

**RIVERSIDE – WESTERN
COOPERATIVE AGREEMENT FOR
WATER PRODUCTION AND CONVEYANCE
FIRST AMENDMENT**

1. **PARTIES:** This First Amendment to the Cooperative Agreement for Water Production and Conveyance (“Amendment”) is made and entered into this ____ day of _____, 2015 (“Effective Date”) by and between the **City of Riverside** (“Riverside”) and the **Western Municipal Water District** (“Western”), each municipal corporations organized and existing under the laws of the State of California and hereinafter sometimes referred to jointly as the “Parties” or individually as a “Party.”

2. **RECITALS:**

2.1 On March 30, 2009 Parties entered into the Cooperative Agreement for Water Production and Conveyance (“Agreement”), wherein Riverside agreed to operate its unused capacity in its groundwater production, water transmission, and/or water distribution facilities to produce and convey Western’s annually allocated, stored, or conserved groundwater in the Bunker Hill Basin, Rialto/Colton Basin, Riverside North Basin and Riverside South Basin to points of interconnection between the Parties’ water utility systems.

2.2 The Parties desire to optimize groundwater production for the maximum benefit of their respective customers and region by maximizing Riverside’s 2015 groundwater production in the Bunker Hill Basin to match its annual export right.

2.3 Riverside expects to have unused annual allocation of export rights from the Bunker Hill Basin in Calendar Year 2015.

2.4 Western has requested that Riverside provide the Production Services and Conveyance Services described in the Agreement to utilize Riverside’s unused annual allocation of export rights from the Bunker Hill Basin in Calendar Year 2015, and Riverside is willing to provide such services in accordance with the rates, terms and conditions of this Amendment.

3. **Agreement:** In consideration of the foregoing recitals that are incorporated herein by this reference and the mutual terms and conditions herein, the Parties agree as follows:

3.1 Paragraph 4 of the Agreement entitled “Definitions” is amended to add the following:

“4.21 Bunker Hill Export Allocation. Riverside’s annual volumetric export right of groundwater from the Bunker Hill Basin as defined in the 1969 Judgement as amended from time to time.”

3.2 Paragraph 10 of the Agreement entitled "Rates and Charges" is amended to add the following:

"10.1.3 Lease of Bunker Hill Export Allocation. For each acre foot, or portion thereof, of water produced and conveyed, Western shall pay the sum of One Hundred Eighty Seven dollars and Fifty cents (\$187.50)."

3.3 All terms and conditions of the Agreement not inconsistent herewith shall remain in full force and effect and are hereby incorporated by reference into this First Amendment as though set forth in full herein.

IN WITNESS WHEREOF, Riverside and Western have caused this First Amendment to be duly executed the day and year first above written.

CITY OF RIVERSIDE

WESTERN MUNICIPAL WATER DISTRICT

By: _____
City Manager

By: _____
John V. Rossi
General Manager

Attest:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
Deputy City Attorney

REFERENCE ONLY _ NOT A PART OF THE AGREEMENT

First Amendment to the Water Production and Conveyance Agreement – Riverside/Western

Pricing Term Sheet - Estimate

Anticipated Deliveries: 2,500 AF

Riverside Costs:

Energy Cost – Production (Section 10.1.1.1):	\$40 /AF
Energy Cost – Weighted Average (Section 10.1.1.2):	\$85 /AF
1200 Zone Conveyance:	\$54/AF (55%)
1700 Zone Conveyance	\$117/AF (45%)
Operation and Maintenance Cost (Section 10.1.2):	\$350 /AF
Leased Water (Proposed Section 10.1.3):	<u>\$188 /AF</u>
Unit Cost from Riverside:	\$664 /AF
Riverside Revenue:	\$1,660,000

Western Costs:

Energy Cost – Weighted Delivery:	\$80 /AF
Chemical Costs:	\$5 /AF
Groundwater Assessment SBVWCD (Section 10.4)	<u>\$10 /AF</u>
Unit Cost from Western:	\$95 /AF
Total Cost – Delivered:	\$759 /AF
Avoided Cost	\$923 /AF

Savings to Western:

Avoided Cost less Delivered Cost	\$164 /AF
----------------------------------	-----------

2015 WMWD Savings:	\$410,000
---------------------------	------------------