

Attachment 4



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Office of the General Manager

December 13, 2024

Mr. Craig Miller
General Manager
Western Municipal Water District
14205 Meridian Parkway,
Riverside, CA 92518
CMiller@wmwd.com

Dear Mr. Miller:

Agreement No. A0-5327 Between The Metropolitan Water District of
Southern California and Western Municipal Water District for the Reverse Cyclic Program

Enclosed for your signature is the subject agreement between The Metropolitan Water District of Southern California ("Metropolitan") and Western Municipal Water District ("Western Water").

If the terms are acceptable, please have the appropriate Western Water representatives DocuSign the enclosed original. Upon completion, a fully executed original will be automatically generated for your records.

If you have any questions, please contact Ms. Anna Garcia via email at agarcia@mwdh2o.com.

Very truly yours,

A handwritten signature in dark ink, appearing to be "B. Goshi", written over a light blue horizontal line.

Brandon J. Goshi
Interim Manager, Water Resource Management

AMG:vsm

Enclosure

Agreement No. A0-5327 Between
Metropolitan Water District of Southern California and
Western Municipal Water District for the Reverse Cyclic Program

This Reverse Cyclic Agreement (“Agreement”) is made as of December 1, 2024, by and between the METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (“Metropolitan”), a public agency of the State of California, and WESTERN MUNICIPAL WATER DISTRICT (“Western Water”), a public agency of the State of California (collectively, the “Parties”).

Section 1. The Parties

- a. Metropolitan is a voluntary cooperative providing wholesale water services to its 26 member agencies, created under The Metropolitan Water District Act (“MWD Act”). Wat. Code appen., §§ 109-25, 109-130.
- b. Western Water is a member public agency of Metropolitan and a retail and wholesale water provider with a service area located in Riverside County. Western was created under the Municipal Water District Act of 1911. Wat. Code, §71000, et seq.

Section 2. Purpose of the Agreement

Through this Agreement, the Parties intend to provide for a means of deferment of Metropolitan deliveries of water purchased by Western Water to a future year, pursuant to the Reverse Cyclic Program (“RCP”) approved by the Metropolitan Board of Directors on November 19, 2024.

Section 3. Purchase and Deferment of Deliveries

Western Water agrees Metropolitan may defer deliveries in accordance with this Agreement and Western Water agrees to pay for the deliveries in accordance with this Agreement. The amount and schedule of RCP purchases for deferred deliveries will be mutually agreed upon in writing prior to the purchase of said amount by Western Water. RCP purchases will be made upon Metropolitan’s written request and Western Water’s written acceptance, which may be made pursuant to an email communication to avoid delay. A letter purchase agreement will be executed to confirm this transaction (“Letter Purchase Agreement”). See Appendix A for pre-purchase and delivery examples and Appendix B for an example of a tracking table.

All communications arranging purchases of deferred deliveries pursuant to this Agreement must reference this Agreement. In the event of a force majeure event or a circumstance that may result in a critical need, Metropolitan will prioritize deliveries to address the critical need.

Section 4. Service Rates for Purchases

In exchange for Western Water agreeing to and accommodating Metropolitan's written request to defer deliveries, Metropolitan agrees to bill Western Water the full-service water rate in effect and any applicable treatment charge at the time of the purchase. Purchases made under the RCP will be included in the determination of Western Water's Readiness-to-Serve Charge at the time of purchase. Western Water's RCP purchase will also be considered as part of Western Water's Revised-Base-Firm Demand for the year in which the RCP purchases are made. The deliveries will not be counted towards the determination of Western Water's Capacity Charge at the time of purchase and deferral, nor at the time of delivery, because the deferred delivery of water will be made at Metropolitan's discretion.

Section 5. Determination of Amounts of Purchases to be Deferred

Metropolitan will determine and certify the amount available for the purchase of deferred deliveries. Western Water's RCP purchases will be included as allocated supply under a Metropolitan Water Supply Allocation Plan implementation, or under any other allocation or shortage program that may be implemented.

Section 6. Schedule of Deferred Deliveries

Metropolitan will complete the deferred deliveries of water Western Water purchased under the RCP no later than five full calendar years from the date of purchase, unless the Parties mutually agree to a different delivery schedule. When Metropolitan determines water is available, Metropolitan will make deliveries to Western Water in an amount equivalent to the Metropolitan-requested deferment and purchased by Western Water under the RCP. Deliveries will be negotiated based on the water resource and operational conditions for Metropolitan and Western Water, but Metropolitan, at its discretion, shall determine when the water shall be delivered. Metropolitan will make deliveries to Western Water if there is a critical need. During times when Western Water is under a Metropolitan allocation, the allocation rules shall govern the provision of water for critical need during that time. Critical need water is subject to an allocation if Western Water is under a Metropolitan allocation.

There shall be no losses assessed to the RCP balance, unless Metropolitan is unable to deliver the pre-purchased water within five years due to Western Water's inability to receive the water, in which case Metropolitan shall assess losses at a rate of twenty (20) percent per year of the remaining delivery obligation.

Section 7. Indemnity Clause

Liability and indemnification shall be determined pursuant to section 4502 of the Metropolitan Administrative Code, as amended or renumbered over time. Metropolitan provides no warranty or guarantee regarding the quality or content of its water or the suitability of its use for replenishment of groundwater basins. Western Water acknowledges that it is accepting water "as is."

Section 8. Term

This Agreement shall be effective as of the date and year listed at the beginning of the Agreement and through the end of the last delivery that is made, but all terms other than Section 6 must be completed and are no longer effective after December 31, 2025, coterminous with the term approved by the Metropolitan Board of Directors for the RCP.

Section 9. Termination

Metropolitan may cancel, terminate, or interrupt this Agreement during the effective term by providing 15 days' written notice to Western Water. Western Water, at its sole discretion, may cancel or terminate its participation in the RCP by providing 15 days' written notice to Metropolitan. Such termination or change by either party shall not interrupt the delivery deferments of water purchased prior to the termination or change. The provisions of Section 6 and Metropolitan's obligation to make deliveries under the Agreement shall remain until the completion of the last delivery obligation under this Agreement.

Section 10. Application of the Metropolitan Administrative Code

All provisions of the Metropolitan Administrative Code shall apply to deliveries made pursuant to this Agreement, in the same manner as other Metropolitan deliveries, unless specifically and expressly excluded in this Agreement.

Section 11. Billing Procedures

All rates and charges applicable to deliveries to Western Water, outside of this Program, will apply, unless expressly excluded under this Agreement. Metropolitan will bill Western Water for RCP purchases requested by Metropolitan and agreed to by Western Water at the time of purchase and in accordance with the Letter Purchase Agreement, in the same manner as Metropolitan bills Western Water for all other water sales. Metropolitan will bill Western Water the full-service water rate and any applicable treatment charge in effect at the time of the purchase.

Section 12. Notices

Any notice required hereunder may be given by email or mail, postage prepaid, addressed as follows:

To: Western Municipal Water District

14205 Meridian Parkway

Riverside, CA 92518

Attention: Craig Miller, General Manager

E-mail:

To: Metropolitan Water District of Southern California

P.O. Box 54153

Los Angeles, CA 90054-0153

Attention: Brandon Goshi, Manager - Water Resource Management Group

E-mail: BGoshi@mwdh2o.com

Section 13. Interpretation

The Parties have developed this Agreement jointly and in consultation with their respective legal counsel. No ambiguity shall be resolved against any Party on the premise that it or its attorneys were responsible for drafting this Agreement or any of its terms.

Section 14. Governing Law

This Agreement shall be construed in accordance with and be governed by the laws of the State of California.

Section 15. Counterparts

This Agreement may be executed in counterparts, and signatures transmitted via facsimile or electronic mail shall be deemed to be originals. The Parties agree that electronic signatures shall be considered original signatures for all purposes and shall have the same force and effect as original signatures.

Section 16. No Third Party Rights

This Agreement does not create any rights enforceable by any person or entity that is not a Party to this Agreement.

Section 17. Authority


The Parties represent that the persons executing this Agreement on their behalf are authorized to do so.


IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date and year listed at the beginning of the Agreement.

APPROVED AS TO FORM:

WESTERN MUNICIPAL WATER DISTRICT

Best Best & Krieger LLP

DocuSigned by:
By: 
9656A1483C6E407... Jeffrey Ballinger
General Counsel

DocuSigned by:
By: 
4016332AABFC41E... Craig Miller
General Manager

Date: 12/15/2024

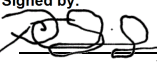
Date: 12/15/2024

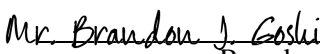
APPROVED AS TO FORM:

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Marcia L. Scully
General Counsel

Deven Upadhyay
Interim General Manager

Signed by:
By: 
B3EF8FFD9077447... Patricia Quilizapa
Senior Deputy General Counsel

Signed by:
By: 
BC6FC6014DB44FC... Brandon Goshi
Acting Manager
Water Resource Management

Date: 12/16/2024

Date: 12/16/2024

Appendix A

Reverse Cyclic Purchase and Delivery Example

The following purchase provisions apply:

- a. Metropolitan will make a written request to Western Water that will identify the purchase amounts for delivery deferment.
- b. In agreement with Metropolitan's written request, Western Water will make a purchase in CY 2024 or CY 2025 or both for deferred delivery.

The following deferred delivery provisions apply:

- a. Metropolitan will complete the deferred deliveries within five full calendar years from the date of purchase.
- b. Metropolitan at its sole discretion, shall determine when the water shall be delivered.

Water may be delivered if:

- i. Metropolitan, at its sole discretion, determines that it has supplies to deliver the RCP water.
- ii. Western Water has expressed a critical need for the deferred water, for example, the groundwater storage basin has reached low levels where wells are not operable or the basin reached emergency storage levels.
- c. If Metropolitan is unable to deliver the pre-purchased water within five years due to the member agency's inability to receive the water, then losses shall be applied to the delivery obligation under this Agreement at a rate of twenty (20) percent per year.
- d. Metropolitan will not apply any losses to the delivery obligation under this Agreement if the water is delivered within five years or if delivered after five years due to Metropolitan's inability to deliver the water within that time.
- e. The balance will be updated following each completed deferred delivery.

Purchase and Delivery, Example 1:

Scenario 1: Metropolitan makes a written request for Western Water to defer 10 TAF in CY 2025. Western Water does not express a critical need at any point during the agreement terms.

Western Water purchases 10 TAF on December 1, 2025, for deferred delivery.

Purchases and Deferred Deliveries

Year	Year Dates	Purchase Amount (AF)	Deferred Delivery Made (AF)	Balance (AF)	Notes
0	12/1/2025	10,000	0	10,000	
1	12/1/2025 to 11/30/2026	0	0	10,000	
2	12/1/2026 to 11/30/2027	0	0	10,000	
3	12/1/2027 to 11/30/2028	0	-5,000	5,000	Metropolitan determines it has supplies
4	12/1/2028 to 11/30/2029	0	-2,500	2,500	Metropolitan determines it has supplies
5	12/1/2029 to 11/30/2030	0	-2,500	0	Metropolitan determines it has supplies

Purchase and Delivery, Example 2:

Scenario 2: Metropolitan makes a written request for Western Water to defer 10 TAF.
 Western Water expresses a critical need in year 2026.
 Western Water purchases 10 TAF on December 1, 2025 for deferred delivery.

Purchases and Deferred Deliveries

Year	Year Dates	Purchase Amount (AF)	Deferred Delivery Made (AF)	Balance (AF)	Note
0	12/1/2025	10,000	0	10,000	
1	12/1/2025 to 11/30/2026	0	-5,000	5,000	Western Water expresses critical need
2	12/1/2026 to 11/30/2027	0	0	5,000	
3	12/1/2027 to 11/30/2028	0	0	5,000	
4	12/1/2028 to 11/30/2029	0	-5,000	0	Metropolitan determines it has supplies
5	12/1/2029 to 11/30/2030	0	0	0	

Purchase and Delivery, Example 3:

Scenario 3: Metropolitan makes a written request for Western Water to defer 10 TAF.
Western Water purchases 10 TAF on December 1, 2025 for deferred delivery

Western Water is unable to receive all the RCP water within five years of the date of purchase. Metropolitan assesses a 20% loss per year on the remaining obligation until Western Water accepts all the remaining RCP deliveries.

Purchases and Deferred Deliveries

Year	Year Dates	Purchase Amount (AF)	Loss Applied (AF)	Deferred Delivery Made (AF)	Balance (AF)	Note
0	12/1/2025	10,000	0	0	10,000	
1	12/1/2025 to 11/30/2026	0	0	0	10,000	Western Water is unable to accept delivery of RCP water
2	12/1/2026 to 11/30/2027	0	0	0	10,000	
3	12/1/2027 to 11/30/2028	0	0	0	10,000	
4	12/1/2028 to 11/30/2029	0	0	-5,000	5,000	Metropolitan determines it has supplies
5	12/1/2029 to 11/30/2030	0	0	0	5,000	Western Water is unable to accept delivery of the remaining RCP balance
6	12/1/2030 to 11/30/2031	0	$-(5,000 * 20\%)$ = -1,000	-1,000	3,000	A 20% loss is applied to the beginning balance
7	12/1/2031 to 11/30/2032	0	$-(3,000 * 20\%)$ = -600	-2,400	0	A 20% loss is applied to the beginning balance

Appendix B

CY 2024 and CY 2025 Reverse Cyclic Tracking Table

Metropolitan-Requested Purchases for Deferred Delivery and Delivery of RCP Water

Purchases for Deferred Deliveries

Year	Month	Total Purchase (AF)	Notes

Deferred Deliveries Completed

Year	Month	Total Delivered (AF)	Remaining Balance (AF)

Notes:

Certificate Of Completion

Envelope Id: B4FEDFE3-6867-4B8D-853A-86F1CBD37023

Status: Completed

Subject: Complete with Docusign: ReverseCyclic_WMWD_TransmittalLetter.pdf, ReverseCyclic_WMWD_Agreement2...

Source Envelope:

Document Pages: 11

Signatures: 4

Envelope Originator:

Certificate Pages: 5

Initials: 0

Veronica Munguia

AutoNav: Enabled

vmunguia@mwdh2o.com

Envelopeld Stamping: Enabled

IP Address: 144.166.56.173

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Record Tracking

Status: Original

Holder: Veronica Munguia

Location: DocuSign

12/13/2024 2:59:11 PM

vmunguia@mwdh2o.com

Signer Events

Craig Miller

cmiller@wmwd.com

General Manager

Security Level: Email, Account Authentication
(None)

Signature

DocuSigned by:

Craig Miller
4016332AABFC41E...

Signature Adoption: Pre-selected Style
Using IP Address: 23.240.73.23

Timestamp

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Signed: 12/15/2024 8:02:58 PM

Electronic Record and Signature Disclosure:

Accepted: 12/15/2024 8:02:27 PM

ID: a59853ac-4d3e-4e89-8165-0e41e6f261df

Jeffrey Ballinger

jeff.ballinger@bbklaw.com

City Attorney

BEST BEST & KRIEGER LLP

Security Level: Email, Account Authentication
(None)

DocuSigned by:

Jeffrey Ballinger
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Signature Adoption: Pre-selected Style
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Signed: 12/15/2024 9:19:56 AM

Electronic Record and Signature Disclosure:

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Mr. Brandon J. Goshi

bgoshi@mwdh2o.com

Interim Group Manager, WRM

Security Level: Email, Account Authentication
(None)

Signed by:

Mr. Brandon J. Goshi
BC6FC6014DB44FC...

Signature Adoption: Pre-selected Style
Using IP Address: 144.166.53.175

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Viewed: 12/16/2024 11:17:27 AM

Signed: 12/16/2024 11:18:55 AM

Electronic Record and Signature Disclosure:

Accepted: 12/16/2024 11:17:27 AM

ID: 9af106c7-4cd3-4f78-9b8f-8476b358a266

P. Quilizapa

pquilizapa@mwdh2o.com

Security Level: Email, Account Authentication
(None)

Signed by:

P. Quilizapa
B3EF8FFD9077447...

Signature Adoption: Drawn on Device
Using IP Address: 144.166.55.173

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Signed: 12/16/2024 11:09:15 AM

Electronic Record and Signature Disclosure:

Accepted: 12/16/2024 11:08:44 AM

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In Person Signer Events

Signature

Timestamp

Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
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Envelope Summary Events	Status	Timestamps
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Certified Delivered	Security Checked	12/16/2024 11:08:44 AM
Signing Complete	Security Checked	12/16/2024 11:09:15 AM
Completed	Security Checked	12/16/2024 11:18:57 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Hernandez (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Hernandez:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: v_hernandez@mwdh2o.com

To advise Hernandez of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at v_hernandez@mwdh2o.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from Hernandez

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to v_hernandez@mwdh2o.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Hernandez

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to v_hernandez@mwdh2o.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Hernandez as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Hernandez during the course of your relationship with Hernandez.