on the Management Committee and assure that the Multi-Species Reserve is managed in conformance with the terms of the conservation easements granted to RCHCA and the Stephens' Kangaroo Rat Short-Term Habitat Conservation Plan, as it exists, or may hereafter be amended.

2. As more particularly set forth in the Shipley Mitigation Agreement, the RCHCA has paid into a DISTRICT trust account the RCHCA Endowment. These payments are to continue to be utilized for the designated purposes.

X. RESOURCE DIRECTOR -- DESIGNATED

A. METROPOLITAN AS RESOURCE DIRECTOR: Commencing on the date hereof and terminating upon the earlier of the completion of the initial filling of the Domenigoni Valley Reservoir, or notification by METROPOLITAN to the Management Committee that METROPOLITAN no longer desires to serve in the capacity of Resource Director, METROPOLITAN shall serve as Resource

Director, without compensation. METROPOLITAN shall continue to serve as Resource Director until the Management Committee has chosen a successor.

B. SUCCESSOR RESOURCE DIRECTOR: At such time as a successor Resource Director is chosen, the successor Resource Director shall serve at the Management Committee's pleasure and upon such other terms and for such compensation as the Management Committee and the designated successor may agree.

XI. RESOURCE DIRECTOR -- RESPONSIBILITIES IN GENERAL

A. MINUTES: The Resource Director shall prepare and circulate minutes of all meetings of the Management Committee.

B. REPORTS: The Resource Director shall prepare and circulate to all members, at least thirty (30) days prior to the annual meeting, a financial statement which sets forth, in detail, expenditures paid and income earned during the preceding year, a proposed annual work program and a proposed annual operating budget for the ensuing year. To assist the Resource Director in the preparation of the proposed annual operating budgets and proposed work plan, each party shall annually submit reports listing past, actual, and future expenditures and income relating to each of the Reserve Areas. In addition, the Resource Director shall receive and circulate to all members, at least thirty (30) days prior to the annual meeting, reports from all consultants, scientists and

researchers conducting activities upon the Multi-Species Reserve.

C. ADMINISTER CONTRACTS: Except as provided in Paragraph XIV.C. (Contract Administration), the Resource Director shall enter into and administer all contracts affecting the Multi-Species Reserve, including, but not limited to, those contemplated in the MSHCP to fulfill research requirements set forth therein. The Resource Director shall administer the contract between METROPOLITAN and the University for surveying, monitoring, studying and otherwise providing advice and special expertise relevant to the protection and propagation of native plants and coastal sage scrub on the Shipley and Lake Skinner Reserves.

D. GENERAL ADMINISTRATION: The Resource Director shall carry out and administer the MSHCP annual operating budgets, annual work plans, project site-specific plans, and facilitate the activities of botanists and biologists. In the event that a question of interpretation arises among the parties concerning a provision of the MSHCP, an annual work plan, or a project or site-specific plan, the Resource Director shall make a determination. If the Resource Director's determination does not resolve the question to the satisfaction of all parties, the parties shall attempt to remove or correct the unclear or ambiguous provision, in accordance with the procedure set forth in Paragraph XVIII (Amendment Process). If the parties are unable to agree, then the matter shall be resolved in

accordance with the dispute resolution procedure set forth in Paragraph XVI (Dispute Resolution).

XII. RESOURCE DIRECTOR -- FINANCIAL MANAGEMENT

A. RESERVE ACCOUNT: Except as otherwise provided in Paragraph XV (Shipley Reserve Director -- Financial Responsibilities), all funds appropriated by any party pursuant to this Agreement or received as revenues, grants or donations for the administration, management, operation, and maintenance of the Multi-Species Reserve shall be administered by the Resource Director in a separate account (Multi-Species Reserve Account) established by its treasurer for the sole and exclusive purpose of the management of the Multi-Species Reserve, and shall not be commingled with other funds of the Resource Director. Initially, the Multi-Species Reserve Account shall consist of the following:

1. Funds transferred into the Reserve Account by METROPOLITAN, when and as included in a budget pursuant to METROPOLITAN's obligation to provide up to Thirteen Million Eight Hundred Eighty-Six Thousand Dollars (\$13,886,000) for purposes specified in the MSHCP.

2. Except for special fees for recreational or interpretative programs as provided in Paragraph XIV.B.5., all fees for access to, or use of the Multi-Species Reserve after

deducting therefrom an amount equal to the direct costs, if any, incurred in collecting the revenues.

3. Annual payments provided by METROPOLITAN for management and protection of the Multi-Species Reserve from reservoir recreation activities pursuant to Paragraph IX.D.4.b. (Responsibility of Metropolitan) hereof.

4. Any other funds subsequently made available for use on all or any portions of the Multi-Species Reserve.

B. INVESTMENTS: The Multi-Species Reserve Account shall be managed, invested and reinvested by the Resource Director in accordance with the investment requirements established by law for the investment of its own funds, and with the objective of earning sufficient return to finance those activities established in the annual work plan.

C. MANAGEMENT OF FUNDS: The funds on deposit shall initially be managed with the objective of producing annual income sufficient to finance the activities described in the MSHCP. In the course of preparing future annual operating budgets, the Management Committee shall, whenever it is feasible to do so without jeopardizing natural resource management, provide for the retention in the account of any income that is not needed in the succeeding year for operations on the Multi-Species Reserve.

D. AUDIT: The Management Committee may, from time to time, audit the financial records of the Resource Director.

The cost of the audit shall be expended from the Multi-Species Reserve Account.

E. FINANCIAL REPORTS: The Resource Director shall prepare the proposed annual operating budget and work plan for the entire Multi-Species Reserve for review and approval by the other parties. Prior to submitting each proposed operating budget for the Multi-Species Reserve, the Resource Director shall prepare and distribute to the parties a full accounting of the disbursements from the accounts, during the last previous year for which the records are complete. In addition, the Resource Director shall, at the request of any member, and upon thirty (30) days written notice, provide financial reports, including the current status of the Multi-Species Reserve Account as well as income received and disbursements made since the last annual meeting; provided, however, that the Resource Director shall not be required to provide financial statements more frequently than once each quarter.

XIII. RESERVE DIRECTORS -- DESIGNATED

A. METROPOLITAN AS DOMENIGONI RESERVE DIRECTOR:
METROPOLITAN shall serve as Domenigoni Reserve Director, commencing on the date hereof and terminating upon the Management Committee's appointment of a successor Director. The Management Committee may appoint a successor Director upon the earlier of the completion of the initial filling of the

Domenigoni Valley Reservoir or written notification by METROPOLITAN to the Management Committee that it no longer desires to serve in the capacity of Domenigoni Reserve Director. METROPOLITAN shall serve as Domenigoni Reserve Director, without compensation. METROPOLITAN shall give at least one calendar year notice of any decision to terminate in advance of completion of the initial filling.

B. DISTRICT AS SHIPLEY RESERVE DIRECTOR: The DISTRICT shall serve as Shipley Reserve Director, commencing on the date hereof and terminating when the Management Committee appoints a successor Director. The Management Committee may only appoint a successor Director if the DISTRICT furnishes written notification that it no longer desires to serve in such capacity. The DISTRICT shall give at least one calendar year notice of any such decision.

C. SUCCESSOR RESERVE DIRECTOR: At such time as a successor Reserve Director is chosen, the successor shall be appointed by the Management Committee to serve upon such terms and for such compensation as the Management Committee and the designated successor may agree.

XIV. RESERVE DIRECTORS -- RESPONSIBILITIES IN GENERAL

A. OPERATIONAL DUTIES: The Reserve Directors shall have the following operational duties as to the portions of the Multi-Species Reserve they administer:

1. Provide, or contract for the provision of, the day to day operation and maintenance at the direction of the Management Committee, including, but not limited to, security, litter control, and maintenance of fences and other improvements except for roads.

2. Temporarily prohibit or restrict access to any area of the Multi-Species Reserve by the general public if the Resource Director determines access would adversely affect natural resources under circumstances that were not foreseen in the MSHCP or the applicable annual work plan. Notice of any closure or restriction shall be given promptly to the other parties and as feasible to the consultants.

B. SHIPLEY RESERVE DIRECTOR OPERATIONAL DUTIES: The Shipley Reserve Director shall provide the following:

1. Patrol, related human access management, and facilities maintenance services on the Shipley, District and the Lake Skinner Reserve Areas. Shipley Reserve Director personnel paid from funds available pursuant to subparagraph A of Paragraph XV (Shipley Reserve Director -- Financial Responsibilities), shall perform their duties exclusively upon the Shipley, District and Lake Skinner Reserve Areas.

2. In addition, and consistent with the terms of the Lake Skinner Lease at no expense to the Multi-Species Reserve, existing DISTRICT personnel located at Lake Skinner shall assist in the protection of the Lake Skinner Reserve Area by providing patrol, natural resource protection and

facilities maintenance services within the Lake Skinner Reserve Area. To the extent that these services are currently provided, DISTRICT may in its sole discretion, reduce the level of patrol, natural resource protection and facilities maintenance services currently provided within the Lake Skinner Reserve Area if said reduction is consistent with the terms of the Lake Skinner Lease.

3. Coordinate responses to emergencies by the COUNTY, the DEPARTMENT, law enforcement and fire departments and search and rescue units throughout the entire Multi-Species Reserve.

4. Provide, if feasible, at the request of the Management Committee, and for compensation agreed upon by the Management Committee and the Reserve Director, additional Reserve Director employees with responsibility for day-to-day operations affecting the utilization of the Multi-Species Reserve by the public; the supervision, safety and comfort of the general public who may be allowed upon the Multi-Species Reserve; the interpretation of the natural, cultural and historical resources of the Multi-Species Reserve, and the special needs of sensitive or fragile environments.

5. Allow, subject to the direction of the Resource Director and the Management Committee, public access to the Multi-Species Reserve upon payment of an admission fee. The amount of the admission fee shall be set by the DISTRICT and shall be consistent with the annual DISTRICT user fee

schedule for park and recreation services and facilities as well as comply with applicable state law and county ordinances and regulations. Prior to setting the amount of the admission fee, DISTRICT shall confer with METROPOLITAN to obtain its recommendation as to the amount of the admission fee. Any proceeds shall be used exclusively for natural resources management within the Multi-Species Reserve lands. DISTRICT currently charges an admission fee for public access to the Lake Skinner County Park. This admission fee, and any increase thereof, neither of which is attributed to entrance into Reserve Areas other than the Lake Skinner Reserve area, shall continue to be collected and retained by DISTRICT. The DISTRICT may also charge special fees for recreational or interpretive programs conducted on Multi-Species Reserve lands. All costs associated with such programs shall be the DISTRICT's responsibility and any special fees collected shall be retained by DISTRICT.

C. CONTRACT ADMINISTRATION: In addition to the contracts provided for in subparagraph A of this Paragraph XIV, the Shipley Reserve Director shall continue to administer the contract between DISTRICT and Dr. Michael O'Farrell, dated March 29, 1991, regarding Stephens' kangaroo rat populations upon the Shipley and Lake Skinner Reserves with funding to be from the METROPOLITAN and RCHCA endowments.

XV. SHIPLEY RESERVE DIRECTOR -- FINANCIAL RESPONSIBILITIES

A. ADMINISTRATION OF EXISTING ENDOWMENTS: The Shipley Reserve Director shall continue to administer in a separate account, which shall not be commingled with other funds:

1. The Metropolitan Endowment of One Million Twenty-One Thousand Dollars (\$1,021,000) created by METROPOLITAN as required by the Shipley Mitigation Agreement and managed in accordance with this CMA solely for the purpose of funding activities that are related to the management of wildlife resources on the Shipley and Lake Skinner Reserves, and the management of the human activities so as to avoid or minimize their adverse impacts on natural resources on those lands, pursuant to the MSHCP.

2. The RCHCA Endowment of Five Hundred Thousand Dollars (\$500,000) which it has granted for the management of those portions of the Shipley, DISTRICT, and Lake Skinner lands occupied by the Stephens' kangaroo rat.

3. The net proceeds of other monies received in regard to the Shipley Reserve.

B. MANAGEMENT AND INVESTMENT: The account shall be managed and invested so as to earn interest in the same manner required for the Multi-Species Reserve Account. The investment requirements established by law for the investment of the Shipley Reserve Director's own funds shall be complied with. The Shipley Reserve Director shall annually prepare and

distribute to all the parties a full accounting of the disbursements from the accounts during the last year for which the records are complete. In addition, the Shipley Reserve Director shall, at the request of any member, and upon thirty (30) days written notice, provide financial reports, including the current status of the Reserve Account as well as income received and disbursements made since the last annual meeting; provided, however, that the Shipley Reserve Director shall not be required to provide financial statements more frequently than once each quarter.

C. AUDIT: The Management Committee may, from time to time, audit the financial records of the Shipley Reserve Director. The cost of the audit shall be expended from the Account being audited.

D. DISBURSEMENTS: In addition to making disbursements incidental to meeting its obligations under this CMA, the Shipley Reserve Director shall also, to the extent funds are available from the METROPOLITAN endowment and the RCHCA endowment, make disbursements for the following, consistent with the annual budget:

1. Costs incurred by the DEPARTMENT in carrying out its responsibilities on the Shipley Reserve pursuant to this CMA. The Management Committee may authorize creation of a revolving fund for this purpose.

2. Payment of Dr. Michael O'Farrell's fees and reimbursement of his expenses, in amounts not to exceed those

set forth in the contract between DISTRICT and Dr. Michael O'Farrell, dated March 29, 1991.

3. The Shipley Reserve Director shall annually notify the parties of the amount of available monies. Such monies may only be expended in accordance with approved budgets.

XVI. DISPUTE RESOLUTION

A. In the event of a dispute arising under the CMA that does not involve the SERVICE, on a matter for which unanimous or individual consent or approval is required, the parties other than the SERVICE shall endeavor to resolve the dispute by using the services of a mutually acceptable consultant.

B. If a consultant cannot be agreed upon, or if the consultant's recommendations are not accepted by those parties, they agree to be bound by the majority decision of a three-member panel, to be selected as follows:

1. One member shall be appointed jointly by those parties who agree with the proposed action.

2. One member shall be appointed by the party who disagrees, or jointly by those parties who disagree, with the proposed action.

3. The third member shall be selected by the other two members of the panel.

C. If a member cannot be appointed or selected, any of those parties may petition a court to appoint the member pursuant to section 1281.6 of the Code of Civil Procedure.

D. This dispute resolution process shall be governed by the California Arbitration Act (Part 3 [commencing with §1280], Tit. 9, Calif. Code Civ. Proc.). Each party shall be responsible for any fees and expenses of the member of the panel appointed by that party, and the fees and expenses of the third member of the panel shall be shared equally among the parties participating in the dispute resolution process.

E. This Article shall not be applied to deprive a party of any right created by or arising pursuant to the CMA nor shall it be applied to reduce the DEPARTMENT's statutory authority.

XVII. RIGHTS RETAINED BY METROPOLITAN

Conservation easements affecting the Shipley Reserve Area, the Lake Skinner Reserve Area and the Domenigoni Reserve Area have been previously conveyed. In addition, METROPOLITAN shall, pursuant to Paragraph IX.D.6. (Responsibility of Metropolitan), convey a conservation easement to a Designated Agent. These conservation easements recognize the obligation and right of METROPOLITAN to conduct its water service operations upon portions of the Multi-Species Reserve. The

parties acknowledge and agree that METROPOLITAN has the right to:

A. CLOSE TO PUBLIC: Close or otherwise restrict public access at any time to the Multi-Species Reserve whenever it determines it is necessary to do so in the interest of its water service obligation or operations, public safety or national security.

B. USE EXISTING FACILITIES: Maintain and use existing roads, water pipelines and ancillary improvements.

C. CONSTRUCTION AND USE: Conduct activities to maintain water quality in the Domenigoni Valley Reservoir and, subject to the prior written approval of the SERVICE and DEPARTMENT, which approval shall not be unreasonably withheld, to designate, construct and use or authorize the use of rights of way for roads, trails, irrigation works, flood control structures and channels, utility corridors, sewers, facilities for metering of natural water inflow into the Domenigoni Valley Reservoir, water pipelines and ancillary improvements, and telephone and electric power lines across the Multi-Species Reserve.

D. AUTHORIZE OTHERS: Authorize its directors, officers, employees, licensees, agents and contractors to enter on, pass over, and egress from the Multi-Species Reserve as necessary to protect any right or carry out METROPOLITAN's water service obligations or operations, including, but not limited to, activities relating to the protection of water quality.

E. DEMOLITION: To remove or demolish any unauthorized structure or other improvement located on the Multi-Species Reserve that may conflict with METROPOLITAN's water service obligations or operations.

XVIII. AMENDMENT PROCESS

A. UNANIMOUS CONSENT: This CMA may be amended only by a written instrument executed by all of the parties hereto.

B. PROPOSED AMENDMENTS: Any member of the Management Committee may propose an amendment to this CMA by providing a written copy of the proposed amendment to each other member at least forty-five (45) days prior to the meeting at which the proposed amendment is to be considered.

XIX. INDEMNIFICATION

A. PARTIES OTHER THAN SERVICE, COUNTY, AND FACILITIES CORPORATION:

Except for the SERVICE, COUNTY and FACILITIES CORPORATION, each party hereto shall indemnify and hold harmless each other party hereto, and their officers, agents, employees, subcontractors, and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of that party, its directors, officers, agents, employees, subcontractors or independent contractors, for