

**CITY OF CORONA
AMENDMENT NO. 1 TO
WATER SALE AGREEMENT**

This Amendment No. 1 ("Amendment") to that certain WATER SALE AGREEMENT, dated as of April 1, 2015 (the "Agreement"), by and between the City of Corona, a California municipal corporation, through its Utilities Department (the "City"), and Home Gardens County Water District, a county water District organized and existing pursuant to the County Water District Law (California Water Code §§ 30000 et seq.) ("District"). City and District may be referred to individually as "Party" or collectively as "Parties", as the context may require. This Amendment is entered into by and between the Parties with reference to the following recited facts (each, a "Recital"):

RECITALS

- A. On or about April 1, 2015, City and District entered into the Agreement, which set forth terms for the District to purchase, and the City to sell and deliver to the District, treated potable water at the interconnection point referenced in the Agreement recitals.
- B. The "Initial Term" of the agreement was set retroactively from December 31, 2014 to December 31, 2019 unless earlier terminated, however the City began to sell and deliver treated potable water to the District on or about July 1, 2015.
- C. The "Initial Term" of the Agreement states that the price increase will occur on July 1, 2019. However, water delivery did not begin until July 1, 2015, which caused the five-year increase to be effective on July 1, 2020.
- D. The parties desire to enter into this Amendment to:
 - a. Extend the term of the Agreement through June 30, 2025.
 - b. Increase the per acre-foot rate (Purchase Price) from \$500 to \$557.90 through June 30, 2025 per section 3.2.2 of the Agreement.
 - c. Update the Consumer Price Index referenced in section 3.2.2 of the Agreement to the published U.S. Bureau of Labor Statistics for All Items, Riverside-San Bernardino-Ontario, CA, All Urban Consumers, Not Seasonally Adjusted index, which shall be used to update the Purchase Price every five (5) years as referenced in section 3.2.2 of the Agreement.
 - d. Update the City's contact information.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH IN THIS AMENDMENT AND OTHER VALUABLE CONSIDERATION, THE CITY AND DISTRICT AGREE AS FOLLOWS:

1. **Incorporation of Recitals.** The Recitals set forth above are true and correct and are incorporated into this Amendment.

2. **Effect of Amendment.** Except as to provisions expressly terminated, removed or amended by this Amendment, the Agreement is, in all other respects, ratified and confirmed and all of the terms and provisions and conditions of the Agreement, as amended by this Amendment, shall be and remain in full force and effect.

3. **Amendment to Agreement.** The Parties mutually agree to amend the Agreement as follows:

- a. Section 3.1 Term is amended retroactively to extend the term of the agreement from January 1, 2020 through June 30, 2025.
- b. Section 3.2.2 Purchase Price: CPI Increases is amended retroactively to:
 - Beginning July 1, 2020 increase the per acre-foot rate (Purchase Price) from Five Hundred Dollars \$500.00 to Five Hundred Fifty Seven Dollars and Ninety Cents \$557.90 through June 30, 2025.
 - January 1, 2018 to update the Consumer Price Index referenced in section 3.2.2 of the Agreement from the published U.S. Bureau of Labor Statistics for All Urban Consumers, All Items, Los Angeles-Riverside-Orange County area (base year 1982-1984=100) to the published U.S. Bureau of Labor Statistics for All Items, Riverside-San Bernardino-Ontario, CA, All Urban Consumers, Not Seasonally Adjusted index, which shall be used to update the Purchase Price every five (5) years.
- c. Section 3.10 Notices is amended to update the City's contact as shown below:

Tom Moody, General Manager
Utilities Department
City of Corona
755 Public Safety Way
Corona, CA 92878

4. **Counterpart Originals.** This Amendment may be executed by the Parties in multiple counterparts, all of which together shall constitute a single agreement.

5. **Binding on Successor and Assigns.** The terms and provisions of this Amendment are intended to bind any successors and assigns of the Parties to the same extent and effect as the same are binding to the Parties hereto.

6. **Partial Invalidity.** If any term or provision or portion thereof of this Amendment or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Amendment, or the application of such term or provision or portion thereof to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Amendment shall be valid and enforced to the fullest extent permitted by law.

7. **Effective Date.** The Effective Date of this Amendment is January 1, 2020, provided that it shall not take effect until approved by the City's General Manager and executed by all Parties.

IN WITNESS WHEREOF, the Parties execute this Amendment No. 1, by and through the signatures of their duly authorized representatives below, as follows:

CITY OF CORONA

By:

Tom Moody
General Manager

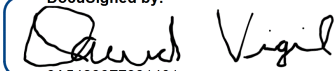
Approved as to Form:

By:

Dean Derleth
City Attorney

HOME GARDENS COUNTY WATER DISTRICT


By:

DocuSigned by:


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David F. Vigil
General Manager

Approved as to Form:

By:

DocuSigned by:


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Fred Galante
District Council