



Western Municipal Water District
14205 Meridian Parkway
Riverside, CA 92518
General Business | 951.571.7100
Customer Service | 951.571.7104

Craig D. Miller
General Manager

Mike Gardner
Division 1

Gracie Torres
Division 2

Brenda Dennstedt
Division 3

Laura Roughton
Division 4

Fauzia Rizvi
Division 5

Greg Thomas
Elsinore Valley Municipal Water District
31315 Chaney Street
Lake Elsinore, CA 92530

Craig D. Miller
Western Municipal Water District
14205 Meridian Parkway
Riverside, CA 92518

Re: Reverse Cyclic Program Retail Water Purchase Agreement Between Elsinore Valley Municipal Water District and Western Municipal Water District

Dear Mr. Thomas,

This letter from Western Municipal Water District ("Western Water") to the Elsinore Valley Municipal Water District (the "EVMWD") (together, the "Parties") will serve as our agreement for the purchase of Metropolitan Water District ("Metropolitan") water via its Reverse Cyclic Program ("RCP") whereby treated water is purchased and then delivered at a later time, subject to the availability of Metropolitan's supply but no later than five full calendar years from the date of purchase unless otherwise mutually agreed upon by Western Water and Metropolitan. Western Water is a Metropolitan member agency and has opted to participate in the RCP for its own benefit and the benefit of its retail agencies, such as the EVMWD. The EVMWD hereby agrees to purchase 3,835 acre-feet of RCP water from Western Water pursuant to the terms and conditions outlined herein and in Western Water's agreement with Metropolitan regarding the same (the "Metropolitan Agreement"), a copy of which is attached hereto as *Exhibit A* and incorporated herein by this reference. In the event that the terms and conditions of this agreement conflict with the terms and conditions of the Metropolitan Agreement, the Metropolitan Agreement will control.

The EVMWD agrees to pay Western Water a total sum of \$4,817,012 for 3,835 acre-feet of RCP water [approximately \$1,256 per acre-foot] by February 28, 2025. The EVMWD will be charged for late payment at a rate of 4.5% per annum of any and all outstanding amounts due and owing to Western Water after February 28, 2025; such late charges will be invoiced by Western Water monthly until full payment of the \$4,817,012 balance is received. If full payment, including late charges, are not paid in full to Western Water by June 30, 2025, then Western Water will have the right to take back the RCP water and refund the monies paid to that point by the EVMWD under this agreement. In addition, Western Water's administrative fee [currently \$26.29 per acre-foot] will be assessed at the time of delivery.

When Metropolitan determines RCP water is available, Metropolitan will make deliveries to Western Water in an amount equivalent to the Metropolitan-requested deferment and purchased under the RCP. The Parties may agree to delivery of non-RCP water in-lieu of RCP

water if such an arrangement is mutually beneficial at the time of delivery. The EVMWD acknowledges that the delivery date is contingent on the availability of Metropolitan supplies and Western Water does not control when the Metropolitan delivery dates will occur; however, Western Water will endeavor to communicate and coordinate with the EVMWD as much as possible to ensure a smooth delivery. If the EVMWD is unable to accept delivery of its share of the RCP water, Western Water will have the option, at its sole discretion, to keep the RCP water and refund the EVMWD the amounts paid under this agreement. Either Party may terminate this agreement for any reason by giving the other Party 10 days' written notice. Any amounts due and owing to the EVMWD at the time of termination will be paid in full at Western Water's earliest convenience.

This agreement will be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this agreement, the action shall be brought in a state or federal court situated in Riverside County. The EVMWD will not assign, sublet, or transfer this agreement or any rights under or interest in this agreement without the written consent of Western Water, which may be withheld for any reason. This agreement, which may not be modified or altered except in writing signed by both Parties, is integrated and represents the entire understanding of the Parties as to those matters contained herein and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. Because the Parties have participated fully in the preparation of this agreement, the language will be construed simply, according to its fair meaning, and not strictly for or against any Party.

The EVMWD warrants that the individual who signs this agreement has the legal power, right, and authority to do so and bind the EVMWD hereto. If you agree with the terms of this agreement, please indicate by signing and dating where indicated below.

ELSINORE VALLEY MUNICIPAL WATER DISTRICT

Greg Thomas, General Manager

Date

WESTERN MUNICIPAL WATER DISTRICT

Craig D. Miller, General Manager

Date