

**INDEMNIFICATION AGREEMENT
BETWEEN THE VENTURA COUNTY WATERSHED PROTECTION DISTRICT
AND THE CITY OF SAN BUENAVENTURA
REGARDING MULTI-YEAR TRANSFER AGREEMENT
OF STATE WATER PROJECT WATER**

This Indemnification Agreement (“Agreement”) is made and entered into as of December 29, 2022 (“Effective Date”), by and between the Ventura County Watershed Protection District, a district created by special act of the Legislature (“District”), and the City of San Buenaventura, a California Charter Law Municipal Corporation (“City”). The District and the City are sometimes individually referred to herein as a “Party” and collectively as the “Parties”.

RECITALS

- A. In 1963, the District and the California Department of Water Resources (“DWR”) executed that certain agreement dated December 2, 1963 (“State Water Contract”) for the supply and delivery of State Water Project (“SWP”) water in the amount of 20,000 acre-feet per year (“Table A Allocation”).
- B. On or about June 23, 1970, the District and Casitas Municipal Water District (“Casitas”) entered into an agreement (attached hereto as **Exhibit A**), whereby the District assigned to Casitas all of its rights under the State Water Contract, including the right to receive delivery of the District’s annual Table A Allocations, in exchange for Casitas’ agreement to reimburse the District for all costs incurred, both prior to and after the effective date of the agreement, under the State Water Contract including but not limited to capital costs related to the construction of SWP facilities, costs for operation, maintenance, power, and replacement of SWP facilities, and DWR administrative expenses and audit fees. That agreement does not include an indemnification provision.
- C. On or about July 7, 1971, the City entered into an agreement with Casitas (attached hereto as **Exhibit B**), whereby 10,000 acre-feet per year of the District’s annual Table A Allocation was transferred from Casitas to the City.
- D. In each of the years 2018, 2019, 2020, and 2021, the City and San Geronio Pass Water Agency (“SGPWA”) entered into short-term, one-year agreements for the transfer and/or exchange of the City’s Table A Allocation (“Prior Agreements”).
- E. On or about April 26, 2022, the City and SGPWA entered into a multi-year agreement for the transfer of a portion of the City’s Table A Allocation to SGPWA, to work collaboratively throughout the term thereof to provide a mutual benefit, leveraging each other’s respective assets to facilitate long-term water supply and financial security (attached hereto as **Exhibit C**).
- F. The District is not a party to, and was not involved in the preparation of, the multi-year agreement between the City and SGPWA.
- G. The multi-year transfer agreement between the City and SGPWA is subject to the

terms and conditions of the State Water Contract, as amended by DWR's Water Management Amendment, and required the District's and DWR's approval, which is in the form of an agreement between DWR, the District, and SGPWA ("DWR Multi-Year Agreement").

- H. Section 21 of the DWR Multi-Year Agreement makes the District and SGPWA jointly and severally responsible for any adverse impacts that may result from water deliveries to SGPWA, and Section 23 of the DWR Multi-Year Agreement requires the District and SGPWA to indemnify, defend, and hold harmless DWR from all lawsuits, claims, and liabilities that DWR might incur as a result of approving or providing services under the DWR Multi-Year Agreement.
- I. On or about December 29, 2022, District entered into the DWR Multi-Year Agreement (attached hereto as **Exhibit D**) to ensure DWR's timely delivery of a portion of the City's 2023 Table A Allocation to SGPWA based on the condition that the City would enter into an agreement with the District indemnifying the District for any liability incurred by the District under the DWR Multi-Year Agreement.

AGREEMENT TERMS

NOW THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, and the promises and covenants contained herein, the Parties agree as follows:

1. **Indemnification and Transfer of Liability.** The City, its successors, and assigns, shall hold harmless, defend, and indemnify the District, its officials, employees, agents, successors, and assigns, from and against all liabilities, obligations, claims, damages, losses, actions, judgments, suits, costs and expenses, resulting from or in any way related to any liability incurred by the District pursuant to Section 21 and Section 23 of the DWR Multi-Year Agreement.
2. **Term.** The term of this Agreement is from the Effective Date until the expiration of the applicable statute of limitations for liability under the DWR Multi-Year Agreement, or until any claim or litigation concerning the DWR Multi-Year Agreement asserted to DWR, the District, or SGPWA within the applicable statute of limitations is finally resolved, whichever occurs later, pursuant to Section 1 of the DWR Multi-Year Agreement.
3. **Authority to Execute.** The undersigned representatives of the District and the City hereby represent that he or she is authorized to execute this Agreement for the Party on whose behalf this Agreement is executed.
4. **Entire Agreement.** This Agreement contains the entire understanding between the Parties with respect to its subject matter, and supersedes all prior agreements,

oral or written, and all prior or contemporaneous discussions or negotiations between the Parties.

5. **No Waiver.** Any failure or delay on the part of either Party to exercise any right under this Agreement shall not constitute a waiver of the right and shall not preclude such Party from exercising or enforcing the right, or any other provision of this Agreement, on any subsequent occasion.
6. **Governing Law.** This Agreement is a contract governed in accordance with the laws of the State of California.
7. **Execution of Agreement.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other Parties hereto are in the physical possession of the Party or Parties seeking enforcement thereof.
8. **Alteration.** No alteration, change, or modification of the terms of this Agreement shall be valid unless made in writing and signed by all Parties hereto.
9. **Dispute Resolution.** The Parties agree to use their best efforts to prevent and resolve disputes by good faith cooperation and negotiation. In the event that any dispute arises among the Parties relating to this Agreement or the rights and obligations arising from this Agreement, the aggrieved Party shall provide written notice to the other Party of the dispute. Within forty-five (45) days after such written notice, the Parties shall attempt in good faith to resolve the dispute through informal means. If the Parties cannot agree upon a resolution of the dispute within forty-five (45) days from the providing of written notice specified above, the dispute shall be submitted to mediation prior to commencement of any legal action. The Parties shall select a neutral third-party mediator with appropriate expertise to mediate the dispute. The mediation shall be no less than a full day, unless agreed otherwise among the Parties involved in the dispute, and the cost of mediation shall be paid in equal proportion among the Parties. Upon completion of mediation, if the controversy has not been resolved, any Party may exercise all rights to bring a legal action relating to the dispute.
10. **No-Third Party Rights or Assignments.** This Agreement is made solely for the benefit of the Parties and their respective permitted successors and assigns. No other person or entity may have or acquire any right by virtue of this Agreement. Any attempt by a Party to assign the benefits or burdens of this Agreement without the prior written approval of the other Party shall be prohibited and shall be null and void.
11. **Notices.** All notices given or required to be given pursuant to this Agreement shall be in writing provided by overnight courier, to the following addresses:

Ventura County Watershed Protection District

800 South Victoria Avenue, Ventura, CA 93009
Attn: Director

City of San Buenaventura
501 Poli Street, Ventura, CA 93001
Attn: City Manager

12. **Headings; Section References.** Captions and headings appearing in this Agreement are inserted solely as reference aids for the ease and convenience; they shall not be deemed to define or limit the scope or substance of the provisions they introduce, nor shall they be used in construing the intent or effect of such provisions.
13. **Separability.** If any provision of this Agreement is finally determined by a court to be invalid or unenforceable as written, the provision shall, if possible, be enforced to the extent reasonable under the circumstances and otherwise shall be deemed deleted from this Agreement. The other provisions of this Agreement shall remain in full force and effect so long as the material purposes of the Agreement and understandings of the Parties are not impaired.

[Signatures follow on the next page]

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement.

VENTURA COUNTY WATERSHED PROTECTION DISTRICT

By: _____

Date: _____

Name: Glenn Shephard

Title: Director

APPROVED AS TO FORM

By: _____

Name: Jason Canger

Title: Assistant County Counsel

CITY OF SAN BUENAVENTURA

By: _____

Date: _____

Name: Akbar Alikhan

Title: Interim City Manager

APPROVED AS TO FORM

By: _____

Name: Miles Hogan

Title: Senior Assistant City Attorney