

MEMORANDUM OF UNDERSTANDING

Between the City of Clearlake and Highlands Water Company

(also known as Highlands Mutual Water Company)

1. Purpose

This Memorandum of Understanding ("MOU") establishes a cooperative, non-binding framework for communication, coordination, and voluntary information sharing between the City of Clearlake ("City") and Highlands Water Company ("Highlands") (collectively, the "Parties"). The intent of this MOU is to support planning awareness, public safety, and long-term community well-being through transparent dialogue and mutual respect.

2. Areas of Collaboration and Information Sharing

Subject to applicable laws and at each Party's discretion, the Parties may engage in open communication and share general, non-binding information related to:

- Water system planning, capacity considerations, and infrastructure awareness;
- Public safety, emergency preparedness, and response coordination;
- Proposed development or growth considerations that may affect water service demand or community infrastructure;
- Long-term community development initiatives where coordination may support public health, safety, or orderly growth.

Information shared under this MOU is for **informational and planning purposes only** and does not obligate either Party to take action, approve projects, provide service, or commit resources.

3. Confidentiality and Use of Information

- Information shared pursuant to this MOU shall be used in good faith solely for coordination and planning purposes.
- Each Party shall protect confidential or proprietary information from unauthorized disclosure in accordance with applicable laws.
- Confidential or proprietary information will only be shared if mutually agreed upon in writing and shall remain subject to public records, open meeting, and disclosure laws.
- Nothing in this MOU limits either Party's legal obligations under state or federal law.

4. Good Faith and Non-Misuse

The Parties agree to engage constructively and in good faith. Information shared under this MOU shall not be knowingly used to misrepresent, undermine, or improperly disadvantage the other Party.

5. Independence of the Parties

Each Party retains its separate legal identity, authority, and decision-making responsibilities. Nothing in this MOU creates a partnership, joint venture, agency relationship, or delegation of authority, nor authorizes either Party to bind the other.

6. Non-Binding Agreement

This MOU reflects the Parties' intent to collaborate and communicate in good faith. It is **non-binding** and does not create enforceable legal obligations or limit either Party's statutory authority or discretion.

7. Signatures

City of Clearlake

BY: _____

Name/ Title: _____

Date: _____

Highlands Water Company

BY: _____

Name/ Title: _____

Date: _____