

TERM SHEET FOR WATER PURCHASE BETWEEN NAPA¹ AND THE WESTSIDE DISTRICTS²

1. **General:** Napa shall make available for transfer up to 6,000 acre-feet of its SWP Article 56 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 [Date of Napa/Westside Approval] 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 December 31, 2025.
3. **Conveyance to Westside Districts:**
 - a. The Point of Transfer shall be San Luis Reservoir, and the Transfer will occur as soon as the agreement between Kern County Water Agency (KCWA), Napa, and DWR is executed. The Transfer will occur by means of a recalculation of Napa and the KCWA's respective Article 56 Carryover Water storage balances in San Luis Reservoir.
 - b. Napa shall be responsible for all charges associated with the conveyance of Transferred Water to the Point of Transfer. The Westside Districts shall be responsible for all charges associated with conveyance of the Transferred Water downstream from the Point of Transfer to the point of delivery.
 - c. Conveyance of Transferred Water is subject to any capacity limitations imposed by DWR. However, KCWA will use its best efforts to request water delivery to its service area when conveyance capacity is available.
 - d. Capacity for the delivery of Transferred Water to KCWA is on an "as available" basis, subject to higher priority deliveries of the Westside

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). Dudley Ridge Water District is not a part of this Transfer.

Districts. Such higher priorities include SWP water (Table A, Article 21, Article 56 Carryover Water) & Local Supplies³ allocated to KCWA.

- e. 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 \$375 per AF for all Transferred Water provided to the Point of Transfer 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 Transferred Water by DWR to KCWA, 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 made available for Transfer. The Westside Districts shall not be responsible for any amount of SWP water not requested for delivery to the Point of Transfer.

- 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 Transfer 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@wrnwdsd.com

Cc: Jamie Marquez – Westside Water Authority
jmarquez@westsidewa.org

³ Kern River Water, KCWA Member Unit Table A

5. Approvals:

- a. The Westside Districts through KCWA and Napa shall work together to obtain approval for the transfer contemplated herein from DWR. As Napa water is to be transferred, the request to DWR shall come from Napa after coordination with 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.

[Signature Page Follows]

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

Date

Mark Gilkey
Belridge Water Storage District

Date

Sheridan Nicholas
Wheeler Ridge-Maricopa Water
Storage District

Date

Christopher Silke, Engineering Manager
Napa County FCWCD

Date

Mark Gilkey
Lost Hills Water District

Date

Mark Gilkey
Dudley Ridge Water District

Date