



## CENTRAL COAST WATER AUTHORITY

### MEMORANDUM

06/20/2026

**TO:** CCWA Board of Directors  
**FROM:** Peter Thompson, Executive Director  
**SUBJECT:** Short-term Transfer of SWP Water to Westside Districts

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#### SUMMARY

Pursuant to CCWA's 2026 Surplus Water Transfer Program, on behalf of one or more Project Participants (the City of Santa Maria, the City of Santa Barbara, Carpinteria Valley Water District, and La Cumbre Mutual Water Company), CCWA proposes to transfer up to 32,000 acre-feet of State Water Project supply that is surplus to the needs of CCWA's Project Participants. Transfer of the surplus supply will be made to Dudley Ridge Water District, Berrenda Mesa Water District, Lost Hills Water District, Belridge Water Storage District, and Wheeler Ridge-Maricopa Water Storage District (collectively, the "Westside Districts") on or before December 31, 2026.

#### RECOMMENDATION

Staff recommends that the Board of Directors:

1. Approve and adopt Resolution No. 26-09 of The Central Coast Water Authority Approving The Short-Term Transfer of SWP Water To Westside Districts; and
2. Find that the Board of Directors' approval of Resolution No. 26-09 is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15282(u), 15061(b)(3), 15301, and 15304, for the reasons documented in this staff report (see Environmental Review below).

#### DISCUSSION

##### A. Summary of Proposed Transfer

CCWA proposes to transfer up to 32,000 AF of surplus SWP supply (Table A and Article 56 Carryover) on behalf of the Project Participants to the Westside Districts, using existing SWP facilities.

Quantity, Pricing and Timing:

- Initial Water: up to 12,000 AF at \$400/AF (July-September).
- Additional Water: up to 20,000 AF, fall as-available, at \$250/AF (October), \$225/AF (November), \$200/AF (December).

Key terms:

- All volumes are "up to" amounts. No fixed commitment at signing, and Project Participant quantities can be adjusted later in the year.
- The Westside Districts pay only for water actually delivered.

- Point of Transfer: San Luis Reservoir for Carryover water and Banks Pumping Plant for Table A water. The Westside Districts takes possession at the Point of Transfer and bears all downstream costs.

## **B. Procedure; Conditions Precedent**

Given the need to finalize the terms and conditions of the proposed transfer quickly so that the process of securing all of the required approvals (which serve as conditions precedent to the effectiveness of the proposed transfer), staff proposes the following expedited process:

1. CCWA Board adopts Resolution No. 26-09 (Attachment A), approving the 2026 Westside Districts/Central Coast Water Authority Transfer Agreement (“Westside/CCWA Transfer Agreement”) (Attachment B).

As provided in Resolution No. 26-09, CCWA’s Executive Director is authorized to execute the Transfer Agreement only after receiving a binding commitment by at least one Project Participant to transfer a portion of its “Project Allocation” pursuant to the terms and conditions of the Westside/CCWA Transfer Agreement.

2. One or more Project Participants execute CCWA’s Surplus Water Transfer Agreement Re. Westside Districts (Attachment C).

Only those Project Participants that execute CCWA’s Surplus Water Transfer Agreement Re. Westside Districts will participate in the proposed transfer – i.e., transfer a portion of their Project Allocation and share pro-rata in the monies paid by the Westside Districts to CCWA. Pursuant to the terms of the CCWA Surplus Water Transfer Agreement Re. Westside Districts, neither CCWA, nor any CCWA Participant that is not a party to this agreement shall incur any expense or liability related to or arising under this agreement.

3. DWR approves the proposed transfer in the form of a DWR Approval Agreement and all parties – CCWA, Dudley Ridge Water District, Kern County Water Agency (on behalf of Berrenda Mesa Water District, Lost Hills Water District, Belridge Water Storage District, and Wheeler Ridge-Maricopa Water Storage District) and DWR – execute the DWR Approval Agreement.

Pursuant to the terms of the Westside/CCWA Transfer Agreement, that agreement is contingent upon DWR’s execution of the DWR Approval Agreement.

## **ENVIRONMENTAL REVIEW**

CCWA’s approval of this Short-term Transfer of SWP Water to Westside Districts is exempt from review under the California Environmental Quality Act (CEQA), as it falls under numerous statutory and categorical exemptions. The following exemptions apply: Cal. Code Regs., tit. 14, Sections 15000 – 15387 (CEQA Guidelines) Sections 15282(u) (Temporary Water Transfers), 15061(b)(3) (Common Sense Exemption), 15301 (Class 1- Existing Public Facilities), and 15304 (Class 4- Minor Alterations to Land).

### Reasons Why Project is Exempt:

*Statutory Exemption — Temporary Water Transfers (CEQA Guidelines § 15282(u))*  
Section 15282(u) of the CEQA Guidelines identifies as a statutory exemption “[t]emporary changes in the point of diversion, place of use, of purpose of use due to a transfer or exchange of water or water rights as set forth in Section 1729 of the Water Code.” This statutory exemption supports the finding of CEQA exemption, as the proposed transaction involves a

temporary, short-term (less than one year) transfer of SWP water between existing SWP Contractors within the existing SWP place of use, and any changes to the point of diversion or place of use resulting from the transfer are temporary in nature.

*Categorical Exemptions (CEQA Guidelines §§ 15301, 15304)*

**Class 1 - Existing Public Facilities Categorical Exemption:** The proposed transfer involves only the use of existing SWP conveyance and delivery infrastructure to move water that has already been allocated under existing SWP Table A entitlements. All water will be delivered within the existing SWP place of use. No new facilities will be constructed, no existing facilities will be expanded, and there will be no change to the rate, volume, or timing of SWP diversions or operations. The transfer simply redirects water from one SWP Contractor to another through the same facilities that are already in operation for precisely this type of use. The SWP water supply contract, as amended by Amendment No. 21, was specifically designed to facilitate this kind of intra-SWP transfer.

**Class 4 – Minor Alterations to Land Categorical Exemption:** The proposed transfer is a temporary, single-year transaction involving no physical alteration to the land, water, or vegetation. The transferred water will be used in the same manner and within the same service areas as other SWP deliveries. The transaction has no permanent effects on the environment.

Exceptions to the Categorical Exemptions:

None of the exceptions to the Categorical Exemptions apply. The proposed transfer involves no physical changes to the environment whatsoever — it is a contractual reallocation of already-permitted SWP water deliveries among existing SWP Contractors, using existing SWP facilities, within the existing SWP place of use. The water is surplus to the Project Participants' needs for the year in question. The transfer does not involve new or expanded diversions, does not affect sensitive environmental areas, does not occur on a hazardous waste site, does not impact scenic resources or historical resources, and does not create cumulative impacts. Article 57(d) of the SWP Contract independently requires that transfers not create significant adverse impacts, not harm other contractors, and not adversely impact SWP operations.

Common Sense Exemption:

The proposed transfer is also determined to be exempt based upon the general rule that CEQA applies only to projects that have a potential for causing a significant effect on the environment. (Guidelines § 15061(b)(3).) A public agency may determine an activity to be exempt where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Here, the proposed transfer is a short-term contractual transfer of surplus SWP water among existing SWP Contractors, using existing SWP facilities, within the existing SWP place of use. The transaction will not authorize or require construction of new facilities, expansion of existing facilities, new or increased SWP diversions, changes to SWP operations, or any physical alteration of land, water, or vegetation. DWR's review under Article 57 further requires confirmation that the transfer will not harm non-participating contractors, will not create significant adverse impacts to participating contractors' service areas, and will not adversely impact SWP operations. As such, it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, and therefore, the activity is not subject to CEQA.

For these reasons, staff recommends that the Board find that pursuant to CEQA Guidelines Sections 15282(u), 15061(b)(3), 15301, and 15304, CCWA's approval of the Short-term Transfer of SWP Water to Westside Districts is exempt from CEQA. The proposed transfer will not have a significant effect on the environment.

**Attachments:**

1. Resolution No 26-09 of The Central Coast Water Authority Approving The Short-Term Transfer of SWP Water To Westside Districts (w/o attachments)
2. 2026 Westside Districts/Central Coast Water Authority Transfer Agreement
3. CCWA Surplus Water Transfer Agreement Re. Westside Districts

**RESOLUTION NO. 26-09****A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE CENTRAL COAST WATER AUTHORITY  
APPROVING THE SHORT-TERM TRANSFER OF  
SWP WATER TO WESTSIDE DISTRICTS****Recitals**

A. The Central Coast Water Authority's ("**CCWA**") and the California Department of Water Resources ("**DWR**") are parties to a long-term water supply contract that provides for the delivery of water from California's State Water Project ("**SWP**") to portions of Santa Barbara County (the "**SWP Contract**").

B. CCWA owns, operates, and maintains water conveyance, storage and treatment facilities to deliver water made available to CCWA pursuant to the SWP Contract to cities, water districts and other water purveyors and users in portions of Santa Barbara County (each a "**CCWA Participant**" and collectively, the "**CCWA Participants**"). Each CCWA Participant is a party to a water supply agreement with CCWA ("**Water Supply Agreement**") that provides for the delivery of a portion of the water supply made available by the SWP Contract to the Participant.

C. Amendment No. 21 to the SWP Contract (the "**Water Management Amendment**") allows for the transfer and exchange of project water and the conveyance of non-project water with DWR's approval and subject to the terms and conditions set forth in the SWP Contract. The Water Management Amendment provides CCWA and the CCWA Participants with flexibility to manage their water supplies in a changing environment and to improve water supply reliability.

D. From time to time, such as in years of high precipitation, the SWP is capable of delivering to CCWA more water than is needed by the CCWA Participants. Additionally, in some years, water that is available for delivery to one or more CCWA Participants, but is not delivered in that year, may be lost due to delivery, storage, and other constraints within the SWP or local facilities.

E. At its March, 2026 meeting, CCWA initiated the 2026 Surplus Water Transfer Program. As of the date of this Resolution, DWR has approved an allocation of SWP water to CCWA that equals a SWP Table A allocation of 20,469 acre-feet ("**AF**"), making CCWA's total 2026 water portfolio to be over 56,000 AF of water.

F. CCWA anticipates that it will be able to meet all its annual local service area demands for 2026 with excess SWP water supplies remaining.

G. Dudley Ridge Water District, Berrenda Mesa Water District, Lost Hills Water District, Belridge Water Storage District, and Wheeler Ridge-Maricopa Water Storage

District (collectively, the “**Westside Districts**”) are interested in acquiring additional SWP water supplies in 2026 for use in their respective service areas.

H. CCWA and the Westside Districts have negotiated the terms and conditions of a proposed transfer of up to 32,000 AF to the Westside Districts in 2026 (“**Project**”). Said terms and conditions are set forth in the proposed 2026 Westside Districts/Central Coast Water Authority Transfer Agreement (“**Transfer Agreement**”). Pursuant to the terms of the Transfer Agreement, CCWA has the option, in its sole and absolute discretion, to transfer water to the Westside Districts.

I. On June 17, 2026, pursuant to the 2026 Program Participation Agreement dated March 15, 2026, CCWA gave notice to CCWA Participants of the opportunity to participate in the Project. CCWA Participants may elect to participate in the Project by executing the proposed Surplus Water Transfer Agreement Regarding Westside Districts (“**CCWA Project Agreement**”). Only those Participants that execute CCWA Project Agreement (each a “**Contractor**”) will participate in the proposed transfer – i.e., transfer a portion of their “Project Allocation,” as that term is defined in the Water Supply Agreements, and share pro-rata in the monies paid by the Westside Districts to CCWA. Pursuant to the terms of the CCWA Project Agreement, neither CCWA, nor any CCWA Participant that is not a party to the CCWA Project Agreement shall incur any expense or liability related to or arising under this agreement or benefit from any of the proceeds.

J. Pursuant to the SWP Contract, and the terms of the Transfer Agreement, the Project requires DWR’s approval. DWR’s approval is anticipated in the form of one or more contracts (each a “**DWR Approval Agreement**”).

K. As required by the CCWA Resolution No. 2021-01, on June 22, 2026, on behalf of the Contractor(s), CCWA provided notice of the Project to all CCWA Participants and their right to exercise their right of first refusal to purchase the water proposed to be transferred to the Westside Districts.

**NOW THEREFORE, THE BOARD OF DIRECTORS DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals**

The recitals set forth above are true and correct and are incorporated herein as though set forth in full.

**Section 2. SWP Contract, Article 57(g)**

As required by Article 57(g) of the SWP Contract, the Board of Directors finds:

1. CCWA has complied with all applicable laws.

2. CCWA has provided any required notices to public agencies and the public.
3. CCWA is required to provide the relevant terms to all contractors and to the Water Transfers Committee of the State Water Contractors Association and is committed to doing so upon executing the Transfer Agreement.
4. CCWA is informed and believes that the Project will not harm other contractors.
5. CCWA is informed and believes that the Project will not adversely impact SWP operations.
6. CCWA is informed and believes that the Project will not affect its ability to make all payments, including payments when due under the SWP Contract for CCWA's share of the financing costs of the State's Central Valley Project Revenue Bonds.
7. CCWA has considered the potential impacts of the Project within its service area.  
CCWA is required to provide the relevant terms to all contractors and to the Water Transfers Committee of the State Water Contractors Association and is committed to doing so upon executing the Transfer Agreement.

### **Section 3. Contingent Approval**

A. The Board of Directors of CCWA hereby approves the Project, subject to all of the contingencies set forth in this section, and authorizes CCWA's Executive Director to enter into the CCWA Project Agreement with one or more CCWA Participants participating in CCWA's 2026 Surplus Water Transfer Program.

B. Subject to, and contingent upon, at least one CCWA Participant's execution of the CCWA Project Agreement, and further, no CCWA Participant exercising their right of first refusal to purchase the water proposed to be transferred to the Westside Districts pursuant to CCWA Resolution No. 2021-01, CCWA's Executive Director is hereby authorized to execute the Transfer Agreement.

C. Subject to, and contingent upon, CCWA Executive Director's determination that the DWR Approval Agreement for the Project is consistent with the Project, as described in the Transfer Agreement, the Board of Directors agrees to be bound by the DWR Approval Agreement and authorizes the Executive Director to execute the DWR Approval Agreement.

D. The Board of Directors further authorizes the Executive Director to do and cause to be done any and all acts and things necessary or proper for carrying out the Project, including but not limited to making any non-material changes to the proposed Transfer Agreement and CCWA Project Agreement as may be required to effectuate the Project.

**Section 4. Environmental Review**

The Board of Directors of CCWA finds and determines that approval of the Project is exempt from California Environmental Quality Act (“**CEQA**”) review because CCWA’s action is not a “project” within the meaning of CEQA because it does not have a potential for causing a significant effect on the environment. (CEQA Guidelines Section 15061(b)(3).) The Board of Directors further finds and determines that such action is also exempt from CEQA under CEQA Guidelines Sections 15282(u) (Temporary Water Transfers), 15301 (Class 1- Existing Public Facilities), and 15304 (Class 4- Minor Alterations to Land). The Board further finds that none of the exceptions to the exemptions apply. The basis for the exemption determination is more fully described in the Notice of Exemption attached hereto as Exhibit A.

**Section 5. Notice of Exemption**

The resolution shall constitute complete and final authority for CCWA’s Executive Director to file the Notice of Exemption.

**Section 6. Effective Date**

This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Directors of the Central Coast Water Authority, this 25th day of June, 2026, by the following vote:

|  | VOTING PERCENTAGE | AYE   | NAY   | ABSTAIN | ABSENT |
|--|-------------------|-------|-------|---------|--------|
| City of Buellton   | 2.21%             | _____ | _____ | _____   | _____  |
| Carpinteria Valley Water District  | 7.64%             | _____ | _____ | _____   | _____  |
| Goleta Water District  | 17.20%            | _____ | _____ | _____   | _____  |
| City of Guadalupe  | 1.15%             | _____ | _____ | _____   | _____  |
| Montecito Water District   | 9.50%             | _____ | _____ | _____   | _____  |
| City of Santa Barbara  | 11.47%            | _____ | _____ | _____   | _____  |
| City of Santa Maria  | 43.19%            | _____ | _____ | _____   | _____  |
| Santa Ynez River Water Conservation District, Improvement District No. 1 | 7.64%             | _____ | _____ | _____   | _____  |

I certify that the foregoing resolution was duly and regularly introduced and adopted by the Board of Directors of the Central Coast Water Authority at a regular meeting held on June 25, 2026.

[Seal]

\_\_\_\_\_  
Eric Friedman, Chairman

Attest:

\_\_\_\_\_  
Elizabeth Watkins  
Secretary to the Board of Directors

APPROVED AS TO FORM:  
Brownstein Hyatt Farber Schreck LLP

\_\_\_\_\_  
Stephanie Osler Hastings



\_\_\_\_\_, 2026

Mr. Justin Rowe  
General Manager  
Dudley Ridge WD, Berrenda Mesa WD, Lost Hills WD, and Belridge WSD  
8501 Brimhall Rd. Building 200, Suite 202  
Bakersfield, CA 93312

Eric Friedman  
Chairman  
  
Jeff Clay  
Vice Chairman  
  
Peter K. Thompson  
Executive Director

Mr. Sheridan Nicholas  
Engineer-Manager  
Wheeler Ridge-Maricopa Water Storage District  
12109 Highway 166  
Bakersfield, CA 93313

Brownstein Hyatt  
Farber Schreck  
General Counsel

Subject: 2026 Westside Districts/Central Coast Water Authority Transfer Agreement

*Member Agencies*

Dear Mr. Rowe and Mr. Nicholas,

- City of Buellton
- Carpinteria Valley Water District
- City of Guadalupe
- City of Santa Barbara
- City of Santa Maria
- Goleta Water District
- Montecito Water District
- Santa Ynez River Water Conservation District, Improvement District #1
- Associate Member*
- La Cumbre Mutual Water Company

This Transfer Agreement (“Agreement”) documents and confirms the agreement that has been reached between the Central Coast Water Authority (“CCWA”), and Dudley Ridge Water District (“DRWD”), Berrenda Mesa Water District, Lost Hills Water District, Belridge Water Storage District, and Wheeler Ridge-Maricopa Water Storage District (collectively, the “Westside Districts”), each a “Party” and collectively, the “Parties,” for a transfer of CCWA’s State Water Project (“SWP”) water supplies.

**BACKGROUND AND PURPOSE**

CCWA, Kern County Water Agency (“KCWA”), and DRWD are State Water Contractors (“Contractors”) that receive water deliveries from the SWP. Berrenda Mesa Water District, Lost Hills Water District, Belridge Water Storage District, and Wheeler Ridge-Maricopa Water Storage District receive SWP water supplies through KCWA (“KCWA Member Agency(ies)”).

As of the Effective Date of this Agreement (defined below), the California Department of Water Resources (“DWR”) has approved an allocation of SWP water supplied to the Contractors of 45% for calendar year 2026, which, for CCWA, equals a SWP Table A allocation of 20,469 acre-feet (“AF”). In total, CCWA has over 56,000 AF of water in its 2026 water portfolio.

CCWA anticipates that it will be able to meet all its annual local service area demands for 2026 with excess SWP water supplies remaining. The Westside Districts are interested in acquiring additional SWP water supplies in 2026 for use in their respective service areas. Therefore, CCWA has agreed to sell, and the Westside Districts have agreed to purchase, up to 32,000 AF CCWA’s SWP supplies, subject to the terms and conditions set forth herein.

255 Industrial Way  
Buellton, CA 93427  
(805) 688-2292  
Fax (805) 686-4700  
www.ccwa.com

## TERMS AND CONDITIONS

### 1. Conditions Precedent

- a. DWR's written approval of this Agreement shall be a condition precedent to the effectiveness of this Agreement. DWR's approval shall be provided in the form of a non-permanent Transfer (individually, "SWP Agreement") between DWR, CCWA, DRWD, and KCWA. Said SWP Agreement may be a single agreement or separate agreements with each agency, depending on DWR's preference.
  - i. CCWA and the Westside Districts, and each of them, shall cooperate with DWR and with each other in the preparation, review, and execution of the SWP Agreement with DWR, and with the processing of such other approvals as may be necessary to affect the water transfer described herein.
- b. KCWA's execution of the above-referenced SWP Agreement on behalf of its Member Agencies shall be a condition precedent to the effectiveness of this Agreement. It shall be the KCWA Member Agencies' responsibility to work with KCWA on obtaining KCWA's approval of said SWP Agreement. The KCWA Member Agencies represent they have coordinated with KCWA on this transfer of SWP water supplies and that KCWA is willing to facilitate the same.

### 2. Water Transfer(s) to the Westside Districts

- a. **Initial Water:** CCWA , in its sole and absolute discretion, may make available for transfer, up to 12,000 AF of CCWA's 2026 Table A or Article 56 Carryover water supplies to the Westside Districts. This volume of water shall be referred to herein as the "Initial Water." The Westside Districts shall be obligated to purchase any Initial Water CCWA makes available, provided the Westside Districts have physical capacity to take delivery of the Initial Water.
- b. **Additional Water:** CCWA, in its sole and absolute discretion, may make available for transfer up to an additional 20,000 AF of its 2026 SWP Table A or Article 56 Carryover water supplies to the Westside Districts. This volume of water shall be referred to as "Additional Water." The Westside Districts may, but shall not be obligated to, purchase any Additional Water CCWA makes available.
- c. **Transferred Water:** The collective total of the Initial and Additional Water transferred will be referred to as "Transferred Water." The maximum potential Transferred Water under this Agreement is 32,000 AF.
- d. The Westside Districts shall work with CCWA to develop a schedule for CCWA's transfer that is mutually agreeable to both parties. CCWA and the Westside District acknowledge that DWR's conveyance and delivery of Transferred Water is subject to any capacity limitations imposed by DWR.
- e. The Westside Districts shall determine amongst themselves the allocation of the Transferred Water.

### 3. Effective Date; Term

This Agreement shall be effective as of the date of the last signature hereto (“Effective Date”) and shall continue until the termination of the SWP Agreement, or until the Parties full and complete performance pursuant to this Agreement, whichever is later.

4. Point of Transfer

The Transferred Water will consist of Article 56 Carryover and/or 2026 Table A supplies. The Point of Transfer (“POT”) shall be San Luis Reservoir for Article 56 Carryover and Banks Pumping Plant of the California Aqueduct for 2026 Table A. The parties may otherwise agree in writing to an alternate point of transfer location, subject to DWR’s approval. The Westside Districts shall take possession of the Transferred Water at the POT.

5. Payment

- a. The Westside Districts shall pay CCWA for the Initial Water delivered to the Point of Transfer by CCWA as set forth in Table 1.
- b. The Westside Districts shall pay CCWA for the Additional Water delivered to the Point of Transfer by CCWA as set forth in Table 2.

Table 1:

| Water Type                           | Volume (AF)  | Price (\$/AF) |
|--------------------------------------|--------------|---------------|
| 2026 Table A or Article 56 Carryover | Up to 12,000 | \$400         |

Table 2:

| Water Type                           | Month Delivered | Price (\$/AF) |
|--------------------------------------|-----------------|---------------|
| 2026 Table A or Article 56 Carryover | October         | \$250         |
| 2026 Table A or Article 56 Carryover | November        | \$225         |
| 2026 Table A or Article 56 Carryover | December        | \$200         |

- c. CCWA shall be responsible for all conveyance costs up to the POT (including SWP delivery costs), which shall be at San Luis Reservoir or Banks Pumping Plant. The Westside Districts shall be responsible for all conveyance costs downstream of San Luis Reservoir or Banks Pumping Plant, including SWP delivery costs and any KCWA costs.

If either CCWA or the Westside Districts (by and through KCWA/DRWD) are charged by DWR for SWP delivery costs for which the other party is responsible for, as per this Agreement, both parties agree to reconcile those charges and make appropriate payments/credits to the other party once those charges are known.

- d. Once the final volume of Transferred Water is known and reconciled with DWR by the Parties, CCWA shall invoice the Westside Districts for the reconciled amount of Transferred Water that was delivered to the POT by CCWA. All CCWA invoices shall be due and payable within 45 days of receipt. CCWA shall send all invoices to the following address in electronic format:

To: Westside Districts  
Jamie Marquez  
[jmarquez@westsidewa.org](mailto:jmarquez@westsidewa.org)  
Cc: Eric McDaris ([emcdaris@wrmwsd.com](mailto:emcdaris@wrmwsd.com))

- e. CCWA and the Westside Districts shall be responsible for their own internal and/or transaction costs associated with the transfer contemplated herein. This includes each entity's own legal and consulting costs incurred in the preparation, review, and implementation of this Agreement.

#### 6. CEQA Compliance

All Parties shall be responsible for compliance with the California Environmental Quality Act, as applicable.

#### 7. Places of Use

The water delivered to the Westside Districts pursuant to this Agreement shall be used entirely within the service areas of DRWD and KCWA.

#### 8. Other Costs and Liabilities

CCWA shall be responsible for all costs and liabilities associated with the conveyance of water hereunder to Westside Districts to the POT, and Westside Districts shall be jointly and severally responsible for all costs and liabilities associated with the conveyance of water hereunder downstream of the POT. Except as provided in Section 9 below, this Agreement identifies the total cost obligations of the Parties, and neither the CCWA nor the Westside Districts is responsible to the other for any costs or liabilities other than those identified herein.

#### 9. Indemnification

Each Party shall indemnify and hold the other Parties harmless from all liability, loss, damage and cost arising out of any claims, demands, actions or other proceedings by third parties of any nature (including, but not limited to, attorney fees as and when incurred), to the extent the same arises out of (i) the breach of any covenant, agreement or obligation of the Party contained in or contemplated by this Agreement, (ii) any representation or warranty of the party set forth in this Agreement having been untrue in

any material respect when made, except to the extent in either (i) or (ii) above that such claim arises from the indemnified Party's willful misconduct or negligence.

10. Force Majeure

In the event that an unavoidable event renders the performance of this Agreement impossible or infeasible, the parties hereto shall be excused from the performance thereof; provided, however, that DRWD, KCWA and CCWA shall first coordinate with DWR to determine whether alternate performance may be possible pursuant to an alternate schedule for completion of performance.

11. Authority

The undersigned representatives of CCWA and the Westside Districts hereby represent that they are authorized to execute this Agreement for the party on whose behalf this Agreement is executed.

12. Notice

Written notice may be provided by either party to the other and shall be in the form of email, followed by first-class mail (postage prepaid), and effective on the date of the first received to the following addresses:

**Dudley Ridge Water District**

Attn: Justin Rowe, General Manager  
8501 Brimhall Rd. Bldg. 200, Suite 202  
Bakersfield, CA 93312  
Email: [jrowe@westsidewa.org](mailto:jrowe@westsidewa.org); [jmarquez@westsidewa.org](mailto:jmarquez@westsidewa.org)

**Berrenda Mesa Water District**

Attn: Justin Rowe, General Manager  
8501 Brimhall Rd. Bldg. 200, Suite 202  
Bakersfield, CA 93312  
Email: [jrowe@westsidewa.org](mailto:jrowe@westsidewa.org); [jmarquez@westsidewa.org](mailto:jmarquez@westsidewa.org)

**Lost Hills Water District**

Attn: Justin Rowe, General Manager  
8501 Brimhall Rd. Bldg. 200, Suite 202  
Bakersfield, CA 93312  
Email: [jrowe@westsidewa.org](mailto:jrowe@westsidewa.org); [jmarquez@westsidewa.org](mailto:jmarquez@westsidewa.org)

**Belridge Water Storage District**

Attn: Justin Rowe, General Manager  
8501 Brimhall Rd. Bldg. 200, Suite 202  
Bakersfield, CA 93312  
Email: [jrowe@westsidewa.org](mailto:jrowe@westsidewa.org); [jmarquez@westsidewa.org](mailto:jmarquez@westsidewa.org)

**Wheeler Ridge-Maricopa Water Storage District**

Attn: Sheridan Nicholas, Engineer-Manager

12109 Highway 166,  
Bakersfield, CA 93313  
Email: [snicholas@wrnwds.com](mailto:snicholas@wrnwds.com)

**Central Coast Water Authority**

Attn: Peter Thompson, Executive Director  
255 Industrial Way  
Buellton, CA 93427  
Email: [pkt@ccwa.com](mailto:pkt@ccwa.com)

13. DocuSign

All parties consent to using DocuSign for this Agreement which shall be binding.

Sincerely,

Peter Thompson  
Executive Director

**CENTRAL COAST WATER AUTHORITY**

**SURPLUS WATER TRANSFER AGREEMENT**

**re. WESTSIDE DISTRICTS**

This Surplus Water Transfer Agreement (“**Agreement**”) is made by:

CENTRAL COAST WATER AUTHORITY (“**CCWA**”)

and

each signatory to this Agreement (“**Contractor**,” and if more than one, “**Contractors**”). CCWA and Contractor are each a “**Party**” and together are the “**Parties**.”

**RECITALS**

A. CCWA and the California Department of Water Resources (“**DWR**”) are parties to a long-term water supply contract that provides for the delivery of water from California’s State Water Project (“**SWP**”) to portions of Santa Barbara County (the “**SWP Contract**”).

B. Additionally, CCWA owns, operates, and maintains water conveyance, storage and treatment facilities to deliver water made available to CCWA pursuant to the SWP Contract to cities, water districts and other water purveyors and users in portions of Santa Barbara County (each a “**CCWA Participant**” and collectively, the “**CCWA Participants**”). Each CCWA Participant is a party to a water supply agreement with CCWA (“**Water Supply Agreement**”) that provides for the delivery of a portion of the water supply made available by the SWP Contract to the Participant. Each Contractor is a CCWA Participant.

C. From time to time, such as in years of high precipitation, the SWP is capable of delivering to CCWA more water than is needed by the CCWA Participants. Additionally, in some years, water that is available for delivery to one or more CCWA Participants, but is not delivered in that year, may be lost due to delivery, storage, and other constraints within the SWP or local facilities.

D. On July 27, 2024, CCWA’s Board of Directors adopted Resolution No. 23-06 creating the “**Surplus Water Transfer Program**” to provide a process and procedures for CCWA Participants to transfer or exchange water available to them pursuant to their Water Supply Agreements that is surplus to their needs in any year (“**Surplus Water**”).

E. CCWA implements the Surplus Water Transfer Program on an annual basis. CCWA Participants may elect to participate in the Surplus Water Transfer Program by executing a “**Program Participation Agreement**” with CCWA. The Surplus Water Transfer Program is carried out consistent with the SWP Contract and CCWA’s Administrative Rules for the Transfer or Exchange of Water.

F. Pursuant to the 2026 Program Participation Agreement dated March 15, 2026] (“**Program Participation Agreement**”), CCWA gave notice to each Contractor of an opportunity to transfer Surplus Water to Dudley Ridge Water District (“DRWD”), Belridge Water Storage District, Berrenda Mesa Water District, Lost Hills Water District, and Wheeler Ridge-Maricopa Water Storage District (collectively, “Westside Districts” or the “**Purchaser**”) and subsequently negotiated an agreement (the “**Project Agreement**”) related to the transfer of Surplus Water between CCWA and Purchaser (the “**Project**”). Each Contractor has elected to participate in the Project and has delivered a Statement of Intent (as that term is defined in the Program Participation Agreement) to CCWA.

G. To the extent this Agreement requires compliance with CCWA Resolution No. 2021-01, CCWA has provided notice to all CCWA Participants of the deadline by which any CCWA Participant must have notified CCWA of its intent to exercise its right of first refusal pursuant to CCWA Resolution No. 2021-01, and all CCWA Participants, if any, desiring to exercise their right of first refusal to take delivery of the Total Transfer Quantity on the same terms and conditions as the Purchaser has done so prior to the Effective Date of this Agreement.

H. The Parties anticipate that certain approvals will be required to effectuate the Project, including DWR’s approval of the Project in the form of one or more contracts (“**DWR Approval Agreement(s)**”).

I. The Parties desire to enter into this Agreement to set forth the rights, responsibilities and obligations of the Parties as it relates to the Project.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual representations, warranties, covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **AGREEMENT**

**1. Purpose and Intent.** The purposes of this Agreement are to provide for (a) CCWA’s transfer of Contractor’s Surplus Water to Purchaser on behalf of Contractor and CCWA’s delivery of funds received from the Purchaser to Contractor, and in exchange for such services, (b) each Contractor’s payment of its pro rata share of CCWA’s Total Expenses, as that term is defined in Paragraph 5.1, and each Contractor’s assumption of all liability related to or arising under this Agreement and the Project. It is the intention of the Parties that neither CCWA, nor any CCWA Participant that is not a Party to this Agreement shall incur any expense or liability related to or arising under this Agreement, the Project, or the Surplus Water Transfer Program.

## **2. Compliance with all Laws**

2.1 The Parties’ respective obligations pursuant to this Agreement are contingent upon compliance with all applicable laws and legal requirements associated with the Project, including but not limited to the California Environmental Quality Act (Pub. Res. Code, § 21000 et seq.)

("CEQA"), and securing any required consents, approvals, permits or orders necessary to effectuate the Project.

2.2 Contractor acknowledges that, pursuant to CCWA's Administrative Rules for the Transfer or Exchange of Water, Contractor is responsible for compliance with CEQA, as applicable, and Article 57(g) of the SWP Contract. Contractor represents and warrants to CCWA that: (a) Contractor has complied, and will comply, with all applicable laws, regulations, and legal requirements associated with the Project; (b) Contractor's Transfer Quantity, as defined in Paragraph 3.1, is surplus to Contractor's needs; and (c) the Project will not create significant adverse impacts to or within Contractor's service area. CCWA is expressly entitled to rely upon the foregoing representations and warranties without inquiry. Contractor shall promptly notify CCWA in writing if Contractor becomes aware that any of the foregoing representations and warranties was inaccurate when made or has become inaccurate.

2.3 Contractor acknowledges that CCWA retains sole and absolute discretion with respect to whether to approve or not approve the Project. CCWA is not restricted from considering any feasible mitigation measures and/or alternatives, including not approving the Project.

2.4 The Project shall be carried out consistent with the SWP Contract and CCWA's Administrative Rules for the Transfer or Exchange of Water.

**3. Transfer Quantity.** On behalf of Contractor, CCWA agrees to facilitate the Project with Purchaser pursuant to, and subject to the terms and conditions of the Project Agreement, which is attached hereto as **Exhibit A**, and the DWR Approval Agreement(s). The "**Total Transfer Quantity**" represents the sum of each Contractor's transfer quantity ("**Contractor's Transfer Quantity**") as stated in the table attached hereto as **Exhibit B** and incorporated herein.

#### **4. Procedure and Conditions**

##### **4.1 CCWA Consideration of Project**

4.1.1 CCWA's Board of Directors will hold a regular meeting to consider whether to approve or deny the Project Agreement and authorize the CCWA Executive Director to execute all agreements necessary to effectuate the Project.

4.1.2 Upon receipt of Contractor's execution of this Agreement, CCWA's Executive Director will endeavor to timely execute the Project Agreement and deliver it to DWR and request its approval.

4.1.3 Upon receipt of the proposed DWR Approval Agreement(s) for the Project, CCWA's Executive Director will endeavor to timely review the DWR Approval Agreement(s), and, if consistent with the terms and conditions of the Project as set forth in the applicable Project Agreement, CCWA will endeavor to timely notify DWR and Purchaser of CCWA's approval of the DWR Approval Agreement(s).

4.1.4 Provided that each Contractor has satisfied all obligations and conditions precedent set forth in this Agreement, and further provided that CCWA's Board of Directors has

approved the Project and CCWA's Executive Director has determined that the DWR Approval Agreement(s) are consistent with the Project Agreement, CCWA's Executive Director will endeavor to timely execute the DWR Approval Agreement(s) on behalf of CCWA.

4.2 Transfer of Project Water. In the event DWR approves the Project and all contracting parties to the DWR Approval Agreement(s) execute their respective DWR Approval Agreement(s), CCWA shall coordinate with DWR and arrange for transfer of the water subject to the Project Agreement pursuant to the terms and conditions of the DWR Approval Agreement(s).

4.3 Failure of Conditions. In the event any of the conditions precedent in this Agreement are not satisfied by the Contractor, or DWR approval is not obtained, or all contracting parties to any of the DWR Approval Agreement(s) fail to execute the applicable DWR Approval Agreement(s), CCWA may terminate this Agreement as provided in Paragraph 11.2.

## 5. Contractor's Share of Expenses and Revenues

### 5.1 Contractor's Share of Expenses

5.1.1 Contractor shall pay to CCWA the Contractor's pro rata share of all out-of-pocket expenditures made by CCWA pursuant to this Agreement or related to the Project (collectively, "**Total Expenses**"). Total Expenses include, but are not limited to: consultant and legal expenses, any expenses associated with CCWA's compliance with CEQA, any expenses associated with securing any required approvals, any expenses incurred by CCWA in defense of this Agreement, and any other costs or expenses arising under this Agreement or related to the Project. Each Contractor's pro rata share of Total Expenses shall be equal to the Contractor's Transfer Quantity divided by the Total Transfer Quantity, as stated in **Exhibit B** attached hereto.

5.1.2 Contractor acknowledges and agrees that other CCWA Participants may join this Agreement after Contractor becomes a Party, which in turn will change the Total Transfer Quantity set forth in Exhibit B. Exhibit B may be modified without amendment of this Agreement. Upon the addition of any new Contractor, CCWA shall provide prompt notice of the modified Exhibit B to Contractor.

5.1.3 For Total Expenses arising from services that benefit only one Contractor, that Contractor shall pay CCWA the Total Expenses related to said service(s).

5.1.4 In the event CCWA reasonably determines that Total Expenses may exceed \$50,000, CCWA may request that Contractor place on deposit with CCWA Contractor's pro rata share of Total Expenses. CCWA shall provide Contractor with an invoice requesting such deposit and Contractor shall remit the amount stated in the invoice within thirty (30) days of receipt.

5.2 Contractor's Share of Revenues. Contractor shall be entitled to receive its pro rata share of any funds due to CCWA pursuant to the Project Agreement. Contractor's pro rata share shall be equal to the Contractor's Transfer Quantity divided by the Total Transfer Quantity, as stated in Exhibit B. Upon receipt of Purchaser payments under the Project Agreement, CCWA shall deliver to Contractor the Contractor's pro rata share of the payment received from Purchaser.

Contractor shall provide CCWA with payment instructions for this purpose. CCWA may, in its sole and absolute discretion, deduct any Total Expenses due from Contractor from the payment otherwise due to Contractor.

5.3 Reconciliation. Upon termination of this Agreement, CCWA shall provide to Contractor an accounting of the actual amounts the Contractor is obligated to pay to CCWA and are due to Contractor. Any overpayment by any Contractor shall be promptly refunded by CCWA and any underpayment by Contractor shall be promptly paid to CCWA. For clarity, in the event that the DWR Approval Agreement(s) for the Project is not executed and therefore that such Project does not occur, CCWA shall not be obligated to refund Contractor's pro rata share of the Total Expenses incurred.

## 6. Cooperation; Contractor's Authorized Representative

6.1 Cooperation. Contractor acknowledges that CCWA's ability to transfer Surplus Water, as provided in this Agreement, requires Contractor's cooperation. Contractor shall reasonably cooperate with CCWA, at CCWA's request, in all ways as may be necessary to carry out the terms and conditions of this Agreement.

6.2 Party's Authorized Representative. Concurrent with execution of this Agreement, in the signature block of this Agreement, each Party shall identify and provide the contact information for its authorized representative ("**Authorized Representative**"). Contractor represents and warrants that its Authorized Representative has full authority to grant, provide and enter into, by and on behalf of Contractor, any and all consents, approvals, instructions, authorizations or agreements by Contractor in connection with this Agreement (collectively, "**Contractor Directions**"). CCWA shall be entitled to rely upon, without inquiry, the full authority of Contractor's Authorized Representative.

## 7. Obligation in the Event of Default

7.1 Written Demand Upon Failure to Make Payment or Perform Obligation. Upon any Contractor's failure to make any payment in full when due under this Agreement or to perform any other obligation hereunder, CCWA shall make written demand upon the Contractor, and if such failure is not remedied within thirty (30) days from the date of such demand, such failure shall constitute a default and breach of this Agreement.

7.2 Termination of Contractual Rights; Continuing Obligations. Notwithstanding any provision in this Agreement to the contrary, upon any Contractor's failure to make any payment, which failure constitutes a default under this Agreement, CCWA may terminate this Agreement as to such defaulting Contractor. Irrespective of such termination, all obligations of the defaulting Contractor under this Agreement shall continue in full force and effect. CCWA's termination as to any defaulting Contractor pursuant to this Paragraph is in addition to all other remedies provided by this Agreement.

7.3 CCWA's Use of Other Funds. CCWA may draw upon and use any unobligated funds held by CCWA as credits payable to the defaulting Contractor, including "O&M Year-end

Credits” and any other credits held by CCWA for the benefit of the defaulting Contractor, and any cash that the defaulting Contractor may have on deposit with CCWA, for example in the “DWR Reserve Fund” or the “Rate Coverage Reserve Fund,” to satisfy the defaulting Contractor’s payment obligation, in whole or in part. CCWA shall provide to the defaulting Contractor an accounting of any such credits or deposits applied. CCWA’s use of other defaulting Contractor funds pursuant to this Paragraph is in addition to all other remedies provided by this Agreement.

7.4 Increase in Non-defaulting Contractor Costs. Notwithstanding any provision in this Agreement to the contrary, in the event a defaulting Contractor’s payment obligations under this Agreement exceed the amount of funds available under Paragraph 7.3, the pro rata share of each non-defaulting Contractor shall be automatically increased pro rata with the other non-defaulting Contractors for the remaining term of this Agreement. **Contractor acknowledges and agrees that its pro rata share of Total Expenses may increase as a result of a default by another Contractor.**

7.5 Right of Recovery from Defaulting Contractor. If a Contractor fails or refuses to pay any amounts due to CCWA under this Agreement, the non-defaulting Contractors’ increased obligations to make such payments shall not relieve the defaulting Contractor of its liability for such payments. Each non-defaulting Contractor shall have a right of recovery from the defaulting Contractor to the extent of such non-defaulting Contractor’s respective increase in obligation caused by the defaulting Contractor. Any amounts received by CCWA from the defaulting Contractor for costs that were previously paid by a non-defaulting Contractor pursuant to Paragraph 7.4, shall be reimbursed by CCWA to the non-defaulting Contractors.

7.6 Transfer of Defaulting Contractor’s Account. Upon the failure of any Contractor to make any payment which failure constitutes an uncured default under this Agreement, CCWA shall use its best efforts to transfer any payment received by CCWA from Purchaser under the Project Agreement to which defaulting Contractor would otherwise be entitled under Paragraph 5.2 of this Agreement for all or a portion of the remainder of the term of this Agreement to the non-defaulting Contractors on a pro rata basis. Notwithstanding the foregoing provision, any and all defaulting Contractors shall remain liable to CCWA and/or to any and all non-defaulting Contractors to pay the full amount of their costs in accordance with this Agreement as if such transfer had not been made.

## **8. Disclaimer of Liability**

8.1 Contractor acknowledges and agrees that CCWA is in good faith administering the Surplus Water Transfer Program and facilitating the Project on behalf of Contractor in exchange for Contractor’s full reimbursement of Contractor’s pro rata share of CCWA’s Total Expenses and full assumption of CCWA’s liabilities related to or arising out of this Agreement and any related agreements pertaining to the Project. As a result, it is the intent and agreement of the Contractor and CCWA that CCWA shall not incur any expense or liability for such assistance to any Contractor under this Agreement for any cause, except for any loss or damage to the extent caused by CCWA’s sole negligence, willful misconduct, or breach of this Agreement.

8.2 To the maximum extent permitted by law, neither CCWA, nor any of its elected officials, officers, agents, employees, consultants, or attorneys, nor any of the CCWA Participants who are not also Parties to this Agreement, shall be liable to any Contractor pursuant to this Agreement or otherwise for any claims, liabilities, damages, losses, actions, penalties, proceedings, or expenses in the event any condition precedent to this Agreement is not satisfied, any approval required to permit any portion of the Project is not obtained or is conditioned in any manner that is not acceptable to Contractor, or any Surplus Water deliverable to CCWA under the Project Agreement is not delivered to CCWA, or CCWA is unable to deliver such water to Contractor for any reason, whether such claims, liabilities, damages, losses, actions, penalties, proceedings, or expenses arise prior to or following termination or expiration of this Agreement, except for any loss or damage to the extent caused by CCWA's sole negligence, willful misconduct, or breach of this Agreement.

## **9. Indemnification and Defense**

9.1 Indemnification. Contractor ("**Indemnifying Party**") agrees to indemnify, defend, protect and hold harmless CCWA and its officers, directors, employees, agents, consultants, and attorneys, and CCWA Participants who are not also Parties to this Agreement (each an "**Indemnified Party**" and collectively, the "**Indemnified Parties**"), from and against any and all claims, liabilities, damages, losses, actions, penalties, proceedings, and expenses, including attorneys', paralegals', consultants', and experts' fees, costs, and expenses, arising from or relating to: (a) this Agreement or the Project; (b) any breach by Contractor of this Agreement; or (c) any inaccuracy in, or breach of, any representation or warranty made by Contractor in this Agreement, including Paragraph 2.2, whether such claims, liabilities, damages, losses, actions, penalties, proceedings, or expenses arise prior to or following termination or expiration of this Agreement, except to the extent caused by the Indemnified Party's sole negligence, willful misconduct, or breach of this Agreement.

## **10. Remedies**

10.1 If any Party does not timely perform its obligations pursuant to this Agreement, all other Parties shall be entitled to proceed to protect and enforce their rights as provided in this Agreement by such appropriate judicial proceedings as each Party may deem most effectual, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained herein or to enforce any other legal or equitable right vested by this Agreement or by law. The provisions of this Agreement and the duties of each Party and its elected officials, officers, agents, or employees shall be enforceable by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

10.2 The Parties agree that in the event of a default of this Agreement by a Party, all other Parties shall have all remedies in law or equity available to them, including specific performance and termination of this Agreement, and no remedy or election shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.

## **11. Effective Date; Term; Termination**

11.1 This Agreement shall be effective on the Date executed by Contractor (“**Effective Date**”). In the event of more than one Contractor, each Contractor’s Effective Date shall be the date this Agreement is executed by said Contractor.

11.2 Except as otherwise provided in this Agreement, the term of this Agreement shall commence on the Effective Date and shall continue until the termination of the DWR Approval Agreement(s), or until each Party’s final payment required under this Agreement, whichever is later.

11.3 CCWA may terminate any Contractor’s rights under this Agreement by providing notice of such termination to Contractor and all other Contractors: (1) in the event any of the conditions required by this Agreement are not satisfied; or (2) in the event a Contractor fails to make any payment required by this Agreement. This Agreement may be terminated by any Contractor as to that Contractor only upon the expiration of thirty (30) days following the later of (i) delivery of written notice of termination to CCWA; and (ii) discharge by the Contractor, or satisfactory assurance of performance, of all financial obligations hereunder. CCWA shall promptly provide a copy of any such notice of termination received by CCWA to all other Contractors.

11.4 Notwithstanding any provision in this Agreement to the contrary, the payment obligations of Contractor to CCWA under Paragraph 5 shall continue in full force and effect and the obligations set forth in Paragraphs 8, 9, and 10 shall survive in full force and effect until the expiration of the applicable statute of limitations, or any claim or litigation concerning this Agreement within the applicable statute of limitations is finally resolved, whichever occurs later.

## 12. General Provisions

12.1 Assignability. This Agreement shall not be assigned by Contractor without the prior written consent of CCWA, which consent shall not be unreasonably withheld. Any attempted assignment without the prior written approval of CCWA shall be void.

12.2 Attorneys’ Fees. In any action to enforce or interpret this Agreement, the prevailing party shall recover from the non-prevailing party, in addition to any damages, injunctive or other relief, all costs (whether or not allowable as “cost” items by law) reasonably incurred by the prevailing party at, before and after trial or on appeal, or in any bankruptcy proceeding, including attorneys’ and witness (expert and otherwise) fees, deposition costs, copying charges and other expenses.

12.3 Construction. The provisions of this Agreement should be liberally construed to effectuate its purposes. The language of all parts of this Agreement shall be construed simply according to its plain meaning. Any rule of contract interpretation to the effect that ambiguities or uncertainties are to be interpreted against the drafting party or the party who caused it to exist shall not be employed in the interpretation of this Agreement or any document executed in connection herewith, as each Party has participated in the drafting of this document and had the opportunity to have their legal counsel review it. The Recitals to this Agreement are incorporated herein and made a part hereof by this reference. The defined terms in this Agreement shall apply equally to

both the singular and the plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The terms “person” and “party” include individuals, corporations, partnerships, trust, and other entities and associations. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.”

12.4 Counterparts; Electronic Signatures; Delivery by Email. The Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same document. Counterparts may be delivered via electronic mail (including PDF or any electronic signature complying with the federal Electronic Signatures in Global and National Commerce (ESIGN) Act of 2000 (P.L. 106-229), e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

12.5 Due Authority. Each Party hereby represents and warrants that the individual executing this Agreement is expressly authorized to do so on behalf of such Party and to bind that party to perform all acts required by this Agreement, and that the consent, approval, or execution of or by any additional person or party is not required to legally bind that party to the terms and conditions of this Agreement.

12.6 Entire Agreement; Prior Agreements Superseded; Modification. The making, execution and delivery of this Agreement have not been induced by any representations, statements, warranties or agreements other than those herein expressed. This Agreement constitutes the entire agreement and understanding of the Parties concerning the subject matter hereof. This Agreement supersedes all prior negotiations, agreements, representations and understandings of the Parties relating to the subject matter hereof, including similar agreements from prior years. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all Parties.

12.7 Good Faith. The Parties agree to exercise their best efforts and utmost good faith to effectuate all the terms and conditions of this Agreement and to execute such further instruments and documents as are necessary or appropriate to effectuate all of the terms and conditions of this Agreement.

12.8 Governing Law; Venue. This Agreement and all matters relating to this Agreement shall be governed by the laws of the State of California, without regard to principles of conflicts of laws. Venue for any disputes under this Agreement shall be in Santa Barbara County, California.

12.9 Legal Advice. Each Party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions of this Agreement.

12.10 No Agency. This Agreement shall not create, nor shall it be construed to create, any agency, partnership or similar relationship among the Parties.

12.11 Notices. All notices, approvals, acceptances, requests, demands and other communications required or permitted under this Agreement, to be effective, shall be in writing and shall be delivered, either in person or by email or by Federal Express or other similar overnight delivery service, to the Authorized Representative of the Party to whom the notice is directed. Any communication given by email shall be deemed delivered on such mailing date and any communication given by overnight service shall be deemed delivered one (1) business day after the dispatch date. Any Party may change its email and overnight service addresses by giving all other Parties written notice of its new addresses.

12.12 Severability. If any provision of this Agreement or its application to any Party or circumstance is held invalid or unenforceable, then the remainder of this Agreement and the affected provision to the extent it is not so held shall remain valid and enforceable and in full force and effect. The foregoing shall not apply, however, if the invalid or unenforceable provision in question or, as applicable, the portion or application thereof held invalid or unenforceable, is a fundamental and material provision of this Agreement.

12.13 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

12.14 Third Party Beneficiary; Enforcement. The Parties agree that this Agreement is for the benefit of (i) Contractors, (ii) CCWA, and (iii) all CCWA Participants that are not Contractors. All of the aforementioned entities and persons shall be entitled to enforce the provisions of this Agreement.

12.15 Time of the Essence. Except as otherwise provided in this Agreement, time is of the essence with respect to this Agreement and the performance of each and every obligation contained in this Agreement.

12.16 Time for Performance. Notwithstanding any provision of this Agreement to the contrary, in the event a Party fails to perform any obligation under this Agreement (other than an obligation to pay money) because of strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, government or judicial actions, inclement weather or other causes beyond its reasonable control, that failure will not constitute a default under this Agreement, and the performance in question will be excused during the period in which the cause for failure continues.

*–signatures follow on next pages–*

IN WITNESS WHEREOF, the Parties have executed and entered into this Agreement as of the Effective Date.

**CENTRAL COAST WATER AUTHORITY**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Name: Peter Thompson  
Title: Executive Director

*Approved as to form:*

Brownstein Hyatt Farber Schreck

By: \_\_\_\_\_  
Name: Stephanie Osler Hastings

**Authorized Representative:**

Central Coast Water Authority  
255 Industrial Way  
Buellton, CA 93427  
Attn: Peter Thompson, Executive Director  
Telephone: (805) 688-2292  
Email: [PKT@ccwa.com](mailto:PKT@ccwa.com)

*–signatures continue on next pages–*

**CONTRACTOR**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

Authorized Representative:

Participant: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

**Exhibit A:** Project Agreement between CCWA and Purchaser

**Exhibit B:** Contractor's Transfer Quantity and Total Transfer Quantity

**Exhibit A**

Project Agreement between CCWA and Purchaser

