

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
HEALTHY RIVERS AND LANDSCAPES PROGRAM IMPLEMENTATION FUNDING
ACTIVITY AGREEMENT

This **HEALTHY RIVERS AND LANDSCAPES PROGRAM IMPLEMENTATION FUNDING ACTIVITY AGREEMENT** (“**Activity Agreement**”) is entered into and made effective as of this ____ day of _____ 2025 (“**Effective Date**”), by and among the San Luis & Delta-Mendota Water Authority (“**Authority**”), a joint powers agency of the State of California, and its members who execute this Agreement, who are hereinafter referred to jointly by the plural term **Activity Agreement Members.**” Capitalized terms used in this Activity Agreement shall have the meanings set forth in Section 2 below.

1. RECITALS

A. The Activity Agreement Members, together with certain other local agencies, are parties to the Second Amended and Restated Joint Exercise of Powers Agreement for the San Luis & Delta-Mendota Water Authority, dated July 8, 2024 (the “**JPA**” or “**JPA Agreement**”), by and among the parties indicated therein, establishing the Authority for the purpose of exercising the common powers of the Activity Agreement Members, including those powers described in this Activity Agreement.

B. The Activity Agreement Members are each empowered, among other powers, to provide water service to lands within their boundaries; to operate and maintain works and facilities for the development, distribution, and use of water for irrigation and for any drainage or reclamation works connected therewith or incidental thereto and/or to operate and maintain works and facilities for the development, distribution and use of water for municipal and industrial use; to contract with the United States, the State and other public agencies and, effective January 1, 1995, with mutual water companies, for such purposes; to control the quality of water accepted into their respective systems; to exercise powers related to the construction, operation, or maintenance of water storage and delivery facilities; and to adopt rules and regulations necessary to the exercise of such powers.

C. The Activity Agreement Members have each entered into contracts with the United States Bureau of Reclamation (“**Reclamation**”) for water service and/or the use of Central Valley

Project (“CVP”) storage and/or conveyance facilities including, but not limited to, the Delta-Mendota Canal, the San Luis Canal, and/or the Pacheco Pumping Plant and Tunnel.

D. The State Water Resources Control Board (“**State Water Board**”) is currently considering updates to its 2006 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (“**Bay-Delta Plan**”) in two phases (the “**Plan Amendments**”).

E. The first Plan amendment (“**Phase 1**”) is focused on San Joaquin River flows and southern Delta salinity. The second Plan amendment (“**Phase 2**”) is focused on the Sacramento River and its tributaries, Delta eastside tributaries (including the Calaveras, Cosumnes, and Mokelumne rivers), Delta outflows, and interior Delta flows. In both phases, State Water Board staff has proposed an “unimpaired flow” approach that would have a significant water cost to cities and farms. The unimpaired flow approach has the potential to cause a significant reduction in CVP exports south-of-Delta.

F. To avoid such reduction, water users, including CVP contractors, have worked with state agencies since 2018 to develop an alternative watershed-wide approach to flows, ecosystem restoration, and water supply reliability. This effort was originally termed the “Voluntary Agreements,” and is now referred to as the Healthy Rivers & Landscapes Program (“**HRL Program**”).

G. Through the HRL Program, water users have committed to certain flows and funds. Flow commitments borne by south-of-Delta CVP contractors will be met by (1) CVP export cuts, and (2) flow contributions to water purchase program. In addition, to fund both the water purchase program and science component of the HRL Program, Reclamation and certain CVP south-of-Delta water agencies have committed to paying \$10/acre-foot (“**AF**”) of water pumped at Jones and Banks Pumping Plants delivered to CVP contractors (“**Exported Water**”).

H. The State Water Board is expected to consider action on Phase 2 of the update to the Bay-Delta Plan in the second quarter of 2025. In advance of that time, in order to ensure the ability of the HRL Program to be successfully implemented, the Authority has created the mechanism to collect funding for early implementation of the HRL Program immediately following State Water Board action.. In the interim of Reclamation obtaining Congressional authority to collect HRL funds from CVP contractors, the Authority will collect the \$10/AF HRL charge from water users/contractors that take delivery of Exported Water, and may also collect an up to \$10/AF HRL

charge from the San Joaquin River Exchange Contractors Water Authority, on behalf of its member entities.

I. This Activity Agreement governs the Authority's collection of the \$10/AF HRL charge, which will in turn lead to the Activity Participants being deemed "**Covered Entities**," defined in HRL Program documents as "entities who hold water rights within, or contracts for water supplies from, the Bay-Delta watershed and are identified as Covered Entities in the applicable Enforcement Agreement." Covered Entity status will ensure that the Activity Participants receive regulatory assurances in exchange for implementation of the measures that are part of the HRL Program, and that the State Water Board will not seek additional flow or financial contributions from Covered Entities for the purpose of achieving water quality objectives included in the Bay-Delta Plan or related purposes.

J. The Activity Agreement Members desire to achieve the objectives recited above through the joint exercise of their common powers under this Activity Agreement and through the Authority entering into memoranda of agreement to allow the participation in the activities by counties, cities, and other local agencies, mutual water companies, or other entities that are not members of the Authority, but that agree to participate under such agreements pursuant to the terms of this Activity Agreement ("**Non-Member Participating Parties**").

K. The Water Authority and each of the Activity Participants have shared, and continue to share, a common interest in sharing information and resources reasonably necessary to accomplish the purpose in this Activity Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the true and correct facts recited above, and of the covenants, terms, and conditions set forth herein, the Activity Agreement Members and the Authority agree as follows:

2. DEFINITIONS

2.1. "**Activity Agreement**" or "**Agreement**" shall mean this Healthy Rivers & Landscapes Program Implementation Funding Activity Agreement.

2.2. "**Activity Agreement Expenses**" shall mean costs incurred by the Authority pursuant to this Activity Agreement and any agreements executed in conjunction with this Activity Agreement, together with a share of Authority Operating Costs allocable to Activity Agreement

Members and allocable to any Non-Member Participating Parties through Memoranda of Agreement executed in conjunction with this Activity Agreement.

2.3. **“Activity Agreement Member”** shall mean a member of the Authority who is signatory to this Activity Agreement. The Activity Agreement Members are listed on Exhibit “A” attached hereto.

2.4. **“Activity Participants”** shall mean the Activity Agreement Members and the Non-Member Participating Parties, as defined below.

2.5. **“Administration Agreement(s)”** shall mean those certain agreements between the Authority and Activity Agreement Members for the undertaking of activities and sharing of costs and benefits pursuant to Sections 22 and 23 of the JPA.

2.6. **“Authority”** shall mean the San Luis & Delta-Mendota Water Authority.

2.7. **“Authority Operating Costs”** shall mean the Authority’s rent and other occupancy charges, acquisition costs of office furniture and equipment, including telephone, telecopy, photocopy, cost of cars and other vehicles, insurance premiums, salaries and wages of employees including payments in connection with retirement programs and other benefit programs, fees of creditors, lawyers, engineers and other consultants, travel, telephone, telecopy, and photocopy expenses, and any other general administrative expenses.

2.8. **“Board of Directors”** shall mean the Board of Directors of the San Luis & Delta-Mendota Water Authority.

2.9. **“Exported Water”** shall mean water pumped at Jones and Banks Pumping Plants delivered to CVP contractors.

2.10. **“Fiscal Year”** shall mean the Authority’s March 1 – February 28/29 fiscal year.

2.11. **“Healthy Rivers & Landscapes Program”** or **“HRL Program”** shall mean the measures, rights, and obligations stated in the Global Agreement to the Healthy Rivers and Landscapes Program in the Bay-Delta and accompanying documents, as may be finally executed by the HRL Parties and approved by the State Water Board.

2.11, 2.12. **“HRL Parties”** shall mean the parties that are signatory to the “Memorandum of Understanding Advancing a Term Sheet for The Voluntary Agreements to Update and Implement the Bay-Delta Water Quality Control Plan, and Other Related Actions,” dated March 29, 2022, and/or the parties that ultimately sign the Global Agreement to the Healthy Rivers and Landscapes Program in the Bay-Delta.

~~2.12.2.13.~~ **“JPA” or “JPA Agreement”** shall mean that certain Second Amended and Restated Joint Exercise of Powers Agreement effective July 8, 2024, establishing the Authority, as it has been and may be amended or restated over time.

~~2.13.2.14.~~ **“Memorandum of Agreement” or “MOA”** shall mean an agreement in substantially the form attached hereto as Exhibit “B” between the Authority and a local agency, city, county, mutual water company, or other entity that is not a member of the Authority but which desires to participate in this Activity Agreement as a Non-Member Participating Party, or in the circumstance of an agreement with the San Joaquin River Exchange Contractors Water Authority, the agreement in substantially the form attached hereto as Exhibit “C”; **“Memoranda of Agreement” or “MOAs”** shall refer collectively to all such Memoranda of Agreement.

~~2.14.2.15.~~ **“Non-Member Participating Party”** shall mean a local agency, city, county, mutual water company, or other entity that is not a member of the Authority but which by execution of an MOA agrees to undertake the same obligations and is accorded the same benefits as a member of the Authority that has executed this Activity Agreement. The Non-Member Participating Parties are listed on Exhibit “A” attached hereto.

3. PURPOSE OF AGREEMENT

The purpose of this Activity Agreement is to provide the contractual basis for the Activity Agreement Members in conjunction with any Non-Member Participating Parties (together, the **“Activity Participants”**) to participate through the Authority in the HRL Program and to achieve the objectives stated in the Recitals above through the joint exercise of some or all of the common powers of the Activity Agreement Members and through the contractual agreements of the Non-Member Participating Parties. The Activity Agreement Members anticipate that amendments or additional or replacement agreements, or termination of this Agreement, may be required to facilitate the payment of HRL Program funds once the State Water Board has taken affirmative action regarding the HRL Program and/or federal legislation is adopted relating to the HRL Program.

4. ORGANIZATION

The business of this Activity Agreement shall be conducted by the Authority at large and therefore governed by the Board of Directors of the Authority.

5. POWERS RESERVED TO BOARD OF DIRECTORS AND LIMITATIONS THEREON

5.1. Role of the Authority. The role of the Authority under this Activity Agreement will be to provide, through Authority staff or contracts with consultants, coordinated services to assist the Activity Participants in conducting the activities contemplated by this Agreement. The Authority will provide only those services supported with funding from the Activity Participants or grant funding, in accordance with budgets recommended by staff, and approved by the Activity Participants and the Board of Directors, as more specifically provided under the terms of this Agreement.

5.2. Authorized Activities of the Authority under the Activity Agreement. The types of activities authorized to carry out the purposes of this Activity Agreement shall specifically include, but shall not be limited to, the following:

5.2.1. To allocate and collect a \$10/AF HRL charge from water users/contractors that take delivery of Exported Water, utilizing Authority staff or contracts with consultants.

5.2.2. To transmit collected HRL funds to the HRL Program funding entity to be established, and which will have responsibility for allocating HRL funds to HRL Program activities.

5.2.3. To provide accounting and billing services to collect from the Activity Participants the costs of services incurred under the Activity Agreement and MOAs pursuant to the terms of this Activity Agreement.

5.2.4. To undertake such additional activities and responsibilities as may be requested and funded by the Activity Participants acting through the Board of Directors.

5.3. Limitations on Authority Role. Notwithstanding ~~this~~ Activity ~~Participants'~~ ~~agreement~~ ~~Agreement~~ ~~to acquire certain services through this Agreement~~, Activity Participants intend to maintain complete control and autonomy over the surface water and groundwater assets to which they are legally entitled; nothing in this Agreement authorizes the Authority to commit the Activity Participants to HRL Program implementation actions within their respective boundaries.

5.4. Powers Reserved to Board of Directors and Limitations Thereon.

5.4.1. The Board of Directors shall have ultimate approval authority over all Activity Agreement annual budgets based upon the recommendation of staff and approval of the Activity Participants; provided, the Board of Directors may not modify the Activity Agreement annual budgets without staff's review and recommendation and Activity Participant approval of such modification.

5.4.2. The Board of Directors shall have the right, upon recommendation of or in consultation with staff and Activity Participants, to approve all amendments to this Activity Agreement, including any amendment terminating the Activity Agreement, and to approve the MOA with each entity seeking to become a Non-Member Participating Party; provided, that no amendment of this Activity Agreement shall be required to add new Activity Agreement Members.

5.4.3. The Board of Directors shall have the right, upon the recommendation of or in consultation with staff, to act on any claims and to make decisions concerning the prosecution of, defense of, or other participation in actions or proceedings at law brought against the Authority arising from this Activity Agreement.

5.4.4. When an Activity Participant fails or refuses to participate financially for a period of time longer than six (6) months after written notice from the Authority without entering into an agreement with the Authority to cure any financial default or to meet any other obligation required for its active participation in the Activity Agreement or under its MOA, the Board of Directors, on the recommendation of staff, one or more Activity Participant, and/or any ad hoc working group, shall determine whether or not such Activity Participant shall be deemed to have withdrawn from the Agreement or from participation pursuant to its MOA. Such vote shall not preclude reinstatement of the deemed withdrawn agency by agreement of the Activity Participants and the Authority.

5.4.5. The Board of Directors delegates to staff the authority to conduct the activities described in this Activity Agreement pursuant to the terms of this Activity Agreement and MOAs, without the required approval of the Board of Directors except as specifically provided in Sections 5.4.

6. APPROVAL BY AN ACTIVITY PARTICIPANT OR ACTIVITY PARTICIPANTS

6.1. When the terms of this Agreement or applicable law require the approval of an Activity Participant, written documentation of such approval, whether by Resolution, motion, or other form of authorization, must be provided to the Authority and to each of the other Activity Participants.

6.1.1. For actions requiring the approval of only the particular Activity Participant, approval by such Activity Participant is required.

6.1.2. When approval of the Activity Participants is required for a particular action, the approval of a majority of the Activity Participants will constitute approval of the action.

6.2. Approval by the Activity Participant or the Activity Participants as appropriate shall be required for amendment of this Activity Agreement and/or the replacement of this Agreement with an alternative form of agreement; provided, however, nothing in this Agreement shall prevent its termination if Reclamation mandates or requires direct HRL payments from CVP contractors.

7. BUDGETARY RESPONSIBILITIES

7.1. To the extent that the Authority prepares budgets for this Activity Agreement, the Activity Agreement members agree to cooperate with the Authority in the development of any such budgets for the activities authorized by this Activity Agreement, annually or more frequently as needed, for presentation to the Board of Directors of the Authority in accordance with Section 22 of the JPA Agreement. Budgeted amounts for this Activity Agreement will be collected through the invoicing process described in Section 8.3 of this Activity Agreement, and formal amendment of such budgets through Board of Directors of the Authority approval is not required for adjustments that are fully collected as described in Section 10 of this Activity Agreement.

7.2. Budget to Actual Adjustments. The Authority shall true up budgeted amounts for Activity Agreement Expenses collected from the Activity Participants annually following the end of each fiscal year. Any over-payments shall be credited or refunded to each Activity Participant for the period through February 28, 2026, and for each year thereafter. Each Activity Participant shall be billed for any under-payment following the true-up, with payment due thirty (30) days after the invoice is received.

8. ACTIVITY AGREEMENT EXPENSES, ALLOCATION OF OPERATING COSTS, HRL IMPLEMENTATION FUNDING COLLECTION, INVOICING AND PAYMENT

8.1. Each member of the Authority has entered into an Administration Agreement which authorizes an agreement by and among the Authority and any of its members or other entities to provide for undertaking and sharing costs and benefits of any authorized activity of the Authority. The Authority and the Activity Agreement Members agree that all Activity Agreement Expenses incurred by the Authority under this Activity Agreement are the costs of the Activity Agreement Members, and not of the Authority, and shall be paid by the Activity Agreement Members.

8.2. The Activity Agreement Members further agree that the Board of Directors is authorized to allocate a share of Authority Operating Costs as part of the Activity Agreement Expenses to cover the cost to the Authority of administering this Activity Agreement.

8.3. Initial HRL Implementation Funding Collection. To initially fund HRL Program Implementation, the Authority shall collect the \$10/AF HRL Program charge from Activity Participants on a monthly basis, based on deliveries of Exported Water, beginning in the month following State Water Board action on the Phase 2 Plan Amendments that incorporates the HRL Program and related action by the HRL Parties. Collection will occur via inclusion of a line item relating to actual deliveries during the prior month, multiplied by \$10/AF, on the Monthly Advance Payment form and/or monthly invoice currently in use. Payment of this charge is due as follows: (1) for Activity Participants submitting a Monthly Advance Payment form, by the 15th of each month, and (2) for Activity Participants in receipt of a monthly water delivery invoice, within five days of receipt. The Authority will hold collected funds in an interest-bearing trust account until an HRL Program funding entity is able to collect and allocate HRL funds to HRL Program activities, at which point the Authority shall transfer the collected funds to the HRL Program funding entity and continue transferring all collected funds to the HRL Program funding entity until such time as this Agreement is amended, replaced, or terminated.

8.4. Activity Agreement Expense Collection. Once the Activity Agreement is effective, Authority accounting staff will estimate administrative costs for the remainder of the fiscal year on the basis of estimated deliveries, and provide an initial, up-front billing, allocated proportionally based on historic delivery data. For subsequent fiscal years, the Authority shall invoice administrative costs to participants on a semi-annual basis, allocated proportionally based on delivery data. -Payments on invoices for administrative costs are due thirty (30) days following receipt of the Authority's invoice. A true-up will occur at the end of each fiscal year.

9. ACCOUNTABILITY, REPORTS, AND AUDITS

9.1. Full books and accounts for this Activity Agreement shall be maintained by the Authority in accordance with practices established by, or consistent with, those utilized by the Controller of the State of California for public entities. The books and records shall be open to inspection by the Activity Participants at all reasonable times, and by bondholders and lenders as and to the extent provided by resolution or indenture.

9.2. There shall be strict accountability of all funds deposited on behalf of the Activity Agreement with the Authority. The Treasurer of the Authority, directly or acting through its Accounting Department, shall provide regular reports of Activity Agreement accounts. Funds of the Activity Agreement shall be subject to audit by the official auditor of the Authority. An Activity

Participant may request an independent audit of the Activity Agreement funds; any such audit shall be conducted at the expense of the requesting Activity Participant.

10. SOURCE OF PAYMENTS

Each Activity Participant agrees that it will timely take actions necessary to provide sufficient money to meet its obligations hereunder. ~~Each Activity Participant hereby confirms that the Authority and other Activity Participants are third party beneficiaries of such Activity Participant's obligations under this Agreement and may take such actions in law or in equity as may be desirable to enforce payments hereunder.~~

11. INDEMNIFICATION

11.1. The Activity Participants shall hold the Authority and each of its members who are not Activity Participants, free and harmless from and indemnify each of them against any and all costs, losses, damages, claims and liabilities arising from actions ~~or inactions~~ taken consistent with under this Activity Agreement and the MOAs. This indemnification obligation includes the obligation of the Activity Participants to defend the Authority, and all members of the Authority that are not participants in this Activity Agreement, at the sole expense of the Activity Participants, in any action or proceeding brought against the Authority or any of its members not participating in this Activity Agreement, to recover any such costs, losses, damages, claims or liabilities arising from actions taken consistent with this Activity Agreement, as well as the obligation to pay for any and all costs of litigation incurred by the Authority as a result of entering into this Activity Agreement. Such costs may include, but are not limited to, attorneys' fees and costs incurred by the Authority pursuant to approved budgets to defend its provision of services under this Activity Agreement. This indemnification provision does not require the Activity Participants to indemnify the Authority or its members who are not Activity Participants from any costs, losses, damages, claims, or liabilities from actions related to non-Covered Party status initiated by the State Water Resources Control Board, or any other actions not directly related to actions taken under this Activity Agreement and the MOAs.

11.2. Indemnification of Authority and Activity Participants.

11.2.1. Any Activity Participant that withdraws or is deemed to have withdrawn from the Activity Agreement or MOA agrees that it shall indemnify the Authority and all other Activity Participants from costs, losses, damages, claims or liabilities incurred as of the date of its withdrawal or arising from its withdrawal or deemed withdrawal from the Activity Agreement or

MOA, respectively; without increasing the indemnification obligation of other Activity Participants.

11.2.2. Any Activity Participant that fails to perform its financial obligations under the Activity Agreement or its respective MOA agrees that it shall indemnify the Authority and all other Activity Participants from costs, losses, damages, claims, or liabilities arising from its failure to perform such financial obligations.

12. TERM

This Activity Agreement shall take effect following execution by at least two (2) Authority members, and shall remain in full force and effect until (1) this Activity Agreement is rescinded or terminated by the Authority and the Activity Agreement Members, with approval by the Non-Member Participating Parties, or (2) congressional authorization is provided to the United States to collect the \$10/AF HRL charge from water users/contractors that take delivery of Exported Water.

13. WITHDRAWAL FROM FURTHER PARTICIPATION

13.1. Subject to Section 13.3 of this Activity Agreement, any Activity Participant may voluntarily withdraw from this Activity Agreement upon thirty (30) days' written notice of such withdrawal to the Authority.

13.2. In the event the Board of Directors approves the determination that any Activity Participant is deemed to have withdrawn pursuant to Section 5.4.4 of this Activity Agreement, such withdrawing Activity Participant shall pay for all such Activity Participant's financial obligations incurred prior to the deemed withdrawal date pursuant to the terms of this Activity Agreement.

13.3. In the event of either a voluntary withdrawal or deemed withdrawal by an Activity Participant, as of the withdrawal date, all rights of participation in this Activity Agreement shall cease for the withdrawing Activity Participant, and the withdrawing Activity Participant shall within thirty (30) days, pay all such Activity Participant's financial obligations incurred prior to such withdrawal date pursuant to the terms of this Activity Agreement.

14. ADMISSION OF NEW MEMBERS

Members of the Authority may become Members of this Activity Agreement at any time. Admission of a Non-Member Participating Party at any time shall be through execution of an MOA and action by the Board of Directors. The admission of the new Activity Participant shall be documented by that new Member signing this Activity Agreement or that new Non-Member Participating Party entering into an MOA with the Authority, subject to this Activity Agreement.

15. MISCELLANEOUS

15.1. Amendments. This Agreement may be amended in writing by the Authority and the Activity Agreement Members, with approval from the Non-Member Participating Parties.

15.2. Assignment; Binding on Successors. Except as otherwise provided in this Activity Agreement, the rights and duties of the Activity Participants may not be assigned or delegated without the written consent of the Authority and other Activity Participants. Any attempt to assign or delegate such rights or duties in contravention of this Activity Agreement shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities, and other obligations of the Authority then in effect. This Activity Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Authority and the Activity Participants.

15.3. Counterparts. This Activity Agreement may be executed by the Authority and the Activity Agreement Members in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

15.4. Governing Law. This Activity Agreement shall be governed by the laws of the State of California.

15.5. Severability. If one or more clauses, sentences, paragraphs or provisions of this Activity Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Activity Agreement Members and the Authority that the remainder of the Activity Agreement shall not be affected thereby.

15.6. Headings. The titles of sections of this Activity Agreement are for convenience only and no presumption or implication of the intent of the parties as to the construction of this Activity Agreement shall be drawn therefrom.

15.7. Reasonable Cooperation. Activity Participants will reasonably cooperate with each other and the Authority to perform the obligations under this Activity Agreement and to carry out the purpose and intent of this Activity Agreement.

IN WITNESS WHEREOF, the Members and the Authority have executed this Activity Agreement as of the date appearing next to their respective signature lines:

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

By: _____
Name: _____
Title: _____
Date: _____

ACTIVITY AGREEMENT MEMBERS

Agency Name: _____

By: _____
Name: _____
Title: _____
Date: _____

Agency Name: _____

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By: _____

Name: _____

Title: _____

Date: _____

Agency Name: _____

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT “A”

**ACTIVITY AGREEMENT MEMBERS AND NON-MEMBER PARTICIPATING
PARTIES**

PRELIMINARY LIST ONLY

Agency Name	Participation Status
Banta-Carbona Irrigation District	AA Member
Byron Bethany Irrigation District	AA Member
Central California Irrigation District	Non-Member Participating Party
City of Avenal	Non-Member Participating Party
City of Los Banos	Non-Member Participating Party
City of Huron	Non-Member Participating Party
City of Patterson	Non-Member Participating Party
City of Tracy	AA Member
Coelho Trust MWC	Non-Member Participating Party
Columbia Canal Company	Non-Member Participating Party
Del Puerto Water District	AA Member
Eagle Field Water District	AA Member
Firebaugh Canal Water District	Non-Member Participating Party
Fresno Slough Water District	AA Member
Henry Miller Reclamation District #2131	AA Member
James Irrigation District	AA Member
Laguna Water District	AA Member
Mercy Springs Water District	AA Member
Oro Loma Water District	AA Member
Pacheco Water District	AA Member
Panoche Water District	AA Member
Patterson Irrigation District	AA Member
Reclamation District 1606	AA Member
San Benito County Water District	AA Member
San Joaquin River Exchange Contractors Water Authority	Non-Member Participating Party

Revisions Made Post-3/3/2025 FAC Meeting

San Luis Canal Company	Non-Member Participating Party
San Luis Water District	AA Member
Santa Clara Valley Water District	AA Member
Tranquillity Irrigation District	AA Member
U.S. Bureau of Reclamation	Non-Member Participating Party
West Stanislaus Irrigation District	AA Member
Westlands Water District	AA Member

EXHIBIT “B”

FORM OF MEMORANDA OF AGREEMENT

This MEMORANDUM OF AGREEMENT FOR HEALTHY RIVERS AND LANDSCAPES PROGRAM IMPLEMENTATION FUNDING (“**MOA**”) is made effective as of _____ (the “**Effective Date**”), by and between the San Luis & Delta-Mendota Water Authority, a joint powers agency of the State of California (“**Authority**”), and _____, a _____ (“**Non-Member Participating Party**”). Unless expressly and differently defined in this MOA, capitalized terms used in this MOA shall have the meanings set forth in Section 2 of Appendix 1 to this MOA, a copy of which is attached hereto and by this reference incorporated herein.

1. RECITALS

a. The Authority and certain of its member agencies have entered into that certain Healthy Rivers & Landscapes Program Implementation Funding Activity Agreement (the “**Activity Agreement**”) to provide the contractual basis for the Activity Agreement Members in conjunction with Non-Member Participating Parties (together, the “**Activity Participants**”) to participate through the Authority in the Healthy Rivers & Landscapes Program (“**HRL Program**”), and to govern the Authority’s collection of the \$10/acre-foot (“**AF**”) HRL charge.

b. The Non-Member Participating Party is not a member of the Authority but is a City, County, local agency, mutual water company, or other entity that is not a member of the Authority but which by execution of an MOA agrees to undertake the same obligations and is accorded the same benefits as a member of the Authority that has executed this Activity Agreement.

c. The Non-Member Participating Party has the power to enter into agreements with other public agencies or private entities, including for purposes of paying a \$10/AF HRL charge for each AF of Exported Water.

d. The Activity Agreement contemplates that the “**Activity Participants**” under the Activity Agreement shall be comprised of the Activity Agreement Members, this Non-Member Participating Party, and all other entities participating through separate Memoranda of Agreement that contain substantially the same terms as contained in this Memorandum of Agreement.

e. The objective of the Non-Member Participating Party under this Memoranda of Agreement is to provide the contractual basis for the Authority to collect the \$10/AF HRL charge, which will in turn lead to the Non-Member Participating Party being deemed a “Covered Entity,” defined in HRL Program documents as “entities who hold water rights within, or contracts for water supplies from, the Bay-Delta watershed and are identified as Covered Entities in the applicable Enforcement Agreement.” Covered Entity status will ensure the Activity Participants receive regulatory assurances for implementation of the measures that are part of the HRL Program, in that the State Water Board will not seek additional flow or financial contributions from Covered Entities for the purpose of implementation of water quality objectives included in the Bay-Delta Plan or related purposes.

f. The Non-Member Participating Party expressly intends that neither the Authority nor the Activity Agreement Members or other entities participating through their separate Memoranda of Agreement will have the authority to limit or interfere with the respective participants’ rights and authorities over their own internal matters, including but not limited to, an Activity Participant’s surface water supplies, groundwater supplies, facilities, operations, and water management, subject to terms of the Activity Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the true and correct facts recited above, and of the covenants, terms, and conditions set forth herein, the Authority and the Non-Member Participating Party agree as follows:

Section 1. The Non-Member Participating Party hereby agrees to be bound by and to perform the obligations of Non-Member Participating Parties established under the Activity Agreement, and the Authority agrees that the Non-Member Participating Party so agreeing and performing shall have the rights and be entitled to share in the benefits of the activities under the Healthy Rivers and Landscapes Program Implementation Funding Activity Agreement on the terms and conditions described in the Activity Agreement.

Section 2. The Authority and the Non-Member Participating Party acknowledge and agree that although the Non-Member Participating Party is not a signatory to the Activity

Agreement, the Non-Member Participating Party shall be, in all respects, entitled to participation in activities as described in the Activity Agreement.

Section 3. Miscellaneous Provisions.

3.1. Amendments. This MOA may be amended in writing by the Authority and the Non-Member Participating Party.

3.2. Assignment; Binding on Successors. Except as otherwise provided in this MOA, the rights and duties of the Non-Member Participating Party may not be assigned or delegated without the written consent of the Authority. Any attempt to assign or delegate such rights or duties in contravention of this MOA shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect. This MOA shall inure to the benefit of, and be binding upon, the successors and assigns of the Authority and the Non-Member Participating Party.

3.3. Counterparts. This MOA may be executed by the Authority and the Non-Member Participating Party in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

3.4. Governing Law. This MOA shall be governed by the laws of the State of California.

3.5. Severability. If one or more clauses, sentences, paragraphs or provisions of this MOA shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Non-Member Participating Party and the Authority that the remainder of the Activity Agreement shall not be affected thereby.

3.6. Headings. The titles of sections of this MOA are for convenience only and no presumption or implication of the intent of the Non-Member Participating Party and the Authority to the construction of this MOA shall be drawn therefrom.

IN WITNESS WHEREOF, the Authority and the Non-Member Participating Party have executed this Memorandum of Agreement as of the date first above written.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

Revisions Made Post-3/3/2025 FAC Meeting

By: _____

Name: _____

Title: _____

Date: _____

NON-MEMBER PARTICIPATING PARTY

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT “C”

**FORM OF MEMORANDA OF AGREEMENT WITH
SAN JOAQUIN RIVER EXCHANGE CONTRACTORS WATER AUTHORITY**

This MEMORANDUM OF AGREEMENT FOR HEALTHY RIVERS AND LANDSCAPES PROGRAM IMPLEMENTATION FUNDING (“**MOA**”) is made effective as of _____ (the “**Effective Date**”), by and between the San Luis & Delta-Mendota Water Authority, a joint powers agency of the State of California (“**Authority**”), and the San Joaquin River Exchange Contractors Water Authority, a California Joint Powers Authority, on behalf of its member entities Central California Irrigation District, San Luis Canal Company, Columbia Canal Company, and Firebaugh Canal Water District (collectively hereafter, “**Non-Member Participating Party**”). Unless expressly and differently defined in this MOA, capitalized terms used in this MOA shall have the meanings set forth in Section 2 of Appendix 1 to this MOA, a copy of which is attached hereto and by this reference incorporated herein.

1. RECITALS

a. The Authority and certain of its member agencies have entered into that certain Healthy Rivers & Landscapes Program Implementation Funding Activity Agreement (the “**Activity Agreement**”) to provide the contractual basis for the Activity Agreement Members in conjunction with Non-Member Participating Parties (together, the “**Activity Participants**”) to participate through the Authority in the Healthy Rivers & Landscapes Program (“**HRL Program**”), and to govern the Authority’s collection of the up to \$10/acre-foot (“**AF**”) HRL charge.

b. The Non-Member Participating Party is not a member of the Authority but is a City, County, local agency, mutual water company, or other entity that is not a member of the Authority but which by execution of an MOA agrees to undertake the same obligations and is accorded the same benefits as a member of the Authority that has executed this Activity Agreement.

c. The Non-Member Participating Party has the power to enter into agreements with other public agencies or private entities, including for purposes of paying a \$1/AF HRL charge for each AF of Exported Water.

d. The Activity Agreement contemplates that the “Activity Participants” under the Activity Agreement shall be comprised of the Activity Agreement Members, this Non-Member Participating Party, and all other entities participating through separate Memoranda of Agreement that contain substantially the same terms as contained in this Memorandum of Agreement, except as expressly set forth below.

e. The objective of the Non-Member Participating Party under this Memoranda of Agreement is to provide the contractual basis for the Authority to collect a charge of \$1/AF HRL charge for each acre-foot of water delivered via the Delta-Mendota Canal to the members of the Non-Member Participating Party, which will in turn lead to the Non-Member Participating Party (including its Member Entities, Central California Irrigation District, San Luis Canal Company, Firebaugh Canal Water District, and Columbia Canal Company) being deemed a “Covered Entity,” or “Covered Entities,” defined in HRL Program documents as “entities who hold water rights within, or contracts for water supplies from, the Bay-Delta watershed and are identified as Covered Entities in the applicable Enforcement Agreement.” Covered Entity status will ensure the Activity Participants receive regulatory assurances for implementation of the measures that are part of the HRL Program, in that the State Water Board will not seek additional flow or financial contributions from Covered Entities for the purpose of implementation of water quality objectives included in the Bay-Delta Plan or related purposes.

f. The Non-Member Participating Party expressly intends that neither the Authority nor the Activity Agreement Members or other entities participating through their separate Memoranda of Agreement will have the authority to limit or interfere with the respective participants’ rights and authorities over their own internal matters, including but not limited to, an Activity Participant’s surface water supplies, groundwater supplies, facilities, operations, and water management, subject to terms of the Activity Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the true and correct facts recited above, and of the covenants, terms, and conditions set forth herein, the Authority and the Non-Member Participating Party agree as follows:

Section 1. The Non-Member Participating Party hereby agrees to be bound by and to perform the obligations of Non-Member Participating Parties established under the Activity Agreement, except:

1.1. Pursuant to this MOA, the Authority shall be authorized to collect and allocate from the Non-Member Participating Party a \$1/AF HRL charge for each acre foot delivered to the members of the Non-Member Participating Party pursuant to the Second Amended Exchange Contract via the Delta-Mendota Canal, and not \$10/AF.

1.2. This MOA shall take effect on _____ (“Effective Date”) and shall remain in full force and effect until: (1) this MOA is rescinded or terminated by the Authority and the Non-Member Participating Party.

The Authority agrees that the Non-Member Participating Party (and its Member Entities) so agreeing and performing shall have the rights and be entitled to share in the benefits of the activities under the Healthy Rivers and Landscapes Program Implementation Funding Activity Agreement on the terms and conditions described in the Activity Agreement.

Section 2. The Authority and the Non-Member Participating Party acknowledge and agree that although the Non-Member Participating Party is not a signatory to the Activity Agreement, the Non-Member Participating Party shall be, in all respects, entitled to participation in activities as described in the Activity Agreement.

Section 3. Miscellaneous Provisions.

3.1. Amendments. This MOA may be amended in writing by the Authority and the Non-Member Participating Party.

3.2. Assignment; Binding on Successors. Except as otherwise provided in this MOA, the rights and duties of the Non-Member Participating Party may not be assigned or delegated without the written consent of the Authority. Any attempt to assign or delegate such rights or duties in contravention of this MOA shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect. This MOA shall inure to the benefit of, and be binding upon, the successors and assigns of the Authority and the Non-Member Participating Party.

3.3. Counterparts. This MOA may be executed by the Authority and the Non-Member Participating Party in separate counterparts, each of which when so executed and delivered

shall be an original, but all such counterparts shall together constitute but one and the same instrument.

3.4. Governing Law. This MOA shall be governed by the laws of the State of California.

3.5. Severability. If one or more clauses, sentences, paragraphs or provisions of this MOA shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Non-Member Participating Party and the Authority that the remainder of the Activity Agreement shall not be affected thereby.

3.6. Headings. The titles of sections of this MOA are for convenience only and no presumption or implication of the intent of the Non-Member Participating Party and the Authority to the construction of this MOA shall be drawn therefrom.

IN WITNESS WHEREOF, the Authority and the Non-Member Participating Party have executed this Memorandum of Agreement as of the date first above written.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

By: _____

Name: _____

Title: _____

Date: _____

NON-MEMBER PARTICIPATING PARTY

By: _____

Name: _____

Title: _____

Date: _____