

TERM SHEET FOR WATER PURCHASE FROM NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT (NAPA) TO TULARE LAKE BASIN WATER STORAGE DISTRICT (TULARE)

- 1. General:** Napa shall make available for transfer 1,000 acre-feet of Article 56(c) State Water Project Carryover Water (Transfer Water) to Tulare, subject to the terms and conditions of this Term Sheet and the California Department of Water Resources (DWR) water transfer criteria.
- 2. Term:** This Term Sheet shall become effective on October 22, 2024 or the nearest time after that date that the Department of Water Resources approves the transfer contemplated herein and shall terminate on December 31, 2024.
- 3. Conveyance to Tulare:**
 - a) Transfer of Napa's Article 56 Carryover Water to Tulare will occur as soon as the agreement between Tulare, Napa, and DWR is executed; the point of transfer is San Luis Reservoir, and the transfer will occur by means of a recalculation of Napa's and Tulare's respective Article 56 Carryover Water storage balances in San Luis Reservoir.
 - b) Tulare shall be responsible for the SWP delivery costs for the water delivered from San Luis Reservoir to Tulare.
- 4. Payment:**
 - a) Tulare shall pay Napa \$300 per AF for water made available by Napa.
 - b) Napa shall invoice Tulare after DWR transfer agreement has been fully executed by all parties. Napa's invoice shall be due and payable within 45 days of receipt by Tulare. Napa shall send all invoices to the following email address:

Tulare Lake Basin Water Storage District
Jacob Westra: jwestra@tlbwdsd.com and,
accounting@tlbwdsd.com

- 5. Approvals:**
 - a) Tulare and Napa shall work together to obtain approval for the transfer contemplated herein from DWR. Napa will author the transfer request to DWR after coordination with Tulare on key components of the "SWP Agreement – Request Form."

- b) Napa and Tulare anticipate that a Notice of Exemption will be required to comply with CEQA. The parties shall work together to obtain CEQA compliance, and in doing so, Napa shall be the “lead agency” and Tulare shall be a “responsible agency.”
- c) Napa and Tulare shall be responsible for their own internal costs, transaction costs, and other costs (including conveyance and administration) associated with the transfer contemplated herein.

6. Complete Agreement

- a) This Term Sheet represents the complete agreement between the parties. No oral or written document or representation other than this Term Sheet represents the parties’ intent in entering this agreement.
- b) The parties may, however, modify this Term Sheet with a written modification signed by both parties.

7. Signatures

- a) The signatories below confirm that they have the authority to execute this Term Sheet on behalf of the agencies they represent and abide by this Term Sheet’s conditions.

Tulare Lake Basin Water Storage District

Napa County Flood Control and Water
Conservation District

Jacob Westra, General Manager

Christopher Silke, Engineering Manager

Date

Date