

**California Colorado River Contractors Forbearance Agreement for 2024-2026
Conservation Agreements Under the Lower Colorado Conservation and Efficiency
Program**

Coachella Valley Water District, Imperial Irrigation District, The Metropolitan Water District of Southern California, Palo Verde Irrigation District, and the City of Needles, each of which is a “Party” and together are the “Parties,” enter into this Agreement as follows:

Recitals

A. Each of the Parties to this Agreement is a California Colorado River contractor pursuant to a contract with the Secretary of the Interior for delivery of Colorado River water under Section 5 of the Boulder Canyon Project, which contracts, together with subsequent agreements among some or all the Parties or among some or all of the parties and the United States Department of Interior Bureau of Reclamation, and along with applicable State and Federal laws, define the rights of each Party to request and receive delivery of Colorado River water for diversion for beneficial uses within the State of California.

B. Several of the Parties are individually or collectively engaging in programs to conserve Colorado River water to assist in maintaining storage in the Colorado River reservoirs to help prevent the reservoirs from declining below critical elevations as a result of recent hydrologic conditions in the Colorado River system.

C. In 2023, the Parties entered into the California Colorado River Contractors Forbearance Agreement for 2023 Conservation Agreements Under the Lower Colorado Conservation and Efficiency Program to provide assurance that no Party would claim a right to the benefit of, the delivery of, or to the diversion of certain water conserved during 2023 in order to enable that water to increase storage in the Colorado River reservoirs.

D. The purpose of this Agreement is to provide assurance that no Party will claim a right to the benefit of, the delivery of, or to the diversion of the water conserved beginning in 2024 and through 2026 under the Conservation Programs listed below in order to enable the water conserved to increase storage in the Colorado River reservoirs.

Now THEREFORE, in consideration of the agreements and covenants herein, the Parties agree as follows:

Forbearance

1. Each of the Parties hereby forbears any claim to the benefit of, to divert, or to seek the delivery of Colorado River water conserved by any of the following programs (“Conservation Programs”):

a. The System Conservation Implementation Agreement (SCIA) between the United States Bureau of Reclamation and the Coachella Valley Water District to Implement the Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and

compensated conservation of Colorado River water historically used to recharge groundwater aquifers, SCIA No. 23-XX-30-W0764 dated July 24, 2023 (up to 35,000 acre-feet/year in 2024 and 2025).

b. The System Conservation Implementation Agreement between the United States Bureau of Reclamation and the Coachella Valley Water District to Implement the Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within Coachella Valley Water District, SCIA No. 23-XX-30-W0821 dated March 28, 2024 (up to 10,000 acre-feet/year from 2024-2026).

c. The System Conservation Implementation Agreement between the United States Bureau of Reclamation and The Metropolitan Water District of Southern California to implement a Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within the Palo Verde Irrigation District, SCIA No. 23-XX-30-W0772 dated December 13, 2023 (up to 117,021 acre-feet/year from 2024-2026).

d. The System Conservation Implementation Agreement between the United States Bureau of Reclamation and the Imperial Irrigation District to implement a Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within Imperial Irrigation District's service area, SCIA No. 24-XX-30-W0825 dated August 26, 2024 (up to 300,000 acre-feet/year with a cumulative total not to exceed 700,000 acre-feet from 2024-2026).

e. The System Conservation Implementation Agreement among the United States Bureau of Reclamation, The Metropolitan Water District of Southern California, and the Bard Water District to implement a Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within Bard Water District, SCIA No. 23-XX-30-W0773 dated September 23, 2024 (up to 5,700 acre-feet/year from 2024-2026).

2. Imperial Irrigation District, The Metropolitan Water District of Southern California, Palo Verde Irrigation District, and the City of Needles, each hereby forbears any claim to the benefit of, to divert, or to seek the delivery of Colorado River water conserved during 2024 and 2025 by the following Conservation Program:

a. The System Conservation Implementation Agreement between the United States Bureau of Reclamation and The Metropolitan Water District of Southern California to implement a Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within the Quechan Indian Reservation in California, SCIA No. 23-XX-30-W0783 dated December 13, 2023, and as amended on November 12, 2024 (up to 13,000 acre-feet per year in 2024-2026).

3. The forbearance given by this Agreement as to the Conservation Programs identified in Sections 1 and 2 above shall be for the benefit of each of the Parties and shall also be for the benefit of the United States Department of Interior, Bureau of Reclamation. This Agreement does not create any third-party beneficiary rights in any person other than the Parties and the United States Department of the Interior, Bureau of Reclamation.

4. The Parties' forbearance under this Agreement is conditioned upon the annual verification of the conserved water after a workgroup consultation between the United States Department of Interior, Bureau of Reclamation, The Metropolitan Water District of Southern California, Imperial Irrigation District, and Coachella Valley Water District. Any objection must be conveyed in writing within twenty-one (21) days following the consultation.

CVWD Limitation

5. Coachella Valley Water District hereby reaffirms its commitment made in paragraph 6 of the Drought Contingency Plan Implementation Agreement Between The Metropolitan Water District of Southern California and Coachella Valley Water District dated May 20, 2019.

Agreement Is Non-Precedential, Contains No Admissions, and Modifies No Other Agreements

6. The Parties agree that this Agreement shall not in any matter constitute a precedent as to the following:

- (a) any right, obligation, or authority of any Party to engage in a conservation program;
- (b) any methodology used to establish a baseline of consumptive use by which conservation for a program is measured or established in any future year; and
- (c) the quantity of water or the proportion of reduction of contractual entitlement that an agency may be required to conserve or not divert, during any declared shortage.

7. The Parties agree that the reference to "forbearance" in this Agreement does not constitute an admission by any Party that any Party actually has a legal right to claim the conserved water created by any other Party in the absence of a forbearance agreement.

8. Some of the Parties are parties to other agreements among themselves and others relating to drought or shortages on the Colorado River. Nothing in this Agreement expressly or implicitly amends, modifies, or conflicts with the provisions of any of those other such agreements.

Term

9. This Agreement shall be effective when signed by two or more Parties as between the initial signatory Parties and shall be binding upon a subsequent signatory Party as of the date of signature of that Party.

10. The obligations related to the forbearance of conserved water conserved relating to the Conservation Programs under this Agreement shall terminate on May 31, 2027. Otherwise, the provisions of this Agreement shall remain enforceable.

Miscellaneous

11. The rights and obligations under this Agreement do not commit any Party to engage in the creation of conserved water under the Conservation Programs identified in Section 1 above.

12. Each Party represents and warrants that each person or persons executing this Agreement on its behalf is duly authorized to do so by the respective Party and that this Agreement binds that Party.

13. This Agreement may be executed in counterparts, each which is an original, but all of which together will constitute one and the same instrument.

[Signatures on following page]

The Parties are signing this Agreement as of the dates indicated below:

Approved as to form:

Signed by:

9D1F0CE7D578409...
General Counsel

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Signed by:

A4844BCDF3984DE...
General Manager

Approved as to form:

Signed by:

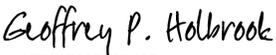
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Legal Counsel

COACHELLA VALLEY WATER DISTRICT

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General Manager

Approved as to form:

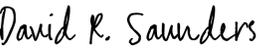
Signed by:

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General Counsel

IMPERIAL IRRIGATION DISTRICT

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General Manager

Approved as to form:

Signed by:

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Legal Counsel

PALO VERDE IRRIGATION DISTRICT

Signed by:

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General Manager

Approved as to form:

Signed by:

5E80596304194C5...
City Attorney

CITY OF NEEDLES

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City Manager