

**TERM SHEET FOR WATER PURCHASE
BETWEEN NAPA¹ AND THE WESTSIDE DISTRICTS²**

- 1. General:** Napa shall make available for transfer up to 5,000 acre-feet of Article 56(c) State Water Project Carryover Water (Transfer Water) to the Westside Districts, subject to the terms and conditions of this Term Sheet and the California Department of Water Resources water transfer criteria.
- 2. Term:** This Term Sheet shall become effective on October 24, 2024 or the nearest time after that date that the Department of Water Resources (DWR) approves the transfer contemplated herein and shall terminate as soon as the transfer is completed but no later than on March 31, 2025.
- 3. Conveyance to Westside Districts:**
 - a. The Point of Delivery shall be San Luis Reservoir. Both parties may agree in writing to an alternate point of delivery location. Napa shall be responsible for all charges associated with the conveyance of Transferred Water to the Point of Delivery. The Westside Districts shall take possession of the Transferred Water at the Point of Delivery and be responsible for all charges associated with conveyance of the Transferred Water downstream from the Point of Delivery.
 - b. Conveyance of Transferred Water is subject to any capacity limitations imposed by DWR. However, Westside Districts will use its best efforts to expeditiously convey the water to its service area when conveyance capacity is available.
 - c. Capacity for the delivery of Transferred Water to the Westside Districts is on an “as available” basis, subject to higher priority deliveries of the

¹ Napa County Flood Control and Water Conservation District

² Westside Districts consist of Dudley Ridge Water District and four member units of the Kern County Water Agency (Belridge Water Storage District, Berrenda Mesa Water District, Lost Hills Water District, and Wheeler Ridge – Maricopa Water Storage District)

Westside Districts. Such higher priorities include SWP water (Table A, Article 21) & Local Supplies³ allocated to the Westside Districts.

- d. The Westside Districts shall determine amongst themselves the allocation of the Transferred Water. Water transferred under this Term Sheet can be requested and scheduled in multiple blocks and throughout the Term, subject to available water volumes as per section 3(d).

4. Payment:

- a. The Westside Districts shall pay Napa \$250 per AF for all Transferred Water delivered to the Point of Delivery by Napa.

It should be noted that this Term Sheet identifies the **maximum amount** of SWP water that may be transferred by NAPA to the Westside Districts. Actual delivery of SWP water by NAPA to the Westside Districts, however, may vary due to those conditions set forth in sections 3(b), 3(c), and 3(d).

The Westside Districts and Napa make no guarantees that any or all the Transferred Water will be requested for delivery or delivered to the Point of Delivery. The Westside Districts shall not be responsible for any amount of SWP water not requested for delivery to the Point of Delivery.

- b. Once the final volume of Transferred Water is known and reconciled by the parties, Napa shall invoice the Westside Districts for the reconciled amount of Transferred Water that was delivered to the Point of Delivery by Napa. All Napa invoices shall be due and payable within 45 days of receipt. Napa shall send all invoices to the following address in electronic format:

Wheeler Ridge- Maricopa Water Storage District
Eric McDaris
emcdaris@wrmwsd.com

5. Approvals:

- a. The Westside Districts (through Dudley Ridge Water District (DRWD) and Kern County Water Agency (KCWA)) and Napa shall work together to obtain approval for the transfer contemplated herein from DWR. As Napa

³ Kern River Water, KCWA Member Unit Table A

water is to be transferred, the request to DWR shall come from Napa after coordination with DRWD and KCWA.

- b. Napa and the Westside Districts 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 each of the Westside Districts, KCWA, and DWR shall be “responsible agencies.”
- c. Napa and the Westside Districts 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.

Mark Gilkey
Berrenda Mesa Water District

Christopher Silke
Napa County FCWCD

Date

Date

Mark Gilkey
Belridge Water Storage District

Mark Gilkey
Lost Hills Water District

Date

Date

Mark Gilkey
Dudle Ridge Water District

Sheridan Nicholas
Wheeler Ridge- Maricopa Water
Storage District

Date

Date