

APPLICATION FOR PARTICIPATION IN WESTLANDS WATER DISTRICT'S IRRIGATION SYSTEM MANAGEMENT PROGRAM

_____ ("Applicant") hereby applies for participation in Westlands Water District's Irrigation System Management Program ("Program") under the terms and conditions contained in Program documents, including the Transfer Agreement, the Participation Agreement, and the Program Procedures, which Applicant has reviewed and agrees to execute upon determination of eligibility. Applicant submits the following information in order to allow the District to effectively implement the Program in accordance with the Program documents.

Water User Name of Applicant:

Water User Account#: _____

Applicant desires to transfer the following facilities:

| | | | | |
|--|---------|---------|---------|---------|
| District Facility I.D. 1/ | | | | |
| Facility Location ¼, ¼, Section, T/R 3/ | | | | |
| Pump Make 2/ | | | | |
| Pump Serial # 2/ | | | | |
| Motor Make 2/ | | | | |
| Motor Serial # 2/ | | | | |
| Facility HP | | | | |
| District Delivery ID# | | | | |
| PG&E Account# | | | | |
| Electric Meter Serial # | | | | |
| Site Accessibility (yes/no) | Yes/ No | Yes/ No | Yes/ No | Yes/ No |
| Contract Demand Usage(kWh) 4/ | | | | |

_____ Applicant

_____ Date

1/ To be assigned and filled in by District.
 2/ Primary motor/ pump information.
 3/ Example: NW ¼ SE¼ sec 24, T15 / R16.
 4/ Peak hourly usage(kWh) for the last five (5) years

EXHIBIT A
WESTLANDS WATER DISTRICT
IRRIGATION SYSTEM MANAGEMENT PROGRAM
PROCEDURES

Introduction

Under the Irrigation System Management Program ("Program"), Westlands Water District ("District") will install or acquire title to booster pumps and filtration systems. The District will integrate them into its comprehensive water supply system. The Program provides for the pumping of irrigation water from District-owned booster and filtration pumps by Program Participants, who have entered into agreements with the District to transfer booster and filtration facilities to the District ("Transferred Facilities") and to operate and maintain those facilities. Participants will pump irrigation water according to District schedules. Participants will be charged a cost-based fee by the District for water pumped under the Program.

The Program is an important step in the implementation of the District's Water Conservation/Management Plan. By promoting conservation efforts by water users, the District can improve overall supply reliability while minimizing total water supply costs.

Eligibility

Transferred facilities are eligible for inclusion in the Program if they meet applicable safety standards and are free of PG&E contracts. The Participant must also ensure that the facilities meet applicable electrical and safety codes prior to transfer to the District. Pumping facilities must be equipped with a District-approved meter prior to transferring title of the equipment to the District.

District Regulations

District regulations applicable to the ordering, delivery, and payment for water, including the Terms and Conditions of Agricultural Water Service, a copy of which is attached hereto as Exhibit 1, shall be applicable to Participant's pumping and use of Program groundwater through Transferred Facilities, except to the extent there is a conflict between these Procedures and other regulations, in which case these Procedures shall prevail.

Billing

Participant shall be billed for water pumped under the Program on an acre-foot basis pursuant to a water charge to be established by the Board of Directors. The charge for Program water shall be based on the District's cost of delivery and will reflect a Transferred Facility's pumping source and efficiency. The District will attempt to structure water charges so that the average cost of energy per kWh is the same for all pumping facilities.

AGREEMENT
FOR TRANSFER OF IRRIGATION SYSTEM PUMPING FACILITIES

This Agreement between _____, hereinafter referred to as "Participant," and Westlands Water District, hereinafter referred to as "District," to effect the transfer to District of certain of Participant's pumping facilities in order to allow the Participant to participate in the District's Irrigation System Management Program ("Program") under the terms of the Agreement for Participation in Irrigation System Management Program and For Operations and Maintenance of Transferred Facilities ("Participation and O&M Agreement") and the Irrigation System Management Program Procedures ("Procedures"), attached thereto as Exhibit A.

RECITALS

WHEREAS, Participant and District have entered into the Participation and O&M Agreement; and

WHEREAS, Participant owns the hereinafter described pumping facilities consisting of a pumping unit(s), motor(s), booster pump(s), starting equipment, customer furnished portions of electrical service installations, valves, pipeline and related appurtenances used to pump and deliver water; and

WHEREAS, Participant desires to transfer these pumping facilities, with full operational control, to the District in order to receive District irrigation service under the Program and to facilitate the District's implementation of its Irrigation System Management Plan.

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

1. Participant transfers to the District, effective _____, all of its right, title and interest in the following pumping facilities ("Transferred Facilities") consisting of the following described pumping unit(s) and motor(s) together with related starting equipment, customer furnished portions of the electrical service installations, valves, pipeline and related appurtenances located at the above District sites, provided that the length of pipeline transferred shall extend only to a point five feet beyond the facilities pad or enclosed compound:

| <u>District</u> <u>Facility I.D.</u> | <u>Pump</u> <u>Make</u> | <u>Pump</u> <u>Serial No.</u> | <u>Motor</u> <u>Make</u> | <u>Motor</u> <u>Serial No.</u> | <u>Motor</u> <u>H.P.</u> |
|---|--|--|---|---|---|
|---|--|--|---|---|---|

2. Participant grants to District, effective _____ , an easement for the District to convey District water through Participant's pipeline(s).
3. All costs of title transfer, including both existing obligations to PG&E and any incremental charges claimed by PG&E for provision or installation of electric facilities at or to the site, shall be borne by the Participant.
4. Participant warrants that it will satisfy all outstanding obligations which it has incurred in connection with the purchase and installation of the Transferred Facilities and agrees to reimburse the District for any expense which the District might incur by reason of Participant's failure to satisfy any of such obligations.
5. Participant will hold the District and its officers and employees harmless from any and all claims, loss, damage, injury and liability of every kind, nature and description directly or indirectly arising out of Participant's care, operation and maintenance of the Transferred Facilities, and from any potential claims Participant may have arising out of its participation in or the implementation of the Program.

Dated: _____

WESTLANDS WATER DISTRICT

By: _____

PARTICIPANT

By: _____

AGREEMENT
FOR PARTICIPATION IN THE IRRIGATION SYSTEM MANAGEMENT
PROGRAM AND FOR OPERATIONS AND MAINTENANCE OF
TRANSFERRED FACILITIES

This Agreement between _____, hereinafter referred to as "Participant," and Westlands Water District, hereinafter referred to as "District," to provide for Participant's participation in the District's Irrigation System Management Program ("Program") pursuant to the Irrigation System Management Program Procedures ("Procedures"), attached hereto as Exhibit A and incorporated by reference as part of this Agreement, and to provide for Participant's operation and maintenance of facilities transferred under the terms of the Agreement For Transfer of Irrigation System Pumping Facilities ("Transfer Agreement").

RECITALS

WHEREAS, the District has created the Program as part of the implementation of the District's Irrigation System Management Program and

WHEREAS, the goal of the Program is to promote water conservation by water users so the District can improve overall supply reliability while minimizing total water supply costs; and

WHEREAS, the District has determined that the Participant's facilities to be transferred pursuant to the Transfer Agreement ("Transferred Facilities") meet the minimum safety standards set forth by the District in the Procedures, and that the transfer will enable the District to pursue the goal of the Program; and

WHEREAS, the District is willing to provide service to Participant for a cost-based charge through the Transferred Facilities acquired under the Program, consistent with its water service contracts with the United States and applicable District rules and regulations; and

WHEREAS, Participant and District have entered into the Transfer Agreement, wherein Participant agreed to transfer the following Transferred Facilities to the District,

| <u>District</u> | <u>Pump</u> | <u>Pump</u> | <u>Motor</u> | <u>Motor</u> | <u>Facility</u> |
|-----------------------------|--------------------|--------------------------|---------------------|--------------------------|------------------------|
| <u>Facility I.D.</u> | <u>Make</u> | <u>Serial No.</u> | <u>Make</u> | <u>Serial No.</u> | <u>H.P.</u> |

together with related starting equipment, customer-furnished portions of the electrical service installations, valves, pipeline and related appurtenances located at the above District Irrigation System sites; and

WHEREAS, Participant can effect certain economies if it, subject to the supervision and control of the District, operates and maintains the Transferred Facilities at its expense; and

WHEREAS, the District is willing to permit Participant to undertake the operation and maintenance of the Transferred Facilities; and

WHEREAS, Participant is willing to undertake the operation and maintenance of the Transferred Facilities.

NOW THEREFORE, IT IS HEREBY MUTUALLY AGREED AS FOLLOWS;

1. Participant hereby elects to participate in the Program according to the terms and conditions contained herein and in the Procedures and the Transfer Agreement.
2. Participant shall operate the Transferred Facilities at its expense, with no cost to the District, in accordance with the terms contained in the Procedures.
3. Participant shall maintain in force, for the term of Agreement, policies of liability insurance, providing limits of not less than \$1,000,000.00 for each person and \$2,000,000.00 for each occurrence for bodily injury or death, and not less than \$1,000,000.00 property damage. Said policies shall name the District as additional insured (with the ISO CG 2010 endorsement form or equivalent) and shall provide that they will not be cancelled or reduced in coverage without ten (10) days' prior written notice to the District. Prior to commencement of pumping, the Participant shall cause to be delivered to the District a copy of the certificate of insurance all essential coverage.
4. Participant warrants that it will satisfy all outstanding obligations which it has incurred in connection with the purchase and installation of the Transferred Facilities and agrees to reimburse the District for any expense which the District might incur by reason of Participant's failure to satisfy any such obligations.
5. Participant shall provide the District up to five years of monthly energy use data, if available, for the enrolled site.
6. Participant hereby grants District a right of entry onto Participant's property for facility inspections, emergency repairs and routine maintenance.
7. Participant shall make, at its own cost and expense, any changes in the facilities that may be required pursuant to any statute, code or regulation by any federal, state or local agency having jurisdiction over such installations. If Participant fails to correct such problems or perform needed repairs, the District shall have the option of making the necessary changes or repairs and charging the cost to the Participant.
8. Participant will hold the District and its officers and employees harmless from any

and all claims, loss, damage, injury and liability of every kind, nature and description directly arising out of Participant's care, operation and maintenance of the Transferred Facilities, and from any potential claims Participant may have arising out of its participation in or the implementation of the Program.

9. This Agreement may be terminated at will by either party with 48-hour written notice.
10. For consideration of prior operations and maintenance obligations, Participant shall have a first right refusal for acquisition of the Transferred Facilities from the District in the event that this Agreement is terminated.

Dated: _____

WESTLANDS WATER DISTRICT

By _____

PARTICIPANT

By _____