



## **BOARD MEETING AGENDA SUBMITTAL**

**TO:** GCSB Board of Directors

**FROM:** Peter J. Kampa, General Manager

**DATE:** March 7, 2023

**SUBJECT:** Agenda Item 4C: Review, Orientation and Discussion of Updating the Water Supply Contracts with the City and County of San Francisco and With the Modesto and Turlock Irrigation Districts

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### **RECOMMENDED ACTION:**

Staff recommends the following action:

*Information item only, no action required at this time.*

### **BACKGROUND:**

There is interest for the District to begin discussions on the update of its water supply agreements with the above referenced agencies. Included with this agenda item are copies of the agreements which we will discuss generally in this workshop. The intent of the discussion is to publicly discuss the various agreements to ensure understanding by the Board and public, and to discuss schedules and next steps.

Below we have summarized the major terms and conditions of the various agreements and included hyperlinks.

## **[Agreement with City and County of San Francisco \(CCSF\)](#)**

### **Terms of Contract**

Original 1965-2016, but not fully executed until 1968

Amended in 1968 to extend for a full 55 years to March 2020

Amended in 1971 to:

- add a second point of delivery at Big Creek Shaft
- Reduce the cost of water purchased and add a 10% power loss surcharge
- Increase the original service area [boundary](#) to address planned growth
- Ends March 23, 2034
  - If current contract is not extended or renegotiated, GCSB is assured the same amount of water received in 2020, which totaled - 390 acre feet, under the same terms as the current agreement and with price increases detailed in the Agreement [Exhibit D](#) and [Exhibit E](#) implemented every 4 years as discussed below
  - [Water usage rate adjusts](#) every 4 years based on the change in actual Hetch Hetchy O&M cost, currently \$.7113 per cubic foot or \$7.12 per hundred CF
  - [Surcharge for Power Loss](#) rate adjusts every 4 years based on the change in actual PG&E system O&M cost as shown on the Form 10-K submitted to the Securities

and Exchange Commission (SEC), currently \$.0913 per cubic foot or \$9.13 per hundred CF

- As of 2023, there have been no price increases implemented by CCSF as required in the Contract Exhibit D or Exhibit E
- Prior to or upon termination of the Contract (2034), the parties shall, in good faith, promptly negotiate an extension of this contract or a new contract.

#### Other Major Provisions:

- District cannot sell water outside its [boundaries](#) (contract boundaries) and cannot wholesale water to others for sale unless approved by the City
- Can use City's Property at 2G ([Contract Exhibit B](#)) without rent under the following conditions: District responsible for all of its facilities and shall remove such facilities on notice of CCSF if they conflict with CCSF infrastructure. Facilities must be constructed and operated in compliance with laws
- District responsible for maintenance of access roads in excess of "minimum" maintenance performed by CCSF
- CCSF will endeavor to provide continuity of water supply but will not guarantee availability
- The water use projections in the Contract [Exhibit C](#) were prepared by the Tuolumne County CAO's office and based on seasonal and permanent population estimates, and water consumption rates of 200 gallons per capita day
- District responsible to give 10 days' advance notification to CCSF of construction work on their property so that CCSF can post Non-Responsibility notices on construction site
- Water use [boundary](#) nearly coterminous with [GCSD Sphere of Influence boundary](#)

## Water Treatment Plant Site Agreement

Executed August 20, 2007 between GCSD and PMLA, terminates March 1, 2017

- Allows the temporary installation of the AWS facility on property owned by PMLA
- Required the removal of the AWS annually when not in use and reinstallation when needed
- Allows GCSD use of PMLA irrigation pump in the lake
- Requires GCSD to purchase and install a new irrigation pump and motor as consideration for the property and pump use
- No lease payments
- GCSD secured right to use PML water from CCSF, MID and TID on July 30, 2007

WTP Site Agreement Draft Amendment considered in 2009 to:

- Allow permanent use the PMLA Corp yard for AWS versus installing and removing every year
- Initiated a \$5000 per year lease payment
- Waived the payment of a sewer connection fee installed as part of the AWS permanent installation
- All other terms remain the same with slight modifications

## **Agreement with MID/TID/CCSF**

Letter agreement initially executed by the Districts on July 30, 2007 and new letter agreement issued December 21, 2016; terminates on March 1, 2027

- PMLA Water Treatment Plant Site Agreement governs water used from the PML
- SFPUC to account for diversion from PML under its banking agreement with the Districts
- SFPUC responsible to TID and MID for all water diverted from PML
- GCSD responsible for all permits and rights to divert and use water from PML
- The agreement sets no precedent or commitment for future water

### **Next Steps:**

1. Extend the current WTP site agreement with PMLA to coincide with the letter agreement with CCSF, TID and MID (Terminating March 2027) or until AWS relocated to GCSD property
2. Open negotiations with the CCSF for an agreement extension or new agreement depending on the extent of amendments needed
3. Open discussions regarding a long term water supply agreement with MID, TID and CCSF for PML water
4. If a long term PML supply is determined possible, open negotiations with PMLA for permanent pumping facilities on PML and long term use of water as a backup or primary source of water supply

### **ATTACHMENTS:**

1. SFPUC Water Use Contract
2. PML Water Use Letter Agreement with MID and TID
3. Water Treatment Plant Site Agreement with PMLA

COPY

M E M O R A N D U M

To: File

May 9, 1984

From: General Manager

Re: S.F. Contract Elements

- 
1. Extension from 2020 to 2034.
  2. Ultimate water service boundary enlarged to that denied back in 1972. About 28% increase in size to about 32 sq. miles.
  3. Approximate decrease of 60% in water cost. From about \$200 per acre foot to about \$80 per acre foot.  
  
Projected to increase to about \$105 or \$106 per acre foot in 1987.
  4. Retroactive to January 1, 1984.
  5. Other changes made were minor and were for clarity and modern word usage.
  6. Allows development of alternative water source without S.F. permission.
  7. Provides guarantee of water used in year 2020 at 2034 contract termination date.

*Bayard*

Bayard C. Beaudreau  
5/9/84

GROVELAND  
COMMUNITY SERVICES DISTRICT

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18966 FERRETTI ROAD  
POST OFFICE BOX 350  
GROVELAND, CA 95321-0350  
(209) 962-7161

WATER SUPPLY  
FIRE PROTECTION  
PARK & RECREATION  
SEWAGE COLLECTION  
SEWAGE TREATMENT

May 9, 1984

Mr. Dean Coffey, General Manager  
Hetch Hetchy Water & Power  
693 Vermont St.  
San Francisco, CA 94107

Re: New Water Contract

Dear Mr. Coffey:

The Board of Directors unanimously adopted Resolution No. 4-84 approving the contract, etc. at the regular meeting held on May 8, 1984.

Find enclosed two original copies of the executed contract with copies of Resolution No. 4-84.

Your assistance in bringing this matter to a successful conclusion despite some political elements involved is greatly appreciated by Groveland Community Services District.

Sincerely,



Bayard C. Beaudreau  
General Manager

BCB:sag

Enc.

cc: Directors  
Milich

RESOLUTION NO. 4-84

A RESOLUTION OF THE GROVELAND COMMUNITY SERVICES DISTRICT  
APPROVING A MODIFIED CONTRACT FOR WATER SERVICE BETWEEN  
GROVELAND COMMUNITY SERVICES DISTRICT AND THE CITY AND  
COUNTY OF SAN FRANCISCO.

WHEREAS, the City and County of San Francisco has prepared a contract to modify in its entirety the 1965 Contract For Water Service, as Amended, between City and District; and

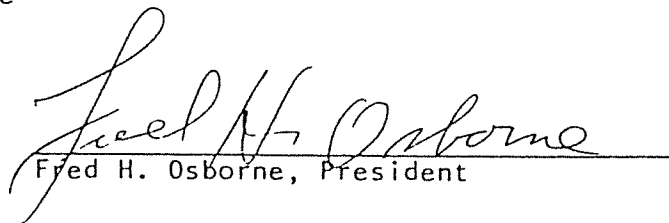
WHEREAS, elements of the modified contract for water service include an extension of the term from year 2020 to year 2034, the enlargement of the boundaries of the service area and a reduction in the rates charged for raw water pumped by District from the Hetch Hetchy Aqueduct; and

WHEREAS, it is in the best interest of the District to enter into the modified contract, effective January 1, 1984, as adopted by the Public Utilities Commission of the City and County of San Francisco on April 24, 1984;

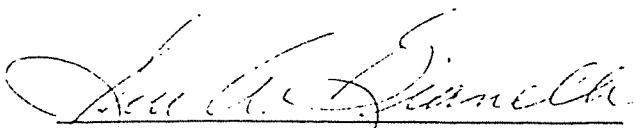
NOW, THEREFORE BE IT RESOLVED BY the Board of Directors of the Groveland Community Services District that said Contract be and it hereby is approved and Bayard C. Beaudreau, General Manager of said District, is authorized and directed to execute said Contract on the part of the Groveland Community Services District.

PASSED AND ADOPTED at a regular meeting of said District on May 8, 1984 by the following vote:

AYES:	Directors	Ducharme, Macy, Fenton, McDowell & President Osborne
NOES:	Directors	None
ABSENT:	Directors	None
ABSTAINING:	Directors	None

  
Fred H. Osborne, President

ATTEST:

  
Sue A. Gianelli, Secretary

CONTRACT BETWEEN  
GROVELAND COMMUNITY SERVICES DISTRICT  
AND  
CITY AND COUNTY OF SAN FRANCISCO  
FOR WATER SERVICE

*Master  
original*

THIS CONTRACT, entered into as of this first day of January 1984, by and between the GROVELAND COMMUNITY SERVICES DISTRICT (District) and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (City), acting through its PUBLIC UTILITIES COMMISSION.

RECITALS:

1. Under an existing contract dated March 23, 1965 (1965 contract), City agreed to furnish water to the District at the Second Garrotte Shaft of City's Hetch Hetchy Aqueduct in Tuolumne County, California, for a term of 51 years, with a termination date of March 23, 2016.
2. Under Amendment No. 1 to the 1965 Contract, dated January 9, 1968, the term of the 1965 Contract was extended to 55 years, with a termination date of March 23, 2020.
3. Under Amendment No. 2 to the 1965 Contract, dated May 18, 1971, City agreed to furnish water to the District at a second point of delivery at the Big Creek Shaft of City's Hetch Hetchy Aqueduct in Tuolumne County, California. Granting of access to rights of way owned by City needed by the District for installing, constructing, operating and maintaining additional facilities of District's water supply system was provided. A surcharge of ten percent applied to all bills for water service was established for the purpose of compensating City on loss of power revenues as a result of furnishing water service to the District.

4. Since the 1965 Contract, the District has expanded the boundary of its water supply service area in order to meet the water needs of a growing population in the Groveland area of Tuolumne County, California.

5. District has requested City's review of the reasonableness of the existing rates for water service as well as the surcharge for loss of power.

6. Both City and District desire to continue the arrangement whereby City provides the necessary water supply that the District requires to meet the demands of its service area.

7. Because of the changes in District's system, together with those in City's system since the 1965 Contract, City and District recognize that certain terms and conditions of the 1965 Contract, as amended, need to be reviewed, adjusted and revised.

NOW, THEREFORE, it is mutually agreed that the 1965 Contract, as amended, shall be modified in its entirety as follows:

1. LOCATION AND DESCRIPTION OF SERVICE CONNECTION

Sale and delivery of water to the District by City will be made at the Second Garrotte Shaft and the Big Creek Shaft of City's Hetch Hetchy Aqueduct in Tuolumne County, California, at the locations shown on Exhibit A, attached herewith and made a part hereof.

2. SCOPE OF CONTRACT

Subject to the terms and conditions hereinafter set forth, City shall sell and deliver to the District and the District shall purchase and receive from City all water service, supplemental to sources and supplies owned or controlled by the District, in sufficient quantity to supply the total water needs of the service area shown on Exhibit A.



3. TERM OF CONTRACT

3.1 Except as provided by Paragraphs 3.2 and 3.3 herein, this contract shall continue in effect until midnight, March 23, 2034.

3.2 This contract may be terminated by the District upon written notice to City 30 days in advance of such termination.

3.3 Upon termination as provided by Paragraph 3.1 herein, this contract may be extended by mutual consent of the parties, subject to any modifications thereof which may be determined at said time. If no such extension takes place or in the absence of any new contract, the District shall be guaranteed thereafter only that quantity of water which it received during Calendar Year 2020, as limited by the safe capacity of the Hetch Hetchy Aqueduct to furnish water to the District, and at the then effective rates and charges together with any increases as is set forth in Paragraph 11 herein. Prior to or upon termination of this contract, the parties shall, in good faith, promptly negotiate an extension of this contract or a new contract.

4. SERVICE SPECIFICATIONS

4.1 Water to be furnished by City under this contract shall be delivered to the District at the available pressure carried in the Hetch Hetchy Aqueduct at the Second Garrotte Shaft and the Big Creek Shaft. It is understood that said pressure is subject to variations associated with the operation of City's aqueduct and that City shall not be responsible for any effect of such variations on the water service to the District.

4.2 The District shall assume all responsibility for adequate treatment of the water purchased hereunder to render it potable and safe for domestic use and shall indemnify and hold the City harmless against any and all liabilities resulting from the quality of water furnished.

5. CONDITIONS OF SALE

The District agrees not to sell any water purchased from City to any private party for resale by such private party to others. The District further agrees not to sell, without prior written approval of City, any water from any source whatsoever to any private party for resale by substituting therefor water purchased from City. The District agrees that no water furnished by City to the District shall be delivered by the District outside the boundary of the District's service area. The District further agrees not to deliver any water outside the boundary of the District's service area by substituting therefor water purchased from City, unless written consent for such delivery is entered into by the District and City.

6. DISTRICT'S FACILITIES

6.1 The District, at its expense, will furnish, construct, operate and maintain all supply lines, pumps and other facilities it may require (hereinafter collectively referred to as "facilities") to transmit and distribute all water received by it at the place or places of delivery. All such facilities shall be and remain the sole property of the District.

6.2 Prior to the construction or installation of any structure or facility by the District, or any of its agents, on any property, right-of-way or easement of which title or rights are vested in the City or in or adjacent to the tunnel or shaft of the Hetch Hetchy Aqueduct, detail plans and specifications of such structures and facilities and the proposed construction procedures and safety precautions to be followed shall be submitted to the City for written approval. No construction of such structures or facilities shall commence prior to the receipt of such approval.

7. USE OF CITY'S PREMISES

As a part of this contract and for the purpose of access to install, construct, operate, repair and maintain necessary supply lines, pumps and other facilities of District's water system required to be located on City's premises,

permission is hereby granted to the District, free of any rental or similar charges, to occupy and utilize property or premises of City as shown on Exhibits "B" and "B-1", attached hereto and made a part hereof. This permit is granted subject to the following conditions:

- (a) Permission for said occupancy and use shall continue until the termination of this contract and for a reasonable time thereafter, sufficient to allow for the removal by the District of its facilities. Upon completion of removal by the District of its facilities, said permit expires. No interest in real property is created in the District by virtue of this contract, but only permission to use said property as an incident to performance of this contract is conferred.
- (b) No structures of any kind, except those expressly permitted, shall be erected or placed thereon.
- (c) The District shall, at all times, keep City's property in good and sightly condition, so far as it may be affected by District's operations hereunder.
- (d) All work performed by the District under this permit shall be strictly in conformance with the safety orders of the California State Division of Industrial Safety and other pertinent Federal and State regulations.
- (e) A minimum of maintenance work is performed on City's private access roads to Second Garrotte Shaft and Big Creek Shaft. Any additional maintenance or construction work on said roads which may be required for use by the District for District's access and

operation under the contract shall be performed by the District at its expense and subject to the approval of City.

(f) Authorized representatives of the District, its contractors and subcontractors will be allowed access to District's facilities at suitable times to perform the obligations of the District with respect to such facilities.

(g) The District shall, on receipt of notice so to do and within such reasonable time limit as may be fixed by said notice, alter or remove, at the expense of the District, any property or structure covered by this permit, to such extent as may be necessary to avoid or eliminate interference with any pipe, pipe lines, power lines or other structures now constructed or hereafter to be constructed by City, or with any operation of City, or with any use by City of the land affected hereby.

## 8. CONTINUITY OF SERVICE AND CONSUMPTION

8.1 City shall use all reasonable diligence in providing a constant and uninterrupted supply of water. The City, however, shall not be liable to the District hereunder, nor shall the District be liable to City hereunder, by reason of failure of City to deliver or the District to receive water as the result of fire, strike, riot, explosion, flood, earthquake, accident, breakdown, temporary interruptions due to normal operations, acts of God or the public enemy, or other acts beyond the control of the party affected. It is the intention of each party to relieve the other of the obligation to supply water or to receive and pay for water when, as a result of any of the above-mentioned causes, either party may be unable to deliver or use, in whole or in part, the water herein contracted to be delivered and received. This provision shall not be construed to relieve the District of liability for payment of water delivered at the meter but not beneficially used.

8.2 City shall have the right, at any and all times, to shut off the water from its aqueduct for the purpose of making inspections, repairs, extensions, alterations and for any other purpose necessary or desirable for the proper operation and maintenance of the aqueduct. Insofar as possible, reasonable notice shall be given by City to the District of any such scheduled or emergency shutdowns.

8.3 It is understood that it will be the responsibility of the District to safeguard its water supply by providing adequate storage facilities or an alternate source of supply.

8.4 The water use projections made by the District for the term of this contract are shown on Exhibit C, attached hereto and made a part hereof. Insofar as possible, reasonable notice shall be given by the District to City if the rate and quantity of water to be purchased deviates significantly from said estimates.

9. MEASUREMENT OF WATER

9.1 The water supplied hereunder shall be measured by suitable metering equipment to be furnished, installed, maintained and calibrated by City at its expense. All such equipment shall be and remain the property of City. When more than a single meter is installed in a battery, the readings thereof shall be billed conjunctively. A standby emergency meter shall be installed for emergency demand or for bypass maintenance operation. No service charge shall be made for standby emergency meter.

9.2 City shall read all meters at its expense and, as far as possible, shall read all meters at periodic intervals of approximately thirty (30) days.

9.3 In the event any meter fails to register or registers incorrectly, a daily average will be obtained from the reading of such meter taken for the previous period when the meter was shown to be operating correctly, or from the reading of a new substitute meter known to be correct, or from other information which shall

render a fair daily average. The daily average thus obtained shall be used as a basis of payment for the period that such meter was out of order, the length of such period to be determined by agreement between the parties. When it becomes known to City that a meter fails to register, or registers incorrectly, City shall thereupon take the necessary corrective action.

10. METER TEST

10.1 At the written request of the District, City shall test, in the presence of District representatives, any or all meters installed by City. The cost, if any, of such tests shall be borne by the District if the percentage of error is found to be not more than two (2) percent slow or fast. No meter shall be placed in service or allowed to remain in service which has an error in registration in excess of two (2) percent slow or fast.

10.2 If upon test, any meter shall be found to register in excess of two (2) percent slow or fast, corrections shall be made accordingly in the amount charged for water passing through such meter, but no such correction shall extend beyond twelve (12) months previous to the day on which such inaccuracy is discovered by said test.

11. RATES AND CHARGES

11.1 The charges to be paid by District to City for providing the water service hereunder shall be:

- (a) Service Charge: \$75.00 per service location
- (b) Charge for Water Delivered: 7.12 cents per hundred cubic feet
- (c) Surcharge for Power Loss: 9.81 cents per hundred cubic feet

11.2 If City should fail to provide a constant and uninterrupted supply of water at a point of delivery for a continuous period of more than forty-eight (48)

hours during any monthly period hereunder, the service charge specified in Paragraph 11.1(a) shall be prorated for such monthly period on the basis of an average monthly period of thirty (30) days.

11.3 No reduction in charge specified in Paragraph 11.1(b) will be made by City because of the cost to District of raising water from City's aqueduct tunnel. The District will be held responsible for payment for all water passing through City's meters, whether the water has been beneficially used by the District or lost through leakage in its supply lines or fixtures.

11.4 The surcharge specified in Paragraph 11.1(c) is for the purpose of compensating City for reduction in electric generation at its Moccasin Powerhouse due to the reduced amount of water available for this purpose as a result of furnishing water service to the District hereunder.

11.5 Pursuant to the methodology as shown on Exhibit D, attached hereto and made a part hereof, the service charge and the charge for water delivered as provided in Paragraphs 11.1(a) and 11.1(b) shall be adjusted every four (4) years effective July 1, 1987 and every four (4) years thereafter for the term of this contract. For the purpose of this provision, the rates and charges as specified in Paragraphs 11.1(a) and 11.1(b) shall be deemed to be effective for the year beginning July 1, 1983.

11.6 Pursuant to the methodology as shown on Exhibit E, attached hereto and made a part hereof, the surcharge for power loss as provided in Paragraph 11.1(c) shall be adjusted every four (4) years effective July 1, 1987 and every four (4) years thereafter for the term of this contract. For the purpose of this provision, the surcharge as specified in Paragraph 11.1(c) shall be deemed to be effective for the year beginning July 1, 1983.

12. PAYMENTS

Payments for the service furnished hereunder shall be made monthly upon submission of invoices rendered by City to the District. Such invoices shall contain statements of the meter readings at the beginning and end of the monthly period and monthly consumption.

13. NOTICE OF NONRESPONSIBILITY

Except in instances of emergency requiring immediate work, the District agrees that it will notify City at least ten days before starting any construction work, repairs or alterations on any property, right-of-way or easement of which title or rights are vested in the City, in order that City may post appropriate notices of nonresponsibility. The District shall, at all times, permit such notices to remain posted for the time required by law.

14. LIABILITY

14.1 The District shall indemnify and hold harmless the City and all officers, servants, agents and employees of City from any loss or liability to third persons arising from any property damage, personal injury or death due directly or indirectly to the operations of the District or uses of City's property by the District or its agents under this contract.

14.2 The District shall be held liable for any and all damages to water meters and other property of City which may be willfully caused by or result from carelessness or negligence on the part of the District or its agents or employees.

15. THIRD PARTY INTERESTS AND ASSIGNMENTS


15.1 This contract is not for the benefit of any person, corporation or entity other than the parties hereto. No person, corporation or entity other than the parties hereto shall have any rights or interest in or under this contract, except as expressly provided herein.




15.2 Neither this contract, nor any interest herein, nor any claim arising hereunder shall be transferred or assigned by the District to any party or parties without the prior written consent of City.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the day and year first above written.

THE CITY AND COUNTY OF SAN FRANCISCO  
By Its Public Utilities Commission

By   
Rudolf Nothenberg  
General Manager of Public Utilities

GROVELAND COMMUNITY SERVICES DISTRICT

By   
B. C. Beaudreau  
General Manager

Authorized by Resolution No. 4-84  
of the Board of Directors


Adopted: May 8, 1984

ATTEST:

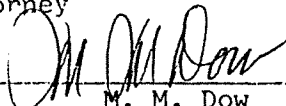
Authorized by Public Utilities Commission  
City and County of San Francisco

Resolution No. 84-0186

Adopted. April 24, 1984

  
Romaine A. Boldridge  
Secretary

Approved as to form:  
George Agnost  
City Attorney

By   
M. M. Dow  
Utilities General Counsel



SCALE IN MILES

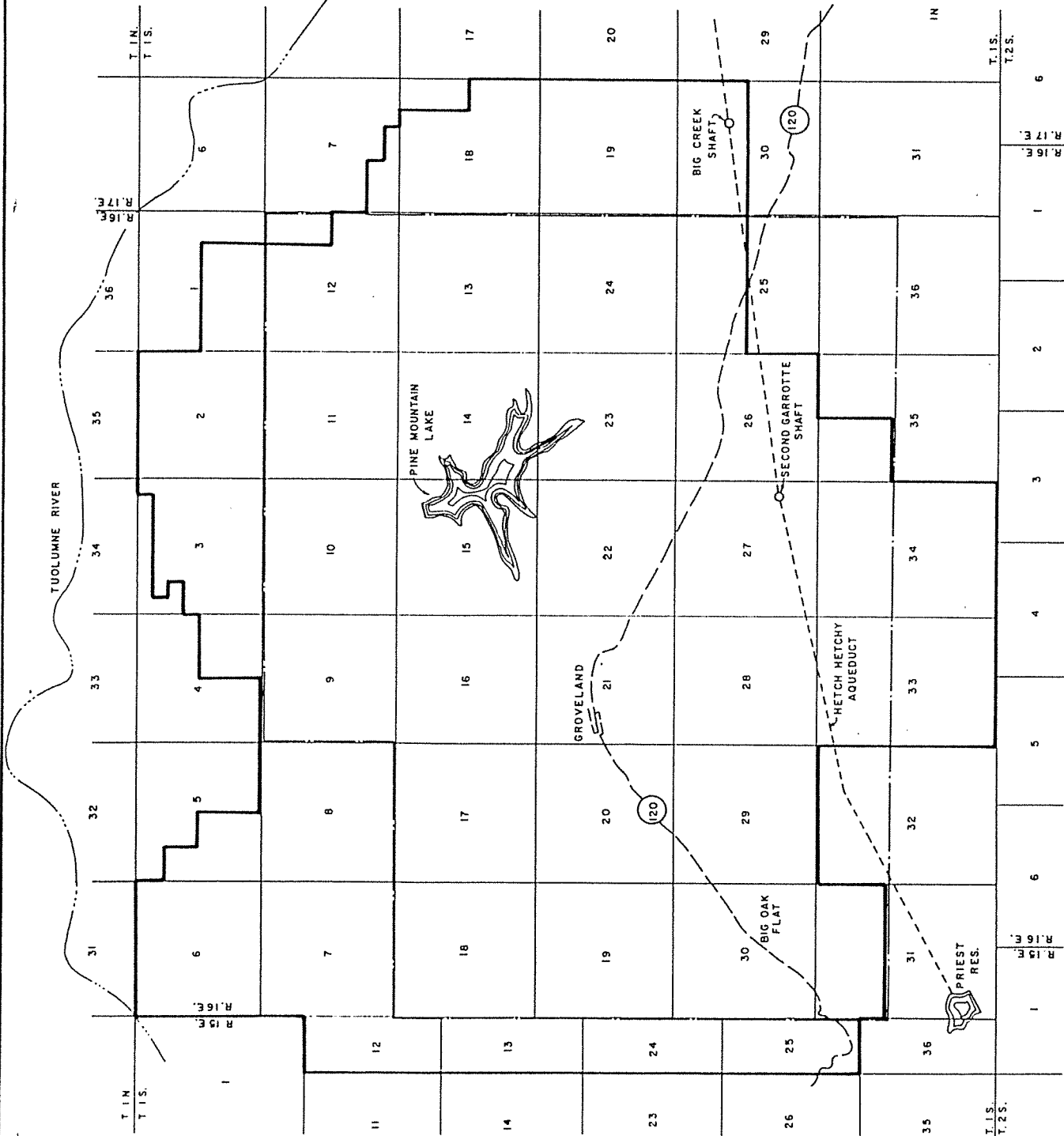
LEGEND

NEW BOUNDARY

OLD BOUNDARY

EXHIBIT A

IN ACCORDANCE WITH RESOLUTION 2-72 OF THE GROVELAND COMMUNITY SERVICES DISTRICT



GROVELAND COMMUNITY SERVICES DISTRICT

PROPOSED S. F. CONTRACT BOUNDARY

OSBORNE ENGINEERING ASSOCIATES  
SONOMA CALIF.



December 21, 2016

Steve Ritchie  
Assistant General Manger – Water Enterprise  
San Francisco Public Utilities Commission  
525 Golden Gate Ave. 10th Floor  
San Francisco, California

Dear Steve,

Modesto Irrigation District (MID) and Turlock Irrigation District (TID) (collectively referred to as "Districts") understands that the San Francisco Public Utilities Commission (SFPUC) is scheduled to begin a series of projects on the Hetch Hetchy System which will result in the Mountain Tunnel being periodically taken out of service over the next ten years. As a result, the Districts understand that these planned outages will impact the ability of the SFPUC to serve one of their water customers – the Groveland Community Services District (GCSD), which currently obtains its water supply by pumping from the Mountain Tunnel. Further, the District's understand that GCSD does not have sufficient water storage to meet anticipated water supply demands during extended outages.

In order to meet GCSD water supply demands during this time, GCSD proposes using water currently stored in or to be discharged to Pine Mountain Lake, which is owned and operated by the Pine Mountain Lake Association (PMLA). Water in Pine Mountain Lake normally flows by water right of the Districts to Don Pedro Reservoir. GCSD maintains an agreement with PMLA to access Pine Mountain Lake during periods of water supply shortfall. The SFPUC proposes to account for this diversion by allowing adjustments to the Don Pedro water bank account. The SFPUC proposes to report daily GCSD diversions on the P174 Form using column 26A.

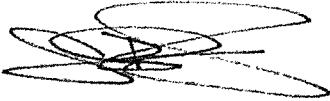
The Districts agreed to a similar proposal in 2007 and recognize the need for the maintenance work. Subject to the parties' compliance with this agreement, the Districts again agree to the use of stored water in Pine Mountain Lake by GCSD under the following conditions:

1. GCSD shall obtain any and all necessary permits required for the use of stored water in Pine Mountain Lake.
2. There shall be no adverse impacts to the Districts' operations or water rights and the Districts shall be kept whole at all times, all at the discretion of the Districts.
3. The SFPUC will be responsible to the Districts for all water used by GCSD during maintenance outages to include, but not be limited to, metering at the point of diversion and accounting for such use on the P174 Form.
4. Metering shall be done using industry standards and shall be forwarded to the Districts by the 10th day of the month following any month in which water is diverted.
5. This agreement shall expire on March 1, 2027.

6. This agreement is for the sole purpose of this unique circumstance and shall not establish or set a precedent for future requests. Further, the Districts acknowledge, with the concurrence of GCSD and SFPUC, that nothing herein is intended to establish a precedent or course of conduct between the Districts, GCSD and SFPUC as to their respective Tuolumne River water rights or agreements, including Don Pedro water bank accounting pursuant to the Fourth Agreement.

If these conditions are satisfactory to you, please indicate your concurrence by signing and dating where indicated and return a copy to each of us.

Sincerely,

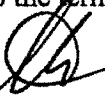


John B. Davids  
Assistant General Manager  
Water Operations  
Modesto Irrigation District  
P.O. Box 4060  
Modesto, California 95352



Brian L. LaFollette, P.E.  
Assistant General Manager  
Power Supply  
Turlock Irrigation District  
P.O. Box 949  
Turlock, CA 95380

I hereby agree to the terms and conditions expressed above.



Steve Ritchie, Assistant General Manager - Water Enterprise

3/20/17

Date

HH Water & Power

MAR 22 2017



**Modesto Irrigation District (MID), Turlock Irrigation District (TID) and SFPUC Moccasin Admin  
Agreement for Use of Stored Water in Pine Mountain Lake by Groveland  
Community Services District (GCSD) – During Extended Outages**

Routing Slip

**Please sign the one original of the Agreement; and route to the following:**

✓ Steve Ritchie, AGM Water

         Debbie Tanko, HHWP Moccasin (for final distribution)

Upon completion of signature approvals, please return all originals to Debbie Tanko located at PO Box 160, Moccasin, CA 95347.

**RECEIVED**

MAR 20 2017

**AGM-WATER**

*orig. D. Tanko*