

AMENDED AND RESTATED AGREEMENT BETWEEN THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, COACHELLA VALLEY WATER DISTRICT, AND DESERT WATER AGENCY FOR THE EXCHANGE AND ADVANCE DELIVERY OF WATER

This 2019 Amended and Restated Agreement for Exchange and Advance Delivery of Water (Agreement) is made this 11th day of December, 2019 by THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (Metropolitan), COACHELLA VALLEY WATER DISTRICT (Coachella), and DESERT WATER AGENCY (Desert). Metropolitan, Coachella, and Desert are individually referred to as a “Party” and collectively as “Parties.”

RECITALS

A. Metropolitan is a metropolitan water district organized under the Metropolitan Water District Act, codified at section 109-1, et seq. of West’s Appendix to the California Water Code, and engaged in developing, storing, and distributing water in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura. Metropolitan is a State Water Project (SWP) contractor and receives water through the SWP. Metropolitan also owns and operates the Colorado River Aqueduct through which Metropolitan receives Colorado River water.

B. Coachella is a county water district organized under the California County Water District Law, codified at section 30000, et seq. of the California Water Code, and utilizes Colorado River water in Riverside County for groundwater recharge as well as potable and irrigation purposes.

C. Desert is an independent special district organized under the Desert Water Agency Law, codified at section 100-1, et seq. of West's Appendix to the California Water Code, and also utilizes Colorado River water in Riverside County for groundwater recharge purposes.

D. Coachella and Desert are SWP contractors without physical connections to the SWP. Rather than construct physical connections to the SWP, Coachella and Desert entered into separate agreements in 1967 with Metropolitan (1967 Exchange Agreements) under which Coachella and Desert deliver their State Project Water to Metropolitan, and in exchange, Metropolitan delivers a like amount of Colorado River water to Coachella and Desert.

E. In 1983, Metropolitan entered into new separate exchange agreements with Coachella ("Agreement Between the Metropolitan Water District of Southern California and the Coachella Valley Water District for Exchange of Water") and Desert ("Agreement Between the Metropolitan Water District of Southern California and Desert Water Agency for Exchange of Water") (collectively, the "1983 Exchange Agreements") which continued the prior exchange arrangements with certain modifications and expressly superseded the 1967 Exchange Agreements.

F. In 1984, the Parties entered into the "Advance Delivery Agreement" which allowed Metropolitan to deliver Colorado River water to be credited against Metropolitan's future water exchange obligations under the 1983 Exchange Agreements.

G. In 2003, the Parties entered into "The 2003 Exchange Agreement" which amended the 1983 Exchange Agreements and the Advance Delivery Agreement. The 2003 Exchange Agreement also provided for: the transfer from Metropolitan to Coachella and Desert of 100,000 acre-feet per year of Metropolitan's Annual Table A Amount from the SWP along

with the associated annual fixed and variable charges and the corresponding exchange of a like quantity of Metropolitan's Colorado River water or credits pursuant to the Advance Delivery Agreement; an annual option for Metropolitan to call-back the 100,000 acre-foot transfer under certain conditions and to reimburse Coachella and Desert for those SWP charges in that year; and a process by which the Parties would agree to operating criteria in order to better coordinate delivery and financial transactions.

H. Also in 2003, the Parties entered into separate amendments to their respective SWP Agreements with the Department of Water Resources (DWR) which approved the Parties' Table A transfers pursuant to The 2003 Exchange Agreement. (Amendment No. 18 to the Water Supply Contract between DWR and Coachella dated October 10, 2003; Amendment No. 18 to the Water Supply Contract between DWR and Desert dated November 3, 2003; Amendment Nos. 27 and 28 to the Water Supply Contracts between DWR and Metropolitan dated October 24, 2003.)

I. In 2004 and 2007, the Parties entered into letter agreements that established operating criteria pursuant to the 2003 Exchange Agreement. (November 9, 2004 Letter Agreement Regarding Implementation of 2003 Exchange Agreement and November 19, 2007 Letter Agreement Regarding Implementation of 2003 Exchange Agreement – Establishment of Long-Term Operating Criteria, collectively the "2004 and 2007 Letter Agreements".) The 2004 and 2007 Letter Agreements included provisions for the Parties to consider adding water to the amounts of Table A SWP water agreed upon for exchange.

J. In 2012, Metropolitan and Coachella entered into a letter agreement pursuant to the 2004 and 2007 Letter Agreements which provided the terms and conditions for the annual

delivery and exchange of up to 16,500 acre-feet of non-Table A SWP water that Rosedale Rio Bravo Water Storage District provides to Coachella (2012 Rosedale Letter Agreement).

K. In administering the various agreements, the Parties have gained operational experience and thus desire through this Amendment to better manage their water supplies.

L. The purposes of this Agreement are to: amend and restate, and to consolidate into this agreement the provisions of the various agreements setting forth the manner in which the exchanges, advance deliveries, and credits in those agreements will be implemented; end Metropolitan's right to call back 100,000 acre-feet of Table A water; allow Metropolitan to defer certain Colorado River water deliveries to Coachella and Desert; more equitably share among the Parties the operational benefits and risks of available SWP supplies; provide for Coachella and Desert to participate with Metropolitan in sharing water management costs in wetter years; and simplify the payment structure.

M. Thus, in consideration of the mutual covenants of the Parties and for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

AGREEMENT

1. Definitions

Article 21 Supplies – State Project Water made available to the Parties in any year pursuant to Article 21 of the State Water Contracts.

Carryover Supplies – State Project Water stored by a Party in State Water Project surface conservation facilities pursuant to the State Water Contracts.

Colorado River Aqueduct – The Aqueduct system owned and operated by Metropolitan, and used for the transport of water from Lake Havasu on the Colorado River to Lake Mathews in Riverside County.

Exchange Water – Colorado River water delivered to Coachella and Desert by Metropolitan from the Colorado River Aqueduct in exchange for Coachella’s and Desert’s State Project Water.

Multi-Year Supplies – Water resulting from the contracts and projects listed in Exhibit A of this Agreement, which may be modified by the Parties in writing.

Single-Year Supplies – Water resulting from the contracts and projects listed in Exhibit B of this Agreement, which may be modified by the Parties in writing.

State Project Water – All water which Coachella and Desert have rights to receive under their State Water Contracts including, but not limited to, water Coachella and Desert may acquire from other sources that is conveyed through the State Water Project.

State Water Contracts – The Contract between Coachella and the State of California, dated March 29, 1963, the Contract between Desert and the State of California, dated October 17, 1962, and the Contract between Metropolitan and the State of California, dated November 4, 1960, including all past and future amendments to each such contract, for an imported water supply from the State Water Project.

State Water Project (SWP) – Part of the State Water Resources Development System, authorized and constructed under Section 12930, et seq. of the Water Code, to deliver water to various public agencies throughout the State, including the Parties.

Table A Amount – Each Party’s Table A Amount pursuant to its contract with DWR at the time of execution of this Agreement, which for Metropolitan is 1,911,500 acre-feet, for Coachella is 138,350 acre-feet, and for Desert is 55,750 acre-feet.

2. Prior Agreements Amended and Restated

This Agreement amends and restates the following prior agreements among the Parties:

- A. Agreement Between The Metropolitan Water District of Southern California and the Coachella Valley Water District for Exchange of Water, dated July 7, 1983.
- B. Agreement Between The Metropolitan Water District of Southern California and Desert Water Agency for Exchange of Water, dated July 7, 1983.
- C. Advance Delivery Agreement, dated June 28, 1984.
- D. The 2003 Exchange Agreement, dated October 24, 2003.
- E. Letter Agreement Regarding Implementation of 2003 Exchange Agreement, dated November 9, 2004.
- F. Letter Agreement Regarding Implementation of 2003 Exchange Agreement – Establishment of Long-Term Operating Criteria, dated November 19, 2007.
- G. Letter Agreement Between The Metropolitan Water District of Southern California and the Coachella Valley Water District regarding Agreement to Deliver non-State Water Project Water in Exchange for Colorado River Water, dated November 13, 2012.

3. Coordination Committee

Each Party will designate one person to form a Coordination Committee. The purpose of the Coordination Committee is to provide an opportunity to share information among the Parties regarding water management, and to ensure that any current and potential actions taken are consistent with the goals of this Agreement. The person designated by Metropolitan to be on the

Coordination Committee will be the Chairperson until another Chairperson is selected by majority vote of the Coordination Committee. The Coordination Committee may elect a new Chairperson at any time. The Chairperson will schedule meetings (at least quarterly, and as conditions dictate) and record meeting minutes. Metropolitan will inform the Coordination Committee of potential capacity and other operational constraints as conditions change during the year.

4. **Exchange of Water**

A. Exchange of Table A Amounts and Multi-Year Supplies

1. Metropolitan will accept delivery of Coachella's and Desert's Table A Amounts and exchange them for equal quantities of Metropolitan's Exchange Water as provided by this Agreement.

2. Metropolitan will accept delivery of Coachella's and Desert's Multi-Year Supplies and exchange them for equal quantities of Metropolitan's Exchange Water as listed in Exhibit A to this Agreement. The Parties may agree in writing to include additional Multi-Year Supplies in Exhibit A, which will be exchanged in the same manner.

3. There may be limitations on Metropolitan's ability to take delivery of all available Table A Amounts and Multi-Year Supplies in any year. Such limitations include, but are not limited to, insufficient demands within Metropolitan's service area, capacity constraints on the East Branch of the SWP, and the Parties' storage program capacities. These limitations may result in unused Table A Amounts that cannot be scheduled with DWR for delivery within the calendar year. If Metropolitan determines that any such limitations exist, Metropolitan will consult with the Coordination

Committee and will attempt to leave Table A amounts unscheduled at the end of the calendar year for each Party in amounts proportional to the sum of the Parties' Table A Amounts and Multi-Year Supplies.

4. There may be limitations on Metropolitan's ability in a calendar year to take delivery of the Table A Amounts, Multi-Year Supplies, and any Table A Amounts and Multi-Year Supplies that were previously carried over of each Party proportionally by Table A Amounts and Multi-Year Supplies. Such limitations include, but are not limited to, the differential spill of each Party's Carryover Supplies under DWR's spill accounting methodology. In any calendar year that such limitations apply, Metropolitan may take delivery of a higher proportion of one Party's supplies than another Party's supplies, so as to minimize losses due to spills or other causes. Metropolitan will keep an annual record of the deliveries taken from each Party's supplies and will adjust future water orders as necessary in an attempt to make up any delivery imbalance when operational opportunities arise. To the extent that Metropolitan receives a higher percentage of Table A Amounts and Multi-Year Supplies than Coachella or Desert during a year, that amount of water will count against Metropolitan's right to 200,000 acre-feet of advance credit under Section 5.C. [Credit of Advance Deliveries Against Metropolitan's Exchange Obligations]. In the event that at the end of any year, the cumulative delivery balance to any Party exceeds 5,000 acre-feet, and if Metropolitan is unable within five years thereafter to make the necessary adjustments to restore the proportional delivery of Table A Amounts and Multi-Year Supplies, the Parties will reconcile the water delivery imbalance by adjusting deliveries of Exchange Water, and

will make any necessary financial adjustments to keep the Parties financially whole, as follows:

a. If at the end of five years, Metropolitan has received a disproportionately higher amount of Table A Amounts and Multi-Year Supplies than Coachella and Desert, then Metropolitan will increase the Exchange Water deliveries to Coachella and Desert by an amount equal to the disproportionate amount of water Metropolitan received, and Coachella and Desert will reimburse Metropolitan for the variable transportation charges that Metropolitan paid DWR to move the water through SWP facilities to Devil Canyon in the year Metropolitan increased Exchange Water deliveries.

b. If at the end of five years, Coachella and/or Desert has received a disproportionately higher amount of Table A Amounts and Multi-Year Supplies than Metropolitan, then Metropolitan will take delivery of Coachella and/or Desert's Table A Amounts and Multi-Year Supplies in an amount equal to the disproportionate amount of water they received, Metropolitan will reimburse them for the variable transportation charges that Coachella and/or Desert paid DWR to move the water through SWP facilities to Devil Canyon in the year Metropolitan takes delivery of the increased Table A Amounts and Multi-Year Supplies, and Metropolitan will not make the equivalent Exchange Water deliveries to Coachella and/or Desert.

c. Should a State Water Contract amendment be ratified that allows for single-year Table A Amount transfers, the Parties may agree to use single-year transfers to accomplish the goal of restoring proportionality in the delivery of Table A Amounts and Multi-Year Supplies.

d. Billing and payment for financial adjustments made under this section 4.A.4. will occur in the calendar year following the fifth year. If any Party asserts to the other Parties, in writing, prior to payment of a reimbursement required by subsections 4.A.4.a. or b. above, that such reimbursement would produce a substantially inequitable financial result due to differences in variable transportation charges by DWR between the year that the Exchange Water or Table A Amounts and Multi-Year Supplies would have been delivered, absent the disproportionate deliveries, and the year that the increased Exchange Water or increased Table A Amounts and Multi-Year Supplies were later delivered to correct the resulting disproportionality, and taking into consideration the inflation that occurred over that period, the General Managers of the Parties will meet in an attempt to mutually agree to the amount of reimbursement necessary to achieve an equitable financial adjustment.

B. Exchange of Single-Year Supplies

1. If sufficient capacity exists after accounting for Table A Amounts and Multi-Year Supplies, Metropolitan will exchange Coachella's and Desert's Single Year Supplies up to the amounts requested by Coachella and Desert for equal quantities of Metropolitan's Exchange Water as listed in Exhibit B to this Agreement. The Parties may agree in writing to include additional Single-Year Supplies in Exhibit B which will be exchanged in the same manner.

2. There may be limitations on Metropolitan's ability to take delivery of all Single-Year Supplies in any year. Such limitations include insufficient demands within Metropolitan's service area, capacity constraints on the East Branch of the SWP, and the Parties' storage program capacities. If Metropolitan determines that any such limitations

exist, Metropolitan will consult with the Coordination Committee and will reduce the amount of water exchanged accordingly.

C. Exchange of Article 21 Supplies

When Article 21 Supplies are available and when Metropolitan determines that it has capacity to take delivery of Article 21 Supplies, Metropolitan will request delivery of Article 21 Supplies for the Parties in proportion to their Table A Amounts to the extent that no Party is harmed by delivery of Article 21 Supplies. Metropolitan will exchange such water of Coachella and Desert for equal quantities of Metropolitan's Exchange Water.

D. Exchange of Carryover Supplies

Metropolitan will exchange Coachella's and Desert's available carryover each year in amounts requested by Coachella and Desert for equal quantities of Metropolitan's Exchange Water. Metropolitan will not exchange Coachella's and Desert's spilled carryover, but will account for it as provided in Section 4.A.4.

E. Coordination Regarding Potential Additional Supplies

Before a Party declines to exercise a right to obtain water under an existing agreement which could be conveyed through the SWP, that Party will consult with the Coordination Committee regarding the potential opportunity for the other Parties to instead obtain such water for themselves. Any terms for addressing such an opportunity will be addressed in a separate agreement among the participants.

F. Delivery Points

Metropolitan will deliver its Exchange Water to Coachella and Desert at the Whitewater service connections, Mission Creek service connections, or at other locations mutually agreed upon by Metropolitan and the Party whose connection is involved. DWR will deliver Coachella's

and Desert's State Project Water for exchange to Metropolitan at: Devil Canyon Afterbay, a connection downstream of Devil Canyon Afterbay, or other locations mutually agreed upon by Metropolitan and the Party whose connection is involved. Each Party must construct and operate its own facilities for the transportation of water subject to this Agreement from the delivery points to and within its own service area.

G. Scheduling of Deliveries

1. After consultation with the Coordinating Committee, Metropolitan will act as Coachella's and Desert's agent in scheduling delivery by DWR of Coachella's and Desert's State Project Water to Metropolitan.

2. Metropolitan will coordinate with Coachella and Desert to best accommodate the Parties' requests regarding delivery times, rates, and points of delivery.

3. To ensure that carryover rights are available to Metropolitan, Coachella and Desert will utilize, by exchange, their entire Table A Amounts within their respective service areas or in adjacent areas in a manner that will benefit use within their respective service areas.

H. Additional Table A Amounts, Multi-year Supplies, and Single-year Supplies

Notwithstanding anything to the contrary in this Agreement, each Party may include in this Agreement up to a combined total of an additional 10,000 acre-feet of Table A Amounts, Multi-year Supplies, and Single-year Supplies without prior written agreement of the other Parties.

5. **Advance Delivery of Colorado River Water**

A. **Right to Deliver Colorado River Water in Advance**

Metropolitan may make advance deliveries of Colorado River water to be credited to an advance delivery account provided that the total balance of advance deliveries at any time in the account does not exceed 800,000 acre-feet or such greater amount as may be mutually agreed upon by the Parties, after debiting the account for stored water utilized by Coachella and Desert pursuant to Section 5.C. [Credit of Advance Deliveries Against Metropolitan's Exchange Obligations]. Deliveries will be for spreading at the spreading grounds overlying the Whitewater River Sub-basin of the Upper Coachella Valley Groundwater Basin, spreading grounds overlying the Mission Creek Sub-basin, or such other location or purpose (such as in lieu recharge) as may be mutually agreed upon by the Parties. Such advance deliveries will not interfere with normal deliveries of Exchange Water, and any Colorado River water delivered by Metropolitan to Coachella and Desert in any year will first be credited to Metropolitan's obligation to deliver Exchange Water during that year, and the balance of such deliveries will be applied to offset Metropolitan's future Exchange Water delivery obligations as provided in Section 5.C. [Credit of Advance Deliveries Against Metropolitan's Exchange Obligations] or Metropolitan's obligations pursuant to the *Delivery and Exchange Agreement Between Metropolitan and Coachella for 35,000 Acre-feet*.

B. **Ownership of Advance Deliveries**

Advance deliveries of Colorado River water stored in the Whitewater River Sub-basin will be owned by Coachella and Desert in proportion to the amounts of water which they are required to deliver to Metropolitan pursuant to this Agreement. Title passes at the delivery structure.

C. Credit of Advance Deliveries Against Metropolitan's Exchange Obligations

1. At such times as Metropolitan may determine that its available Colorado River water supply is fully required to meet the needs of its member agencies, it will notify Coachella and Desert. Thereafter, and until Metropolitan determines that Exchange Water is again available, Colorado River water delivered in advance to the Whitewater River Sub-basin pursuant to this Agreement will be used by Coachella and Desert, and Metropolitan will be given credit for and will take deliveries of State Project Water made available to Coachella and Desert. So long as such water delivered in advance is available for such credits, Metropolitan will be entitled to continue to receive Coachella's and Desert's State Project Water.

2. Metropolitan will not have an annual call-back option for the 100,000 acre-feet per year of Metropolitan's Annual Table A Amount from the SWP transferred to Coachella and Desert pursuant to the 2003 Exchange Agreement.

3. In the event that Metropolitan has been credited with all of the Colorado River water it has delivered to its advance delivery account under Section 5.A. [Right to Deliver Colorado River Water in Advance], Metropolitan will be entitled to 200,000 acre-feet of advance credit which Metropolitan may use in the same manner as if it had delivered the Colorado River water in advance of an exchange. However, so long as a Metropolitan has advance credit available, Metropolitan will deliver to the Mission Creek service connection each year a quantity of Exchange Water equal to the proportionate share of deliveries which Coachella and Desert have committed to allocate to the Mission Creek Sub-basin (as indicated by Coachella and Desert to Metropolitan each July), subject to Metropolitan's delivery capability, so that Metropolitan's advance credit

balance does not affect the timing of replenishment of the Mission Creek Sub-basin. At the end of a calendar year, in the event that the advance credit that Metropolitan receives under this Section 5.C.3. exceeds 20,000 acre-feet, Metropolitan will deliver sufficient Colorado River water to Coachella and Desert so that the advance credit is eliminated by the end of the fifth calendar year thereafter. As an example, if Metropolitan receives more than 20,000 acre-feet of advance credit in 2020, then Metropolitan will deliver sufficient Colorado River water to Coachella and Desert to ensure that all advance credit is eliminated by December 31, 2025.

D. Scheduling of Advance Deliveries

Advance deliveries will be made according to a schedule established by the Parties. Such schedule may be amended from time to time as required for operation, maintenance, and repair, or by local groundwater conditions.

E. Responsibility for Spreading Grounds

Coachella is responsible for operating, maintaining, and repairing the spreading grounds overlying the Whitewater River Sub-basin of the Upper Coachella Valley Groundwater Basin. Desert is responsible for operating, maintaining, and repairing the spreading grounds overlying the Mission Creek Sub-basin.

F. Remaining Advance Delivery Credits

In the event that either Coachella or Desert cancels this Agreement, if any advance delivery credits remain in Metropolitan's advance delivery account, which have not been charged to Coachella's and Desert's delivery obligations to Metropolitan prior to the date the cancellation is effective, Coachella and Desert, consistent with their obligations under this Agreement, will cause DWR to make deliveries of State Project Water to Metropolitan until

Metropolitan has received all remaining advance delivery credit in the same manner as if this Agreement were still in effect.

6. Water Management Cost Sharing

Coachella and Desert will pay a portion of Metropolitan's average long-term costs to store water in Metropolitan's SWP groundwater storage programs in accordance with Exhibit C of this Agreement. Upon request by a Party and no later than 2026, the Parties will discuss whether to amend Exhibit C. Any amendment to Exhibit C must be in writing.

7. Responsibility for Service Connections

Metropolitan is responsible for operating, maintaining, and repairing the existing Whitewater and Mission Creek service connections, including any measuring devices. The existing connections include DWCV-1, DWCV-2, DWCV-2T, DWCV-3, DWCV-4, and DWCV-5. Coachella is responsible for the costs of any improvements it desires to make to the existing Whitewater service connections, including any measuring devices. Desert is responsible for the costs of any improvements it desires to make to the existing Mission Creek service connection, including any measuring devices.

8. Responsibility for Coachella's and Desert's Hydroelectric Plant

Coachella and Desert are responsible for any risk from loss of anticipated revenue from Coachella's and Desert's hydroelectric plant in any year caused by the scheduling and making of deliveries by Metropolitan; provided that Metropolitan will exercise reasonable efforts to schedule deliveries whenever possible so as to permit hydroelectric power generation.

9. Rights of Way

Metropolitan will grant to Coachella and/or Desert such easements in lands owned by Metropolitan as may be necessary for the operation, maintenance, removal, and repair of any

water conveyance facilities downstream from the Whitewater and Mission Creek service connections and through which Metropolitan's Exchange Water is delivered to Coachella and Desert. Coachella and Desert will grant to Metropolitan such easements in lands owned by Coachella and Desert as may be necessary for the operation, maintenance, removal, and repair of the Whitewater and Mission Creek service connections.

10. Proposed Deliveries Requiring a New Turnout from the Colorado River Aqueduct

Proposed deliveries of Colorado River water to a new turnout would require separate terms to be negotiated among the Parties at such time as when a new turnout is requested.

11. Noninterference with Other Water Deliveries

Either Metropolitan or Coachella may acquire Colorado River water from any other person or entity without objection by the other so long as such acquisition does not materially reduce the water available to the other. A breach of this section would cause irreparable injury and will be grounds for the immediate termination of this Agreement pursuant to Section 20 [Cancellation]. This Section will remain in effect for the term of this Agreement, notwithstanding any earlier termination of the Quantification Settlement Agreement dated October 10, 2003.

12. Measurement of Deliveries

All Exchange Water delivered by Metropolitan to Coachella and Desert will be measured by measuring devices and equipment installed at the delivery structures at which Exchange Water is delivered by Metropolitan to Coachella and Desert. The measuring devices may include meters or orifice plates. The costs for the original procurement and installation of measuring devices and equipment have been paid for by Coachella and Desert, and will be operated by Metropolitan. Metropolitan will be responsible for future, in-kind repair and replacement of the

measuring devices pursuant to Section 7 [Responsibility for Service Connections]. Metropolitan will give Coachella and Desert notice and, upon request, the opportunity to be present for any testing Metropolitan performs on the measuring devices and equipment. Metropolitan will share the results of any testing with Coachella and Desert. Coachella and Desert will have the right at any time to require that any such device or equipment be tested by Metropolitan, and Coachella and Desert will have the further right to be represented by a qualified observer during any such test. Should such test disclose a problem, Metropolitan will work with Coachella and Desert to resolve any resulting discrepancy and make adjustments in future deliveries of Exchange Water, if necessary. Such adjustments will cover the known or estimated period of duration of such discrepancy, but in no event will the period extend further back from the greater of either six months before the date of the test or January 1 of the year in which the test was conducted.

13. Payment of State Water Contract Charges

Coachella and Desert will pay all costs and charges due under their State Water Contracts incurred in connection with delivery of State Project Water to Metropolitan. When Metropolitan transferred the 100,000 acre-feet of Metropolitan's Annual Table A Amount to Coachella and Desert in 2003, Metropolitan also assigned the transportation rights to Coachella and Desert in Reaches 1 through 28J of the California Aqueduct. For the purposes of calculating the cost of these additional transportation rights in Reaches 19 through 28J it is assumed that the 100,000 acre-feet is conveyed through Basic East Branch capacity rather than East Branch Enlargement capacity, as described in Bulletin 132. The amounts transferred were 88,100 acre-feet to Coachella and 11,900 acre-feet to Desert, and capacity available to Coachella and Desert will be correspondingly adjusted pursuant to requirements of their State Water Contracts. Coachella and Desert are also responsible for paying DWR the Delta Water Charge, Water System Revenue

Bond Surcharge, and other charges attributable to the transferred amount. Any separate settlement agreed to by DWR and the Parties regarding East Branch Enlargement capacity and East Branch Allocation will apply to this Agreement.

14. Payment of Colorado River Aqueduct Costs

Metropolitan will pay all costs incurred in connection with the delivery of Exchange Water to Coachella and Desert.

15. Payment Directions

Payments required to be made to the Parties under this Agreement will be made to the order of Coachella, Desert, or Metropolitan, as the case may be, and paid by wire transfer as follows:

Coachella Valley Water District
Union Bank of California
445 S. Figueroa Street
Los Angeles, CA 90071
ABA No. 122000496
Contact Person: Donna Tredway
Credit to: Coachella Valley Water District
Account No. 2740013028

Desert Water Agency
Union Bank of California
ABA Routing #122000496
Account #322-0539198

The Metropolitan Water District of Southern California
Wire to: Bank of America
Credit to: Metropolitan Water District of Southern California
Account No. 1459350937
ABA No. 026009593

A Party may change these wire transfer instructions by giving a notice in accordance with Section 28.F. [General Provisions].

16. Delinquent Payments

Payment of any amount required under this Agreement will be delinquent if not received before the close of crediting activity on the date due. In the event that any Party is delinquent in the payment of any amount, that Party will pay interest on the amount due at an annual rate equal to that earned by the pooled money investment fund as provided in Government Code section 16480 et seq., calculated monthly on the amount of such delinquent payment from and after the date due until it is paid.

17. Water Rights

This Agreement will not be construed as: (a) a conveyance, abandonment, or waiver of any water right to the use of Table A Water which is held or owned by Coachella or Desert; (b) a conveyance, abandonment, or a waiver of any water right to the use of Colorado River water which is held or owned by Metropolitan; or (c) for purposes of Article 4 (Option for Continued Service) of Metropolitan's State Water Contract a reduction in the Maximum Annual Table A Amount of Metropolitan. Nor will it be construed as conferring any right whatsoever upon any person, firm, or other public or private entity not a party to this Agreement.

18. Records

Each Party will maintain and make available for inspection by the other Parties, during regular office hours, accurate records pertaining to the times and amounts of exchange deliveries and to the costs, disbursements, and receipts with respect to the construction, operation, and maintenance of structures for the delivery of State Project Water, Colorado River water, and Exchange Water.

19. Term of Agreement

A. This Agreement will terminate on December 31, 2035; unless extended pursuant to this Section 19 or terminated pursuant to Section 20 [Cancellation]; provided, however, if a claim arising under this Agreement has not been resolved, such provisions of this Agreement will continue in full force and effect as are necessary for the purpose of resolving such claims to satisfy the rights and obligations of the Parties. No later than December 31, 2034, the Parties will meet in good faith to begin negotiations to extend this Agreement for a period of an additional 50 years on the same terms and conditions.

B. Upon the termination of this Agreement, at the expiration of the term, or any earlier cancellation:

1. All structures and facilities which have been used solely to enable Coachella and Desert to take Exchange Water will be removed at the election of Metropolitan, and all property of every kind belonging to Metropolitan which has been involved in such delivery of water will be returned to its original condition, as near may be. Such work will be done, at the option of Metropolitan, either by and at the expense of Coachella and Desert but subject to approval by Metropolitan, or by Metropolitan at the expense of Coachella and Desert.

2. The 100,000 acre-feet per year of Metropolitan's Annual Table A Amount from the SWP and transportation rights transferred to Coachella and Desert under the 2003 Exchange Agreement will be transferred back to Metropolitan.

3. Metropolitan will reassume responsibility for the resulting increase in SWP charges pursuant to the State Water Contracts for the return of the 100,000 acre-feet per year of Metropolitan's Annual Table A Amount. The Parties recognize that the State

Water Contract provides for the annual redetermination and correction of past charges to Coachella and Desert associated with the 100,000 acre-feet. In the year prior the transfer back to Metropolitan of the 100,000 acre-feet, Metropolitan, Coachella, and Desert will assemble a SWP charges technical workgroup to develop the processes and procedures necessary to identify annual redetermination, correction, and adjustment of prior year charges associated with the 100,000 acre-feet. Each year thereafter, the technical workgroup will meet after the annual charges are issued to review redetermination and adjustments to past charges for the Delta Capital and Minimum, Transportation Capital and Minimum, Water System Revenue Bond Surcharge, Off Aqueduct and Variable OMP&R charge, Conservation and Transportation Replacement charges, Tehachapi 2nd Afterbay, Devil Canyon and Castaic Contract charges, and any other SWP charges not mentioned. The workgroup will prepare an annual accounting of all the redeterminations and adjustments to SWP charges and the amount owing to or receivable from Metropolitan, Coachella, and Desert. No later than ninety days (90) after the completion of the annual accounting for redetermination of past charges and adjustments, but before June 30 each year, all amounts owing will be settled by check. The SWP charges technical workgroup will cease to meet when DWR is no longer making adjustments to past charges associated with the 100,000 acre-feet.

20. Cancellation

A. Conditions of Termination

This Agreement will terminate upon any of the following conditions:

1. At the expiration of ten years after service by a Party upon the other Parties of a written notice of election to terminate the Agreement, provided that if

Coachella breaches Section 11 [Noninterference with Other Water Deliveries] of the Agreement, Metropolitan may, in its sole discretion, give notice to Coachella and Desert to immediately terminate this Agreement.

2. Upon completion of delivery facilities capable of transporting Coachella's and Desert's State Project Water from the East Branch to Coachella's and Desert's service areas.

3. Upon written notice by Metropolitan and upon the fact that it no longer has sufficient rights to Colorado River water to provide Coachella and Desert with Exchange Water required under this Agreement.

4. Upon written notice by Metropolitan that any new limitations exist on the right or ability of Coachella or Desert to accept Colorado River water from Metropolitan for spreading or storage.

21. Liability

A. Metropolitan

Metropolitan will not be liable to either Coachella or Desert for any damages or liability arising from a failure of Metropolitan to deliver Exchange Water, which failure results from a cessation or reduction of flow of water in the Colorado River Aqueduct below the quantities required from time to time for delivery to Coachella and Desert under this Agreement. Coachella and Desert will defend and indemnify Metropolitan, its directors, officers, employees, agents, and representatives from and against any and all claims and liabilities which may result in any manner or to any extent from such failure, or from any action or inaction by Coachella or Desert or its directors, officers, employees, agents, or representatives done or made with respect to the receipt and distribution by Coachella or Desert of Metropolitan's Exchange Water or Colorado

River water, including but not limited to construction, reconstruction, operation, maintenance, removal, and repair of facilities necessary or used pursuant to this Agreement.

B. Coachella and Desert

Coachella and Desert will not be liable to Metropolitan for any damages or liability arising from a failure of DWR to deliver Coachella's or Desert's State Project Water to Metropolitan, which failure results from a cessation or reduction of flow of water in the State Water Project below the quantities required from time to time for delivery to Metropolitan under this Agreement. Metropolitan will defend and indemnify Coachella and Desert, their directors, officers, employees, agents, and representatives from and against any and all claims and liabilities which may result in any manner or to any extent from any such failure, or from any action or inaction by Metropolitan or its directors, officers, employees, agents, or representatives done or made with respect to the receipt and distribution by Metropolitan of Coachella's and Desert's State Project Water, including but not limited to construction, reconstruction, operation, maintenance, removal, and repair of facilities necessary or used pursuant to this Agreement.

22. Default

Each of the following constitutes an event of default by a Party under this Agreement:

A. A Party fails to pay a required amount by the date due. If a Party fails to pay a required amount by the date due, that delinquent payment will also bear interest as provided by Section 16 [Delinquent Payments].

B. A Party fails to perform or observe any term, covenant, or undertaking in this Agreement that it is required to perform or observe and such default continues for forty-five (45) days from a notice of default being sent in the manner provided in Section 26.F. [General Provisions].

23. Remedies

A. Each Party recognizes that the rights and obligations of the Parties under this Agreement are unique and of such a nature as to be inherently difficult or impossible to value monetarily. If a Party does not perform in accordance with this Agreement, another Party will likely suffer harm curable only by the imposition of an injunction requiring specific performance. Thus, the Parties agree that any breach of this Agreement by any Party will entitle the non-breaching party to injunctive relief, including but not limited to, a decree of specific performance, in addition to any other remedies at law or in equity that may be available in the circumstances. If Coachella or Desert fails to comply with its obligations to DWR under its State Water Contract, and DWR makes demand that Metropolitan assume payment of costs and charges provided for by Section 13 [Payment of State Water Contract Charges], Metropolitan may, for purposes of Section 19 [Term of Agreement], specify the later of the (i) effective date of the demand by DWR or (ii) expiration of forty-five (45) day period referenced by Section 22.B. [Default] as the effective date of termination.

B. The Parties do not intend that any right or remedy given to a Party on the breach of any provisions of this Agreement be exclusive; each such right or remedy is cumulative and in addition to any other remedy provided in this Agreement or otherwise available at law or in equity. If a non-breaching Party fails to exercise or delays in exercising any right or remedy, the non-breaching Party does not thereby waive the right or remedy. In addition, no single or partial exercise of any right, power, or privilege precludes any other or further exercise of a right, power, or privilege granted by this Agreement, or otherwise.

24. Resolution of Disputes

Within thirty calendar days of the Parties identifying the existence of a dispute, the General Managers of Metropolitan, Coachella, and Desert, as the case may be, will meet and attempt to resolve the dispute to their mutual satisfaction. Any such resolution will be in writing and be binding on the Parties.

25. Force Majeure

If the performance, in whole or in part, of the obligations of a Party under this Agreement is hindered, interrupted or prevented by wars, strikes, lockouts, fire, acts of God or by other acts of military authority, or by any cause beyond the control of the Party, whether similar to the causes herein specified or not, such obligations of the Party under this Agreement will be suspended to the extent and for the time the performance thereof is affected by any such act. Upon the cessation of any such hindrance, interruption or prevention, the Parties will become obligated to resume and continue performance of their respective obligations under this Agreement. Notwithstanding any act described in this section, the Parties will diligently undertake all reasonable effort to perform this Agreement.

26. General Provisions

A. In the event that any term or condition of this Agreement is determined to be invalid, illegal, or otherwise unenforceable, such determination will have no effect on the other terms and conditions, which will continue to be binding upon the Parties. Lack of enforcement of any term or condition of this Agreement will not be construed as a waiver of any rights conferred by such term or condition. Unless otherwise agreed to in writing, the failure of any Party to require the performance by another Party of any provision of this Agreement will in no way

affect the full right to require such performance at any time thereafter, nor will the waiver of any provision on one occasion be taken or held to be a waiver of the provision itself.

B. This Agreement will be binding on the Parties and their respective successors and assigns.

C. Any person signing this Agreement represents that he/she has full power and authority to do so and that his/her signature is legally sufficient to bind the Party on whose behalf he/she is signing.

D. This Agreement contains the entire understanding of the Parties with respect to its subject matter and supersedes any prior understanding between the Parties, except as set forth in this Agreement, whether written or oral. This Agreement can only be amended in writing signed by the Parties.

E. Time is of the essence in this Agreement.

F. Any communication, notice, or demand of any kind which any Party may be required or may desire to give to another Party will be in writing and delivered by personal service (including express or courier service) or by mail, addressed as follows:

Metropolitan

The Metropolitan Water District of Southern California
Attention: General Manager
P.O. Box 54153
Los Angeles, CA 90054-0153

For personal or overnight delivery:

The Metropolitan Water District of Southern California
Attention: General Manager
700 North Alameda Street
Los Angeles, CA 90012
Phone: 213-217-6211

Copies to:

The Metropolitan Water District of Southern California
Attention: General Counsel
P.O. Box 54153
Los Angeles, CA 90054-0153

The Metropolitan Water District of Southern California
Attention: Water Resource Management Group
P.O. Box 54153
Los Angeles, CA 90054-0153

Coachella

Coachella Valley Water District
Attention: General Manager/Chief Engineer
P.O. Box 1058
Coachella, CA 92236

For personal or overnight delivery:

Coachella Valley Water District
Attention: General Manager/Chief Engineer
Avenue 52 and Highway 111
Coachella, CA 92236
Phone: 760-398-2651

Copy to:

Steven B. Abbott, Esq.
Redwine and Sherrill, LLP
3890 11th Street, Ste. 207
Riverside, CA 92501-3577
Phone: 951-684-2520

Desert

Desert Water Agency
Attention: General Manager
1200 Gene Autry Trail
P.O. Box 1710
Palm Springs, CA 92263-1710
Phone: 760-323-4961

Copy to:

Michael T. Riddell, Esq.
Best, Best & Krieger LLP
3750 University Ave., Suite 400
P.O. Box 1028
Riverside, CA 92502
Phone: 909-686-1450

A Party may change its address for notice by written notice given to the other Parties in the manner provide in this Section. Any communication pursuant this Section will be deemed to have been duly given or served on the date personally served, if by personal service, or three days after being placed in the U.S. mail, if mailed.

G. This Agreement is entered into in the Counties of Riverside and Los Angeles, California, and will be governed by and construed in accordance with the laws of the State of California.

H. The Parties will perform any further acts and to execute and deliver any documents which may be reasonably necessary to carry out the provisions of this Agreement.


I. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument.

J. This Agreement is made solely for the benefit of the Parties and their respective successor and assigns. No other person or entity may have or acquire any right by virtue of this Agreement.

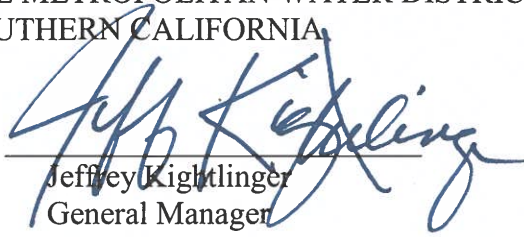
In WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on December 11, 2019.

Approved as to form:

THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA

By: 


Marcia Scully
General Counsel


By: 

Jeffrey Kightlinger
General Manager

Approved as to form:

COACHELLA VALLEY WATER DISTRICT

By: 
Steven B. Abbott
Special Counsel
Redwine and Sherrill, LLP

By: 
J. M. Barrett
General Manager

Approved as to form:

DESERT WATER AGENCY

By: Michael T. Riddell
Michael T. Riddell
Best Best & Krieger LLP

By: Mark A. Krause
Mark S. Krause
General Manager

Exhibit A

Multi-Year Supplies

1. 9,500 acre-feet/year of Coachella's Rosedale Rio Bravo Water Storage District water.

Exhibit B

Single-Year Supplies

1. Yuba Accord water.
2. State Water Contractors' Dry Year Transfer Program water.
3. 6,500 acre-feet/year of Coachella's Rosedale Rio Bravo Water Storage District water.

Exhibit C

Water Management Cost Sharing

1. Annual Payment to Manage State Project Water

In years when the SWP Allocation (as defined below) is greater than 50%, Coachella and Desert will pay a portion of Metropolitan’s average long-term costs to store water in Metropolitan’s SWP groundwater storage programs. The amount Coachella and Desert will pay Metropolitan in such years, beginning in 2019, is \$155/acre-foot (escalated annually by the prior year’s Annual Percent Change series title “Consumer Price Index for All items in West Urban, all urban consumers, not seasonally adjusted”) for 6.99% (for Coachella) and 2.64% (for Desert), of the volumes specified for Coachella and Desert in the following table:

SWP Allocation	Estimated Long-Term Average Deliveries to Storage (AF)	Desert Multi-Year Supply Share – 2.64% (AF)	Coachella Multi-Year Supply Share – 6.99% (AF)
0% - 50%	0	0	0
55%	30,000	792	2,097
60%	60,000	1,584	4,194
65%	90,000	2,376	6,291
70%	120,000	3,168	8,338
75%	150,000	3,960	10,485
80%	180,000	4,752	12,582
85%	210,000	5,544	14,679
90% - 100%	240,000	6,336	16,776

2. Table Explanation

- A. SWP Allocation is the final South-of-Delta allocation.
- B. Coachella’s and Desert’s Multi-Year Supply Shares are based on 1,911,500 acre-feet Table A for Metropolitan, 138,350 acre-feet Table A and 9,500 acre-feet of Rosedale Rio-Bravo Water Storage District water for Coachella, and 55,750 acre-feet of Table A

for Desert. If a Party's Table A or other Multi-Year Supply amounts in Exhibit A change in the future, the Parties will adjust the table accordingly.

3. Example Calculation

As an example, if the SWP Allocation in 2019 were 60%, Coachella would pay Metropolitan \$650,070 ($155 \times 4,194$) and Desert would pay Metropolitan \$245,520 ($155 \times 1,584$).

4. Payments under Exhibit C are due June 30 for operation in the prior calendar year.

SECOND AMENDMENT TO DELIVERY AND EXCHANGE AGREEMENT BETWEEN METROPOLITAN AND COACHELLA FOR 35,000 ACRE-FEET

THIS SECOND AMENDMENT TO DELIVERY AND EXCHANGE AGREEMENT BETWEEN METROPOLITAN AND COACHELLA FOR 35,000 ACRE-FEET is made this 11th day of December 2019, for identification purposes only, by and between the Metropolitan Water District of Southern California, a public agency of the State of California (“Metropolitan”) and Coachella Valley Water District, a public agency of the State of California (“Coachella” or “CVWD”). Metropolitan and CVWD are sometimes referred to individually as a “Party” and collectively as “Parties.”

RECITALS

A. On October 10, 2003, the Parties entered into the “Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 Acre-Feet.”

B. On October 19, 2015, the Parties amended the “Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 Acre-Feet Agreement” by entering into the “First Amendment to Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 Acre-Feet” (“First Amendment”). The “Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 Acre-Feet Agreement” as modified by the First Amendment is hereafter referred to as the “Agreement.”

C. Each initially capitalized term herein shall have the meaning given it in the Agreement, unless specifically defined herein.

D. The Parties desire to streamline the delivery, billing, and payment provisions of the Agreement, as well as provide for an exchange of additional water, as set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING RECITALS AND THE MUTUAL COVENANTS AND AGREEMENTS CONTAINED HEREIN, THE PARTIES AGREE TO SUPPLEMENT, AMEND AND MODIFY THE TERMS AND CONDITIONS SET FORTH IN THE AGREEMENT, AS FOLLOWS:

1. Section 1.13 of the Agreement shall be deleted in its entirety.
2. Section 2.1 of the Agreement shall be deleted in its entirety and replaced by the following:

“Delivery of Entitlement Water. Pursuant to and subject to Metropolitan’s State Water Contract and this Agreement, Metropolitan shall deliver to CVWD during 2019 through 2026 a total of 280,000 acre-feet of water available from Metropolitan’s State Water Project Annual Table A Amount (“Entitlement Water”).”

3. Section 2.4 of the Agreement shall be deleted in its entirety and replaced by the following:

“Transfer Water Order. Metropolitan shall include in its order to DWR 35,000 acre-feet of Entitlement Water each year during 2019 through 2026.”

4. Section 2.5 of the Agreement shall be deleted in its entirety and replaced by the following:

“Exchange Water. All deliveries of Entitlement Water during 2019 through 2026, of whatever amount is made available by DWR as a result of the order made pursuant to Section 2.4 (Transfer Water Order), shall be exchanged with Metropolitan for a like amount of Metropolitan’s Colorado River water (“Exchange Water”).

5. Section 2.6 of the Agreement shall be deleted in its entirety and replaced by the following:

“Points of Delivery. Metropolitan will, except as allowed pursuant to Section 2.14 of this Agreement, deliver the Exchange Water to the Whitewater Service Connections and has discretion to determine how much of the 280,000 acre-feet of Exchange Water to deliver to CVWD each year, with the exceptions that: (a) Metropolitan will deliver up to 35,000 acre-feet in a year at Imperial Dam to the extent needed to avoid a CVWD overrun; and (b) Metropolitan may only deliver more than 35,000 acre-feet in a year to the extent needed to offset reduced deliveries in prior years.”

6. Section 2.7 of the Agreement shall be deleted in its entirety and replaced with the following:

“Costs of Supply. CVWD shall purchase the Entitlement Water from Metropolitan at a payment (“Costs of Supply Payment”) of \$289/acre-foot in 2019 for Exchange Water delivered at the Whitewater Service Connections and \$180/acre-foot in 2019 for Exchange Water delivered at Imperial Dam, both of which will be inflated by 3% for deliveries each successive year through 2026. A table showing this adjustment (rounded to the nearest dollar) is attached and incorporated into this Agreement as Exhibit A (“Adjustment to Costs of Supply”).”

7. The final sentence of Section 2.9 of the Agreement shall be deleted.

8. Section 2.10 of the Agreement shall be deleted in its entirety and replaced with the following:

“Reimbursement. On a yearly basis Metropolitan will reimburse CVWD for water that the U.S. Bureau of Reclamation has approved CVWD to divert but CVWD does not use

during 2019-2026, that is made available to Metropolitan at a rate of \$50/acre-foot in 1999 Dollars (as defined by “N” Dollars in section 1.1(46) of the Quantification Settlement Agreement).” MWD shall make the reimbursement by June 1 following the year the water is made available to Metropolitan.

9. Section 2.11.1 of the Agreement shall be deleted in its entirety and replaced with the following:

“Payment Schedule. Metropolitan shall pay DWR the costs associated with the Entitlement Water including delivery. Through 2027, Metropolitan shall invoice CVWD by June 1 each year as if Metropolitan had delivered 35,000 acre-feet during the prior year, and CVWD will pay Metropolitan within 60 days of receiving the invoice, the Cost of Supply Payment referred to in Section 2.7 for 35,000 acre-feet.”

10. Section 2.13 of the Agreement shall be deleted in its entirety.

11. Section 2.14 of the Agreement shall be deleted in its entirety and replaced with the following:

“Advance Delivery of Exchange Water. In lieu of delivering the Exchange Water to the Whitewater Service Connections, Metropolitan may opt to deliver to CVWD its full allocation of Exchange Water from advance delivery water as provided for in the 1984 Advance Delivery Agreement (including any future amendments). In such case, such advance delivery water shall be deemed delivered to CVWD. It shall be CVWD’s obligation to access such water. Metropolitan may not satisfy a delivery obligation to Imperial Dam by advance delivery water.”

12. The final sentence of Section 2.15 of the Agreement shall be deleted.

13. New Section 2.18 is added to the Agreement as follows:

“Exchange of Additional Water. During 2020-2026, CVWD shall limit its annual call under the 1989 Approval Agreement, as amended in 2003, to 15,000 acre-feet. In return, Metropolitan shall deliver a total of 105,000 acre-feet to CVWD at the Whitewater Service Connections before the end of 2026. Metropolitan shall have discretion to determine how much of the 105,000 acre-feet Metropolitan delivers to CVWD each year. Unless the Parties agree otherwise, Metropolitan may not deliver the water during the months of January through June. CVWD shall pay Metropolitan for the water Metropolitan delivers to CVWD at the same price per acre-foot that CVWD pays Metropolitan for Entitlement Water under Section 2.7 of this Agreement. Metropolitan shall invoice CVWD, and CVWD shall pay Metropolitan, during the same fiscal year in which Metropolitan delivers the water to CVWD. In the event that any new limitations

become effective on the right or ability of Coachella to accept Colorado River from Metropolitan for spreading or storage, Metropolitan may upon written notice cancel this section of the Agreement.”

14. New Section 3.1.1 is added to the Agreement as follows:

“**Post 2026 Period.** By the end of 2026, the Parties will meet to renegotiate delivery and payment terms for a period beginning in 2027. If the Parties are unable to agree on new terms, then the terms of the Agreement that existed before this Second Amendment was made shall apply.”

15. Exhibit A of the Agreement (“Adjustment to Cost of Supply”) shall be deleted in its entirety and replaced with the Exhibit A attached to this Second Amendment (“Adjustment to Costs of Supply”).

16. Except as expressly provided above in Sections 1 through 15 above, all provisions of the Agreement shall remain in full force and effect. Notwithstanding the immediately preceding sentence, the Agreement shall be interpreted in a manner consistent with the intent of this Amendment.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives on the date first above written.

METROPOLITAN:

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, a public agency of the State of California

By: _____


Jeffrey Kightlinger
General Manager

APPROVED AS TO FORM

By: _____


Marcia Scully
General Counsel

CVWD:

COACHELLA VALLEY WATER DISTRICT, a
public agency of the State of California

By: _____



J. M. Barrett
General Manager

ATTEST:

By: _____



Sylvia M. Bermudez
Clerk of the Board

EXHIBIT A

Adjustment to Costs of Supply

	<u>Delivery at Imperial Dam</u> (Cost of Supply, i.e., SWP)	<u>Delivery at Whitewater Service Connection</u> (Cost of SWP, CRA Power & O&M)
2019	\$ 180.00	\$ 289.00
2020	\$ 186.00	\$ 298.00
2021	\$ 191.00	\$ 307.00
2022	\$ 197.00	\$ 316.00
2023	\$ 203.00	\$ 326.00
2024	\$ 209.00	\$ 336.00
2025	\$ 215.00	\$ 346.00
2026	\$ 222.00	\$ 356.00