

**AMENDMENT TO AGREEMENT
FOR FUNDING & OPERATION OF
DISSOLVED OXYGEN AERATION FACILITY**

As of May 31, 2016, that certain Agreement for Funding & Operation of Dissolved Oxygen Aeration Facility effective June 1, 2011 and extended through May 31, 2016 (the Agreement), by and between the Port of Stockton ("Port"), the San Joaquin River Group Authority, the San Luis & Delta-Mendota Water Authority, the San Joaquin Valley Drainage Authority and the State Water Contractors, as the "Parties" and the Department of Water Resources ("DWR") as a signatory for the purpose of making arrangements for payment of the (cost) share of the Annual Commitment as described in Section 3.4 herein for the State Water Contractors is hereby amended pursuant to Section 8.1 of the Agreement, as follows:

A. Parties. The San Joaquin River Tributaries Authority has assumed the role of the San Joaquin River Group Authority. Under Section 8.3 of the Agreement the San Joaquin River Tributaries Authority is a successor-in-interest bound to the terms of the Agreement and is executing this Amendment as a party hereto.

B. "Section 2. Term," is hereby amended and supplemented by the addition thereto of "Subsection 2.1 Further Extended Terms," as follows:

"2.1 Further Extended Terms. The Parties and DWR may agree to additional one-year renewal periods (each referred to as a "Further Extended Term") upon the express written consent of the Parties and DWR agreeing to such Further Extended Term. Execution of this Amendment by the Parties and DWR shall constitute their express written consent to one Further Extended Term commencing June 1, 2016 through May 31, 2017."

C. "Section 3. Operation of SDWSC Aeration Facilities," "Subsection 3.1 Funding Commitment," is hereby amended and supplemented by the addition of a new Subsection 3.1d, as follows:

"d. If immediately prior to or during any Year of a Further Extended Term the Port determines that unspent money collected from prior Annual Commitments is sufficient to fund Aeration Facilities O&M for such Year, the Port will notify the other Parties and the Parties shall not be obligated to pay an Annual Commitment for such Year. If the Port determines that unspent money remains, but the sum is insufficient to fully cover its O&M during that Year, the Port shall notify the other Parties, who agree to pay such partial Annual Commitment as the Port determines is needed to fully fund the anticipated cost of Aeration Facilities O&M for such Year, up to but not exceeding the full amount of the Annual Commitment."

D. "Section 3. Operation of SDWSC Aeration Facilities," is hereby replaced in its entirety with a new Subsection 3.4, as follows:

"3.4 Payment to Port. Except when no additional funding is required as provided in Subsection 3.1 d, each Party will pay to the Port its respective share of the Annual Commitment or any partial Annual Commitment on or before August 1st of the Year ("Annual Payment Due Date"). The Port agrees to hold such money in an interest-bearing segregated account dedicated and maintained solely for purposes of funding Aeration Facilities O&M throughout any Further Extended Term. Funding from the State Water Contractors shall be made by DWR upon such schedule as may be agreed to by separate agreement between the Port and DWR.

a. Prior to March 15 of each Year of a Further Extended Term, the Port will provide an accounting to each of the remaining Parties as of the end of the preceding Year. The accounting will include the actual Aeration Facilities O&M costs, the funds applied, and the balance of funds remaining at the end of such Year. This obligation shall continue in the Year following expiration of the final extension of the Term and shall include an accounting for any funds available for refund pursuant to Subsection 3.1 c."

E. Pursuant to Section 8.5 of the Agreement, this Amendment may be executed in any number of counterparts which collectively shall constitute the full agreement of the Parties.

This Amendment shall become effective May 31, 2016, or upon the earlier date the last of the Parties and DWR execute the Amendment. Upon its effective date, this Amendment shall amend and supplement or replace, respectively, those sections of the Agreement expressly modified hereby, and the Agreement as so amended, including both amended and all unamended terms, shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned hereto have executed this Amendment effective as of the date set forth herein.

Port of Stockton

By: 

Dated: FEB 23, 2016

[Signatures continued on next page]

Amendment - Continued Signature Page.

San Joaquin River Tributaries Authority

By:  _____

Dated: 3/2/2016

San Luis & Delta-Mendota Water Authority

By: _____

Dated: _____

San Joaquin Valley Drainage Authority

By: _____

Dated: _____ [Signatures continue on following page.]

State Water Contractors

By: _____

Dated: _____

Department of Water Resources

By: _____

Dated: _____

Amendment - Continued Signature Page.

San Joaquin River Tributaries Authority

By: _____

Dated: _____

San Luis & Delta-Mendota Water Authority

By: Jason Peltier

Dated: 3/7/16

San Joaquin Valley Drainage Authority

By: Jason Peltier

Dated: 3/2/16

[Signatures continue on following page.]

State Water Contractors

By: _____

Dated: _____

Department of Water Resources

By: _____

Dated: _____

Amendment - Continued Signature Page.

San Joaquin River Tributaries Authority

By: _____

Dated: _____

San Luis & Delta-Mendota Water Authority

By: _____

Dated: _____

San Joaquin Valley Drainage Authority

By: _____

Dated: _____

[Signatures continue on following page.]

State Water Contractors

By:  _____

Dated: 4 Apr 2016

Department of Water Resources

By: _____

Dated: _____

Amendment - Continued Signature Page

San Joaquin River Tributaries Authority

By: _____

Dated: _____

San Luis & Delta-Mendota Water Authority

By: _____

Dated: _____

San Joaquin Valley Drainage Authority

By: _____

Dated: _____

State Water Contractors

By: _____

Dated: _____

Department of Water Resources

By: Mark G. Holder, for Paul Marshall

Dated: 3/4/16