



OROVILLE CITY COUNCIL

Council Chambers
1735 Montgomery Street
Oroville, CA 95965

SPECIAL MEETING

MAY 9, 2017

5:30 P.M. CLOSED SESSION

OPEN SESSION TO FOLLOW CLOSED SESSION

AGENDA

ROLL CALL

Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier

PLEDGE OF ALLEGIANCE

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS

This is the time the Mayor will invite anyone in the audience wishing to address the Council on a matter that is on the agenda to state your name and the agenda item on which you wish to speak. When that item comes up on the agenda, you will be asked to step to the podium, repeat your name for the record, and make your presentation or ask questions regarding the agenda item. Following your remarks, Council and/or staff may respond to your comments or questions. **Presentations are limited to three minutes per person.** Under Government Code Section 54954.3 the time allotted for presentations may be limited.

SPECIAL BUSINESS – CLOSED SESSION

1. Pursuant to Government Code section 54956.9(d)(2), the Council will meet with Acting City Administrator and City Attorney regarding potential exposure to litigation – one case.
2. Pursuant to Government Code section 54956.9(d)(4), the Council will meet with Acting City Administrator and City Attorney regarding potential initiation of litigation – one case.

SPECIAL BUSINESS – OPEN SESSION

3. **DIRECTION REGARDING AMENDMENT TO THE SUPPLEMENTAL BENEFITS FUND IMPLEMENTATION AGREEMENT WITH THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES** – staff report

The Council will receive information regarding the Supplemental Benefits Fund (SBF) and the Implementation Agreement and Amendments between the City of Oroville as Fund Administrator of the SBF and the State of California - Department of Water Resources (DWR) which is due to expire on July 20, 2017. **(Bob Marciniak, SBF Program Specialist and Donald Rust, Acting City Administrator)**

ADJOURNMENT

The meeting will be adjourned to a regular meeting of the Oroville City Council to be held on Tuesday, May 16, 2017 at 5:30 p.m.

Accommodating Those Individuals with Special Needs – In compliance with the Americans with Disabilities Act, the City of Oroville encourages those with disabilities to participate fully in the public meeting process. If you have a special need in order to allow you to attend or participate in our public meetings, please contact the City Clerk at (530) 538-2535, well in advance of the regular meeting you wish to attend, so that we may make every reasonable effort to accommodate you. Documents distributed for public session items, less than 72 hours prior to meeting, are available for public inspection at City Hall, 1735 Montgomery Street, Oroville, California.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS

**FROM: BOB MARCINIAK, SBF PROGRAM SPECIALIST;
DONALD RUST, ACTING CITY ADMINISTRATOR
ADMINISTRATION DEPARTMENT**

**RE: DIRECTION REGARDING AMENDMENT TO THE
SUPPLEMENTAL BENEFITS FUND IMPLEMENTATION
AGREEMENT WITH THE STATE OF CALIFORNIA -
DEPARTMENT OF WATER RESOURCES**

DATE: MAY 9, 2017

SUMMARY

The Council will receive information regarding the Supplemental Benefits Fund (SBF) and the Implementation Agreement and Amendments between the City of Oroville as Fund Administrator of the SBF and the State of California - Department of Water Resources (DWR) which is due to expire on July 20, 2017.

BACKGROUND

1. Settlement Agreement for Oroville FERC Project No. 2100

On March 21, 2006, over 50 stakeholders, including the City of Oroville, entered into the Settlement Agreement for the purpose of resolving all issues that have, or could have been raised, by the parties in connection with the Federal Energy Regulatory Commission's (FERC) order issuing a New Project License. While recognizing that several regulatory and statutory processes are not yet completed, it was the parties' intention that the Settlement Agreement also resolves all issues that may arise in the issuance of all permits and approvals associated with the issuance of the new Project License, including but not limited to Environmental Site Assessment Section 7 Biological Opinions, California Water Fowl Association Section 401 Certification, National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA). The Settlement Agreement also enhances the mutual benefits of the Project for the Licensee, Project Beneficiaries, local community, and all other Parties.

The Settlement Agreement was made with the understanding that it constitutes a negotiated resolution of issues relating to the New Project License, operation of the Project, and local community concerns related to the Project¹

¹ Excerpts from the Settlement Agreement approved by all Stakeholders on March 21, 2006.

The parties who signed the Settlement Agreement for licensing of the Oroville Facilities FERC Project No. 2100 established Appendix B *“Measures agreed to among the parties but not to be included in the New Project License” with their intent to “allow the benefits of the Oroville Facilities to be extended into the local communities in the vicinity of the FERC boundary in a manner consistent with DWR’s authority to provide such benefits through operation of the State Water Project (SWP) and to create benefits for the parties that are in concert with and do not conflict with the actions taken by DWR pursuant to the new FERC license issued for the Oroville Facilities and the Settlement Agreement.”*

The City approved and executed the Settlement Agreement with the DWR for the relicensing of the Oroville Dam on March 24, 2006. The SBF is included in the Settlement Agreement as Appendix B, and provides funding in the amount of \$61,270,000. The City and DWR agreed that their intent in establishing the SBF is to allow the benefits of the Oroville Dam to be extended into the local communities.

(Page 27, 6.1 “Withdrawal from Settlement Agreement”)

“A Party may withdraw from this Settlement Agreement only if (a) it objects to an order issuing a New Project License that is Inconsistent with this Settlement or to a Biological Opinion issued before the New Project License becomes final that is Inconsistent with this Settlement Agreement, (b) it has complied with the required dispute resolution procedures stated in Section 5 to attempt to resolve the objection, and (c) that Party does not file for appeal. If the Party files an appeal to resolve the inconsistency, that party may not withdraw until its appeal is exhausted. In addition, The Licensee (DWR) may withdraw as provided in Section 6.2. A Party that withdraws will provide Notice of Withdrawal, including its basis for withdrawal”.

2. The SBF Fund Administrator

Upon the effective date of the Settlement Agreement, March 24, 2006, and subject to its execution of such agreement, the City of Oroville shall be designated as and assume the duties of Fund Administrator. If the City does not execute the Settlement Agreement or withdraws from the Settlement Agreement, then DWR shall consult with other signatories and designate a different Fund Administrator.²

The City Council on July 18, 2006 approved City of Oroville Resolution No. 6741 authorizing the Mayor to execute the Standard Agreement and any amendments thereto, with the DWR relating to the re-licensing of Oroville Project 2100 (Lake Oroville), and the SBF, which will define the Fund Implementation Agreement.³

² Appendix B, Section B100, Project Supplemental Benefits Fund C 1.0

³ Resolution No. 6741

3. DWR Agreement Number 4600007302

The City approved and executed the DWR Standard Agreement with a term of July 21, 2006 through July 20, 2011 for the initial planned disbursements of Appendix B totaling \$8,070,000. It had been anticipated that DWR's FERC license approval would be made during that time period. As of May 8, 2017, the license approval remains pending and DWR has requested that the City approve an extension of the Standard Agreement with a new term of July 21, 2006 through July 20, 2017, which will cover the remaining available funds up to the originally approved total of \$8,070,000.

(Note: Amendment 3, approved, January 3, 2012, by the California Department of General Services provides for an annual transfer of \$100,000 by January 10th of each subsequent year beginning in 2012 until acceptance by DWR of a new license for the Oroville Facilities. The \$100,000 transfers are advances against the remaining \$4,135,000 that will be transferred as a lump sum to the Fund Administrator (City of Oroville) upon acceptance by DWR of a new license for the Oroville Facilities with terms and conditions that are consistent with and substantially similar to the provisions set forth in the Settlement Agreement).

Procedurally, starting with Amendment 1 and thereafter, a Staff Report and Resolution authorization was presented to the City Council; however, City of Oroville Resolution 6741 (attachment 2) approved on July 18, 2006 provided authorization for the Mayor to sign "any amendments thereto".

4. Oroville Spillway Incident

In early February 2017, a series of incidents related to the Lake Oroville Spillway began to occur. On February 12, 2017, an emergency evacuation order was issued by the Butte County Sheriff, Korey Honea, which resulted in the immediate evacuation of close to 200,000 people from areas determined to be in potential danger if the emergency spillway failed. On February 14, 2017 that order was changed to an advisory evacuation order allowing people to return their homes and businesses to reopen. On March 22, 2017, the Sheriff lifted all evacuation orders but encouraged residents and businesses to be prepared should circumstances change.

DWR, early on, recognized the need and importance to provide information related to the incident to the public and worked closely with the Butte County Sheriff (Incident Commander) and other local agencies and state emergency resources. DWR also has been engaged in a series of public out-reach meetings to allow for information, as known, to be presented and to provide the public an ability to express their opinions and concerns.

President Trump and Governor Brown both issued disaster relief proclamations to assist in the repairs and rebuilding of the damaged spillway and winter storms.

FISCAL IMPACT

There is no fiscal impact. City activities related to Supplemental Benefits Funding are 100% funded by SBF.

POTENTIAL ACTION

1. Direct staff to begin the withdrawal process from the SBF Settlement Agreement; *(or)*
2. Direct staff to begin the withdrawal process of the City of Oroville as SBF Fund Administrator; *(or)*
3. Take no action; *(or)*
4. Provide other direction, as needed

ATTACHMENTS

- A - State of California Standard Agreement No. 460007302 for the term July 21, 2006 through July 20, 2009
- B - State of California Standard Agreement No. 460007302 for the term July 21, 2016 through July 21, 2017
- C - Appendix B, Section B100, Project Supplemental Benefits Fund C 1.0
- D - City of Oroville Resolution No. 6741

APPENDIX B

**Measures Agreed to Among the Parties But Not to be Included
in New Project License**

Section B100. Project Supplemental Benefits Fund

A. General Provisions

- * 1.0 The parties agree that their intent in establishing the Project Supplemental Benefits Fund (Fund) is to:
 - * 1.1 Allow the benefits of the Oroville Facilities to be extended into the local communities in the vicinity of the FERC boundary in a manner consistent with DWR's authority to provide such benefits through operation of the State Water Project (SWP).
 - * 1.2 Create benefits for the parties that are in concert with and do not conflict with the actions taken by DWR pursuant to the new FERC license issued for the Oroville Facilities and the Settlement Agreement.
- 2.0 If a significant representation from the local community, as determined by DWR, enters into the Settlement Agreement, then DWR shall establish and maintain the Fund, as further provided herein.

B. Fund Usage and the Oroville Facilities Boundary

- 1.0 Subject to subsection 2.0 below, the Fund shall be used solely to support projects that are selected in accordance with Section D or as otherwise provided herein and that supplement the benefits provided by the Oroville Facilities, but which are located outside of the Oroville Facilities' boundary.
- 2.0 At DWR's sole discretion and subject to FERC approval, the Fund may be used to support projects located within the Oroville Facilities' boundary, but which are not within the jurisdiction of FERC, i.e., a non-project use of project lands. Any such use of the Oroville Facilities' lands shall be subject to such terms and conditions as DWR and/or FERC deems appropriate.

C. Fund Administrator

- 1.0 Upon the effective date of the Settlement Agreement and subject to its execution of such agreement, the City of Oroville shall be designated as and assume the duties of Fund Administrator. If the City does not execute the Settlement Agreement or withdraws from the Settlement Agreement, then DWR shall consult with other signatories and designate a different Fund Administrator.

- 2.0 The Fund Administrator shall use its internal protocols to formally designate a person within its organization to serve as the responsible person for performance of all such administrative duties required to ensure the orderly and efficient operation of the Fund. Such person, or successor thereto, will serve as the principal liaison with DWR during the establishment and operation of the Fund and will be fully authorized by the Fund Administrator to undertake actions on all administrative matters specified in the Fund Implementation Agreement.

- 3.0 As delineated further herein, the principal duties of the Fund Administrator shall consist of:
 - 3.1 Convening meetings and implementing the decisions of a Fund Steering Committee in accordance with Section D;

 - 3.2 Performing grant funding tasks in accordance with Section F;
 - 3.3 Developing a regional Fund Strategic Plan in accordance with Section G; and
 - 3.4 Entering into a Fund Implementation Agreement with DWR and discharging obligations thereto, in accordance with Section H.

D. Fund Steering Committee

- 1.0 Within six months of assumption of duties by the Fund Administrator, a Fund Steering Committee composed of five voting members and three advisory members, selected in accordance with subsection 2.0 below, shall be convened by the Fund Administrator to provide direction regarding proposed projects to be funded through the Fund.

- 2.0 The voting members of the Steering Committee shall be composed of the following publicly elected officials:
 - 2.1 three members from the Oroville City Council; and
 - 2.2 two members from the Board of Directors of the Feather River Recreation and Parks District.

The members of the Steering Committee will be selected by the appropriate governing body at the beginning of each calendar year and will serve one year terms, except that the initial term will be one year plus the time from the date the initial member(s) are selected to the beginning of the next calendar year.

- 3.0 If one or more of the local agencies named in subsection 2.0 above fail to execute the Settlement Agreement, then DWR shall consult with the Fund

ATTACHMENT "B"

6. **Withdrawal from Settlement Agreement**

6.1 Withdrawal of Party from Settlement

A Party may withdraw from this Settlement Agreement only if (a) it objects to an order issuing a New Project License that is Inconsistent with this Settlement or to a Biological Opinion issued before the New Project License becomes final that is Inconsistent with this Settlement Agreement, (b) it has complied with the required dispute resolution procedures stated in Section 5 to attempt to resolve the objection, and (c) that Party does not file for appeal. If the Party files an appeal to resolve the inconsistency, that Party may not withdraw until its appeal is exhausted. In addition, the Licensee may withdraw as provided in Section 6.2. A Party that withdraws will provide Notice of withdrawal, including its basis for withdrawal.

6.2 Withdrawal of Licensee from Settlement Agreement Prior to Acceptance of the New Project License.

In addition to the provisions of Section 6.1, prior to the acceptance of the New Project License, the Licensee may withdraw from this Settlement Agreement without first complying with the Dispute Resolution process stated in Section 5 if a Party withdraws from this Settlement Agreement and the Licensee reasonably determines at its sole discretion, after providing the other Parties a reasonable opportunity to meet and discuss with Parties, that the withdrawal: (a) may adversely affect the likelihood of NMFS or Interior issuing biological opinions not Inconsistent with this Settlement Agreement, or (b) substantially diminishes the value of this Settlement Agreement. Licensee shall give Notice identifying the reason for withdrawal within 30 days of the Licensee's knowledge of the event creating the right to withdraw. If Licensee withdraws from Settlement Agreement, Licensee agrees to support any Federal or State Regulatory Party's request of FERC for a stay of the licensing process to allow the Federal or State Regulatory Party to comply with FERC's regulatory processes.

6.3 Effective Date of Withdrawal

Withdrawal by a Party shall become effective 10 calendar days after Notice is given by the withdrawing Party.

6.4 Effect of Withdrawal on the Project Supplemental Benefits Fund

6.4.1 Effect of Withdrawal of the Licensee on the Project Supplemental Benefits Fund. If the Licensee elects to withdraw from this Settlement Agreement, it and the State Water Contractors shall thereafter initiate negotiations with the Fund Administrator within 30 days and those three parties shall use their best efforts to reach agreement within 6 months with respect to a reasonable, separate agreement with the Fund Administrator for a revised Supplemental Benefits Fund agreement. The goal of the new Supplemental Benefits Fund agreement would

ATTACHMENT "C"

CITY OF OROVILLE RESOLUTION NO. 6741

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS THERETO WITH THE STATE OF CALIFORNIA – DEPARTMENT OF WATER RESOURCES FOR THE PURPOSES OF THE PROJECT SUPPLEMENTAL BENEFITS FUND – APPENDIX B – ASSOCIATED WITH THE RE-LICENSING OF OROVILLE DAM

(Agreement No. 1688)

WHEREAS, the Department of Water and City of Oroville entered into the Settlement Agreement on March 29, 2006 for the relicensing of the Oroville Dam; and

WHEREAS, the City of Oroville and other local stakeholders have negotiated for the Project Supplemental Benefits Fund in the amount of \$61,250,000 to provide benefits to the local communities from the State Water Project, as stated in Appendix B of the Settlement Agreement; and

WHEREAS, the City of Oroville has been designated as the Fund Administrator for the Project Supplemental Benefit Fund; and

WHEREAS, the Department of Water Resources has committed to establish and maintain the fund, and are preparing the Standard Agreement with the State of California to make available the funds to the Fund Administrator;

NOW THEREFORE, the City Council of the City of Oroville does hereby resolve as follows:

The Mayor is hereby authorized to execute the Standard Agreement, and any amendments thereto, with the Department of Water Resources (DWR) relating to the re-licensing of Oroville Project 2100 (Lake Oroville), and the Project Supplemental Benefits Fund, which will define the Fund Implementation Agreement.

ATTACHMENT "C"

PASSED AND ADOPTED by the Oroville City Council at an adjourned meeting held on July 18, 2006 by the following vote:

AYES: Council Members Berry, Corkin, Johansson, Prouty, Simpson, Vice Mayor Jernigan, Mayor Andoe

NOES: None

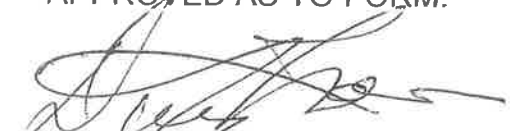
ABSTAIN: None

ABSENT: None



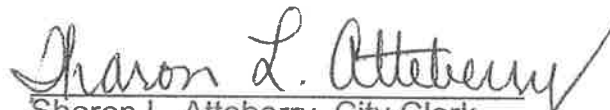
Gordon Andoe, Mayor

APPROVED AS TO FORM:



Dwight L. Moore, City Attorney

ATTEST:



Sharon L. Atteberry, City Clerk

ATTACHMENT "D"

AGREEMENT NUMBER 4600007302
REGISTRATION NUMBER 38601006145110

This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

Department of Water Resources

CONTRACTOR'S NAME

City of Oroville

2. The term of this Agreement is: **July 21, 2006 through July 20, 2009**
 This Agreement will not become effective until approved by the Department of General Services.

3. The maximum amount of this Agreement is: **\$ 8,070,000.00**
 Eight Million Seventy Thousand Dollars and No Cents

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work	2 pages
Attachment 1 – Appendix B, Section B100, <u>Project Supplemental Benefits Fund</u> of the "Settlement Agreement for the Licensing of the Oroville Facilities" (Signed 3/21/06)	10 pages
Exhibit B – Budget Detail and Payment Provisions	1 page
Attachment 1 – Budget Detail	1 page
Attachment 2 – Cost Sheet	1 page
Exhibit C* – General Terms and Conditions	GTC - 306
Exhibit D – Special Terms and Conditions for DWR (Local Public Entities – Payables) – DWR 9546 (Rev. 3/04)	3 pages
Attachment 1 – Recycled Content Certification Form (DWR 9557 – Rev. 7/06)	2 pages
Exhibit E – Additional Provisions	1 page

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at www.ols.dgs.ca.gov/Standard+Language

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

City of Oroville

BY (Authorized Signature)

DATE SIGNED (Do not type)

[Signature]

8/21/06

PRINTED NAME AND TITLE OF PERSON SIGNING

Gordon Andoe, Mayor

ADDRESS

**1735 Montgomery Street
 Oroville, California 95965**

STATE OF CALIFORNIA

AGENCY NAME

Department of Water Resources

BY (Authorized Signature)

DATE SIGNED (Do not type)

[Signature]

8/31/06

PRINTED NAME AND TITLE OF PERSON SIGNING

Carl A. Torgersen, Chief, Division of Operations and Maintenance

ISS

1416 Ninth Street, Sacramento, California 95814

California Department of General Services Use Only

[Signature]

APPROVED

SEP 27 2006

DEPARTMENT OF GENERAL SERVICES

[Signature]

Approved as to legal form and efficiency
[Signature]
 Asst. Chief, Counsel DWR

ATTACHMENT "D"

Scope of Work

I. Pursuant to the provisions contained within Appendix B, Section B100, **Project Supplemental Benefits Fund** of the "Settlement Agreement for the Licensing of the Oroville Facilities" – FERC Project No. 2100, signed into effect March 21, 2006, the Department of Water Resources (hereinafter referred to as DWR) agrees to establish a Project Supplemental Benefits Fund that will provide up to \$61,270,000 of unescalated funds, with a combination of initial payments and annual payments defined in Exhibit B (Budget Detail and Payment Provisions). The City of Oroville has been designated as the Fund Administrator and the duties and responsibilities associated with this Agreement are identified in Paragraph V. on Page 2 of this Exhibit.

II. The services shall be provided to:

**Department of Water Resources
Oroville Field Division
460 Glen Drive
Oroville, California 95966**

III. The services shall be provided for:

Projects selected by the Fund Steering Committee that supplement the benefits provided by the Oroville Facilities, but which are located outside of the Oroville Facilities' boundary;

and

Projects located within the Oroville Facilities' boundary, but which are not within the jurisdiction of FERC, i.e., a non-project use of project lands. (Any such use of the Oroville Facilities' lands shall be subject to terms and conditions as DWR and/or FERC deem appropriate);

and

Projects within local communities in the vicinity of FERC Project No. 2100 boundary.

IV. The Project Representatives during the term of this Agreement will be:

DEPARTMENT OF WATER RESOURCES		CITY OF OROVILLE	
Name:	William Cochran	Name:	Sharon Atteberry
Phone:	(530) 534-2376	Phone:	(530) 538-2404
Cell Phone:	(530) 521-8487	Cell Phone:	(530) 370-8255
FAX:	(530) 534-2302	FAX:	(530) 538-2468

Project Representatives can be changed upon written notice to the other party.

ATTACHMENT "D"V. **Services To Be Performed.**

A. The purpose of the Fund Implementation Agreement is to direct future performance of all administrative duties associated with implementation of the Fund.

B. **Principal Duties of Fund Administrator:**

NOTE: The Sections identified below are located in Appendix B, Section B100 of the "Settlement Agreement for the Licensing of the Oroville Facilities", attached to this Exhibit, and labeled as Attachment 1.

- 1) Convene meetings and implement decisions of a Fund Steering Committee, established in accordance with Section D;
- 2) Perform grant funding tasks in accordance with Section F;
- 3) Develop a regional Fund Strategic Plan in accordance with Section G;
- 4) Enter into a Fund Implementation Agreement with DWR and discharge obligations thereto, in accordance with Section H.

C. **Duties of Fund Administrator under this Agreement:**

- 1) Enter into appropriate contracts with developers of selected projects and ensure compliance with applicable state and federal environmental laws.
- 2) Monitor the progress of selected projects and enforce any contractual remedies for non-performance.
- 3) Document all use of the Fund in a manner consistent with auditing requirements associated with the use of public funds.
- 4) Work with DWR to resolve in a timely manner any of its issues related to administration of the Fund.
- 5) Work with the Steering Committee to implement its decisions.
- 6) Develop criteria to be followed during project implementation and inserted into contracts with developers, including:
 - a. Schedule and benchmark conditions for phased release of Funds, as determined appropriate by the Steering Committee;
 - b. Identification of responsible parties for securing any necessary permits and for implementing the project in accordance with conditions, timelines, benchmarks;
 - c. Requirements for periodic status reports to Administrator;
 - d. Penalties for failure to comply with conditions such as withdrawal of allocation of funds to that project.

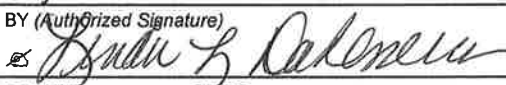

ATTACHMENT "D"

CHECK HERE IF ADDITIONAL PAGE.

R	AMENDMENT NUMBER
4600007302	3
REGISTRATION NUMBER	
eP # 1001500	

1. This Agreement is entered into between the State Agency and Contractor named below:
STATE AGENCY'S NAME
Department of Water Resources
CONTRACTOR'S NAME
City of Oroville
2. The term of this Agreement is **July 21, 2006** through **July 20, 2013**
 This agreement shall not become effective until approved by the Department of General Services.
3. The maximum amount of this **\$8,070,000.00**
 Agreement after this amendment is: **Eight Million Seventy Thousand and No Cents**
4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:
 - A. Exhibit B, Budget Detail and Payment Provisions (Rev. 08/11) is replacing the previous version dated July 2010.
 - B. Exhibit B, Attachment 1, Budget Detail for Project Supplemental Benefits Fund, I,B, is amended to read:
 - B. The second \$4,135,000 of these funds, as well as any unexpended funds from those made available pursuant to Paragraph I. A., will be distributed as follows:
 - a. \$100,000 will be transferred as a lump sum to the Fund Administrator upon final approval of the amendment, and an additional \$100,000 by January 10 of each subsequent year beginning in 2012 until acceptance by DWR of a new license for the Oroville Facilities with terms and conditions that are consistent with and substantially similar to the provisions set forth in the Settlement Agreement.
 - b. The remaining balance of the \$4,135,000 will be transferred as a lump sum to the Fund Administrator upon acceptance by DWR of a new license for the Oroville Facilities with terms and conditions that are consistent with and substantially similar to the provisions set forth in the Settlement Agreement.
 - C. All other terms and conditions of contract # 4600007302, including Amendment 1 and 2, shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only
<small>CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)</small> City of Oroville		<div style="border: 2px solid black; padding: 10px; width: fit-content; margin: auto;"> <p style="margin: 0;">APPROVED</p> <p style="margin: 0; font-size: 1.2em;">JAN - 3 2012</p> <p style="margin: 0; font-size: 0.8em;">DEPT OF GENERAL SERVICES</p> </div>
<small>BY (Authorized Signature)</small> 	<small>DATE SIGNED (Do not type)</small> 12.14.11	
<small>PRINTED NAME AND TITLE OF PERSON SIGNING</small> Linda Dahlmeier, Mayor		
<small>ADDRESS</small> 1735 Montgomery Street Oroville, California 95965		
<small>AGENCY NAME</small> STATE OF CALIFORNIA		
<small>AGENCY NAME</small> Department of Water Resources		<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;"> <p style="margin: 0; font-size: 0.8em;">Approved as to legal form and sufficiency</p> <p style="margin: 0; font-size: 0.8em;">11/30/11</p> <p style="margin: 0; font-size: 0.8em;">Asst. Chief Counsel, DWR</p> </div>
<small>BY (Authorized Signature)</small> 	<small>DATE SIGNED (Do not type)</small> 12/20/2011	
<small>PRINTED NAME AND TITLE OF PERSON SIGNING</small> David V. Starks, Acting Chief, Division of Operations and Maintenance		
<small>ADDRESS</small> 1416 Ninth Street, Room 605-1 Sacramento, California 95814		



ATTACHMENT "D"

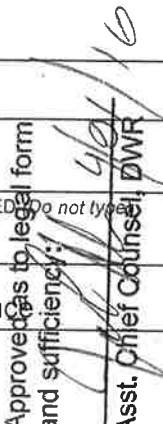
CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED

AGREEMENT NUMBER	AMENDMENT NUMBER
4600007302	7
REGISTRATION NUMBER	

- This Agreement is entered into between the State Agency and Contractor named below:
 STATE AGENCY'S NAME
Department of Water Resources
 CONTRACTOR'S NAME
City of Oroville
- The term of this July 21, 2006 through July 20, 2017
 Agreement is This Agreement shall not become effective until approved by the Department of General Services.
- The maximum amount of this \$8,070,000.00
 Agreement after this amendment is: Eight Million Seventy Thousand and No Cents
- The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:
 - STD 213, Original Agreement, Amendment 6, Section 2, hereby amended: Extend the termination date by one year, from July 20, 2016 to July 20, 2017. The term of this agreement begins on July 21, 2006 and terminates on July 20, 2017.
 - All other terms and conditions of Agreement 4600007302, including Amendments 1, 2, 3, 4, 5 and 6 shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only WB
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) <u>City of Oroville</u>		
BY (Authorized Signature) 	DATE SIGNED (Do not type) <u>05.03.2016</u>	
PRINTED NAME AND TITLE OF PERSON SIGNING <u>Linda Dahlmeier, Mayor</u>		
ADDRESS <u>1735 Montgomery Street Oroville, California 95965</u>		<div style="border: 2px solid black; padding: 10px; text-align: center;"> APPROVED JUN - 7 2016 OFFICE OF LEGAL SERVICES DEPT. OF GENERAL SERVICES </div>
STATE OF CALIFORNIA		
AGENCY NAME <u>Department of Water Resources</u>		
BY (Authorized Signature) 	DATE SIGNED (Do not type) <u>5/11/16</u>	
PRINTED NAME AND TITLE OF PERSON SIGNING <u>David R. Duval, Chief, Division of Operations and Maintenance</u>		
ADDRESS <u>1416 Ninth Street, Room 605-1 Sacramento, California 95814</u>		

Approved as to legal form and sufficiency:

 Asst. Chief Counsel, DWR