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4400 Hays Drive  
Chowchilla, CA 93610  
TEL: (209) 665-1788

**MEETING NOTICE AND AGENDA FOR THE REGULAR MEETING OF THE BOARD OF  
DIRECTORS OF THE TRIANGLE T WATER DISTRICT**

Alternate formats of this agenda will be made available upon request by qualified individuals with disabilities. Appropriate interpretive services for this meeting will be provided if feasible upon advance request by qualified individuals with disabilities. Please contact the Interim Agency Secretary at (209) 883-8374 for assistance and allow sufficient time to process and respond to your request.

PLEASE TAKE NOTICE that the Regular Meeting of the Board of Directors of the Triangle T Water District will be held on Thursday, March 12, 2026, at 2:00 PM at 4400 Hays Drive, Chowchilla, CA 93610.

Additional Meeting Locations:

- 70 Endicott Street, Unit 1602  
Norwood, MA 02062
- 2081 N. Pointe Alexis Dr.  
Tarpon Springs, FL 33689

**Join Zoom Meeting**

<https://us02web.zoom.us/j/87254449162?pwd=SFdTd0phTkJVRWx0SnE5YzZwTWRVZz09>

**Meeting ID: 872 5444 9162**

**Passcode: 701742**

1. **ROLL CALL**
2. **PUBLIC COMMENT** - Interested persons in the audience are welcome to introduce any topic within the Agency's jurisdiction. No action may be undertaken on any item not appearing on the posted agenda, except that the Board may briefly respond to the comments, refer the matter to staff, or request it be placed on a future agenda.
3. **BOARD MEETING MINUTES** – Sarah Woolf
  - a. **Action Item** - Consider Approval of meeting minutes of February 12, 2026.
4. **BUDGET** – Chase Hurley
  - a. **Action Item** - Review and Consider Approval of Accounts Payable and the Financial Report

5. **WATER OPERATIONS** - Chase Hurley
  - a. **Action Item** – Board to Consider Approval of a Water Transfer Agreement Between East Side Canal & Irrigation Company, Triangle T Water District, and San Luis Canal Company
  - b. **Action Item** – Review and Consider Poso Siphon Operation and Maintenance Needs
  
6. **SUBSIDENCE MITIGATION AGREEMENT** – Update Chase Hurley
  
7. **ONGOING DISTRICT ACTIVITIES** – Sarah Woolf
  - a. Appropriative Water Right
  
8. **CLOSED SESSION**  
**REAL PROPERTY NEGOTIATIONS**  
**(Subdivision (d) of Gov. Code § 54956.8)**
  - a. Property: Temporary Water Supply; Stevinson Water District  
Agency Negotiator: Chase Hurley  
Under negotiation: Price and terms of payment for water  
**CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION**
  - b. (Paragraph (2) or (3) of subdivision (d) of Gov. Code § 54956.9)  
*Significant exposure to litigation: (1)*
  
9. **OTHER BUSINESS**
  
10. **COMMENTS FROM THE BOARD**
  - a. Board Members may provide a brief report on notable topics of interest. The Brown Act does not allow discussion or action by the Legislative Body.
  
11. **ADJOURNMENT**

**NEXT MEETING:** April 9, 2026



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**TRIANGLE T WATER DISTRICT  
MINUTES OF THE REGULARLY SCHEDULED BOARD MEETING**

**February 12, 2026**

**Call to Order:** Director Lucas Avila called the meeting to order at 2:20 pm.

**Directors:** Lucas Avila, Dirk Vlot, Brandon Spain, Michael York and Danielle Harris (remote)

**Others:** Sarah Woolf, Clay Haynes, Chase Hurley and Becky Horn

**Public Comment:**

No public comments were made. Director Dirk Vot made a motion to approve Director Danielle Harris participation remotely due to illness, and Brandon Spain seconded. A roll call vote was taken and the motion passed unanimously.

**Minutes**

Minutes from the Board Meetings of February 12, 2026 were reviewed. Director Brandon Spain made a motion to approve the minutes and Dirk Vlot seconded. A roll call vote was taken and the motion passed unanimously.

**Budget & Financial Reports**

Chase Hurley reviewed the financial, budget and payable reports and stated that we have \$168,834 total cash on hand. Chase noted that we had received \$10,953 from the San Luis Delta Mendota Water Authority, based on their 2022 final accounting. Chase noted that we are only making about 2.9% in our money market account, so he might seek other investment options if the money market rate continues to decline.

Director Brandon Spain made a motion to approve the financial reports and Michael York seconded. A roll call vote was taken and the motion passed unanimously.

**Water Operations**

Chase Hurley stated that water purchases will be discussed during closed session.

### **Poso Siphon and Operation Maintenance**

Chase said that after two unsuccessful attempts to dewater the pipe and failure to get a video camera in to survey the damage, he believes our best option is to work with Summers Engineering prepare a memo detailing what is the cost and timeline to open the crossing and fix the pipeline.

Clay Haynes left the meeting.

### **Appropriate Water Right**

Sarah shared that we continue to meet monthly with the State Board. It has continued to be challenging to make progress on the permit with State Board Staff.

### **Closed Session**

Lucas called for the meeting to go into Closed Session.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code section 54956.9(d)

Significant Exposure to Litigation – 1 case

Lucas adjourned the closed session and reopened the meeting. He reported that staff was given direction and there was no reportable action taken.

### **Other Business**

Sarah stated that the Bureau of Reclamation has stopped taking measurements on all of the subsidence measuring points on the San Joaquin River, which was a critical component to our GSP as far as how we determine subsidence. John Davids has reached out to DWR to see if they're going to pick up the job. Sarah said that if DWR doesn't do the job, we may have to consider funding it.

Lucas Avila stated that he had some conflicts with some upcoming meeting dates--the June and November meetings. The June meeting is now scheduled for June 4th and the November meeting has been canceled.

### **Comments from the Board**

There were no additional comments from the Board.

### **Adjournment**

The meeting adjourned at 3:25 pm

**Triangle T Water District  
Bank Registers/Payable List  
February 10, 2026 - March 9, 2026**

**March 12, 2026**

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Deposits</u>	<u>Checks</u>	<u>Balance</u>
<b>Tri Counties-Checking (0964)</b>						<b>11,821.65</b>
02/13/26	2237	Chowchilla Water District	December 2025 Chowchilla GSP Annual Report		99.02	11,722.63
02/13/26	2238	City of Madera	2026 Madera RWMG Membership Dues		2,850.00	8,872.63
02/13/26	2239	Provost & Pritchard	December 2025 Engineering - Water Right		2,584.20	6,288.43
02/13/26	2240	San Luis Delta Mendota Water Authority	Pre-Payment for February 2026 Water Deliveries		10,801.12	-4,512.69
02/13/26	2241	Summers Engineering, Inc.	December 2025 Engineering		208.53	-4,721.22
02/13/26	2242	Water & Land Solutions	February 2026 Management Fee		6,145.88	-10,867.10
02/13/26	2243	Water Blueprint for the S.J.V.	2026 Water Blueprint Annual Contribution		5,000.00	-15,867.10
02/13/26	2244	Water Wise	February 2026 Management Fee		6,145.88	-22,012.98
02/13/26			Transfer funds to cover payables	23,012.98		1,000.00
02/19/26			Cross Creek	22,300.00		23,300.00
02/19/26			Talley, Haynes, JHLIC, Western Farmland	439,853.07		463,153.07
02/23/26			Transfer reserves to money market account		462,153.07	1,000.00
02/23/26	ACH	Pacific Gas & Electric	Electric 01/16/26 - 02/17/26		127.50	872.50
03/04/26			Green Leaf Farms	18,809.97		19,682.47
03/09/26			Transfer reserves to Money Market account		18,682.47	1,000.00
<b>Total Tri Counties-Checking (0964)</b>				<b>503,976.02</b>	<b>514,797.67</b>	<b>1,000.00</b>

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Deposits</u>	<u>Checks</u>	<u>Balance</u>
<b>Tri Counties-MM (2547) (2.956% APY)</b>						<b>174,303.29</b>
02/13/26			Transfer funds to cover payables		23,012.98	151,290.31
02/23/26			Transfer reserves to money market account	462,153.07		613,443.38
02/27/26			February 2026 Interest	590.00		614,033.38
03/09/26			Transfer reserves to Money Market account	18,682.47		632,715.85
<b>Total Tri Counties-MM (2547)</b>				<b>481,425.54</b>	<b>23,012.98</b>	<b>632,715.85</b>

**Undeposited Funds 67,246.50**

**TOTAL CASH ON HAND 700,962.35**

**Current Payables**

02/19/26	4736	California Farm Water Coalition	2025 Web Hosting		2,358.00	
12/31/25	L-104	Central California Irrigation District	State Lands Commission Lease Application (P&P)		533.50	
02/28/26	180869	Central California Irrigation District	February 2026 Water Deliveries, CA State Lands Commission Application Fee		5,717.00	
01/26/26	117066	Herum Crabtree Suntag	January 2026 Legal - General		195.84	
01/26/26	117067	Herum Crabtree Suntag	January 2026 Legal - Water Right		440.64	
01/26/26	117068	Herum Crabtree Suntag	January 2026 Legal - Subsidence Agreement		2,692.80	
03/13/26	71559	LandMark Irrigation, Inc.	Mainline Repairs		15,581.68	
01/22/26	19286	MBK Engineers	December 2025 Engineering - Water Rights		882.25	
02/18/26	19430	MBK Engineers	January 2026 Engineering - Water Rights		897.75	
02/23/26	128025	Provost & Pritchard	January 2026 Engineering - Water Right		1,279.90	
03/06/26	Mar26-SLDMWA	San Luis Delta Mendota Water Authority	Pre-Pay March 2026 Water Deliveries		20,309.20	
02/28/26	5096	Water & Land Solutions	Poso Pipeline Repairs		2,473.38	
03/01/26	5095	Water & Land Solutions	March 2026 Management Fee		6,145.88	
03/01/26	4008	Water Wise	March 2026 Management Fee		6,145.88	
<b>Total Payables</b>					<b>65,653.70</b>	

**NET CASH AFTER PAYABLES 635,308.65**

TRIANGLE T WATER DISTRICT  
2026 Budget vs. Actual (17%)  
January 1, 2026 - February 28, 2026  
**March 12, 2026**

	Budget	Actual (YTD)	% of Budget
<b>REVENUE</b>			
<b>Fees and Other</b>			
Interest Income	30,000	1,031	3%
Other	-	-	0%
Outside (Cross Creek Deliveries \$100/AC)	89,200	22,300	25%
Prop 68 Grant	50,000	-	0%
<b>Subtotal</b>	<b>169,200</b>	<b>23,331</b>	<b>14%</b>
<b>Assessments</b>			
Base Assessments (\$127/AC)	2,262,154	565,538	25%
Supplemental Assessment: JHLIC 2026	2,700,576	-	0%
<b>Subtotal</b>	<b>4,962,730</b>	<b>565,538</b>	<b>11%</b>
<b>Total Revenue</b>	<b>5,131,930</b>	<b>588,869</b>	<b>11%</b>
<b>EXPENSE</b>			
<b>Administration</b>			
Audit	6,500	-	0%
Dues, Fees, and Permits			
<i>Bank Fees</i>	100	11	11%
<i>Calif Farm Water Coalition</i>	2,200	-	0%
<i>MRW Mgmt Group</i>	2,850	2,850	100%
<i>SJV Water Blueprint</i>	5,000	5,000	100%
<i>SWRCB Annual Fee Redtop Siphon</i>	1,000	-	0%
Insurance	2,900	2,965	102%
Management	147,500	24,584	17%
Professional Services			
Engineering			
<i>Annexation</i>	-	-	0%
<i>General</i>	10,000	3,024	30%
<i>Water Right</i>	20,000	2,178	11%
Legal			
<i>General Counsel</i>	5,000	2,889	58%
<i>Water Right</i>	20,000	440	2%
Prop 68 Grant	45,000	-	0%
Supplies	250	-	0%
Website Management & Updates	2,400	-	0%
<b>Total Administration</b>	<b>270,700</b>	<b>43,941</b>	<b>16%</b>
<b>Chowchilla Sub-basin</b>			
SGMA Compliance			
<i>Domestic Well Mitigation Program</i>	175,000	-	0%
<i>GSP Admin/Annual Rep Cost Share</i>	20,000	-	0%
<b>Total Chowchilla Sub-basin</b>	<b>195,000</b>	<b>-</b>	<b>0%</b>
<b>Operations &amp; Maintenance</b>			
PG&E Power	170,000	248	0%
System Repairs & Maintenance	150,000	18,055	12%
<b>Total Operations &amp; Maintenance</b>	<b>320,000</b>	<b>18,303</b>	<b>6%</b>
<b>Water-Purchases, O&amp;M, Transport</b>			
Exchange Contractors (With 50% Allocation)	1,155,000	-	0%
Chowchilla WD	106,250	-	0%
Supplemental Water: Contract #1	850,000	-	0%
Supplemental Water: Contract #2	1,275,000	-	0%
Conveyance: CCID/CCC/SLCC/SLDMWA	959,950	33,802	4%
<b>Total Water-Purchases, O&amp;M, Transport</b>	<b>4,346,200</b>	<b>33,802</b>	<b>1%</b>
<b>Total Expense</b>	<b>5,131,900</b>	<b>96,046</b>	<b>2%</b>
<b>Net Operating Income</b>	<b>30</b>	<b>492,823</b>	
<b>Non-Operating Revenue</b>			
DWR Reimbursement	-	-	
<b>Non-Operating Expense</b>			
DWR Disbursement	-	-	
<b>Net Non-Operating</b>	<b>-</b>	<b>-</b>	
<b>Net Income</b>	<b>30</b>	<b>492,823</b>	

**Triangle T Water District**  
**A/R Aging Summary**  
as of March 9, 2026

March 12, 2026

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</u>
BB Limited	0.00	26,992.58	0.00	0.00	0.00	26,992.58
Triangle T Partners, LLC	<u>0.00</u>	<u>12,636.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>12,636.50</u>
<b>TOTAL</b>	<u><u>0.00</u></u>	<u><u>39,629.08</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>39,629.08</u></u>

**TRIANGLE T WATER DISTRICT  
2026 WATER OPERATIONS  
Thursday, March 12, 2026**

Outside Surface Water	WY 2026 March 12, 2026		
	Budget	Actual	Balance
CWD	850		850
Exchange Contractors	3,000		3,000
Stevinson WD: New Contract	2,000		2,000
Stevinson WD: Panoche Take-Off (5K)	3,000		3,000
Del Puerto WD: Contract Repayment'26	2,000		2,000
Del Puerto WD: Contract Repayment'25	361	330	31 pending USBR approval
<b>TOTAL</b>	<b>11,211</b>	<b>330</b>	<b>10,881</b>

Water User	<i>rate</i> <i>advpayschedule (SLDMWA)</i>												TOTAL	ACRES	AF/AC			
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC						
Cross Creek Farms-Vlot, Case	-																860	0.00
FMS	-	330															12,554	0.00
Vlot, Dirk	-																1,798	0.00
	0	330	0	0	0	0	0	0	0	0	0	0	0	0	0	330	15,212	0.02

**WATER TRANSFER AGREEMENT BETWEEN  
EAST SIDE CANAL & IRRIGATION COMPANY, TRIANGLE T WATER DISTRICT,  
AND SAN LUIS CANAL COMPANY**

This Water Transfer Agreement (“Agreement”) is effective on April 1<sup>st</sup>, 2026, (the “Effective Date”) by and between East Side Canal & Irrigation Company (“ESCC”), Triangle T Water District (“TTWD” or “Purchaser”) and San Luis Canal Company (“SLCC”), collectively referred to as the “Parties.”

**RECITALS**

WHEREAS ESCC is a California Corporation formed and operating in accordance with California law and is authorized to transfer water as provided in this Agreement. ESCC and Stevinson Water District (SWD) hold pre-1914 and licensed appropriative water rights to various water sources and for diversion into the East Side Canal in various locations with Merced County. For purposes of the water transfer that is the subject of this Agreement, the underlying water rights are pre-1914 water rights. Due to conservation efforts, ESCC and SWD have the ability to make water available for delivery and sale from pre-1914 water rights.

WHEREAS TTWD is a California Water District duly organized, existing and acting pursuant to California Water Code section 34000, *et seq.*, authorized to enter into contracts with other public agencies and private parties, including mutual water companies, to carry out its express and implied purposes, including acquiring and managing the water supply available to it for the benefit of its landowners and water users.

WHEREAS SLCC is a mutual water company, formed and operated under the laws of the State of California, authorized to enter contracts to manage the water supply available to it for the benefit of its shareholders. SLCC is entitled to receive water that it can beneficially use from the CVP pursuant to that certain Second Amended Contract for Exchange of Waters Contract Ilr-1144, entered into and administered by the United States Bureau of Reclamation (“Reclamation”), the allocation of which is coordinated through the San Joaquin River Exchange Contractors Water Authority (“SJRECWA”).

WHEREAS, section 5 of the Central Valley Project Improvement Act (Public Law 102-575, Section 3405) (the “CVPIA”) provides that districts which receive Central Valley Project water under water service or repayment contracts, water rights settlement contracts, or exchange contracts are authorized to transfer a portion of the water subject to such contract to another California water agency for project purposes and subject, in part, to the condition that the water so transferred is limited to water that would have been consumptively used or irretrievably lost to beneficial during the year or years of the transfer in question.

WHEREAS, water delivered under this Agreement beyond the Point of Delivery, as defined herein, must be conveyed to SLCC via a canal located on private property under a separate agreement between SLCC and the property

owner. TTWD and ESCC are not parties to the conveyance agreement and do not retain rights or possess any authority related to the use of that canal. TTWD acknowledges this Agreement is contingent upon SLCC successfully maintaining its ability to convey the water this Agreement contemplates.

WHEREAS, on the terms and conditions set forth below, the Parties enter this Agreement for the purposes of facilitating a one-year water transfer program.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants and conditions contained herein, the Parties agree as follows:

1. Incorporation of Recitals. The above Recitals are true and correct and are hereby incorporated into this Agreement.
2. Term. This Agreement shall become effective as of April 1<sup>st</sup>, 2026, and shall remain in effect through December 31, 2026 (the "Term"); *provided*, however, that any yet-to-be-performed obligations under this Agreement shall survive the expiration of the term of this Agreement and shall be fully enforceable by any Party.
3. Water Transfer. Water transferred or otherwise made available by or to the Parties in accordance with this Agreement shall occur from April 1, 2026, through September 30, 2026.

3.1 Transfer Water. ESCC shall transfer 2,000 acre-feet per year ("AFA") of water to SLCC. Water transferred from ESCC in accordance with this Agreement will be delivered by gravity and through an existing siphon under the Eastside Bypass to a canal located on privately owned land and then to the SLCC service area (the "Transfer Water"). The point at which the existing siphon connects to said canal is referred to herein as the "Point of Delivery." SLCC will beneficially use the Transfer Water for agricultural purposes within its boundaries.

3.2 Exchange Water. SLCC shall make an equivalent volume of CVP water available for exchange ("Exchange Water") to TTWD as was transferred to SLCC from ESCC in accordance with Paragraph 3.1, subject to the losses specified in section 7.2 of this agreement. TTWD shall take delivery of Exchange Water through Central California Irrigation District (CCID) facilities, Columbia Canal Company (CCC) Facilities, or other mutually-agreed upon facility. The transfer of Exchange Water shall meet the consumptive use condition of the CVPIA.

- 3.3 Limitations on Water Availability. ESCC and SLCC retain the sole and absolute discretion to limit or make adjustments to the flow rate of delivery and/or volume of Transfer Water made available to the Purchaser and/or to the schedule to deliver Transfer Water, based upon the limitations

described below. Such adjustments may be made on an annual basis or on a temporary/interim basis, as the case may be. If any of ESCC sources of water are potentially impacted as a result of the State Water Resources Control Board (the "SWRCB") issuing a Notice of Unavailability or Notice of Curtailment that affects ESCC'S ability to divert water under its water rights, or if the Merced Irrigation District reduces deliveries to SWD pursuant to Paragraph 6 of the Decree of the Superior Court, Merced County, No. 6179, entered February 11, 1930, ESCC may declare an inability to deliver any or all of the water contemplated in this Agreement. In such an event, all Parties are relieved from their obligations under this Agreement for that year; provided, however, that any obligations incurred in accordance with this Agreement prior to such event remain enforceable.

3.4 Regulatory Approval. SLCC shall not be responsible for obtaining any necessary approvals related to performance of this Agreement except and unless required by Reclamation. If any other approvals are required, then ESCC and TTWD bear responsibility for obtaining such approval(s).

3.5 Conveyance of Transfer Water. The Parties shall be excused of all obligations under this Agreement in the event ESCC cannot convey Transfer Water beyond the Point of Delivery.

3.6 Force Majeure. If the Parties are delayed or prevented from the performance of any act required hereunder by reasons of acts of God, labor troubles, inability to procure materials, restrictive governmental laws or regulations of the United States, the State of California or any political subdivision thereof, or other cause without fault and beyond the control of the party obligated, specifically excepting any asserted financial difficulty including fluctuations of local and national economics, performance of such act shall be excused for the period of the delay and the period of the performance of any such act shall be extended for a period equivalent to the period of such delay but not beyond the end of the term of this Agreement; *provided*, however, that if the period of delay would otherwise obligate ESCC and SLCC to make water available after the end of any year, performance by ESCC and SLCC shall be excused and this Agreement as to that year shall not be further enforced as to Transfer Water not exchanged because of the force majeure event. Further, the Parties shall be excused of all obligations under this contract in the event Reclamation or any other agency with jurisdiction does not approve the transfer and exchange, or any private landowner as described above withholds the right to convey Transfer Water.

4. Payments for Transfer Water. For each acre-foot ("AF") of water transferred to SLCC, TTWD shall pay to ESCC \$250.00 per acre foot. Additionally, TTWD agrees to pay SLCC an exchange fee of \$103.81 per AF of water transferred to SLCC and exchanged with TTWD (the "Exchange Fee"). The Parties agree that the Exchange Fee may be subject to change; provided, however, that any such change to the Exchange Fee be mutually agreeable to TTWD and SLCC and memorialized in writing. ESCC will invoice TTWD directly on a month-after basis for the

Transfer Water. Payment for each invoice shall be received no later than thirty (30) days after receipt of invoice. SLCC agrees to confer with TTWD if the terms and conditions of any agreement between SLCC and private landowners affecting the ability to deliver water under this Agreement should change during the Term of this Agreement.

4.1 Notices and Payments. The Parties shall send all notices and payment checks to the addresses set forth in Section 20. ESCC shall invoice TTWD for Transfer Water delivered at the Point of Delivery. SLCC shall invoice the Exchange Fee to TTWD for Exchange Water based on the amount of Transfer Water delivered at the Point of Delivery. The invoicing shall be made in monthly installments commencing in the first month after ESCC makes Transfer Water available. TTWD will pay the invoiced amounts to ESCC and SLCC within 30 days from the date of the invoices. Payments not made within the 30-day period shall accrue interest at the Contract Interest Rate (defined as the rate of interest paid monthly by the Local Agency Investment Fund, calculated from the date 30 days after the date of the invoice for the delinquent payment), compounded monthly.

4.2 Breach of Agreement. Notwithstanding any other provision of this Agreement, it is understood by TTWD that once ESCC makes the Transfer Water available at the Point of Delivery under the terms of this Agreement, such water cannot be feasibly returned to ESCC, and therefore, in the event of failure to pay the amounts due in accordance with this Agreement, TTWD hereby waives any claim, theory or defense based on the assertion that ESCC has any duty whatsoever to mitigate damages in the event of breach of this Agreement by TTWD.

4.3 Availability of Transfer Water. ESCC shall use its best efforts to make Transfer Water available at the Point of Delivery. Failure by ESCC to make Transfer Water available at the Point of Delivery as provided for under this Agreement due to events beyond the control of ESCC will reduce TTWD's obligation to make payments for Transfer Water on a per-acre-foot basis.

4.4 Take-Or-Pay Terms. Purchaser understands and agrees that ESCC is making Transfer Water available on a "take-or-pay" basis. Purchaser agrees to pay for the entire amount of Transfer Water whether or not Purchaser actually calls on any or all of said Transfer Water. However, to the extent ESCC makes less Transfer Water available than it is contractually obligated to under this Agreement, Purchaser shall only be responsible to pay for Transfer Water actually made available in that year. Absent notification by ESCC that it is limiting or reducing the amount of Transfer Water available in any year, Purchaser shall be responsible for ordering and paying for the entire amount of Transfer Water under this Agreement.

5. Conditions Precedent, Regulatory and Related Costs. ESCC, SLCC, and TTWD agree to work together cooperatively and in good faith to secure any other required approvals by local, state, or federal agencies with jurisdiction over the Water Transfer.

6. Water Rights Not Affected. Consistent with the provisions of California Water Code sections 109, 475, 1011, 1244, and 11961, nothing in this Agreement confers any appropriative, public trust or other right to water on any person or entity. Nothing in this Agreement shall act as a forfeiture, diminution, or impairment of any rights of ESCC or SWD to their full deliveries of water after the expiration of the Agreement, and this Agreement shall in no way prejudice any of ESCC's rights thereto. The Parties agree that the Water Transfer is considered a beneficial use of water under California law.

7. Water Transferred, Delivery Conditions, and Point of Delivery. ESCC warrants that the quality of the water transferred to the Point of Delivery is sufficient to support agricultural beneficial uses. The Transfer Water quality to SLCC shall not exceed 450 parts per million of total dissolved solids. ESCC shall be responsible to obtain all necessary environmental and permit approvals for the delivery of water to SLCC as contemplated in this Agreement, subject, however, to the force majeure provisions above. TTWD shall be responsible to obtain all necessary and permit approvals for the exchange of water from SLCC to TTWD.

7.1 Approval and Coordination. As soon as practicable, TTWD shall submit to SLCC for approval by SLCC its requested schedule and the method preferred for delivery. SLCC shall review such schedule and work in good faith with TTWD on a final estimated delivery schedule through December 31<sup>st</sup>, 2026.

7.2 Delivery Schedule. Delivery shall be a continuous flow as mutually agreed by ESCC and SLCC. This delivery schedule and delivery amount is subject to existing capacity limitations and any future limitations including but not limited to subsidence restraints. The Parties may, by mutual agreement, modify the delivery schedule. SLCC shall provide ESCC with 72 hours' notice of the start of deliveries and shall also provide 72 hours' notice of the cessation of deliveries. Notice required by this section shall be communicated by telephone or email. A 5% loss factor shall be applied to all water delivered to and exchanged by SLCC.

7.3 Measurement Station. The measurement station, upon which the water will be delivered and measured for billing purposes as well as daily operations, will be located at the head of what is commonly referred to as the "rubber ditch" (coordinates 37.12'1.84 N, -120.41'40.60 W) and via a SCADA measuring system owned and maintained by SLCC. SLCC agrees to provide measurement information in a timely manner.

8. Joint Indemnity. Except as specifically provided for herein, each Party agrees to indemnify and hold harmless the other Parties, their directors, officers, agents, servants, employees, and consultants from and against any and all losses, claims, liens, demands and causes of action of every kind and character, without limitation by enumeration, occurring or in any way incident to, connected with, or arising directly or indirectly out of the performance or nonperformance by the indemnifying Party hereunder. Notwithstanding the foregoing, SLCC shall have no obligation to indemnify or hold harmless either of the other Parties, their directors, officers, agents, servants, employees, and consultants.

9. Obligations Prior to Termination. Notwithstanding any other provision in this Agreement, the obligations of the Parties incurred pursuant to this Agreement prior to the termination of this Agreement, including without limitation, the obligation to make payments for Transfer Water and Exchange Water and to make refunds as required, shall survive its termination.

10. Severability. The invalidity, illegality, or unenforceability of any provision of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.

11. Governing Law. This Agreement shall be interpreted and enforced pursuant to the laws of the State of California.

12. Modifications. This Agreement can only be modified by a written instrument executed by all Parties.

13. Entire Agreement. This Agreement contains the entire understanding of the Parties related to their interests, obligations, and rights in connection with the subject matter set forth herein. All prior communications, negotiations, stipulations, and understandings, whether oral or written, are of no force or effect, and are superseded, except as referenced herein.

14. No Third-Party Beneficiary. The Parties to this Agreement do not intend to create any third-party beneficiaries to this Agreement, and expressly deny the creation of any third-party beneficiary rights hereunder toward any person or entity.

15. Time of the Essence. Time is of the essence in the performance of each and every term of this Agreement.

16. Waiver. The waiver or failure to declare a breach as a result of the violation of any term of this Agreement shall not constitute a waiver of that term or condition and shall not provide the basis for a claim of estoppel, forgiveness or waiver by any Party to that term or condition.

17. Attorneys' Fees. If it becomes necessary for any Party hereto to commence legal action or arbitration to enforce the terms and provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, expenses and costs incurred therein. The expenses and costs incurred shall include, without limitation to other reasonable expenses and costs, the costs of any experts employed in either the preparation or presentation of any evidence in such proceedings.

18. Caption. The section and subsection captions in this Agreement are for convenience only and shall not be used in construing the Agreement.

19. Additional Documents. Each Party agrees to make, execute, and deliver any and all documents and to join in any application or other action reasonably required to implement this Agreement.

20. Counterparts: Facsimile Execution. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon, provided such signature page is attached to any other counterpart identical thereto except for having an additional signature page executed by any other party. Each Party agrees that each other Party may rely upon the facsimile signature of any party on this Agreement as constituting a duly authorized, irrevocable, actual, current delivery of this Agreement as fully as if this Agreement contained the original ink signature of the Party supplying a facsimile signature.

21. Notice. Any and all communications and/or notices in connection with this Agreement shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

East Side Canal & Irrigation Company  
P.O. Box 818  
Newman, CA 95360  
Attn.: Rex Barney  
Phone: (209) 634-4908 Email: [reb@jjsranch.com](mailto:reb@jjsranch.com)

San Luis Canal Company  
11704 W. Henry Miller Ave.  
Dos Palos, CA 95320  
Attn: John Wiersma  
Phone: (209) 826-5112 Email: [jwiersma@hmrdrd.net](mailto:jwiersma@hmrdrd.net)

Triangle T Water District  
4955 E. Andersen, Suite 110  
Fresno, CA 93727  
Attn:  
Phone:  
Email:

22. Authority to Enter Agreement. The undersigned Party representatives all have secured the authority necessary to enter this Agreement on behalf of their respective Party.

*(Balance of this page intentionally left blank - Signature Page to follow.)*

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first written above.

EAST SIDE CANAL & IRRIGATION COMPANY

By: RB  
Rex Barney  
CFO  
Title

SAN LUIS CANAL COMPANY

By: \_\_\_\_\_  
General Manager  
Title

TRIANGLE T WATER DISTRICT

By: \_\_\_\_\_  
Title

**TRIANGLE T WATER DISTRICT  
GROUNDWATER SUSTAINABILITY AGENCY**

**RESOLUTION NO. 01-2026**

**ADOPTION OF CHOWCHILLA SUBBASIN GROUNDWATER DEMAND MANAGEMENT PROGRAMS  
AND SUBSIDENCE MITIGATION MEASURES**

**WHEREAS**, the California Legislature passed a statewide framework for sustainable groundwater management, known as the Sustainable Groundwater Management Act (California Water Code §10720 *et seq.*), pursuant to Senate Bill 1168, Senate Bill 1319, and Assembly Bill 1739, which was approved by the Governor and Chaptered by the Secretary of State on September 16, 2014; and

**WHEREAS**, SGMA requires that each groundwater basin be managed by a Groundwater Sustainability Agency (“GSA”), or multiple GSAs, and that such management be pursuant to an approved Groundwater Sustainability Plan (“GSP”), or multiple GSPs; and

**WHEREAS**, the Chowchilla Groundwater Subbasin (“Chowchilla Subbasin”) has been designated by the Department of Water Resources (“DWR”) as a high-priority basin and in critical groundwater overdraft (DWR Bulletin 118 Groundwater Basin: 5-022.05); and

**WHEREAS**, the Triangle T Water District GSA is a GSA under SGMA for certain portions of the Chowchilla Subbasin; and

**WHEREAS**, pursuant to Water Code section 10727, SGMA requires that a Groundwater Sustainability Plan (GSP) or multiple GSPs be developed and implemented by January 31, 2020 for each high-priority basin; and

**WHEREAS**, Chowchilla Water District GSA, Madera County Chowchilla GSA, Triangle T Water District GSA, and Merced County Chowchilla GSA (collectively hereinafter the “Chowchilla Subbasin GSAs”) have collaboratively prepared a single GSP for the Chowchilla Subbasin (“Chowchilla Subbasin GSP”) in accordance with Water Code section 10727.2 to include all the components required by SGMA; and

**WHEREAS**, on or about December 17, 2019, the Chowchilla Subbasin GSAs adopted the Chowchilla Subbasin GSP; and

**WHEREAS**, on or about January 29, 2020, the Chowchilla Subbasin GSP was submitted to DWR for review, public comment, and approval; and

**WHEREAS**, on November 18, 2021, DWR completed a review of the Chowchilla Subbasin GSP and released an incomplete determination of the Chowchilla Subbasin GSP, initiating a 180-day consultation period between January 28, 2022, and July 27, 2022; and

**WHEREAS**, the Chowchilla Subbasin GSAs completed the first revision of the Chowchilla Subbasin GSP in response to the incomplete determination made by DWR; and

**WHEREAS**, on or about July 27, 2022, the first revision of the Chowchilla Subbasin GSP was submitted to DWR for review, public comment, and approval; and

**WHEREAS**, on March 2, 2023, DWR completed a review of the first revision of the Chowchilla Subbasin GSP submitted July 27, 2022 and released an inadequate determination of the first revision of the Chowchilla Subbasin GSP; and

**WHEREAS**, the Chowchilla Subbasin GSAs acted quickly whereby seeking to eliminate the need for a probationary hearing before the State Water Resources Control Board (SWRCB) through informal submission of the second revision of the Chowchilla Subbasin GSP to the SWRCB on May 5, 2023; and

**WHEREAS**, following the May 5, 2023 submission, the Chowchilla Subbasin GSAs consulted on numerous occasions with SWRCB staff; and

**WHEREAS**, over the course of numerous discussions with SWRCB staff, it was explicitly clear that SWRCB staff were concerned that Projects and Management Actions (PMAs) in the Chowchilla Subbasin GSP may not come to fruition and/or may not deliver the intended benefit; and

**WHEREAS**, given SWRCB staff's concern regarding the uncertainty of PMA implementation, SWRCB staff indicated that the Parties must prepare demand management programs and subsidence mitigation measures with specific triggers, providing a "backstop" and an alternative pathway for achieving sustainability should the other Chowchilla Subbasin GSP PMAs either not come to fruition or not yield the intended benefits; and

**WHEREAS**, in response to SWRCB staff direction, the Chowchilla Subbasin GSAs developed and entered into a Groundwater Demand Management and Subsidence Mitigation Measures Memorandum of Understanding (GDM MOU); and

**WHEREAS**, the GDM MOU obligated the Chowchilla Subbasin GSAs to develop, review, consider, and undertake demand management and subsidence mitigation measures through development of a GDM Program, ready for implementation no later than January 1, 2026, consistent with the terms of the GDM MOU; and

**WHEREAS**, the Chowchilla Subbasin GSAs completed additional revisions to the Chowchilla Subbasin GSP in 2023-2025, consistent with the direction provided by SWRCB staff; and

**WHEREAS**, the Chowchilla Subbasin GSAs submitted the 2025 Revised Chowchilla Subbasin GSP to the SWRCB in March 2025, inclusive of the GDM MOU; and

**WHEREAS**, in April 2025 the SWRCB released a Staff Assessment that concluded further consideration of a probationary designation for the Chowchilla Subbasin based on DWR's 2022 GSP Inadequate Determination was not warranted at that time, and further recommended that

the SWRCB return the Chowchilla Subbasin to DWR's jurisdiction under chapter 10 of SGMA; and

**WHEREAS**, on June 3, 2025, the SWRCB voted unanimously to return the Chowchilla Subbasin to DWR's jurisdiction under chapter 10 of SGMA; and

**WHEREAS**, execution of the GDM MOU and development of the GDM Program is believed to be the primary mechanism that allowed the Chowchilla Subbasin GSAs to avoid probationary status; and

**WHEREAS**, consistent with the GDM MOU, the Chowchilla Subbasin GSAs have worked diligently and expeditiously to develop the GDM Program; and

**WHEREAS**, the GDM Program includes a host of voluntary, mandatory, and potential additional mandatory measures; and

**WHEREAS**, while the GDM Program is expected to broadly benefit groundwater conditions in the Subbasin across all sustainability indicators, subsidence and potential impacts of subsidence are anticipated to be the most limiting factors in achieving the Subbasin's sustainability goal, and thus the Chowchilla Subbasin GSAs have prioritized development and implementation of the GDM Program to proactively monitor and promptly address subsidence conditions in the Chowchilla Subbasin; and

**WHEREAS**, the GDM Program includes detailed and specific triggers for implementation; and

**WHEREAS**, the GDM Program includes specific quantitative analyses of conditions in the Chowchilla Subbasin that trigger action; and

**WHEREAS**, the GDM Program includes specific monitoring and reporting requirements; and

**WHEREAS**, the GDM Program is intended to focus mandatory measures in specific areas of concern – or Zones of Implementation – if triggers conditions occur and additional action is necessary; and

**WHEREAS**, the GDM Program is not one-size fits all, and includes GSA-specific voluntary, mandatory, and potential additional mandatory measures; and

**WHEREAS**, the Chowchilla Subbasin GSAs are responsible for implementation of voluntary, mandatory, and potential additional mandatory measures within their jurisdictional boundaries; and

**WHEREAS**, the GDM Program is not intended to override or otherwise alter ongoing implementation of existing voluntary, mandatory, and potential additional mandatory measures currently being implemented by the Chowchilla Subbasin GSAs; and

**WHEREAS**, the GDM Program recognizes the adaptive management approach of SGMA; and

**WHEREAS**, implementation of potential additional mandatory measures as outlined in the GDM Program and/or as may be developed through adaptive management are only necessary if warranted to address trigger conditions in locally focused areas within the Chowchilla Subbasin.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Triangle T Water District GSA as follows:

1. The foregoing is true and correct.
2. The GDM Program as developed and as presented to the Board of Directors is hereby approved and adopted.
3. Implementation of the GDM Program will follow an adaptive management approach, as described in the GDM Program and the 2025 Revised Chowchilla Subbasin GSP.
4. The GDM Program and associated mandatory measures and/or potential additional mandatory measures may be developed and refined through adaptive management, and are only necessary if warranted to address trigger conditions within the Chowchilla Subbasin.
5. The General Manager is authorized and directed to timely provide notification of this approval and adoption to DWR, including a copy of this Resolution, the approved GDM Program, and any additional information required by law to DWR as an attachment to the Chowchilla Subbasin GSP Water Year 2025 Annual Report.

**PASSED AND ADOPTED** by the Board of Directors of the Triangle T Water District GSA, this 12 day of March 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN: