

AGREEMENT AMENDING OPERATING AGREEMENTS NO. 1 AND NO. 2

1. Parties and Date.

This Agreement is made and entered into this 25th day of JULY, 2018, by and between the Big Bear City Community Services District ("BBCCSD"), the City of Big Bear Lake ("City"), and the County of San Bernardino ("County") on behalf of San Bernardino County Service Area 53. BBCCSD, the City, and the County are sometimes referred to herein individually as "Party" or collectively as the "Parties."

2. Recitals.

2.1 WHEREAS, the Big Bear Area Regional Wastewater Agency ("Agency") is a joint exercise of powers agency operating under Chapter 5, Division 7, Title 1 of the Government Code (Section 6500 et seq.), and was created by a joint exercise of powers agreement dated March 22, 1974, between BBCCSD, the Big Bear Lake Sanitation District, and the County; and

2.2 WHEREAS, on May 3, 1977, the Parties entered into three operating agreements with respect to the ownership, use, management, operation, and maintenance of a regional sewerage system for the Big Bear Valley Area, said agreements being captioned as follows:

"OPERATING AGREEMENT NO. 1

Agreement Between Big Bear Area Regional Wastewater Agency, Big Bear Lake Sanitation District, Big Bear City Community Services District and County of San Bernardino on Behalf of Improvement Zone 'B' of San Bernardino County Service Area 53 Regarding Capacity In and Operation and Maintenance of Regional Sewerage System for the Big Valley Area"

"OPERATING AGREEMENT NO. 2

Agreement Between Big Bear Area Regional Wastewater Agency, Big Bear Lake Sanitation District, Big Bear City Community Services District and County of San

Bernardino on Behalf of Improvement Zone 'B' of San Bernardino County Service Area 53 Regarding Sale and Transfer of Facilities by BBLSD and BBCCSD to Agency, Right of Agency to Purchase Surplus Real Property of BBLSD and BBCCSD, and Operation of Facilities, and Capacity and Connection Rights of BBLSD, BBCCSD and County in and to Certain Facilities”

“OPERATING AGREEMENT No. 3

Agreement Between Big Bear Area Regional Wastewater Agency, Big Bear Lake Sanitation District, Big Bear City Community Services District and County of San Bernardino on Behalf of Improvement Zone 'B' of San Bernardino County Service Area 53 Regarding Management and Operation of Regional Sewerage Facilities and Administration of Related Programs”

2.3 WHEREAS, the Parties entered into an agreement amending Operating Agreement No. 2 on September 20, 1977, which, among other things, supplemented and amended the provisions governing the sale and transfer of certain real property and facilities by BBLSD and BBCCSD to BBARWA; and

2.4 WHEREAS, the Parties entered into an agreement amending Operating Agreement No. 1 on July 7, 1980, for the purpose of altering the County’s obligation to pay to BBARWA an In-Lieu-Of Total Annual Charge Payment for each fiscal year; and

2.5 WHEREAS, the Parties entered into an agreement on July 19, 1982, which, among other things, amended Operating Agreement No. 1 and Operating Agreement No. 2 to name the City as a party thereto, and to bind the City to perform said agreements on behalf of the Big Bear Lake Sanitation District as it was dissolved on December 1, 1980 upon the incorporation of the City; and

2.6 WHEREAS, the Parties entered into an agreement on October 15, 1984, which, among other things, supplemented Operating Agreement No. 1 and Operating Agreement No. 2 to

provide for the acquisition, construction, and installation of certain improvements to the regional sewerage system; and

2.7 WHEREAS, on June 26, 1996, the Parties entered into an agreement terminating Operating Agreement No. 3; and

2.8 WHEREAS, the Parties now desire to amend Operating Agreement No. 1 and No. 2 in order to extend the term of each Agreement and to coordinate the extension of the term with the extension of the term of the Sixth Amendment to the Joint Exercise of Powers Agreement Between Big Bear City Community Services District, City of Big Bear Lake and San Bernardino County Creating the Big Bear Area Regional Wastewater Agency (“Amendment”).

NOW, THEREFORE, the Parties agree as follows:

3. Terms and Conditions.

3.1 Amendment of Section 2.01. Section 2.01 of Operating Agreement No. 1 and Operating Agreement No. 2 are hereby deleted and replaced as follows:

The term of this Agreement shall continue until terminated by the Parties hereto by their mutual written consent.

3.2 Counterparts. This Amendment may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

3.3 Effect Upon Agreement. Except as expressly amended by this Amendment, all terms, conditions, definitions and provisions of each Agreement shall remain in full force and effect and shall govern the conduct of the Parties.

3.4 Authority to Enter into Agreement. BBCSD, City, and County warrant that they have all requisite power and authority to execute this Amendment. Each person executing this Amendment on behalf of their Party warrants that he or she has the legal power, right, and authority to make this Amendment and bind his or her respective Party.

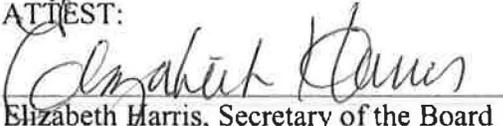
[Signatures on following page]

**SIGNATURE PAGE TO THE AGREEMENT AMENDING
OPERATING AGREEMENT NO. 1 AND NO. 2**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized as of the date first written above.

BIG BEAR AREA REGIONAL WASTEWATER AGENCY


John Green, Chairman of the Board

ATTEST:

Elizabeth Harris, Secretary of the Board

Approved as to Content and Form:

General Counsel

BIG BEAR CITY COMMUNITY SERVICES DISTRICT


Karyn Oxandaboure, President of the Board of Directors

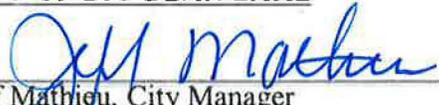
ATTEST:

Secretary of the Board

Approved as to Content and Form:

General Counsel

CITY OF BIG BEAR LAKE


Jeff Mathieu, City Manager

ATTEST:

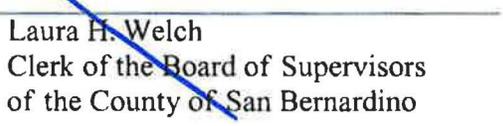
City Clerk

Approved as to Content and Form:

City Attorney

COUNTY OF SAN BERNARDINO on behalf of San Bernardino County Service Area 53


Robert A. Lovingood, Chairman
Board of Supervisors

Dated: **JUN 12 2018**
ATTEST:

Laura H. Welch
Clerk of the Board of Supervisors
of the County of San Bernardino

Approved as to Content and Form:

Dawn Martin, County Counsel
County of San Bernardino

