

**AGREEMENT BETWEEN THE CITY OF REDWOOD CITY AND CALIFORNIA WATER SERVICE TO
TRANSFER CERTAIN SERVICE OBLIGATIONS OF CITY OF REDWOOD CITY AND ADJUST SERVICE
AREA BOUNDARIES**

THIS AGREEMENT BETWEEN THE CITY OF REDWOOD CITY AND CALIFORNIA WATER SERVICE TO TRANSFER CERTAIN SERVICE OBLIGATIONS (“Agreement”) is made as of this 22 day of September, 2023 (“Effective Date”), by and between the City of Redwood City (“City”), a municipal corporation and charter city of the State of California, with its primary business address at 1017 Middlefield Road, Redwood City, California 94063 and California Water Service Company (“Cal Water”), a California corporation. Cal Water and City may be referred to individually as a “Party” or collectively as the “Parties.”

RECITALS

- A. City and Cal Water are parties to the Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County dated July 2009, as amended and restated in 2021 ("WSA");
- B. City and Cal Water are Wholesale Customers of San Francisco under the WSA, and their respective service areas share a common boundary;
- C. City and Cal Water jointly seek to effectuate the transfer of water utility service for a total of seven (7) customers along Godetia Drive in Woodside, CA ("Customers") from City to Cal Water once all applicable approvals are obtained (the "Transfer");
- D. City and Cal Water anticipate that the Transfer will provide enhanced reliability of service and fire protection through a new, larger water main, which Cal Water recently installed along Godetia Drive;
- E. There will be minimal interruption of service and no change in water quality as a result of the Transfer because the water provided by City and Cal Water comes from the same source, the San Francisco Regional Water System;
- F. Cal Water will pay the costs of the new service connection and there is no cost to the transferring Customers;
- G. All affected Customers have agreed to the Transfer;
- H. The proposed service area boundary adjustment between City and Cal Water will result in a slight expansion of Cal Water's service area; and
- I. The Parties desire to enter into an agreement to establish the terms and conditions for the Customer Transfer.

AGREEMENT

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Incorporation of Recitals.** The Parties agree to, and attest to the truth and accuracy of, the provisions contained in the Recitals of this Agreement as set forth above. The Recitals are hereby incorporated into, and made a part of, the terms of this Agreement by this reference. The Parties agree that this Agreement has been entered into, at least in part, in consideration of the provisions contained in the Recitals, in addition to all of the following provisions of this Agreement.

2. **Water Customer Transfer.** In accordance with Sections 3.03.E and 9.02.D of the WSA, Cal Water will assume the obligation to serve the below Customers on Godetia Drive in Woodside currently served by the City:
 - 988 Godetia Dr. (APN 68301100)
 - 989 Godetia Dr. (APN 68302480)
 - 1000 Godetia Dr. (APN 68301350)
 - 1001 Godetia Dr. (APN 68302090)
 - 1011 Godetia Dr. (APN 68302100)
 - 1075 Godetia Dr. (APN 68302030)
 - 1104 Godetia Dr. (APN 68301450)

The 2023 Godetia Drive Water Customer Transfer drawing attached as Exhibit "A", depicts the location of the transferring Customers. As a result of the Customer Transfer under this Agreement, once the Transfer has occurred, City will no longer be obligated to provide water service to Customers. The Transfer by City is not a "sale" to Cal Water (City will receive no compensation for the Transfer); the Transfer will not result in additional water demand; and the Transfer will require no adjustment of City and Cal Water's respective Individual Supply Guarantees (as defined in the WSA).

3. **Service Area Adjustment.** The Parties agree to adjust their respective service area boundaries resulting from the Customer Transfer under this Agreement, whereas the transferring Customers will no longer be in the City's service area and will now be part of Cal Water's revised service area. The Existing Water Service Areas and Revised Water Service Areas are depicted in 2023 Godetia Drive Water Customer Transfer drawing attached as Exhibit "A". The Parties further agree to amend their respective Individual Water Sales Contracts ("IWSC") with San Francisco to adjust their service areas as contemplated under this Agreement consistent with Section 3 of each Parties respective IWSC.

4. **Water Supply is for a Limited Purpose Only.** Nothing herein shall be deemed to constitute a dedication of the water supply of either Party to service the territory of the other Party or to constitute a commitment to supply water to the other Party as a regular customer.

5. **Indemnity.**

A. **Indemnification of Cal Water.** To the extent permitted by law, City agrees to protect, defend, hold harmless and indemnify Cal Water, its officers, employees, contractors and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and reasonable attorney's fees in providing a defense to any claim arising therefrom, to the extent claims arise from City's negligent, reckless or wrongful acts, errors, or omissions arising from of the terms and conditions of this Agreement, except for claims, liabilities and damages caused by Cal Water's negligence or willful misconduct.

B. **Indemnification of City.** To the extent permitted by law, Cal Water agrees to protect, defend, hold harmless and indemnify the City, its boards, committees, commissions, officers, employees, contractors and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and reasonable attorney's fees in providing a defense to any claim arising therefrom, to the extent claims arise from Cal Water's negligent, reckless or wrongful acts, errors, or omissions arising from of the terms and conditions of this Agreement, except for claims, liabilities and damages caused by City's negligence or willful misconduct.

6. **Assignments and Successors in Interest.** The Parties bind themselves, their successors, assigns, executors, and administrators to all covenants of this Agreement. Neither Party shall assign or transfer this Agreement or any part thereof, either voluntarily or by operation of law, without the prior written approval of the other Party.

7. **Integrated Document Totality of Agreement.** This Agreement constitutes the entire contract between City and Cal Water relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

8. **No Third-Party Beneficiary.** This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

9. **Captions.** The captions of the various sections, paragraphs and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions or interpretation.

10. **Amendments.** This Agreement may be changed only by a written amendment signed by both of the Parties.

- 11. Notice.** Any notice required or permitted to be given by this Agreement shall be in writing, delivered personally or deposited by reputable overnight courier or by certified United States mail, return receipt requested, postage prepaid, addressed as follows.

If to Cal Water:

California Water Service
120 Reservoir Rd
Atherton, CA 94027
Attention: District Manager
Telephone: 650.561.0014
E-mail: dsmithson@calwater.com

With a Copy to:

California Water Service
1720 N. First Street
San Jose, CA 95112
Attn: Associate General Counsel
Telephone: 408.367.8200
E-mail: jkelsey@calwater.com

If to City:

City of Redwood City
Public Works Services Department
1400 Broadway, CA 94063
Attention: Public Works Superintendent, Water Utilities
Telephone: 650.780.7464
E-mail: watermanager@redwoodcity.org

Either Party by notice given as described above may change the address to which notice shall thereafter be delivered.

- 12. Electronic Signature and Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute one and the same Agreement. If all Parties agree, electronic signatures may be used in place of original signatures on this Agreement. Each Party intends to be bound by the signatures on the electronic document, is aware that the other Parties will rely on the electronic signatures, and hereby waives any defenses to the enforcement of the terms of this Agreement based on the use of an electronic signature. After all Parties agree to the use of electronic signatures, all Parties must sign the document electronically.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives as of the day and year first above written.

CALIFORNIA WATER SERVICE COMPANY,
a California corporation

By *Martin A. Kropelnicki*
[Martin A. Kropelnicki \(Aug 25, 2023 11:05 PDT\)](#)
Name: Martin Kropelnicki
Title: Chairman, President & CEO

By *D. B. Healey*
[David B Healey \(Sep 13, 2023 11:38 EDT\)](#)
Name: David Healey
Title: Interim VP, CFO & Treasurer

CITY OF REDWOOD CITY,
a California municipal corporation

By *Melissa Stevenson Diaz*
Name: Melissa Stevenson Diaz
Title: City Manager

APPROVED AS TO FORM:

By *Veronica Ramirez*
Name: Veronica Ramirez
Title: City Attorney

EXHIBIT A



2023 Godetia Drive Water Customer Transfer

