

EXHIBIT 12-B

RESOLUTION NO. 96-03

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
AUTHORIZING AND GOVERNING THE USE OF VOLUNTEERS**

WHEREAS, the Monterey Peninsula Water Management District (the "District") is a governmental agency formed pursuant to Chapter 118 of the California Water Code;

WHEREAS, the Board of Directors of the District finds that persons who volunteer their time and efforts on behalf of the District are a valuable asset in the operation of the District and the performance of services provided by the District;

WHEREAS, the Board of Directors recognizes that the use of volunteers creates risks both to the volunteers and to third parties; and

WHEREAS, it is the intent of the Board of Directors to manage risk as effectively as possible;

NOW THEREFORE, BE IT RESOLVED, that it is the policy of the Board of Directors of the Monterey Peninsula Water Management District, until such a policy shall be amended or rescinded:

1. That the services and contributions of volunteers is encouraged;
2. That persons volunteering time and services shall do so in accordance with descriptions developed outlining their function(s) and approved by the Board;
3. That the District will conduct appropriate orientation and training of volunteers;
4. That persons volunteering time and services on behalf of the District shall comply with all policies of this Board that apply to employees, including policies related to safe working habits, policies relating to driving personal or District vehicles on District-related business, and other such policies;
5. That persons volunteering time and services on behalf of the District shall be guided and supervised by appropriate employees and/or officials of the District, to ensure that services are performed in a safe and appropriate manner;
6. That the District will ensure that volunteers are, to the extent applicable, provided workers' compensation coverage; and
7. That the District recognizes that it may be liable for third party losses caused by the acts and/or omissions of volunteers, performing on behalf of the District.

On motion of Director Pendergrass, and second by Director Haddad, the foregoing resolution is duly adopted this 29th day of February, 1996, by the following vote:

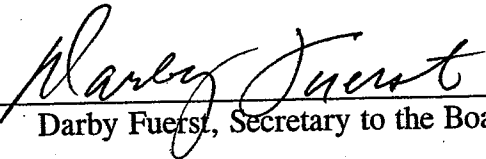
AYES: Directors Burkleo, Ely, Ernst, Haddad, Hughes, Karas and Pendergrass

NAYS: None

ABSENT: None

I, Darby Fuerst, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a full, true and correct copy of a resolution adopted on the 29th day of February, 1996.

Witness my hand and seal of the Board of Directors this 22nd day of March, 1996.



Darby Fuerst, Secretary to the Board