AGREEMENT TO ASSIGN OPERATION AND MAINTENANCE SERVICES ASSOCIATED WITH THE GRASSLAND BYPASS PROJECT BETWEEN PANOCHE DRAINAGE DISTRICT AND GRASSLAND BASIN AUTHORITY

This Agreement to Assign Operation and Maintenance Services Associated with the Grassland Bypass Project ("Assignment") is entered into by and between Grassland Basin Authority, a California joint powers authority established pursuant to Government Code section 6500 et seq. ("GBA") and Panoche Drainage District, a public agency of the State of California ("Panoche"). GBA and Panoche may be collectively referred to herein as the "Parties" or individually as "Party."

WHEREAS, the United States Department of the Interior, Bureau of Reclamation ("Reclamation") and the San Luis & Delta Mendota Water Authority ("Authority") have entered into a series of use agreements (in 1995, 2001, 2010, 2019, and 2020), pursuant to which the Authority is authorized to use the portion of the San Luis Drain needed to carry out the Grassland Bypass Project and is required to perform certain operation and maintenance ("O&M") of that portion of the San Luis Drain; and

WHEREAS, the Authority is responsible for the O&M of the portion of the San Luis Drain as described in items 1 through 5 of Section 5.7.1 of Exhibit D to that certain January 14, 2020 Agreement to Transfer the Operation, Maintenance and Replacement and Certain Financial and Administrative Activities Related to the San Luis and Delta-Mendota Canals, Tracy Pumping and O'Neill Pumping/Generating Plant, San Luis Drain and Associated Works between the United States of America and the Authority, Contract No. 8-07-20-X0354, ("Transfer Agreement"); and

WHEREAS, the 2020 Transfer Agreement, which succeeded a 1998 Transfer Agreement between Reclamation and the Authority, provided the mechanism by which the Authority became responsible for O&M of that portion of the San Luis Drain needed to carry out the Grassland Bypass Project; and

WHEREAS, the Authority obtained easements and/or grants of right-of-way and constructed an earthen channel and check structures that control and convey drainage to an inlet structure of the San Luis Drain (the "Grassland Bypass Canal"); and

WHEREAS, the Grassland Bypass Canal is an Authority facility and is not subject to any of the above referenced Use Agreements or Transfer Agreement; and

WHEREAS, on December 12, 1996, Panoche entered into two separate agreements with the Authority to provide O&M services for facilities associated with the San Luis Drain and the Grassland Bypass Canal; and

WHEREAS, under the "Agreement between the San Luis & Delta Mendota Water Authority and the Panoche Drainage District for the Provision of Operation and Maintenance Activities on the Grassland Bypass Canal for Purposes of the Grassland Bypass Channel Project," (hereinafter referred to as the "Grassland Bypass Canal Agreement") a true and correct copy of which is attached hereto as **Exhibit A**, Panoche agreed to provide "all operation and maintenance services, except for biological monitoring services, required to operate and maintain Mud Slough and the Grassland Bypass Canal"; and

WHEREAS, under the "Agreement between the San Luis & Delta-Mendota Water Authority and the Panoche Drainage District for the Provision of Supplemental O&M Activities on the San Luis Drain for Purposes of the Grassland Bypass Channel Project," (hereinafter referred to as the "San Luis Drain Agreement") a true and correct copy of which is attached hereto as **Exhibit B**, Panoche agreed to provide all O&M services, except for biological monitoring services, necessary to be performed on the San Luis Drain in order to carry out the Grassland Bypass Project; and

WHEREAS, under the Grassland Bypass Canal Agreement and the San Luis Drain Agreement, Panoche agreed to provide the O&M services specified therein and the Authority agreed to reimburse Panoche for "all payroll, equipment charges, costs of materials or services, power costs, and administrative costs, including but not limited to insurance costs" incurred by Panoche pursuant to the agreements; and

WHEREAS, in 2002, Panoche and the Authority negotiated an Addendum to the San Luis Drain Agreement (hereinafter "San Luis Drain Addendum"); and

WHEREAS, the Authority approved the San Luis Drain Addendum on March 7, 2002, a true and correct copy of the San Luis Drain Addendum approved by the Authority is attached hereto as **Exhibit C**[1]; and

WHEREAS, pursuant to the San Luis Drain Addendum, Panoche agreed to provide "Baseline O&M Services" as set forth in the Addendum in addition to the O&M services set forth in the San Luis Drain Agreement; and

WHEREAS, Panoche desires to assign its obligations, rights, and interest in and to the Grassland Bypass Canal Agreement, San Luis Drain Agreement, and San Luis Drain Addendum to GBA (collectively "Agreements and Addendum"), and GBA agrees to assume Panoche's obligations, rights, and interest in and to the Agreements and Addendum pursuant to the terms of this assignment; and

WHEREAS, the Authority consents to this Assignment.

[1] Neither the Authority nor Panoche have an executed copy of the San Luis Drain Addendum.

NOW THEREFORE, in consideration of the facts stated in the recitals above, the Parties agree and assign rights as hereinafter set forth according to the following terms and conditions:

1. Panoche hereby assigns to GBA all of Panoche's obligations, rights, and interest in and to the Agreements and Addendum, attached hereto as Exhibits A, B, and C.

2. By this Assignment, Panoche delegates to GBA all of Panoche's duties and obligations of performance under the Agreements and Addendum.

3. By accepting this Assignment, GBA agrees to perform all of Panoche's obligations, and assume Panoche's rights and interest in and to the Agreements and Addendum, as if GBA had been an original party to the Agreements and Addendum.

4. In accepting this Assignment, GBA agrees that there will be no change in the O&M activities performed pursuant to the Agreements and Addendum as a result of this Assignment.

5. This Assignment is conditioned upon the consent thereto by the Authority as herein provided below.

6. The Authority shall be a third party beneficiary of this Assignment and this Assignment shall not be assigned, amended, modified or terminated without the prior written consent of the Authority.

7. This Assignment results, in effect, in GBA entering into two agreements with the Authority for the provision of the certain O&M activities described herein; nothing in this Assignment in any way alters, changes, or amends any rights or interest, or assigns or transfers any right or interest, under the Authority's Transfer Agreement with Reclamation.

8. This Assignment shall be binding upon and inure to the benefit of the Parties hereto, their respective successors and transferees.

9. This Assignment shall be governed by and construed in accordance with California law.

10. This Assignment may be executed in one or more counterparts. All counterparts so executed shall constitute one contract, binding on all parties, even though all parties are not signatures to the same counterpart.

IN WITNESS WHEREOF, the Parties hereto have executed this Assignment on the date indicated by each signature below.

GRASSLAND BASIN AUTHORITY

By: _____
David Cory
President, Board of Directors

PANOCHE DRAINAGE DISTRICT

By: _____
Aaron Barcellos
President, Board of Directors

CONSENT TO ASSIGNMENT

The San Luis & Delta-Mendota Water Authority hereby consents to the foregoing Assignment subject to the terms and conditions stated therein.

Dated this _____ day of _____, 2025.

San Luis & Delta-Mendota Water Authority

By: _____
Cannon Michael
Chair, Board of Directors

EXHIBIT A

AGREEMENT BETWEEN THE
SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
AND THE PANOCHE DRAINAGE DISTRICT
FOR THE PROVISION OF OPERATION & MAINTENANCE ACTIVITIES
ON THE GRASSLAND BYPASS CANAL FOR PURPOSES
OF THE GRASSLAND BYPASS CHANNEL PROJECT

This Agreement, made this 12th day of December, 1996, by and between the SAN LUIS & DELTA-MENDOTA WATER AUTHORITY (the "Authority"), acting for and on behalf of its members and certain other parties participating in the Grassland Bypass Channel Project through the Grassland Basin Drainage Management Activity Agreement and related Memoranda of Understanding, and the PANOCHE DRAINAGE DISTRICT, (the "PDD") a public agency of the State of California.

RECITALS

A. The Authority has entered in to that certain Use Agreement for the San Luis Drain with the United States for the Grassland Bypass Channel Project.

B. The Authority has obtained easements or grants of right-of-way and has reconstructed or constructed an earthen channel and check structures (the "Grassland Bypass Canal") to control and convey the combined drainage of the PDD, Pacheco Water District, Charleston Drainage District, Broadview Water District, Firebaugh Canal Water District, Widren Water District, and Camp 13 Drainers from the point of confluence of drainage from these areas to the inlet structure on the San Luis Drain, which Grassland Bypass Canal must be operated and maintained in order to carry out the Grassland Bypass Channel Project.

C. The operation and maintenance activities required for the Grassland Bypass Canal consists primarily of 1) operational requirements consisting of daily patrol of the Grassland Bypass Canal to monitor water flow; daily adjustments of stoplogs at check structures to control water flow; and daily, weekly, monthly and quarterly water quality and biological monitoring; and 2) maintenance requirements consisting of excavation for silt and erosion control, spraying for weed control, riser and weir board maintenance, and road maintenance for accessibility.

D. The environmental commitments of the Finding of No Significant Impact for the Grassland Bypass Channel Project require that any operation and maintenance activities that have the potential to affect threatened or endangered species, as determined by consultation with the United States Fish & Wildlife Service, be conducted in accordance with such consultation.

E. The Authority has previously entered into an agreement to obtain professional services for biological monitoring required for the Grassland Bypass Channel Project.

F. The Authority and PDD are willing to enter into an agreement for PDD to provide the services required for the operation and maintenance of the Grassland Bypass Canal, except for the biological monitoring services, on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the facts stated in the recitals above and of the terms and conditions set forth below, the parties agree as follows:

Section 1. Term of Agreement. This Agreement shall be effective as of September 19, 1996, and shall remain in full force and effect for the duration of the Grassland Bypass Channel Project, or until 30 days after either party provides notice of its termination to the other party.

Section 2. O&M Services. PDD shall provide to the Authority all operation and maintenance services, except for biological monitoring services, required to operate and maintain Mud Slough and the Grassland Bypass Canal in accordance with the following:

2.1. Operational services shall include daily patrol of the Grassland Bypass Canal to monitor water flow; daily adjustments of stoplogs at check structures to control water flow; and daily, weekly, monthly and quarterly water quality monitoring.

2.2 Maintenance services shall include excavation for silt and erosion control, spraying for weed control, riser and weir board maintenance, and road maintenance for accessibility.

2.3 Any operation and maintenance activities that have the potential to affect threatened or endangered species shall be conducted in accordance with the consultation between the Bureau of Reclamation, the Authority, and the United States Fish & Wildlife Service.

2.4. For purposes of this agreement, the term "operation" or "operational" shall refer to those activities necessary for the conveying of water through the facilities or channels referred to herein. The parties acknowledge and agree that PDD shall have no authority or ability hereunder to operate the system in a manner that controls the quantity, quality, or sediment load of the water discharged into the channels operated hereunder, except for water discharged by PDD from lands within PDD, and said authority and ability to control the quantity,

quality or sediment load in water discharged into the channels operated hereunder shall remain with the parties to the Grassland Basin Drainage Management Activity Agreement and any Memoranda of Understanding executed in relation thereto actually making such discharges.

Section 3. Billing and Reimbursement. The PDD shall send invoices to the Authority monthly for reimbursement of all payroll, equipment charges, costs of materials or services, power costs, and administrative costs, including but not limited to any insurance costs, incurred by PDD pursuant to this Agreement, and the Authority shall promptly reimburse the PDD therefor from the Grassland Basin Drainage Management Activity Agreement Budget.

3.1. PDD shall bill the Authority for the cost of labor actually provided to the Authority, based upon records of the hours and nature of work performed each day, as noted on the timecards of the PDD personnel.

3.2. PDD shall bill the Authority for the cost of all equipment provided in accordance with the rate schedule for use of such equipment attached hereto as Exhibit "A" and by this reference incorporated herein. Such rate schedule may be amended from time to time; such amendments shall be attached hereto and upon attachment, shall amend this Agreement by incorporation herein. The hours of use for each item of equipment shall be as recorded on the operating personnel's daily time card.

3.3. PDD shall bill the Authority for all materials and services which are required for the purposes of this agreement by submitting the actual invoice cost for all such materials.

Section 4. Insurance. At all times during the term of this Agreement, PDD shall have in effect the following insurance, or such alternate insurance as may be required by the Authority from time to time.

4.1. General liability coverage for bodily injury, personal injury and property damage with a per occurrence/aggregate limit of at least $1 million/$2 million with the Authority named as an additional insured with the ISO CG 2010 endorsement form or equivalent, and automobile liability insurance with combined single limit per accident coverage for bodily injury and property damage int he amount of $1 million.

4.2. Workers' compensation coverage with limits as required by the Labor Code of the State of California, and employer's Liability limits of $1 million per accident.

Section 5. PDD Hold Harmless and Indemnification. PDD shall indemnify, defend and hold harmless the Authority and its officers, officials, employees and volunteers from and against all

claims, damages, losses and expenses, including attorneys' fees, arising out of PDD's performance of its obligations hereunder; provided, that nothing herein contained shall impose on PDD, nor relieve the Authority, acting solely for and on behalf of the members of the Grassland Basin Drainage Management Activity Agreement and other participants in that agreement through memoranda of understanding, of liability for claims, damages, losses and expenses, including attorneys' fees, arising out of the active negligence, sole negligence, or willful misconduct of the Authority, its officers, officials, employees and volunteers; provided, further, that nothing contained herein shall be interpreted so as to give rise to a duty to indemnify, defend or hold harmless a party for breach of this Agreement.

Section 6. Authority Hold Harmless and Indemnification. The Authority, acting solely for and on behalf of the members of the Grassland Basin Drainage Management Activity Agreement and other participants in the Grassland Basin Drainage Management Activity Agreement, shall indemnify, defend and hold harmless the PDD and its officers, officials, employees and volunteers from and against all claims, damages, losses and expenses, including attorneys' fees, alleged to have arisen on account of PDD's activities under this Agreement relating to the management or removal of silt or sediment, or for the quantity or quality of water discharged into or from the Grassland Bypass Canal, into or from the San Luis Drain or into or from Mud Slough into the San Joaquin River in connection with the Grassland Bypass Channel Project.

Section 7. Compliance with Laws. In performing their respective duties hereunder, PDD and the Authority shall comply with all applicable laws and regulations of federal, state and local governments.

IN WITNESS WHEREOF, the parties have executed this Agreement on the year and first set forth above.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

By _____
C. W. JONES, Chairman

By _____
DANIEL G. NELSON, Secretary

PANOCHE DRAINAGE DISTRICT

By _____
MIKE LINNEMAN, President

By _____
MICHAEL STEARNS, Secretary

EXHIBIT "A"

PANOCHE WATER DISTRICT
EQUIPMENT RENTAL SCHEDULE (CONTRACT)

	EQUIPMENT W/OPERATOR	NUMBER
AUTO'S & AUTO'S & PICKUP'S	$ 4.00	
TRUCK'S		
1963 CHEVROLET SIDE DUMP	$ 22.00	#07
1952 CEVROLET SERVICE TRUCK	$ 18.00	#08
1953 STUDE BOOM TRUCK	$ 23.00	#09
1952 GMC DUMP TRUCK	$ 22.00	#12
FORD DUMP TRUCK	$ 22.00	#14
1980 FORD SERVICE TRUCK	$ 20.00	#16
1970 INTL FLAT BED TRUCK	$ 20.00	#18
1967 GMC DUMP TRUCK	$ 22.00	#20
1973 GMC SPRAY RIG	$ 22.00	#24SP
1959 GMC WATER TRUCK	$ 25.00	#28WT
1970 DODGE DUMP TRUCK	$ 22.00	#52
1985 GMC SPRAY RIG	$ 23.00	#53SP
1953 STUDE BOOM TRUCK	$ 23.00	#71
DRAGLINE		
LINKBELT PORTABLE 1/2 YARD (CLAM)	$ 50.00	#48C
(FORK)	$ 50.00	#48F
TRACTOR'S		
1946 D-4 CAT DOZER	$ 35.00	#13
1946 D7 CAT DOZER	$ 45.00	#14
1966 F-606 DIESEL WHEEL TRACTOR	$ 25.00	#15
1946 CAT GRADER #12	$ 32.00	#17
1983 JOHN DEERE GRADER	$ 37.00	#27
1971 CAT GRADER W / RIPPER	$ 37.00	#28
1962 CHAMPION FORK LIFT	$ 22.00	#31FL
1944 GALLION ROLLER	$ 22.00	#38
1982 CASE BACKHOE	$ 42.00	#46BH
1967 CLARK FORKLIFT	$ 20.00	#62FL
1966 JOHN DEERE W / ELEVATING SCRAPER	$ 40.00	#760JD
1966 HYSTER FORK LIFT	$ 23.00	#69
1980 CASE BACKHOE	$ 42.00	#70
JOHN DEERE LOADER	$ 38.00	#72
MISCELLANEOUS		
WEED BURNER FUEL INCLUDED	$ 18.00	#35BR
SULLAIR AIR COMPRESSOR	$ 6.60	#37
GORMAN RUPP PUMP TRAILER MOUNTED	$ 6.00	#64
ECONOLINE TRAILER	$ 6.00	#32

(REVISED 11/21/95)

PANOCHE WATER DISTRICT
EQUIPMENT RENTAL SCHEDULE (CONTRACT)

	EQUIPMENT W/O OPERATOR	NUMBER
AUTO'S & AUTO'S & PICKUP'S	$ 4.00	
TRUCK'S		
1963 CHEVROLET SIDE DUMP	$ 6.00	# 07
1952 CEVROLET SERVICE TRUCK	$ 4.00	# 08
1953 STUDE BOOM TRUCK	$ 9.00	# 09
1952 GMC DUMP TRUCK	$ 6.00	# 12
FORD DUMP TRUCK	$ 6.00	# 14
1980 FORD SERVICE TRUCK	$ 5.00	# 16
1970 INTL FLAT BED TRUCK	$ 4.00	# 18
1967 GMC DUMP TRUCK	$ 9.00	# 20
1973 GMC SPRAY RIG	$ 5.00	# 24SP
1959 GMC WATER TRUCK	$ 10.00	# 28WT
1970 DODGE DUMP TRUCK	$ 6.00	# 52
1965 GMC SPRAY RIG	$ 5.00	# 53SP
1953 STUDE BOOM TRUCK	$ 9.00	# 71
DRAGLINE		
LINKBELT PORTABLE 1/2 YARD (CLAM)	$ 32.00	# 48C
(FORK)	$ 32.00	# 48F
TRACTOR'S		
1946 D-4 CAT DOZER	$ 12.00	# 13
1946 D7 CAT DOZER	$ 13.00	# 14
1966 F-606 DIESEL WHEEL TRACTOR	$ 4.00	# 15
1946 CAT GRADER #12	$ 20.00	# 17
1983 JOHN DEERE GRADER	$ 21.00	# 27
1971 CAT GRADER W / RIPPER	$ 21.00	# 28
1962 CHAMPION FORK LIFT	$ 8.00	# 31FL
1944 GALLION ROLLER	$ 4.00	# 38
1982 CASE BACKHOE	$ 20.00	# 46BH
1967 CLARK FORKLIFT	$ 6.00	# 62FL
1966 JOHN DEERE W / ELEVATING SCRAPER	$ 30.00	# 760JD
1966 HYSTER FORK LIFT	$ 8.00	# 69
1980 CASE BACKHOE	$ 20.00	# 70
JOHN DEERE LOADER	$ 20.00	# 72
MISCELLANEOUS		
WEED BURNER FUEL INCLUDED	$ 4.00	# 35BR
SULLAIR AIR COMPRESSOR	$ 5.00	# 37
GORMAN RUPP PUMP TRAILER MOUNTED	$ 5.00	# 64
ECONOLINE TRAILER	$ 6.00	# 32

(REVISED 11/21/95)

AUTO & TRUCK INVENTORY

EQ NO	DESCRIPTION	YEAR MODEL	IDENTIFICATION	LICENSE NUMBER	RADIO NUMBER
#01	OLDS DELTA 88 4 DOOR	1984	1G3N69YXEM740432	E454730	NONE
#02	CHEV 1/2 TON PICKUP	1993	1GCDC14H9PZ132047	E293911	22740
#03	CHEV 1/2 TON PICKUP	1995	1GCEC14HXSZ237547	E028503	27656
#04	CHEV 1/2 TON PICKUP	1993	1HVFV14HPZ138749	E293910	6110968
#05	FORD 1/2 TON 4x4 PICKUP	1981	1FTDF14G2BRA13246	E759633	
#06	FORD BRONCO	1986	1FMDU15N9GLA73968	E020630	28237
#07	CHEV 2.0 TON DUMP TRUC	1963	3C6530123227	E500704	NONE
#08	CHEV 1 1/2 TON FLAT BED	1952	KEA5289951	E96301	NONE
#09	STUDE 2 1/2 TON BOOM	1953	1331193842	E105053	NONE
#10	MERC GRAND MARQ 4 DR	1992	2MELM75EIN758430	E372734	372734
#11	CHEV 1/2 TON 4X4 PICKUP	1992	1GCEK14H1NZ166598	E299670	27727
#12	GMC 2 1/2 TON DUMP	1952	30220970	E147984	NONE
#14	FORD 2 1/2 TON DUMP	1981	1FDYN8DK2BVJ42823	E030605	NONE
#16	FORD 1 TON FLAT SERV	1980	F-37GRHG0195	E742199	2684
#18	INTL 2.0 TON FLAT BED	1970	426060G91932	E548801	NONE
#19	INTL 2.0 TON FLAT BED	1946	K713746	E105050	NONE
#20	GMC 2 1/2 TON DUMP 10 WI	1967	JM86770AD2343K	E50979C	NONE
#21	GMC 1/2 TON JIMMY BLAZE	1978	TKR188Z523708	E001304	26777
#22	GMC 2 1/2 TON DUMP	1972	TCE53WV534888	E598169	NONE
#23	FORD 1/2 TON PICKUP	1994	1ETEF15N2RNA09927	E006375	27549
#24	GMC 1 1/2 TON SPRAY RIG	1973	TCM61V610881	E624747	NONE
#25	CHEV 1/2 TON PICKUP	1990	1GCDC14Z61Z236143	E295410	22831
#26	OLDS CUTLESS 4 DR SDN	1986	JG3GR69A7GR353618	E291755	NONE
#28	GMC 2 1/2 TON WATER TRU	1959	FMW5598ES2110K	E263020	NONE
#41	INTL 2.0 TPM SERVICE TR	1951	A1063	E604074	NONE
#44	DODGE 1/2 TON PWR WGN	1952	88767122	E149257	NONE
#52	DODGE 2 1/2 TON DUMP	1970	061FGJ2106328	E476957	NONE
#53	GMC 1/2 TON SPRAY RIG	1989	GTEC14H1LK562659	E270083	27735
#60	FORD 1/2 TON PICKUP	1991	2FTEF15NXMCA23234	E342539	27658
#68	DODGE 1/2 TON DAKOTA PU	1990	1B7FL23X5LS733367	E006374	22783
#71	STUDE 2 1/2 TON BOOM TR	1953	M324611	E358607	NONE
#73	YAMAHA ATV	1989	JY43HPW05KC00KK86	E23K68	NONE

REVISED OCTOBER 31, 1995

HEAVY DUTY EQUIPMENT LIST

EQUIP NO	DESCRIPTION	YEAR MODEL	EQUIPMENT IDENTIFICATION	LICENSE NUMBER
#13	CATERILLAR D-4 DOZER	1946	2T93573	NONE
#15	INTL F-606 TRACTOR	1966	2353 MACH 7141	NONE
#17	CATERILLAR GRADER	1946	8T15425 #12 MOTOR PATROL	NONE
#27	JOHN DEERE GRADER	1983	SN-403985 MOD 672A	NONE
#28	CATERPILLAR GRADER W/RIP	1971	89H799 SERIES 508204	NONE
#30T	TRIALER 2 AXLE 1/2 TON	N/A		NONE
#31	CHAMPION FORK LIFT	1962	CC1156	E628972
#32	ECONOLINE TRAILER	1995	42EDPHF45T1001141	E946871
#33	WELDING TRAILER	1968	CA112682	E310598
#34	PUMP OIL TRAILER	1968	CA1121683	E310576
#36	TRAILER TILT BED	N/A	TD -5- SP - DC23201	NONE
#37	JAGER AIR COMPRESSOR	N/A		NONE
#38	GALLION ROLLER	N/A	F226F7903 MOD T-5631193	NONE
#46	CASE BACKHOE W/LOADER	1982	9053448 5435471 MOD 580	NONE
#48	LINKBELT PORTABLE DRAGLI	1969	781925G322376 20-T-500	E538075
#48T	DRAGLINE FORK TRAILER	N/A	DR1065536T	E304837
#51	GMC DIESEL STATIONARY PUI	N/A	F-3073-4	NONE
#54T	TRAILER 2 WHEEL CARGO 3/4	N/A	S/N 4231	E323234
#56	TOWNER DISC	1981	G-1237 510-262	NONE
#59T	TRAILER 2 AXLE 3/4 TON	1952	S/N 223041	NONE
#61	COMPRESSOR SULLAIR MOD	1993	S/N 004111618	NONE
#62	CLARK FORK LIFT	1967	S/N 44387 MODEL 1689951	NONE
#63	TRAILER LAWN AND GARDEN	1991	HERKY GONSALVES MODEL	E310576
#64	TRAILER PUMP MOUNTED 4"	N/A	GOMAN RUPP PUMP W/DIESE	NONE
#65	CONSTR MACHINE DUAL 8" PL	N/A	S/N 764829 MODEL # 14A2	NONE
	TRAILER MOUNTED W/DIESEL	N/A	ENGINE TYPE 10541 S/N 411014	
#66	COMPRESSOR WESTINGHOUSE			
#69	HYSTER FORK LIFT	1966	C6D4634L	NONE
#70	CASE BACKHOE W/LOADER	1980	9004601	E282039
#72	JOHN DEERE LOADER	1973	EB3T/096704T MOD 544-A	
#74	10" PORTABLE PUMP 3 POINT HOOK UP	1994	14085	
#760	JOHN DEERE W/ELEV SCRAPE	1966	373 RO15906 MOD 760 SCRAPER S/N 0011024	NONE

REVISED OCTOBER 31, 1995

EXHIBIT B

AGREEMENT BETWEEN THE
SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
AND THE PANOCHE DRAINAGE DISTRICT
FOR THE PROVISION OF SUPPLEMENTAL O&M ACTIVITIES
ON THE SAN LUIS DRAIN FOR PURPOSES
OF THE GRASSLAND BYPASS CHANNEL PROJECT

This Agreement, made this 12th day of December, 1996, by and between the SAN LUIS & DELTA-MENDOTA WATER AUTHORITY (the "Authority"), acting for and on behalf of its members and certain other parties participating in the Grassland Bypass Channel Project through the Grassland Basin Drainage Management Activity Agreement and related Memoranda of Understanding, and the PANOCHE DRAINAGE DISTRICT, (the "PDD") a public agency of the State of California.

RECITALS

A. The Authority has entered in to that certain Use Agreement for the San Luis Drain with the United States for the Grassland Bypass Channel Project.

B. In accordance with the Use Agreement, the Authority has prepared that certain San Luis Drain Supplemental O&M Plan describing supplemental operation and maintenance activities necessary to be performed on the San Luis Drain in order to carry out the Grassland Bypass Channel Project.

C. The San Luis Drain Supplemental O&M Plan consists primarily of 1) operational requirements consisting of daily patrol of the San Luis Drain from Check 19 to the terminus of the Drain to monitor water flow; daily adjustments of stoplogs at check structures to control water flow; and daily, weekly, monthly and quarterly water quality and biological monitoring; and 2) maintenance requirements consisting of maintenance of wood stoplogs located at the inlet structure located at San Luis Drain Milepost 105.72 and the outlet drop structure located at San Luis Drain Milepost 78.64.

D. The environmental commitments of the Finding of No Significant Impact for the Grassland Bypass Channel Project require that any operation and maintenance activities that have the potential to affect threatened or endangered species, as determined by consultation with the United States Fish & Wildlife Service, be conducted in accordance with such consultation.

E. The Authority has previously entered into an agreement to obtain professional services for biological monitoring required for

the San Luis Drain Supplemental O&M Plan.

F. The Authority and PDD are willing to enter into an agreement for PDD to provide the services required for the San Luis Drain Supplemental O&M Plan, except for the biological monitoring services, on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the facts stated in the recitals above and of the terms and conditions set forth below, the parties agree as follows:

Section 1. Term of Agreement. This Agreement shall be effective as of September 19, 1996, and shall remain in full force and effect for the duration of the Grassland Bypass Channel Project, or until 30 days after either party provides notice of its termination to the other party.

Section 2. O&M Services. PDD shall provide to the Authority all O&M Services, except for biological monitoring services, required to implement the San Luis Drain Supplemental O&M Plan.

2.1.. Operational services shall include daily patrol of the San Luis Drain from Check 19 to the terminus of the Drain to monitor water flow; daily adjustments of stoplogs at check structures to control water flow; and daily, weekly, monthly and quarterly water quality and biological monitoring.

2.2 Maintenance services shall include maintenance of wood stoplogs located at the inlet structure located at San Luis Drain Milepost 105.72 and the outlet drop structure located at San Luis Drain Milepost 78.64.

2.3. Any operation and maintenance activities that have the potential to affect threatened or endangered species shall be conducted in accordance with the consultation between the Bureau of Reclamation, the Authority, and the United States Fish & Wildlife Service.

2.4. For purposes of this agreement, the term "operation" or "operational" shall refer to those activities necessary for the conveying of water through the facilities or channels referred to herein. The parties acknowledge and agree that PDD shall have no authority or ability hereunder to operate the system in a manner that controls the quantity, quality, or sediment load of the water discharged into the San Luis Drain, except for water discharged by PDD from lands within PDD, and said authority and ability to control the quantity, quality or sediment load in water discharged into the San Luis Drain operated hereunder shall remain with the parties to the Grassland Basin Drainage

Management Activity Agreement and any Memoranda of Understanding executed in relation thereto actually making such discharges.

Section 3. Billing and Reimbursement. The PDD shall send invoices to the Authority monthly for reimbursement of all payroll, equipment charges, costs of materials or services, power costs, and administrative costs, including but not limited to any insurance costs, incurred by PDD pursuant to this Agreement, and the Authority shall promptly reimburse the PDD therefor from the Grassland Basin Drainage Management Activity Agreement Budget.

3.1. PDD shall bill the Authority for the cost of labor actually provided to the Authority, based upon records of the hours and nature of work performed each day, as noted on the timecards of the PDD personnel.

3.2. PDD shall bill the Authority for the cost of all equipment provided in accordance with the rate schedule for use of such equipment attached hereto as Exhibit "A" and by this reference incorporated herein. Such rate schedule may be amended from time to time; such amendments shall be attached hereto and upon attachment, shall amend this Agreement by incorporation herein. The hours of use for each item of equipment shall be as recorded on the operating personnel's daily time card.

3.3. PDD shall bill the Authority for all materials and services which are required for the purposes of this agreement by submitting the actual invoice cost for all such materials.

Section 4. Insurance. At all times during the term of this Agreement, PDD shall have in effect the following insurance, or such alternate insurance as may be required by the Authority from time to time.

4.1. General liability coverage for bodily injury, personal injury and property damage with a per occurrence/aggregate limit of at least $1 million/$2 million with the Authority named as an additional insured with the ISO CG 2010 endorsement form or equivalent, and automobile liability insurance with combined single limit per accident coverage for bodily injury and property damage int he amount of $1 million.

4.2. Workers' compensation coverage with limits as required by the Labor Code of the State of California, and employer's Liability limits of $1 million per accident.

Section 5. PDD Hold Harmless and Indemnification. PDD shall indemnify, defend and hold harmless the Authority and its officers, officials, employees and volunteers from and against all claims, damages, losses and expenses, including attorneys' fees, arising out of PDD's performance of its obligations hereunder; provided, that nothing herein contained shall impose on PDD, nor

relieve the Authority, acting solely for and on behalf of the members of the Grassland Basin Drainage Management Activity Agreement and other participants in that agreement through memoranda of understanding, of liability for claims, damages, losses and expenses, including attorneys' fees, arising out of the active negligence, sole negligence, or willful misconduct of the Authority, its officers, officials, employees and volunteers; provided, further, that nothing contained herein shall be interpreted so as to give rise to a duty to indemnify, defend or hold harmless a party for breach of this Agreement.

Section 6. Authority Hold Harmless and Indemnification. The Authority, acting solely for and on behalf of the members of the Grassland Basin Drainage Management Activity Agreement and other participants in the Grassland Basin Drainage Management Activity Agreement, shall indemnify, defend and hold harmless the PDD and its officers, officials, employees and volunteers from and against all claims, damages, losses and expenses, including attorneys' fees, alleged to have arisen on account of PDD's activities under this Agreement relating to the management or removal of silt or sediment, or for the quantity or quality of water discharged into or from the San Luis Drain or from Mud Slough into the San Joaquin River in connection with the Grassland Bypass Channel Project.

Section 7. Compliance with Laws. In performing their respective duties hereunder, PDD and the Authority shall comply with all applicable laws and regulations of federal, state and local governments.

IN WITNESS WHEREOF, the parties have executed this Agreement on the year and first set forth above.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

By _____
C. W. JONES, Chairman

By _____
DANIEL G. NELSON, Secretary

PANOCHE DRAINAGE DISTRICT

By _____
MIKE LINNEMAN, President

By _____
MICHAEL STEARNS, Secretary

EXHIBIT "A"

PANOCHE WATER DISTRICT
EQUIPMENT RENTAL SCHEDULE (CONTRACT)

	EQUIPMENT W/OPERATOR	NUMBER
AUTO'S & AUTO'S & PICKUP'S	$ 4.00	
TRUCK'S		
1963 CHEVROLET SIDE DUMP	$ 22.00	# 07
1962 CEVROLET SERVICE TRUCK	$ 18.00	# 08
1963 STUDE BOOM TRUCK	$ 23.00	# 09
1952 GMC DUMP TRUCK	$ 22.00	# 12
FORD DUMP TRUCK	$ 22.00	# 14
1980 FORD SERVICE TRUCK	$ 20.00	# 16
1970 INTL FLAT BED TRUCK	$ 20.00	# 18
1967 GMC DUMP TRUCK	$ 22.00	# 20
1973 GMC SPRAY RIG	$ 22.00	# 24SP
1959 GMC WATER TRUCK	$ 26.00	# 28WT
1970 DODGE DUMP TRUCK	$ 22.00	# 52
1985 GMC SPRAY RIG	$ 23.00	# 53SP
1953 STUDE BOOM TRUCK	$ 23.00	# 71
DRAGLINE		
LINKBELT PORTABLE 1/2 YARD (CLAM)	$ 50.00	# 48C
(FORK)	$ 60.00	# 48F
TRACTOR'S		
1946 D-4 CAT DOZER	$ 35.00	# 13
1946 D7 CAT DOZER	$ 45.00	# 14
1968 F-606 DIESEL WHEEL TRACTOR	$ 25.00	# 15
1948 CAT GRADER #12	$ 32.00	# 17
1983 JOHN DEERE GRADER	$ 37.00	# 27
1971 CAT GRADER W / RIPPER	$ 37.00	# 28
1962 CHAMPION FORK LIFT	$ 22.00	# 31FL
1944 GALLION ROLLER	$ 22.00	# 38
1982 CASE BACKHOE	$ 42.00	# 46BH
1967 CLARK FORKLIFT	$ 20.00	# 62FL
1966 JOHN DEERE W / ELEVATING SCRAPER	$ 40.00	# 760JD
1966 HYSTER FORK LIFT	$ 23.00	# 69
1980 CASE BACKHOE	$ 42.00	# 70
JOHN DEERE LOADER	$ 38.00	# 72
MISCELLANEOUS		
WEED BURNER FUEL INCLUDED	$ 16.00	# 35BR
SULLAIR AIR COMPRESSOR	$ 6.60	# 37
GORMAN RUPP PUMP TRAILER MOUNTED	$ 6.00	# 64
ECONOLINE TRAILER	$ 6.00	# 32

(REVISED 11/21/95)

PANOCHE WATER DISTRICT
EQUIPMENT RENTAL SCHEDULE (CONTRACT)

	EQUIPMENT W/O OPERATOR	NUMBER
AUTO'S & AUTO'S & PICKUP'S	$ 4.00	
TRUCK'S		
1963 CHEVROLET SIDE DUMP	$ 6.00	# 07
1952 CEVROLET SERVICE TRUCK	$ 4.00	# 08
1953 STUDE BOOM TRUCK	$ 9.00	# 09
1952 GMC DUMP TRUCK	$ 6.00	# 12
FORD DUMP TRUCK	$ 6.00	# 14
1980 FORD SERVICE TRUCK	$ 5.00	# 16
1970 INTL FLAT BED TRUCK	$ 4.00	# 18
1967 GMC DUMP TRUCK	$ 9.00	# 20
1973 GMC SPRAY RIG	$ 5.00	# 24SP
1959 GMC WATER TRUCK	$ 10.00	# 28WT
1970 DODGE DUMP TRUCK	$ 6.00	# 52
1965 GMC SPRAY RIG	$ 5.00	# 53SP
1953 STUDE BOOM TRUCK	$ 9.00	# 71
DRAGLINE		
LINKBELT PORTABLE 1/2 YARD (CLAM)	$ 32.00	# 48C
(FORK)	$ 32.00	# 48F
TRACTOR'S		
1946 D-4 CAT DOZER	$ 12.00	# 13
1946 D7 CAT DOZER	$ 13.00	# 14
1966 F-606 DIESEL WHEEL TRACTOR	$ 4.00	# 15
1946 CAT GRADER #12	$ 20.00	# 17
1983 JOHN DEERE GRADER	$ 21.00	# 27
1971 CAT GRADER W / RIPPER	$ 21.00	# 28
1962 CHAMPION FORK LIFT	$ 8.00	# 31FL
1944 GALLION ROLLER	$ 4.00	# 38
1982 CASE BACKHOE	$ 20.00	# 48BH
1967 CLARK FORKLIFT	$ 6.00	# 62FL
1966 JOHN DEERE W / ELEVATING SCRAPER	$ 30.00	# 760JD
1966 HYSTER FORK LIFT	$ 8.00	# 69
1980 CASE BACKHOE	$ 20.00	# 70
JOHN DEERE LOADER	$ 20.00	# 72
MISCELLANEOUS		
WEED BURNER FUEL INCLUDED	$ 4.00	# 35BR
SULLAIR AIR COMPRESSOR	$ 5.00	# 37
GORMAN RUPP PUMP TRAILER MOUNTED	$ 5.00	# 64
ECONOLINE TRAILER	$ 6.00	# 32

(REVISED 11/21/95)

AUTO & TRUCK INVENTORY

EQ NO	DESCRIPTION	YEAR MODEL	IDENTIFICATION	LICENSE NUMBER	RADIO NUMBER
#01	OLDS DELTA 88 4 DOOR	1984	1G3N69YXEM740432	E454730	NONE
#02	CHEV 1/2 TON PICKUP	1993	1GCDC14H9PZ132047	E293911	22740
#03	CHEV 1/2 TON PICKUP	1995	1GCEC14HXSZ237547	E028503	27656
#04	CHEV 1/2 TON PICKUP	1993	1HVFV14HPZ138749	E293910	6110968
#05	FORD 1/2 TON 4x4 PICKUP	1981	1FTDF14G2BRA13246	E759633	
#06	FORD BRONCO	1986	1FMDU15N9GLA73968	E020630	28237
#07	CHEV 2.0 TON DUMP TRUC	1963	3C6530123227	E500704	NONE
#08	CHEV 1 1/2 TON FLAT BED	1952	KEA5289951	E96301	NONE
#09	STUDE 2 1/2 TON BOOM	1953	1331193842	E105053	NONE
#10	MERC GRAND MARQ 4 DR	1992	2MELM75EIN758430	E372734	372734
#11	CHEV 1/2 TON 4X4 PICKUP	1992	1GCEK14H1NZ166598	E299670	27727
#12	GMC 2 1/2 TON DUMP	1952	30220970	E147984	NONE
#14	FORD 2 1/2 TON DUMP	1981	1FDYN8DK2BVJ42823	E030605	NONE
#16	FORD 1 TON FLAT SERV	1980	F-37GRHG0195	E742199	2684
#18	INTL 2.0 TON FLAT BED	1970	426060G91932	E548801	NONE
#19	INTL 2.0 TON FLAT BED	1946	K713746	E105050	NONE
#20	GMC 2 1/2 TON DUMP 10 WI	1967	JM86770AD2343K	E50979C	NONE
#21	GMC 1/2 TON JIMMY BLAZE	1978	TKR188Z523708	E001304	26777
#22	GMC 2 1/2 TON DUMP	1972	TCE53WV534688	E598169	NONE
#23	FORD 1/2 TON PICKUP	1994	1ETEF15N2RNA09927	E006375	27549
#24	GMC 1 1/2 TON SPRAY RIG	1973	TCM61V610881	E624747	NONE
#25	CHEV 1/2 TON PICKUP	1990	1GCDC14Z61Z236143	E295410	22831
#26	OLDS CUTLESS 4 DR SDN	1986	JG3GR69A7GR353618	E291755	NONE
#28	GMC 2 1/2 TON WATER TRL	1959	FMW5598ES2110K	E263020	NONE
#41	INTL 2.0 TPM SERVICE TR	1951	A1063	E604074	NONE
#44	DODGE 1/2 TON PWR WGN	1952	88767122	E149257	NONE
#52	DODGE 2 1/2 TON DUMP	1970	061FGJ2106328	E476957	NONE
#53	GMC 1/2 TON SPRAY RIG	1989	GTEC14H1LK562659	E270083	27735
#60	FORD 1/2 TON PICKUP	1991	2FTEF15NXMCA23234	E342539	27658
#68	DODGE 1/2 TON DAKOTA PI	1990	1B7FL23X5LS733367	E006374	22783
#71	STUDE 2 1/2 TON BOOM TR	1953	M324611	E358607	NONE
#73	YAMAHA ATV	1989	JY43HPW05KC00KK86	E23K68	NONE

REVISED OCTOBER 31, 1995

HEAVY DUTY EQUIPMENT LIST

EQUIP NO	DESCRIPTION	YEAR MODEL	EQUIPMENT IDENTIFICATION	LICENSE NUMBER
#13	CATERILLAR D-4 DOZER	1946	2T93573	NONE
#15	INTL F-606 TRACTOR	1966	2353 MACH 7141	NONE
#17	CATERILLAR GRADER	1946	8T15425 #12 MOTOR PATROL	NONE
#27	JOHN DEERE GRADER	1983	SN-403985 MOD 672A	NONE
#28	CATERPILLAR GRADER W/RIP	1971	89H799 SERIES 508204	NONE
#30T	TRIALER 2 AXLE 1/2 TON	N/A		NONE
#31	CHAMPION FORK LIFT	1962	CC1156	E628972
#32	ECONOLINE TRAILER	1995	42EDPHF45T1001141	E948871
#33	WELDING TRAILER	1968	CA112682	E310598
#34	PUMP OIL TRAILER	1968	CA1121663	E310576
#36	TRAILER TILT BED	N/A	TD-5-SP-DC23201	NONE
#37	JAGER AIR COMPRESSOR	N/A		NONE
#38	GALLION ROLLER	N/A	F226F7903 MOD T-5631193	NONE
#46	CASE BACKHOE W/LOADER	1982	9053448 5435471 MOD 580	NONE
#48	LINKBELT PORTABLE DRAGLI	1969	781925G322376 20-T-500	E538075
#48T	DRAGLINE FORK TRAILER	N/A	DR1065536T	E304837
#51	GMC DIESEL STATIONARY PU	N/A	F-3073-4	NONE
#54T	TRAILER 2 WHEEL CARGO 3/4	N/A	S/N 4231	E323234
#56	TOWNER DISC	1981	G-1237 510-262	NONE
#59T	TRAILER 2 AXLE 3/4 TON	1952	S/N 223041	NONE
#61	COMPRESSOR SULLAIR MOD	1993	S/N 004111618	NONE
#62	CLARK FORK LIFT	1967	S/N 44387 MODEL 1669951	NONE
#63	TRAILER LAWN AND GARDEN	1991	HERKY GONSALVES MODEL	E310576
#64	TRAILER PUMP MOUNTED 4"	N/A	GOMAN RUPP PUMP W/DIESE	NONE
#65	CONSTR MACHINE DUAL 8" PL	N/A	S/N 764829 MODEL # 14A2	NONE
	TRAILER MOUNTED W/DIESEL	N/A	ENGINE TYPE 10541 S/N 411014	
#66	COMPRESSOR WESTINGHOUSE			
#69	HYSTER FORK LIFT	1966	C6D4634L	NONE
#70	CASE BACKHOE W/LOADER	1980	9004601	E282039
#72	JOHN DEERE LOADER	1973	EB3T/096704T MOD 544-A	
#74	10" PORTABLE PUMP 3 POINT HOOK UP	1994	14085	
#760	JOHN DEERE W/ELEV SCRAPE	1966	373 RO15906 MOD 760 SCRAPER S/N 0011024	NONE

REVISED OCTOBER 31, 1995

EXHIBIT C

REV. DRAFT 3-1-02

ADDENDUM TO AGREEMENT BETWEEN THE SAN LUIS & DELTA-MENDOTA WATER AUTHORITY AND THE PANOCHE DRAINAGE DISTRICT FOR THE PROVISION OF SUPPLEMENTAL O&M ACTIVITIES ON THE SAN LUIS DRAIN FOR PURPOSES OF THE GRASSLAND BYPASS CHANNEL PROJECT

This Addendum to that certain Agreement Between the San Luis & Delta-Mendota Water Authority and the Panoche Drainage District for the Provision of Supplemental O&M Activities on the San Luis Drain for Purposes of the Grassland Bypass Channel Project dated as of December 12, 1996 (the Agreement).

RECITALS

A. The San Luis & Delta-Mendota Water Authority (Authority) and the Panoche Drainage District (PDD) have entered into the Agreement setting forth the terms and conditions under which the PDD provides operation and maintenance activities necessary to implement the Authority's San Luis Drain Supplemental O&M Plan on that portion of the San Luis Drain utilized to carry out the Grassland Bypass Channel Project, described in the Agreement as the reach between Check 19 and the terminus at Mud Slough (North); and

B. The operation and maintenance services provided by PDD benefit, and are paid for by, members of the Authority and other Participating Parties who have entered into the Grassland Basin Drainage Management Activity Agreement (the Activity Agreement Members).

C. The Grassland Bypass Project has recently been continued for a new term of eight years, through December 31, 2009, and the Agreement concerning PDD's activities to implement the Authority's San Luis Drain Supplemental O&M Plan remains in effect.

D. The Authority and PDD now desire PDD to provide the baseline level of operation and maintenance functions for that portion of the San Luis Drain that is used for purposes of the Grassland Bypass Channel Project, as described in items 1 through 5 of Section 5.8.1 of Exhibit D to that certain Agreement to Transfer the Operation, Maintenance and Replacement and Certain Financial and Administrative Activities Related to the San Luis and Delta-Mendota Canals, Tracy Pumping and O'Neill Pumping/Generating Plant, San Luis Drain and Associated Works between the United States of America and the Authority, Contract No. 8-07-20-X0354 (the Transfer Agreement), a copy of said Exhibit D being attached hereto and by this reference incorporated

herein (the Baseline O&M).

E. The Authority is also obligated by the Transfer Agreement to perform certain administrative activities, such as processing requests for permits for encroachments or for use of the right-of-way on this portion of the San Luis Drain, the costs of which also constitute a portion of the Baseline O&M.

F. The Activity Agreement Members, acting through the Steering Committee of the Grassland Basin Drainage Management Activity Agreement, are willing to pay for services of PDD in performing the Baseline O&M, as well as the San Luis Drain Supplemental O&M Plan.

AGREEMENT

NOW, THEREFORE, in consideration of the facts stated in the recitals above and of the terms and conditions set forth below, the parties agree as follows:

Section 1. Term of Addendum. This Addendum to the Agreement shall be effective as of March 1, 2002, and shall remain in full force and effect for the duration of the Grassland Bypass Channel Project, or until 30 days after either party provides notice of its termination to the other party.

Section 2. Baseline O&M. PDD shall provide to the Authority the Baseline O&M Services described in items 1 through 5 of Section 5.8.1 as set forth in Exhibit D attached to this Addendum and by this reference incorporated herein.

Section 3. Administrative Activities Reimbursement. As part of performing the Baseline O&M Services, PDD shall reimburse the Authority the actual cost of administrative activities performed by the Authority on this section of the San Luis Drain as required by the Transfer Agreement.

Section 4. Terms of the Agreement Applicable. The terms governing PDD's provision of services to implement the San Luis Drain Supplemental Plan shall apply to PDD's provision of the Baseline O&M Services, and except as modified by the addition of the Baseline

O&M Services pursuant to this Addendum, the Agreement shall be and remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the year and first set forth above.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

By_____
DANIEL G. NELSON, Executive Director

PANOCHE DRAINAGE DISTRICT

By_____
DENNIS FALASCHI, General Manager

I, Joseph C. McGahan, Regional Coordinator of the Grassland Basin Drainage Management Activity Agreement, hereby acknowledge that the Steering Committee of the Activity Agreement on February 22, 2002 considered the above Agreement, has approved funds in the Grassland Basin Drainage Management Activity Fiscal Year 2003 Budget to cover the O&M costs arising from the above Agreement, and acknowledges that such funds are payable to Panoche Drainage District pursuant to the Agreement.

_____
Joseph C. McGahan, Regional Drainage Coordinator
Grassland Basin Drainage Management Activity Agreement

EXHIBIT D

BASELINE OM&R ACTIVITIES FOR THE SAN LUIS DRAIN

San Luis and Delta-Mendota Water Authority

5.8 SAN LUIS DRAIN AND REDFERN DRAIN

5.8.1 General

The Authority shall provide baseline operation and maintenance functions for the San Luis Drain. The baseline level of maintenance required is that necessary to protect the public, protect the government from liability, and prevent deterioration of the facility. The baseline level of maintenance consists of the following work:

1. Maintain/replace STOP signs and HIGH VOLTAGE OVERHEAD signs.
2. Grade/maintain operation and maintenance roads.
3. Vegetation control on the roads and inside canal banks.
4. Remove junk/debris dumped on Drain right of way.
5. Check structure maintenance required to operate Drain.
6. Redfern Drain maintenance.

If Reclamation, at a later date, determines that the San Luis Drain should be made fully operational, the operation and maintenance functions as described below shall constitute operation and maintenance functions for all segments of the Drain and related facilities; Provided , however, the Authority shall have no obligation to provide operation or supplemental maintenance functions for any segments of the San Luis Drain for which a use agreement has been executed. 'Supplemental Maintenance' is defined as any maintenance, including panel or lining replacement, necessary for maintenance of the Drain as a useable facility pursuant to a use agreement, and includes but is not limited to maintenance of any facilities modifying, added to or related to the San Luis Drain which may be constructed or installed pursuant to any use agreement.

5.8.1.1 The Authority shall operate and maintain the drains, the surrounding right-of-way and all appurtenances listed in Technical Exhibit 4B, to meet the serviceability standards established in the mandatory directives stated in this Performance Work Statement, Provided , however, the Authority shall not be obligated to operate any segment of the Drain for which a license or use agreement has been granted, except as specifically provided herein.

5.8.1.2 The availability of funds will dictate the level of maintenance performed on the San Luis Drain. At a minimum the baseline level of maintenance, as mentioned in paragraph 5.8.1, shall be performed. The maintenance standards for normal maintenance on the San Luis Drain are described in this Section of the Performance Work Statement.

5.8.1.3 In the event there is no standard or procedure for a function, it shall be the responsibility of the Authority to develop such standards and procedures subject to approval by a designated Reclamation official before the proposed standards and procedures are implemented by the Authority. If the Authority determines that established standards and procedures should be changed, such changes shall be written and provided to the GCAO through the Government Representative (GR). Any changes must receive written approval from the GCAO before being implemented by the Authority.

5.8.1.4 The Authority shall review applications and may issue permits for temporary uses of the San Luis Drain for one year or less which do not involve a use for discharge into any waters of the State, in accordance with the authority granted under Sections 5.1.2.2 and 5.1.2.4 of this Performance Work Statement. The Authority shall notify Reclamation of all permits issued.

5.8.1.5 Reclamation shall remain responsible for review and action upon all requests for use of the San Luis Drain for a term of one year or longer, or which involves a use for discharge to waters of the State. Should the Authority receive such a request, it shall forward the request to Reclamation in accordance with Section 5.2.1.2.3 of the PWS. Because of the importance of coordination of activities on all segments of the drain, Reclamation shall

provide the Authority with notice and opportunity to participate in any decisions concerning use agreements for terms longer than one year and/or for a use for disposal of water and shall provide the Authority with a current list of key contacts under all such use or agreements.

5.8.2 Check Structures

5.8.2.1 On the San Luis Drain there are check structures with boards for control. The structures are located between milepost 78.64 and 163.47. (See Technical Exhibit 4B)

5.8.2.2 The Authority shall perform the following work, but shall not be limited to:

1. All metal shall maintained in good condition with touch-up painting accomplished as required.
2. Deck surfaces shall be kept cleaned of oil spills, dirt and debris.
3. Replace spill boards as necessary.
4. Clean floating debris, dead animals, wood, logs, etc., from in front and back of radial gates.

Standards

5.8.2.3 The Authority shall maintain painted metalwork to prevent corrosion.

5.8.3 Channel Maintenance

5.8.3.1 The principal components of the maintenance work performed in the San Luis Drain consist of the following work (but not limited to): debris removal, disposal of debris removed, and cleaning and repairing of weeps.

5.8.3.2 The Authority shall develop a program for silt management, which may or may not include silt removal, in consultation with the Bureau. Any silt removed shall be disposed of at a site approved by the GR.

Channel Maintenance Standards

5.8.3.3 Debris (i.e., refrigerators, couches, tires, vehicles, animals, etc.) shall be removed and disposed of properly by the Authority.

5.8.3.4 The Authority shall inspect weeps and repair, replace and clean out weeps as required.

5.8.3.5 The Authority may be required to remove any vehicles found in the drain or items that are floating (i.e., tires, couches, animals, etc.) and dispose of these items. However the Authority shall notify both local law enforcement officials and the GR on duty when items of value are found in the drain.

5.8.3.6 If deceased persons are found in the drain, local authorities shall be notified immediately as well as the Bureau of Reclamation, Tracy Office.

5.8.4 Drainage Channels

5.8.4.1 The drainage channels are either parallel or cross the drain. The Redfern Drain parallels the San Luis Drain between MP 111.76 and MP 116.30. The Authority shall properly maintain the Redfern Drain until such time as the obligation of maintenance is assumed by the Poso Canal Company or the Firebaugh Water District.

5.8.4.2 The principal components of the maintenance work performed on the drainage channels includes but is not limited to:

Removing weeds, silt and debris; erosion repair and control; trash removal; grading; cleaning culverts, weed control; excavation cleanup and removal.

Drainage Channel Standards

5.8.4.3 The Authority shall before the beginning of the rainy season (generally November 1) remove weeds, silt and debris; repair washes and sloughs, stabilize and protect from erosion where required.

5.8.4.4 The Authority shall inspect channels and culverts during and after rainstorms and clean as necessary.

5.8.5 Rights-of Way and Dust Abatement

5.8.5.1 The principal components of the maintenance work performed on rights-of-way, and drain spoil banks, includes but are not limited to the following work:

Erosion repair and control; weed and rodent control; grading; mowing; drainage; dust control; trash removal; excavation; cleanup; and filling rodent holes.

Rights of Way Maintenance Standards

5.8.5.2 The Authority in the non-rainy season (generally March 1 to November 1) shall grade and smooth the banks. Eroded areas shall be repaired by the Authority.

5.8.5.3 The Authority shall complete excavation cleanup and disposal required for channel or right-of-way maintenance or repair in the non-rainy season.

5.8.5.4 The Authority shall provide supplemental drainage where needed and maintain established drainage.

5.8.5.5 The Authority shall keep the banks free of any trash or any material that is not native to the banks.

5.8.5.6 The Authority shall fill rodent holes on the inside slope before the rainy season.

Dust Abatement Standards

5.8.5.8 The Authority shall carry out proper and efficient measures wherever and as often as necessary to reduce the dust nuisance and to prevent dust originating from the Authority's operations from damaging crops, orchards, cultivated fields and dwellings or causing a nuisance to persons. The Authority shall comply with Federal, State and local dust control regulations.

5.8.6 Inlet Drains

5.8.6.1 On the San Luis Drain there are drains 8 inches in diameter to drain water collecting along the O&M roads into the drain.

5.8.6.2 The Authority shall keep inlet drain entrances and outlets cleaned of weeds, rocks, and debris; repair drain lining; and repair or replace damaged inlet drain structures.

5.8.6.3 As required, the Authority shall replace or repair and lubricate hinge pins; replace or repair broken or cracked flap valves; seal flap valves to prevent leakage out of the canal; and clean and/or sandblast, prime and paint flap gates.

Inlet Drains Standards

5.8.6.4 The Authority shall inspect inlet drain structures annually for damage.

5.8.6.5 The Authority shall check operation of flap gates and drain inlets prior to rainy season and also check operation of the flap gates during and after rainstorms and repair as necessary.

5.8.6.6 The Authority shall maintain painted metalwork to prevent corrosion.

5.8.7 Storm Runoff

5.8.7.1 Certain facilities are provided to allow storm runoff or natural runoff to cross the San Luis Drain. There are some areas where water may stand along the outside of the drain embankment.

5.8.7.2 The principal components of the maintenance work performed for storm runoff consist of but are not limited to the following:

Debris removal, pumping, grading, smoothing, and excavation removal and disposal.

Storm Runoff Standards

5.8.7.3 During and after storms the Authority shall inspect crossings and remove debris (such as rocks, grass, tree limbs, trash) as required.

5.8.7.4 When standing water accumulates on the outside of the drain embankment, endangering the embankment, the Authority shall pump the water into the drain as soon as practical.

5.8.8 Concrete Lining

5.8.8.1 The entire San Luis Drain is concrete lined. The usual thickness of the lining is 2.5 inches.

5.8.8.2 The principal components of the maintenance work for concrete lining consists of but shall not be limited to the following:

Crack filling, filling voids behind the lining, temporary repairs with sand bags, riprapping and placing concrete.

Concrete Lining Standards

5.8.8.3 The Authority shall observe during daily patrols for any signs of cracking or movement of the lining. During both the dewatering and normal operations of the drain, minor cracks shall be sealed by the Authority with joint compound and broken lining shall be removed and replaced with new

concrete to the lines and grades for that area as set forth in the original design of the drain.

5.8.8.4 Concrete repair or replacement shall be in accordance with the latest standards set forth in the U.S. Bureau of Reclamation Concrete Manual.

5.8.8.5 A summary of typical sections and where they were used can be found in the structure list for the San Luis Drain. (See Technical Exhibit 4B)

5.8.8.6 The Authority shall inspect for voids behind the lining and shall fill voids before the rainy season begins (generally November 1).

5.8.9 **Riprapping**

5.8.9.1 Riprapping may be required on any of the drain embankments, bridge abutments, structures, drainage channels or where creeks or streams cross over or under the drain to protect from erosion.

5.8.9.2 The principal components of the maintenance work performed on the riprap consists of but are not limited to the following:

Grading, slough repair, placement of riprapping, hauling and excavation.

Riprapping Standards

5.8.9.3 The Authority shall provide routine inspection of canal and drainage systems and other pertinent facilities for need of riprap or repair of existing riprap, and shall place new or repair existing riprap as per requirements in Technical Exhibit No 6.

5.8.9.4 When voids occur in the riprap, the Authority shall fill these voids.

5.8.10 **Pest Management**

5.8.10.1 Pest management activities performed on, in, or around all lands, facilities and appurtenant structures of the San Luis Drain shall be in accordance with paragraph 5.2.18.

5.8.11 **Road Maintenance**

5.8.11.1 On the San Luis Drain there are approximately 170 miles of roadway. The roadway consists of 4 inches of gravel surfacing on both sides of the drain.

5.8.11.2 The width of these roadways is 14 feet (minimum).

5.8.11.3 The principal components of the maintenance work performed on the roadways includes but are not limited to:

Grading, filling potholes, dust control, weed control, watering, sloping, surfacing, material hauling, and signing the roadways.

Road Standards

5.8.11.4 The roads shall have the potholes filled and the roadways maintained before the rainy season (generally the rainy season is November 1 through March 1) by the Authority.

5.8.11.5 After the rainy season, the Authority shall repair road areas that are causing safety and vehicle maintenance problems.

5.8.11.6 The Authority shall keep the all roads passable for operations and maintenance vehicles and equipment year round.

5.8.12 **Signs and Reflectors**

5.8.12.1 All signs are installed to provide warning, instruction, location and direction to Operations and Maintenance personnel and to the public who have access to the drain.

5.8.12.2 Some of the typical locations for signs are at road crossings of the drain, structures along the drain, and any utility crossings of the drain (ie, power, telephone, irrigation, etc.), and drain crossings.

5.8.12.3 Principal components of the maintenance work performed on signs consist of the following work, but not limited to:

Installing, repairing, replacing and painting of signs.

Sign Standards

5.8.12.4 The Authority shall inspect/inventory signs and repair, replace or paint as required by Reclamation Instructions 353.1.

5.8.12.5 The Authority shall maintain painted signs so they are bright and readable from a distance of 100 feet.

5.8.13 **Gates**

5.8.13.1 Gates can vary from standard chain-link with 3-strand barbed wire top, double opening, chain link gates to standard barbed wire, wood post stock

fence gates, wood gates, etc. They will vary in height and width depending on need.

5.8.13.2 The principal components of the maintenance work performed on gates consist of but are not limited to the following work:

Adjusting swing, repairing, replacing, painting, repairing or replacing reflectors, repairing or replacing locking system and lubricating.

Gate Standards

5.8.13.3 The Authority shall inspect and replace, repair, paint and lubricate as required to keep gates in good operating condition.

5.8.13.4 The Authority shall maintain the painted metalwork to prevent corrosion.

5.8.14 **Fence Repair**

5.8.14.1 This work covers all fencing on the San Luis Drain Right-of-Way.

5.8.14.2 Types of fenced areas are:

Drain bank right-of-way, system structures (checks, siphons, etc.), and maintenance yards.

5.8.14.3 Types of fences used in the San Luis Drain area are:

barbed wire, 4-strand or 5-strand with steel and wood posts and chain link ranging from a height of 4 feet to 8 feet with 3-strand barbed wire top.

5.8.14.4 The principal components of the maintenance work performed on fences consist of the following work but not limited to:

Repair, replacement, removal and painting.

Fence Repair Standards

5.8.14.5 The Authority shall inspect safety fences along the canal and around or on structures and repair, replace and paint as required.

5.8.14.6 The Authority shall provide routine inspection of right-of-way for repair or replacement of fences as necessary.

5.8.14.7 Fences shall be replaced, repaired and maintained by the Authority to the standards set forth in the following drawings and safety design standards:

1. Drawing No. 40-D-6270 - Woven or barbed wire - steel posts
2. Drawing No. 40-D-6271 - Woven or barbed wire - wood posts
3. Drawing No. 40-D-6261 - Rural safety fencing
4. Drawing No. 40-D-6268 - School and urban safety fencing
5. Drawing No. 40-D-5410 - Switchyards and substations
6. Drawing No. 40-D-6272 - Deer-proof fencing
7. Drawing No. 2-D-89 - Safety fence and safety cable
8. Design Standards, chapter 3, figure 4, paragraph 3.7, Safety Fence Extension Protects Underground Works
9. Design Standards, chapter 3, figure 9, paragraph 3.18 and figure 10, paragraph 3.19, Escape Devices for Canals
10. Design Standards, chapter 3, figure 5 and 6, paragraph 3.8, Guardrail and Handrail Installations

5.8.15 **Guardrail**

5.8.15.1 Guardrail are used to provide protection to structures, to equipment, to keep vehicles out of the drain, and for employee safety. Typical locations are where roads cross the drain, where a road dead-ends into the drain, and where operating roads go by structures or stationary equipment. Guardrail may be made of the following materials and combinations thereof:

pipe, wood and metal.

5.8.15.2 The principal components of the maintenance work performed on guardrail include but are not limited to the following work: Repairing, replacing, painting, and constructing as needed.

Guardrail Standards

5.8.15.3 The Authority shall inspect and repair, replace, and paint guardrail as required.

5.8.16 **Ladders, Safety Nets and Floats**

5.8.16.1 Ladders are placed along the drain and upstream of checks and siphons. Cables with floats are also upstream of all checks and siphons along the drain.

5.8.16.2 The principal components of the maintenance work for the ladders, and floats include but are not limited to the following:

Repairing, replacing, painting, welding, checking tension in cables and removing debris from nets and flotation lines.

Ladders, and Floats Standards

5.8.16.3 During the operation season, the Authority shall inspect the floats and repair or replace as required.

5.8.16.4 The Authority shall inspect the ladders annually and during dewaterings and repair or replace as required.

5.9 SAN LUIS DRAIN OPERATIONS

5.9.1 Management of Discharge

5.9.1.1 Except as otherwise provided in this Performance Work Statement, the Authority shall manage all segments of the San Luis Drain subject to this Performance Work Statement to the extent feasible to achieve zero discharge.

5.9.1.2 Constrained by the limitation of zero discharge, provision for storage of any inflow that exceeds evaporation must be obtained within the channel prism. The probability of successfully maintaining zero discharge is maximized by maximizing the available empty channel prism capacity to contain excess inflow.

5.9.1.3 The inflow is a function of the differential hydrostatic head between the ground-water table and the water surface within the drain. Minimizing the differential elevation by which the ground-water table exceeds the drain's water surface minimizes the ground-water seepage into the drain. Such reduction in the differential hydrostatic head has been accomplished by adding flash boards to check structures, thus raising the water surface.

5.9.1.4 The ground-water table profile naturally follows the slope of the land, which is a steeper gradient than the water surface profile behind each check structure. Thus, for many of the long reaches between check structures, it is not possible to add sufficient height of flash board to raise the water surface above the ground-water table at the far end and keep the water surface below the lining at the near end.

5.9.1.5 A water surface above the lining will erode the unprotected berms, which could lead to overtopping of the channel banks and possible washout and associated damage to drain structures and adjacent property. Thus the management of water storage in the drain is also constrained by the maximum height of the lining.

5.9.1.6 Lands adjacent to the drain from Check 10 to Check 15 are flooded to support seasonal wetlands from September through March. By checking the water surface up to the top of the lining, the seasonal inflow to this reach of the drain can be minimized. Spillage to downstream reaches is limited to the capacity of those reaches. If the capacity of downstream reaches appears likely to be exceeded, then earthen plugs should be placed in those reaches of inflow where the drain's water level can be raised above the crest of the downstream check structure without overtopping the lining.

5.9.2 Exposure of Sediments

5.9.2.1 Not used.

5.9.2.2 If water is added to the drain at no expense, can be shown to be of no environmental hazard, does not significantly lower the drain's capacity to contain all inflow, then no action to remove or regulate the flow is warranted. Water entering the drain upstream of Check 41 is limited only by the capacity of the drain above Check 41 and is not considered a liability to the drain's capacity below Check 10.

5.9.3 Groundwater Monitoring

5.9.3.1 The Authority shall provide periodic observations of the water depth below the lining above each check structure to adequately manage the containment of all inflow to the drain.

5.9.4 Use Agreements

5.9.4.1 The Authority shall have no obligation under this Performance Work Statement to operate any segment of the San Luis Drain which is the subject of a use agreement with any third party, and any such use agreement between the Bureau of Reclamation and the third party will assign to the third party user operating responsibilities for that portion of the drain to which the use

agreement applies for its duration. Any such use agreement shall require the third party user to comply with all laws, obtain any and all required permits for discharges from the Central Valley Regional Water Quality Control Board, to manage all drainwater placed in the drain pursuant to the use agreement, and to hold the Authority harmless to the same extent as Reclamation for such operations. Reclamation shall notify the Authority of all such use agreements as required in Section 5.7.1.4 above, and the Authority shall coordinate with the key contact of the user any operations which require coordination. The Authority shall notify Reclamation of all permits issued under section 5.7.1.4, and the Authority shall coordinate with the key contact of the user any operations which require coordination.

5.9.4.2 The third party under a use agreement shall not be required to include in such party's maintenance program maintenance activities to be assumed by the Authority under this PWS.

5.9.5 **Emergency Discharge**

5.9.5.1 In the event local precipitation, flooding, or other uncontrollable or flows create an emergency situation in which the San Luis Drain cannot be managed to achieve zero discharge without damage to the Drain, the Authority may be required to make emergency discharges. Any such discharges shall be made, in consultation with Reclamation and with any user under a use agreement for segments of the Drain downstream from segments which will spill, and the Authority shall coordinate its actions with those of the downstream user to minimize impacts on such user. The Authority shall be responsible for obtaining any permits required for such emergency discharge.