

**MEMORANDUM OF UNDERSTANDING BETWEEN SISKIYOU
COUNTY, CALIFORNIA AND THE KLAMATH RIVER RENEWAL
CORPORATION**

This Memorandum of Understanding (“**MOU**”) is made by and between THE COUNTY OF SISKIYOU, California (“**County**”) and KLAMATH RIVER RENEWAL CORPORATION (“**KRRC**”) as of this ___ day of _____, 2021 (“**Effective Date**”). The County and KRRC are each individually referred to herein as a “**Party**” and collectively referred to as the “**Parties.**” This MOU is made in reference to the following facts.

RECITALS

WHEREAS, KRRC is a nonprofit 501(c)(3) organization formed by signatories of the amended Klamath Hydroelectric Settlement Agreement (“**KHSA**”). The signatories of the KHSA appointed KRRC to take ownership and oversee removal of four hydroelectric dams on the Klamath River.

WHEREAS, on September 23, 2016, in furtherance of its obligations under the KHSA, KRRC filed an application with FERC to surrender the license for the Lower Klamath Project. This application was amended by the Renewal Corporation in November of 2020. As amended, this application is now pending before FERC as the *Application for Surrender of License for Major Project and Removal of Project Works*; FERC Project Nos. 2082-063 and 14803-001, (“**License Surrender**”). The License Surrender application seeks FERC’s approval to remove the four hydroelectric developments, remediate and restore the reservoir sites; avoid or minimize adverse impacts downstream, and achieve a free-flowing condition and volitional fish passage in the Klamath River in the reaches currently occupied by the Lower Klamath Project, all as more particularly described in the KHSA (“collectively, the “**Project**”).

WHEREAS, on January 13, 2021, PacifiCorp, the States of California and Oregon (“**States**”) and the Renewal Corporation filed an application to transfer the FERC license for the Lower Klamath Project from PacifiCorp to the States and the Renewal Corporation as co-licensees. This application is pending before FERC as the *Joint Application for Approval of License Transfer and Request for Expedited Review and Other Relief*; FERC Project No. 14803-004 (the “**License Transfer**”). Effective upon the States’ and Renewal Corporation’s acceptance of License Transfer, PacifiCorp shall be released from the license and the States and the Renewal Corporation shall hold the license to the Lower Klamath Project for the purpose of implementing License Surrender.

WHEREAS, in support of the License Surrender application, KRRC has prepared a comprehensive decommissioning plan to implement the Project. This plan, as will be amended from time to time pending FERC’s review thereof, is referred to herein as the “**Definite Plan.**” It consists of specifications and measures that are organized in implementation plans.

WHEREAS, the County is a political subdivision of the State of California vested by the legislature with the powers necessary to provide for the health, safety, and welfare of the

people within its borders. The County's interests are directly affected by the outcome of the above-referenced FERC proceedings and the County is a party to these FERC proceedings.

WHEREAS, the parties agree that the Federal Power Act, 16 USC §791 *et seq.*, vests FERC with power to regulate hydropower facilities, but disagree on whether, when, and under what circumstances state and local regulation of matters to be decided by FERC with respect to such hydropower facilities is preempted by operation of the Supremacy Clause of the U.S. Constitution.

WHEREAS, in November 2017, the County intervened in opposition to the prior License Transfer application, and in February 2021, the County intervened in opposition to the License Surrender application, and it continues to oppose both applications.

WHEREAS, KRRC desires to work cooperatively in addressing the County's interests with respect to the License Surrender and the Definite Plan without the County's withdrawal of its opposition. KRRC has developed measures to address the impacts of Project activities ("**Planned Activities**") on County roads and bridges and associated right of ways, including impacts related to wear-and-tear and traffic. KRRC and the County have consulted regarding these measures, and KRRC will include them in the Definite Plan to be submitted to FERC. These measures are set forth in Exhibit A, attached hereto and incorporated herein by this reference ("**Recommended Terms and Conditions**").

NOW THEREFORE, in consideration of the foregoing the Parties agree as follows:

1. Recommended Terms and Conditions:

The Parties hereby jointly recommend and request that FERC require: (a) the Recommended Terms and Conditions be included in applicable implementation plans in the Definite Plan; and (b) compliance with such implementation plans as an enforceable obligation and requirement of the Final Order in the License Surrender proceeding. The Recommended Terms and Conditions are intended to be functionally consistent with ordinances and other local requirements for the Planned Activities, without resolving whether the Renewal Corporation is required to apply, or will apply, to the County for related authorizations, excepting that KRRC will apply for, and comply with, a County oversize/heavy load permit. In the event of any conflict or inconsistency between the terms and conditions of this MOU and the terms and conditions of any oversize/heavy load permits issued by the County, then the terms and conditions of this MOU shall govern and control. The term "**Final Order**" shall mean an order issued by FERC that constitutes the full and final disposition of the License Surrender proceeding and is subject to judicial review pursuant to 16 U.S.C § 825l (b).

2. Term:

The term of this MOU shall commence as of the Effective Date and shall end upon the date that is the earlier of the following dates to occur: (a) the date that FERC shall determine that all of the requirements contained in the Final Order have been satisfied, or, (b) the date that a Party shall terminate this MOU in accordance with Section 6.

3. FERC Approval:

KRRC's obligation to implement the Planned Activities, including the measures described in the Recommended Terms and Conditions, is contingent upon FERC's issuance of a Final Order that substantially conforms with the Definite Plan.

4. Good Faith:

The Parties agree to collaboratively and in good faith recommend and support the Recommended Terms and Conditions in the License Surrender proceeding, with the express understanding that the County reserves the right to request that FERC impose the obligation to comply with the Recommended Terms and Conditions on the states of California and Oregon as co-licensees and object in the event FERC fails to do so. The Parties will use negotiation or similar procedures to resolve any dispute that may arise under this MOU KRRC and the County agree that time is of the essence in the implementation of the Recommended Terms and Conditions. Each Party otherwise fully reserves its right to support, advance, contest, advocate, protest, prosecute or otherwise pursue its interests related to the Lower Klamath Project.

5. Right to Appeal:

5.1 Each Party hereby fully reserves its rights with respect to an appeal of any decision, determination, order, authorization, approval, license, permit or other administrative or judicial action taken with respect to the Project (including, but not limited to, the Final Order) and such rights of appeal are not in any way restricted or limited by this MOU, except in this one respect. In the event of any appeal of the Final Order:

(a) subject to Section 4, neither Party shall appeal the incorporation or sufficiency of the Recommended Terms and Conditions to address the impacts of Planned Activities;

(b) the County will not oppose any effort on the part of KRRC to seek a stay in the implementation of the Final Order pending full and final resolution of such appeal.

5.2 The obligations of the Parties set forth in this Section 5 shall be specifically enforceable by any court of law with jurisdiction over the Parties. Except in the event of a termination of this MOU pursuant to Section 6, the obligations of the Parties set forth in this Section 5 shall survive the expiration or termination of this MOU for such period of time as may be reasonably necessary in order to give full force and effect to the intent of the Parties as set forth herein.

6. Termination:

6.1 If a Party fails to comply with any of its obligations under this MOU ("Default"), the other Party may give written notice of such Default to the defaulting Party. The defaulting Party shall have thirty (30) days from receipt of such notice of Default to cure such Default (provided however, if such Default is not capable of cure within thirty (30) days, the defaulting Party shall commence such cure within such thirty (30) day period and shall continuously and diligently complete such cure as soon as is reasonably possible thereafter). If such Default is not cured to the satisfaction of the non-defaulting Party within the applicable cure period, the non-defaulting Party may

terminate this MOU by written notice to the defaulting Party.

6.2 KRRC may terminate this MOU by written notice to the County if KRRC elects to reject and does not accept (a) the License Transfer, or (b) the License Surrender.

7. Public Statements:

The Parties will issue a joint statement on or after the Effective Date of this MOU attached as Exhibit B. The Parties and their officers and agents agree not to make public statements regarding the scope or implications of the MOU that are inconsistent with the terms of the MOU or the joint statement.

8. Miscellaneous:

8.1 All notices, consents, requests, approvals, or other communications required or permitted by this MOU must be in writing and given by personal delivery, email or certified mail and shall be sent to the respective Parties as follows:

To County:

Elizabeth Nielsen
Project Manager, Natural Resources
1312 Fairland Road
Yreka, CA 96097
enielsen@co.siskiyou.ca.us

Public Works Director
1312 Fairlane Road
PO Box 1127
Yreka, CA 96097

To KRRC:

Mort McMillen
McMillen Jacobs Associates
1401 Shoreline Drive
Boise, ID 83702
Mortmcmillen@mcmjac.com

Nick Dury
Kiewit Infrastructure West Co.
2200 Columbia House Blvd
Vancouver, WA 98661
nick.drury@kiewit.com

Any such communication by a Party shall be deemed to have been received by the other Party (a) upon the delivery date received by the intended recipient if delivered by hand; (b) five (5) business days after it is sent by certified mail, postage prepaid; or (c) if sent by email transmission, when dispatched and acknowledged by the recipient as having been received in full and in legible form. A Party may change its address for purposes of this Section 8.2 by giving written notice of such change to the other Party in the manner provided in this Section 8.2.

8.2 This MOU contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes any and all other prior understandings, communications and agreements, oral or written, between the Parties with respect to the subject matter of this MOU. This MOU may not be amended or modified except by a written agreement signed by the Parties. If any terms or conditions of this MOU are deemed to be invalid or unenforceable, the remainder of this MOU shall not be affected thereby. This MOU may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement. This MOU shall be governed by the laws of the United State of America and, as applicable, the laws of the State of California.

THIS MEMORANDUM OF UNDERSTANDING is made by and between the undersigned Parties as of the Effective Date.

COUNTY OF SISKIYOU

KLAMATH RIVER RENEWAL CORPORATION

By: _____
Angela Davis, (Date)
County Administrator
County of Siskiyou
State of California

By: _____
Its: _____

APPROVED AS TO LEGAL FORM:

Edward J. Kiernan, County Counsel (Date)

APPROVED AS TO ACCOUNTING FORM:

Fund	Org	Account
2103	301010	551610

Jennie Ebejer, Auditor-Controller (Date)

APPROVED AS TO INSURANCE REQUIREMENTS:

Melissa Cummins, Risk Management (Date)

EXHIBIT A
Recommended Terms and Conditions

These Recommended Terms and Conditions document understandings for construction related items and how the County and KRRC Contractor will interact and coordinate during the Project. For purpose of this MOU, the term “**KRRC Contractor**” consists of Kiewit and other entities under contract with KRRC to implement the Project.

Section 1. Temporary Bridge Improvements.

If the County determines, based on a finding of KRRC Contractor’s Engineer-of-Record (EOR), that it is necessary to avoid overloading or damaging the current capacity of Copco Road Bridges, KRRC Contractor shall thereafter either install and maintain temporary shoring or bridge supports on existing bridges to increase capacity or install and maintain higher capacity temporary single lane bridges at Fall Creek and Dry Creek for use during the Project. If single lane bridges are used, traffic control shall be provided by KRRC Contractor utilizing yield signs on either end of the single lane bridges. The temporary shoring, supports, or single lane bridges will be in place for the duration of the pre-drawdown and drawdown/removal years of the Project. The EOR shall determine necessity of installing temporary shoring, supports, or higher capacity single lane bridges based upon engineering analysis and load sizing restrictions during the Project.

If KRRC Contractor determines to install single lane bridges, KRRC Contractor shall remove existing bridge railings and other conflicting features during the Project to allow adequate room for temporary bridge improvements. Once the need for temporary bridges is complete, KRRC Contractor shall re-install existing bridge railings to the pre-existing condition. Removing bridge railings or other existing features will not constitute a need to rebuild or reinstall the railings or any other portion of the bridges to any updated code or standard. In lieu of KRRC Contractor reinstalling the existing bridge railings, the Parties may elect to enter into an implementation agreement under which the County shall be responsible to reinstall the existing bridge railings. If the Parties so elect, KRRC will establish an escrow account to fund the County’s actual expenditure for such work in accordance with the terms and conditions of any such implementation agreement.

KRRC Contractor shall provide the County with a minimum two weeks advance notice with associated plans for review prior to starting initial work on the Project, and 48 hours advance notice per location, prior to constructing any permanent bridge or culvert improvements. KRRC Contractor will not proceed with such work absent the requisite notice. This notice can be submitted via email.

Section 2. Traffic Control.

If temporary higher capacity bridges are required per Section 1 of this Exhibit A, KRRC Contractor may temporarily close Copco Road at the Dry Creek bridge for up to 48 hours in order to setup or remove the temporary bridge at that location. It is anticipated that this 48-hour closure will be needed two times: once at the beginning of the Project to set the bridge, and once at the end of the Project to remove the bridge. KRRC Contractor will be required to provide signage and advance notification to the County fourteen (14) days prior to

the road closure. KRRC Contractor will not initiate road closure absent the requisite notice. These 48-hour closures must occur prior to May 1st of each calendar year.

If temporary higher capacity bridges are required per Section 1 of this Exhibit A, KRRC Contractor may temporarily close Copco Road at the Fall Creek bridge for up to 72 hours in order to setup or remove the temporary bridge at that location. It is anticipated this 72-hour closure will be needed two times: once at the beginning of the Project to set the bridge, and once at the end of the Project to remove the bridge. KRRC Contractor will be required to provide passable and signed detour routes prior to and during the road closure. These 72-hour closures must occur prior to May 1st of each calendar year.

KRRC Contractor will provide notification to County, and residential traffic and emergency services, at least two weeks prior to the initiation of work authorized by this Section 2 of this Exhibit A.

Section 3. Road Maintenance Responsibility/Implementation.

Prior to commencement of Project work involving heavy loading, which will be prior to reservoir drawdown, KRRC Contractor will undertake repairs and apply an asphalt overlay to Copco Road (KRRC Contractor Roadway Work). Quantities, locations, and costs for KRRC Contractor Roadway Work are specified in the Preemptive Roadway Repair Plan (Table 1). The Parties recognize actual costs for the Asphalt Overlay may differ from estimated costs and agree that in such event KRRC Contractor will fulfill its obligation with overlay of 7500 tons over 7 miles. The County will approve the locations and the completion of KRRC Contractor Roadway Work pursuant to standards specified in Section 7 of this Exhibit A. KRRC Contractor will be responsible for complying with all applicable state and federal laws, including prevailing wage.

During this same period, the County will undertake repairs and apply single-chip seal to Copco Road, Ager Road, and Ager-Beswick Road (Siskiyou County Roadway Work). Quantities, costs, and locations for Siskiyou County Roadway Work are specified in Table 1. KRRC shall deposit Eight Hundred Ten Thousand Dollars (\$810,000.00) in an escrow account by May 1, 2022. The County may not draw on such funds until July 1, 2022, or the KRRC's acceptance of the Final Order, whichever is later. The County shall draw on that account based on actual expenditure for Siskiyou County Roadway Work. Such work will be completed, and the escrow account will terminate, not more than one year following KRRC Contractor's completion of the Project work involving heavy loading related to dam removal. The terms and conditions for deposits, withdrawals, reporting and accounting, and termination of the account, shall be specified in an implementation agreement between KRRC and the County.

The KRRC Contractor Roadway Work and the Siskiyou County Roadway Work are collectively referred to hereinafter as the "Preemptive Roadway Work." The Parties shall fully cooperate with each other and other contractors to schedule and coordinate the Preemptive Roadway Work so as to avoid any delay or hindrance of any Project work, and to assure orderly and expeditious performance and completion of all work as a whole.

TABLE 1
PREEMPTIVE ROADWAY WORK

	Section of Roadway	Preemptive Roadway Work	Cost of Preemptive Roadway Work	
			Siskiyou County Work	KRRC Contractor Roadway Work
1	Copco Road: I-5 to Ager Road (approx. 3 miles)	Single Chip Seal: (~\$30,000 per mile x 3 miles)	\$100,000	
2	Copco Road: Ager Road to Mile Post 10 (approx. 7 miles)	Prep Road/Digout/Hand Patch: Crew/Equipment/Materials over multiple weeks to repair damaged sections of road.		\$200,000*
		125' Asphalt Overlay: 22' wide x .125' thick x 5280'/mile x 7 miles = 7500 Tons		\$1,875,000
3	Copco Road: Mile Post 10 to Fall Creek Road (approx. 9 miles)	Prep Road/Digout/Hand Patch: Crew/Equipment/Materials for ~1 week to repair damaged sections of road		\$125,000*
		Single Chip Seal: (~\$40,000 per mile x 9 miles)	\$360,000	
4	Ager Road: Copco Road to Ager-Beswick	Grader Blankets: (200 Tons, ~ 2 weeks)	\$50,000	
5	Ager Beswick Road: Ager Road to Bogus Creek (approx. 8 miles)	Crack Seal / Prep	\$60,000	
		Single Chip Seal: (~\$30,000 per mile x 8 miles)	\$240,000	
Subtotals:			\$810,000	\$2,200,000
Total Cost of Preemptive Roadway Work:			\$3,010,000	
<p>*Dollar values for “Prep Road/Digout/Hand Patch” scopes as described above represent the committed value of materials, labor, equipment, and subcontractors allotted for these types of improvements listed. Actual locations and quantities of this scope to be completed will be field fit at the time improvements are constructed.</p>				

The County agrees that the Preemptive Roadway Work is sufficient to offset the expected damages to these County roads as a result of all Project work, including the work involving heavy loading. Following completion of the Preemptive Roadway Work, County shall be responsible for maintenance of these roads in a good and serviceable condition consistent with applicable maintenance standards. Such maintenance will be subject to the availability of funding for such repairs (which funding is anticipated to be appropriated by the County Board of Supervisors at levels roughly consistent with historical funding for repair of the relevant roads), and by such methods as determined by the County.

The County shall continue to plow snow on Copco Road at the County’s expense at the current level of service, which is as follows: Primary Plow Route (Standard Initial plow route) – Hornbrook to Fish Hatchery. Secondary Route (Plowed when time allows) – Fish Hatchery to Power Plant/City Water Source (below Fall Creek), a request to plow an additional two-mile section may be made by KRRC Contractor and will be plowed as soon as time and resources

allow.

The County shall monitor and approve the work completed by KRRC Contractor or its sub-contractors for acceptance, which such approval shall not be unreasonably delayed, conditioned or denied. Any costs incurred by the County in monitoring or approving the work (“Monitoring and Approval Costs”) shall be reimbursed by KRRC in accordance with Section 9 of this Exhibit A.

Section 4. ROW alignment modifications at Camp Creek and Scotch Creek.

If fisheries mitigation is required by state or federal agencies at Camp or Scotch Creek, KRRC or KRRC Contractor shall install larger creek crossings where these creeks cross Copco Road. Creek crossings will be constructed either along the existing Copco Road alignment or offset onto a new Copco Road alignment which is shifted inward onto land previously within the reservoir footprint. Determination of whether crossings are built on the existing alignment or revised alignments will be determined by KRRC Contractor’s Engineer of Record, in consultation with the County, based on geotechnical and hydraulic design considerations. Creek crossings built on new alignments will require adjustment of the County ROW limits and roadway centerline so a single realigned 60-foot ROW width is present at those locations. KRRC shall perform all legal and Right-of-Way (ROW) transfer and mapping for the new alignment as required. Creek crossings built at existing Copco Road alignments will require KRRC Contractor to construct a temporary shoe-fly detour immediately adjacent to the existing roadway. This detour will be of sufficient width to pass at least one lane of traffic at all times through the creek crossing construction area. Detour embankments are to be capped with temporary gravel surfacing.

The County requires a 100-foot maintenance easement both upstream and downstream of new Camp and Scotch creek ROW alignments. This will allow the County to trim and cut any vegetation interrupting flow in the new roadway and structure locations.

Section 5. Oversize/heavy Load Permits.

Oversize/heavy load permits shall be subject to a single comprehensive Project-level permit with specific documented routes rather than individual per load permits.

KRRC Contractor anticipates many oversize loads will traverse Copco Road, Ager Road, Yreka Ager Road, and/or Ager Beswick Road. Load weights are anticipated to carry up to 60,000 lb per tandem axle. KRRC Contractor shall provide a forecast schedule of anticipated, oversize load hauling so the County can witness loads passing on the roadway and inspect for roadway damage at the County’s discretion. Any inspection costs incurred by the County in connection with such inspections (“Inspection Costs”) shall be reimbursed by KRRC in accordance with Section 9 of this Exhibit A. KRRC Contractor shall maintain a log of all loads that are greater than or equal to a fully loaded 18 wheeled truck and trailer, with approximate overall weight of 80,000 lbs. (including truck, trailer, and 23-24 ton payload) hauled on Copco Road, Ager Road, Yreka Ager Road, and/or Ager Beswick Road. The log shall include, for each haul the date, the approximate weight, and the road or roads traversed. KRRC Contractor shall make the log available to the County upon request.

Section 6. Existing Conditions Verification – Process for Pre/Post Construction Surveys to Document Road Condition.

The Parties agree and intend that Preemptive Roadway Work is sufficient to offset all expected damages to Ager Road, Copco Road, Yreka Ager Road, and Ager Beswick Rd (collectively, the Designated Roads) as a result of all Project work, including work involving heavy loading. Prior to the completion of the Preemptive Roadway Work, which will be prior to the commencement of Project work involving heavy loading, KRRC Contractor will document existing condition of the Designated Roads using a video survey and associated plan markup documentation. This survey and documentation will serve as the base roadway condition of the Designated Roads.

Following completion of dam removal and associated equipment demobilization by KRRC Contractor, KRRC Contractor shall again video survey the condition of the Designated Roads. If, based on such video survey, the Parties agree that Project work has not caused significant damage (materially in excess of wear and tear expected as a result of the heavy hauling) to the Designated Roads, then neither KRRC nor KRRC's Contractor shall have any further obligation or responsibility arising under this MOU for any repair to or maintenance of the Designated Roads. If, based on such video survey, the Parties agree that Project work has caused such damage to the Designated Roads, then KRRC shall propose a plan (Supplemental Mitigation Plan), subject to the County's acceptance, to repair such damage to the Designated Roads at no cost to the County. The County may require KRRC to provide a performance bond as a surety for performance of such Supplemental Mitigation Plan if such a bond is determined by the County to be reasonably necessary in view of the scope and extent of the work to be performed.

In the event that the Parties are unable to agree upon (a) whether Project work has caused significant damage to the Designated Roads (materially in excess of wear and tear expected as a result of heavy hauling), or (b) the terms and conditions of a Supplemental Mitigation Plan, then in such event, either Party may, by written notice to the other Party, declare such matter to be a dispute (Dispute) to be resolved in accordance with this Section 6 of this Exhibit A. Within thirty (30) days of the date of such notice, the Parties shall make senior management officials available to commence negotiations to resolve the Dispute. The Parties shall undertake commercially reasonable efforts to resolve their differences, giving due regard to all pertinent facts and relevant circumstances. The Parties may elect, by mutual agreement, to submit the Dispute to mediation, to be conducted by a mutually agreeable mediator. The County Board of Supervisors and KRRC will promptly and in good faith consider and decide any proposed resolution.

Any Disputes under this MOU, including disputes as to whether Project work has caused significant damages to the Designated Roads (materially in excess of wear and tear expected as a result of the heavy hauling), shall be raised not later than 90 days after KRRC Contractor has completed Project work involving heavy loading related to dam removal. Pending resolution of a Dispute, the Parties shall continue to fulfill their respective duties under the MOU. If the Parties are unable to resolve the Dispute within sixty (60) days of the date of commencement of good faith negotiations, then either Party may terminate the negotiations by written notice to the other Party and may thereafter pursue any remedy as may be available to such Party under applicable law.

Any agreements anticipated or entered into in the implementation of this Section 6 of this Exhibit A shall be in writing, signed by both Parties. The dispute resolution procedures provided by this Section 6 of this Exhibit A are rights and remedies in addition to, and without limitation, the rights and remedies otherwise provided by this MOU.

Section 7. Design Criteria.

KRRC Contractor shall utilize AASHTO design standards for both temporary and permanent work within the County ROW. Conforming to Caltrans design standards is not required.

Section 8. Jenny Creek Bridge Hydrology Assumptions.

The EOR reviewed the hydraulic analysis performed in support of the construction design plans for the existing Jenny Creek Bridge. The EOR determined that the hydraulic analysis was done correctly based on design flow assumptions made at the time of design and construction. Based on these assumptions, drawdown and future performance of the existing Jenny Creek Bridge will perform as was originally designed and no Project work is being performed in this area.

An independent engineering check of storm flows, not associated with reservoir drawdown, was conducted and differs from the hydraulic assumptions made during the design of the existing Jenny Creek Bridge. This MOU documents the Public Works Director's determination that the hydraulic assumptions made by the County design consultants while designing the existing Jenny Creek Bridge are still acceptable.

The EOR witnessed current displacement of existing Riprap and erosion protection at the Jenny Creek Bridge abutments. This movement of rip rap is not attributable to the Project and will not be corrected as part of the Project work.

Section 9. Reimbursement of Certain Costs.

KRRC shall reimburse the County for its reasonable Monitoring and Approval Costs and Inspection Costs, including the costs of outside contractors, that are directly and necessarily incurred in connection with the implementation of the Section 3 and Section 5 of this Exhibit A. The County shall estimate such costs, which will include a County- or State-approved ICRP (overhead) rate, for KRRC's review and concurrence, which shall not be unreasonably withheld, before doing the work. The current rate for the County Road Department is 20.69% (crew) and 12.30% (administration).

Section 10. Project Schedule and Seasonal Limitations.

Prior to any work beginning, KRRC Contractor shall provide the County with a project schedule setting forth the timing of the Project work and details of travel associated with the Project work. If it is anticipated by the County that there will need to be travel restrictions placed on KRRC Contractor due to seasonal conditions, the parties agree to meet, discuss and agree upon any restrictions.

Section 11. Insurance, and Obligation for Indemnification and Hold Harmless.

KRRC shall name the County as an Additional Insured under any Comprehensive General Liability policy it may carry with respect to KRRC Contractor Roadway Work, but only as to the County's respective interest in such work. The forgoing obligation is subject to the availability of such insurance from such insurance carrier or carriers as KRRC may select, in its sole discretion, and provided that such endorsement shall not affect the cost or availability of such insurance. Further, KRRC shall comply with the indemnification and hold harmless terms of the oversize/heavy load permit, which will be substantially consistent with those terms in PacifiCorp's Permit 13-91-D1 (Attachment 1). The Parties acknowledge that the obligations set forth in this Section 11 are beyond the scope of the terms and conditions that FERC is likely to include in the Final Order and therefore the obligations set forth in this Section 11 shall be included in the KRRC Contractor Roadway Work implementation agreement referenced in Section 3 of this Exhibit.

EXHIBIT B
Joint Statement Regarding MOU

Siskiyou County and the Klamath River Renewal Corporation (Renewal Corporation) have entered into a Mitigation Agreement regarding measures KRRC will take to mitigate for impacts to County roads, bridges and traffic that may occur from the Klamath dam removal project (Project) if it is approved by Federal Energy Regulatory Commission (FERC).

These measures will be incorporated in the Renewal Corporation's "Definite Plan" for decommissioning. If FERC approves the Renewal Corporation's plan, the Mitigation Agreement terms will become terms and conditions of FERC's approval and would be enforced by FERC.

This Mitigation Agreement in no way indicates Siskiyou County support for the Project. The County's position has not changed, it still opposes dam removal, and the MOU expressly acknowledges that opposition. The County reserves the right to initiate litigation against the project.