

**AMENDMENT NO. 1  
TO  
AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT  
BETWEEN THE  
DEPARTMENT OF WATER RESOURCES, STATE OF CALIFORNIA  
AND THE  
AUTHORITY**

This Amendment No. 1 to the October 26, 2018 Amended and Restated Joint Exercise of Powers Agreement Between the Department of Water Resources of the State of California (“DWR”) and the Delta Conveyance Design and Construction Joint Powers Authority (“Authority”) is entered into and effective as of the last date set forth on a signature page hereto.

**RECITALS**

WHEREAS, in May 2018 DWR and the Authority (collectively “the Parties”) entered into a Joint Exercise of Powers Agreement and in October 2018 into an Amended and Restated Joint Exercise of Powers Agreement (“Agreement”), whereby the Authority has been retained by DWR to manage the design and construction of California WaterFix under DWR’s ultimate control and oversight; and

WHEREAS, the Authority has since been engaged in start-up activities of establishing its internal structure, retaining experts, implementing systems and procedures, and other actions necessary before commencing its core function of design and construction activities for the approved project; and

WHEREAS, the State has set a new water policy for California and on May 2, 2019 DWR withdrew its approval of the California WaterFix project and announced it will embark on new planning and environmental documentation for Delta conveyance; and

WHEREAS, the Authority has acquired expertise and resources to provide design and site investigative services to support DWR's needed new planning and environmental work during the start-up phase; and

WHEREAS, the Parties desire to amend the Agreement to provide for the Authority's services to DWR in support of the new planning and engineering work; and

NOW THEREFORE, in consideration of the mutual covenants contained in the Agreement and this Amendment No. 1, the Parties hereby agree to amend the Agreement as follows:

Amendment

1. Section 0, "Planning and Environmental Support Services" is added as follows:
  - a. During the Planning Phase, as defined below, DWR will develop a Notice of Preparation ("NOP") under the California Environmental Quality Act ("CEQA"), will thereafter lead a new environmental review process in compliance with CEQA, and will pursue permitting. The NOP will identify a proposed project and request input on proposals to address climate change resiliency and protect the State Water Project Delta conveyance from earthquake risk, in consideration of a one tunnel conveyance facility, while meeting the underlying objectives of water supply reliability and ecosystem health. During the Planning Phase, Authority shall perform design, engineering and field work (together, the "Work") in support of DWR. The Work is anticipated to include production of conceptual engineering report(s), development of conveyance alternatives, geotechnical surveys, development of mitigation measures, power supply design and related coordination, and

other field work and technical support as requested in writing by DWR from time to time. Additional ancillary activities related to the Work may also be performed by Authority in coordination with DWR and include stakeholder engagement and facilitation, preliminary right of way services, scheduling and cost controls.

- b. For purposes of this Section 0, “Planning Phase” means the period of time beginning on May 2, 2019 and ending upon (i) completion of the environmental review process under CEQA and, if appropriate after CEQA review, approval of a Delta conveyance project, or (ii) any other subsequent date mutually agreed in writing by the Parties.
  - c. The action to amend this Agreement by DWR and the Authority is considered an action to fund and otherwise support appropriate feasibility and planning studies, as that term is used in Public Resources Code Section 21102 and 21150 and the CEQA Guidelines Section 15262, for possible future actions which DWR and the Authority has not approved, adopted, or funded. Nothing in the Agreement shall be construed to predetermine DWR’s decision after completion of the CEQA process and DWR may determine, consistent with the completed analysis under CEQA, that no conveyance project shall be approved.
2. The following sections of the Agreement are deleted in their entirety and shall be replaced by DWR and Authority on or before completion of the Work described in Section 0:
    - a. Section 5, “Permits, Environmental Compliance”

- b. Section 7, "Project Design"
- 3. Pending completion of the Work described in Section 0, the following sections of the Agreement shall be suspended and replaced with the text provided herein:
  - a. Section 2, "Specifications," is replaced as follows:

Section 2(a) "Conveyance Project"

For the purposes of the Planning Phase, "Conveyance Project" shall mean the planning, environmental documentation, permitting, and other preconstruction activities associated with the evaluation and development of a proposal and, as appropriate, alternatives for new Delta water conveyance facilities to be owned and operated by DWR, that would convey water from the Sacramento River north of the Delta directly to the existing SWP and, potentially, CVP pumping plants located in the south Delta.

- 4. DWR will initially contribute up to \$19.7 million ("Initial DWR Contribution") for Authority invoices attributable to Work described in new Section 0 of the Agreement and such amount shall be deemed "available funding" for purposes of Section 10 of the Agreement. The Initial DWR Contribution is for the payment of Authority invoices for costs of the Work. The actual amount of Initial DWR Contribution funds expended shall be recovered in full by DWR as soon as practicable but in any event not later than December 15, 2019, from funds authorized to be contributed to DWR by Authority member agencies and other State Water Project contractors for the purpose of funding the Work described herein ("Contractor Contributed Funds"). The signatures of authorized representatives of DWR and Authority, respectively, on a letter setting forth a

different date for the recovery of funds by DWR shall be evidence of the Parties' intent and constitute their agreement with respect to such change.

5. Prior to undertaking preliminary right of way services to which Section 8 of the Agreement or Exhibits D or E would be applicable ("Subject ROW Work"), if any, DWR and Authority shall meet and confer regarding necessary or desirable revisions thereto and no Subject ROW Work will be conducted before revised Exhibits D and E are mutually agreed and approved by the Parties. The signatures of authorized representatives of DWR and Authority, respectively, on a revised Exhibit shall be evidence of approval of such Exhibit and no further action shall be required to make said Exhibit effective and a part of the Agreement.
6. Exhibit B – Budget and Schedule is hereby deleted in its entirety and replaced with revised Exhibit B – Planning Budget and Schedule attached hereto. For purposes of Section 9 of the Agreement execution of this Amendment constitutes approval of the attached Budget and Schedule by DWR and Authority. Exhibit B may be revised as mutually agreed and approved by the Parties. The signatures of authorized representatives of DWR and Authority, respectively, on a revised Exhibit B shall be evidence of approval of such Exhibit B and no further action shall be required to make said Exhibit B effective and a part of the Agreement. Section 9 of the Agreement shall continue in full force and effect according to its terms.
7. The following exhibits are deleted in their entirety and may be replaced upon completion of the Work described in Section 0:

- a. Exhibit A – Performance Standards
  - b. Exhibit C – Permits and Regulatory Approval Table
8. This Amendment may be executed in one or more counterparts all of which shall constitute a single agreement.

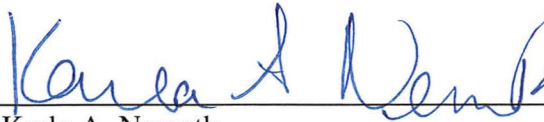
Except as hereby amended, the Agreement shall remain in full force and effect.

*(Remainder of page intentionally left blank)*

IN WITNESS WHEREOF, the parties have hereunto affixed their names as of the day and year hereinabove written.

**STATE OF CALIFORNIA  
DEPARTMENT OF WATER  
RESOURCES**

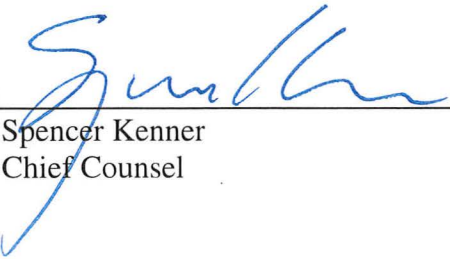
**DELTA CONVEYANCE DESIGN AND  
CONSTRUCTION AUTHORITY**

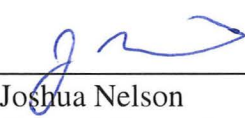
By:   
Karla A. Nemeth  
Director of Water Resources

By:   
Tony Estremera  
President

**Approved as to legal form and consistency**

**Approved as to legal form and consistency**

By:   
Spencer Kenner  
Chief Counsel

By:   
Joshua Nelson  
General Counsel

## EXHIBIT B

### Planning Budget and Schedule

Below is the preliminary budget and schedule for the Planning Phase. As DWR has not developed an NOP, it is based on the Parties' initial budget and planning projections. The Planning Phase may continue into FY 2022-2023 or beyond and would be subject to an amended budget and schedule for those fiscal years. The preliminary budget and schedule for the Planning Phase may be amended as set forth in Section 6.



#### DCA PLANNING BUDGET AND SCHEDULE

May 2019 thru June 2022

Item	Year 1 (14 Mo)	Year 2	Year 3	Totals
Program Management	\$9,500,000	\$9,800,000	\$10,000,000	\$29,300,000
Project Controls	\$6,300,000	\$4,200,000	\$5,400,000	\$15,900,000
Engineering	\$43,000,000	\$77,000,000	\$53,200,000	\$173,200,000
Field Work	\$25,000,000	\$22,000,000	\$9,000,000	\$56,000,000
Property Access and Acquisition Services	\$4,900,000	\$5,000,000	\$10,000,000	\$19,900,000
Power, Roads and Utilities		\$6,100,000	\$24,500,000	\$30,600,000
Stakeholder Engagement	\$4,800,000	\$3,500,000	\$2,500,000	\$10,800,000
Office Administration	\$8,100,000	\$2,100,000	\$2,200,000	\$12,400,000
<b>TOTAL</b>	<b>\$101,600,000</b>	<b>\$129,700,000</b>	<b>\$116,800,000</b>	<b>\$348,100,000</b>