

TIM MAGGIORE
Director
Division III

PETE PETROVICH
Director
Division I

MARK MAGGIORE
Director
Division II

AMANJIT SINGH SANDHU
Director
Division IV



AGENDA

CHARLES TUSO
President
Division V

TOM PEREIRA
Director
Division VI

JACK ALVAREZ
Vice-President
Division VII

EDWIN PATTISON
General Manager

Special Meeting of the Board of Directors In Person Meeting June 29, 2026 10:00 AM

The Board may act on any of the items listed on this agenda regardless of whether an item is described as an action item, a report, or an informational or discussion item. As provided under Government Code section 54956, subdivision (a), during a Special Meeting any member of the public may address the Board concerning any item on the agenda. No other comments will be allowed. Any member of the public wishing to comment shall identify the agenda item they intend to address, and they will be allowed an opportunity to comment on that item only. Public comment is limited to no more than two minutes per person.

The meeting will occur at the District's headquarters which facilities comply with the Americans with Disabilities Act. If any special accommodation is needed for you to participate, please contact the District Secretary/General Manager as soon as possible.

Agendas, agenda-packet materials, and other supporting documents are available for inspection at the District headquarters. A fee will be charged for copies.

Food will be available for staff and Board members during the half-hour before the Board meeting. If Board members are present, they will not discuss District business.

- I. CALL MEETING TO ORDER**
- II. PLEDGE OF ALLEGIANCE**
- III. ROLL CALL**
- IV. ADOPTION OF THE AGENDA**
- V. PUBLIC COMMENT (Please observe a two-minute time limit)**

This section of the agenda is provided so that the public may express comments on any item on the agenda as authorized by Government Code sections 54956 subdivision (a) and 54954.3 subdivision (a)(3). Unless extended by the Board President, public comment is limited to no more than two (2) minutes per person and twenty (20) minutes total for all speakers.

VI. DISCUSSION/ACTION CALENDAR

1. Approve Agreement for the Temporary Transfer of Water with Westlands Water District for up to 2,500 acre-feet of water under the United States Bureau of Reclamation Accelerated Water Transfer Program and Authorize General Manager to execute the same.
2. Approve Agreement for the Temporary Transfer of Water with Blue Sky Farms for up to 450 acre-feet of water under the United States Bureau of Reclamation Accelerated Water Transfer Program and authorize General Manager to execute the same.
3. Authorize District's Real Property Negotiators – Edwin Pattison, Frances Mizuno, Bradley Mizuno, Michael Vergara, and Alyson Ackerman – to negotiate additional potential water transfers to Westlands Water District and/or Blue Sky Farms with The Water Agency, Inc. under consistent terms and conditions as the Blue Sky Farms Agreement.

VII. CLOSED SESSION

4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code Section 54956.8)
Property: Central Valley Project water.
District Negotiators: Edwin Pattison, Frances Mizuno, Brad Mizuno, Michael Vergara, and Alyson Ackerman.
Negotiating Parties: Westlands Water District, Blue Sky Farms, and The Water Agency
Under Negotiation: Price.

VIII. COMMUNICATION/REPORTS/COMMENTS

Directors
General Manager
General Counsel

ADJOURNMENT



BYRON-BETHANY IRRIGATION DISTRICT STAFF REPORT

TO: THE HONORABLE PRESIDENT AND MEMBERS OF THE BOARD
FROM: EDWIN PATTISON, GENERAL MANAGER
DATE: JUNE 29, 2026
SUBJECT: CENTRAL VALLEY PROJECT TEMPORARY WATER TRANSFER

RECOMMENDATION

Approve and authorize the General Manager to execute the proposed agreement for a temporary transfer of up-to 2,500 acre-feet (AF) of water, which Byron-Bethany Irrigation District (BBID) receives under its permanent repayment contract with the U.S. Bureau of Reclamation (USBR) for Central Valley Project (CVP) water service, to Westlands Water District (WWD).

Approve and authorize the General Manager to execute the proposed agreement for a temporary transfer of up-to 450 AF of the available 2,500 AF of CVP water to Blue Sky Farms and delivered thereto by WWD.

Appoint the General Manager, Brad Mizuno, Frances Mizuno, and General Counsel as negotiators with the WWD, Blue Sky Farms, and/or The Water Agency Inc. for the potential sale of the remaining 2,050 AF of available CVP water to willing buyers within WWD, including WWD itself, delivered thereto by WWD.

DISCUSSION

The General Manager determined the District's available CVP water supply for water year 2026-2027 will exceed the demands of the District's CVP customers for the water year. The General Manager determined that the District can make available for transfer up-to 2,500 AF of irrigation water from its 2026-2027 supply of CVP water. There is demand for CVP water south of the Delta, including within WWD's service area.

WWD is willing to execute the proposed temporary water transfer agreement with BBID under which WWD will accept delivery of up-to 2,500 AF of the available CVP water (Proposed

WWD Agreement). Under the Proposed WWD Agreement, BBID will pay the applicable USBR charges, and WWD will pay the applicable San Luis Delta Mendota Water Authority charges. This Proposed WWD Agreement is before the Board to review, consider, and authorize the General Manager to execute.

Blue Sky Farms owns lands situated within WWD and is willing to purchase up-to 450 AF of the available 2,500 AF of CVP water for irrigation use. Under the terms and conditions of the proposed Blue Sky Farms temporary transfer agreement (Proposed BSF Agreement), Blue Sky Farms will purchase the water at a price of \$513.94/AF; if Blue Sky Farms purchases all 450 AF of water, the District will receive two hundred thirty-one thousand two hundred seventy-three dollars and zero cents (\$231,273.00). The purchase price is comprised of the estimated USBR charges and BBID's administrative charges. The water that Blue Sky Farms purchases under Proposed BSF Agreement will be delivered to WWD and allocated to Blue Sky Farm's Account for use. The Proposed BSF Agreement is before the Board to review, consider, and authorize the General Manager to execute.

To the extent that the Board approves and authorizes the General Manager to execute the Proposed WWD Agreement and Proposed BSF Agreement, the District will still have up-to 2,050 AF of CVP water available for delivery to WWD under the Proposed WWD Agreement for possible transfer. Before the Board is the authorization of the General Manager, Brad Mizuno, Frances Mizuno, and General Counsel (collectively, "Negotiators") to negotiate with the Water Agency, Inc., WWD, and/or Blue Sky Farms for their purchase and transfer of the remaining available CVP water.

Given the current USBR allocations for CVP water, and status of the growing season, time will be of the essence for executing any such additional transfer agreements that the Negotiators are able to negotiate. Thus, in addition to authority to negotiate the potential additional temporary transfers, the General Manager also seeks approval to execute any resulting additional temporary water transfer agreements for the remaining CVP water available for transfer with the Water Agency, Inc., WWD, and/or Blue Sky Farms, provided that the terms and conditions of such agreement(s) are consistent with those in the Proposed BSF Agreement, as well as the price range the Board determines in closed session.

BACKGROUND

The District holds two contracts with the USBR, entitling it to receive up to certain quantities of water from the CVP for certain uses, such as irrigation (or agricultural). To date, the USBR water supply allocation to CVP south of delta (SOD) agricultural contractors is twenty-five percent (25%), thus creating a water supply demand SOD. Given BBID's water supplies, BBID will have available CVP irrigation water for temporary transfer to SOD agricultural water customers, a win-win scenario for agriculture.

FISCAL IMPACT

If the Board approves the Proposed BSF Agreement, the sale of that water will result in

revenue to BBID. To the extent the Board authorize the Negotiators to negotiate, and the General Manager to execute, additional transfer agreements for the remaining available CVP water with buyers willing to receive delivery of such water from WWD, the BBID will receive additional revenue.

ATTACHMENTS

Proposed WWD Agreement

Proposed BSF Agreement

**WATER TRANSFER AGREEMENT BETWEEN
BYRON-BETHANY IRRIGATION DISTRICT AND
WESTLANDS WATER DISTRICT**

This Agreement is made effective this _____ day of _____ 2026, by and between Byron-Bethany Irrigation District, hereinafter referred to as “BBID”, and Westlands Water District, hereinafter referred to as “WWD.”

RECITALS:

- A. Both parties to the Agreement are public agencies of the State of California, duly formed and operating under the laws of the state, and are empowered to enter into contracts to manage the water supply available to it for the benefit of its constituents, and
- B. BBID is a contractor with the Bureau of Reclamation (Bureau) and is entitled to receive Central Valley Project (CVP) water therefrom pursuant to Contract No. 14-06-200-785-LTR1-P between the Bureau and BBID providing for water service, and WWD is a contractor with the Bureau and is entitled to receive CVP water there from pursuant to Contract No. 14-06-200-495A-IR1-P.
- C. BBID is willing to transfer **up to 2,500** acre-feet (AF) of its 2026-27 CVP Irrigation Contract Water (Water) to WWD. Water will be delivered to WWD during **July 2026, through February 28, 2027.**
- D. WWD anticipates a water supply insufficient to meet its 2026-27 crop water demands and desires to obtain **agricultural water supplies for irrigation purposes** from BBID.
- E. The parties have determined that the transfer under this Agreement will have no significant environmental impact and shall not increase the cost, nor reduce the supply, of water to other CVP contractors.

AGREEMENT

- 1. This Agreement shall terminate on February 28, 2027.

DELIVERY AND COST OF WATER TO WWD

- 2. Pursuant to the terms and conditions of the Bureau’s approval, BBID will make available to WWD **up to 2,500 AF** of Water for delivery during **July 2026, through February 28, 2027,** pursuant to a schedule approved by the Bureau in coordination with BBID and WWD.
- 3. **The Water will be conveyed via the Delta Mendota Canal, to O’Neill Forebay, through Dos Amigos Pumping Plant, and delivered to WWD turnouts in Reaches 4, 5, 6 and 7 of the California Aqueduct/San Luis Canal.** Deliveries of Water from BBID to WWD shall be measured by CA Department of Water Resources (DWR).
- 4. BBID agrees to pay its Bureau rates for CVP services required to effectuate the transfer of Water. WWD is responsible for paying all San Luis Delta Mendota Water Authority charges to effectuate the transfer of Water. Other internal fees of and payments to be made

to BBID are by separate agreement and are not part of this purchase and transfer and therefore such fees, if any, are not included in this agreement. Should BBID's agreement with the third parties for whom this water is being delivered to WWD terminate, BBID shall have the absolute right to terminate this Agreement.

5. BBID shall be responsible for the cost of obtaining any and all approvals legally required for the delivery of Water to WWD. Such approvals shall be identified and agreed to by the parties within fifteen (15) days from the execution of the Agreement. Should BBID determine that any approvals so identified are unreasonable, in BBID's sole and absolute discretion, BBID shall have the right to terminate this Agreement by providing WWD with written notice within thirty (30) days of execution of this Agreement.

APPROVALS

6. The performance by both parties to this Agreement is contingent upon approval of the transfer of Water contemplated herein by the Bureau.

MISCELLANEOUS

7. Approvals: Both parties shall cooperate in securing Bureau approvals.
8. Notice: Any notice, request, tender, demand, delivery, approval, or other communication providing for, required, or arising under this Agreement shall be in writing and shall be deemed delivered three (3) business days after deposit in the United States mail or by email, addressed to the party as follows:

BYRON-BETHANY IRRIGATION DISTRICT
7995 Bruns Road
Byron, CA 94514
Attention: Edwin Pattison
e.pattison@bbid.org

WESTLANDS WATER DISTRICT
P. O. Box 5199
Fresno, CA 93755
Attention: Stephen Farmer
sfarmer@wwd.ca.gov

9. General Indemnity: Each party agrees to protect, defend, indemnify, and hold harmless the other party, its 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 on account of personal injuries or death or damages to property and, without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, connected with, or arising from the other party's gross negligence or willful misconduct.

10. Successors and Assigns: The terms and provisions of this Agreement shall bind and shall inure to the benefit of the successors and assigns of the respective parties thereto.
11. Amendments: Amendments to this Agreement shall be effective only if in writing, and then only when signed by the authorized representatives of the respective parties.
12. Force Majeure: Except as otherwise provided herein, all obligations of the parties hereto shall be suspended so long as, and to the extent that, the performance thereof shall be prevented by earthquakes, fires, tornadoes, facility failures, floods, drownings, strikes, other casualties or acts of God, orders of court or governmental agencies having jurisdiction over the subject matter thereof or other events or causes beyond the control of the parties hereto.
13. Specific Performance: It is agreed by the parties hereto that in this arid region the water delivered herein is of unique value and that, in the event of breach of this Agreement, specific performance of the Agreement in accordance with its terms and conditions shall be proper injunctive relief.
14. Consistent with the provisions of Water Code Sections 475 and 1244, the parties agree that neither this transfer nor this Agreement is evidence of the availability of surplus water beyond the terms of this Agreement or lack of beneficial use of the water involved in this Agreement, and they shall not contend otherwise.

IN WITNESS WHEREOF, the parties execute this Agreement on this day and year first above mentioned.

WESTLANDS WATER DISTRICT

BYRON-BETHANY IRRIGATION DISTRICT

By _____
Stephen Farmer, Chief Administrative Officer

By _____
Edwin Pattison, General Manager

AGREEMENT
FOR
TEMPORARY TRANSFER OF WATER

This Agreement for the Temporary Transfer of Water (the “Agreement”) is entered into this ___ day of June, 2026 by and between Byron-Bethany Irrigation District (“BBID”) and Blue Sky Farms (“BSF”). BBID and BSF are referred to herein collectively as “Parties”.

RECITALS

A. BSF desires to purchase water from BBID in order to meet its needs for irrigation water on lands situated within the Westlands Water District (“WWD”), which is in the Delta Export service area of the Central Valley Project (“CVP”).

B. BBID is a contractor with the United States Department of the Interior, Bureau of Reclamation (“USBR”), and is entitled to receive Central Valley Project water under Contract No. 14-06-200-785-LTR1-P between BBID and USBR (“CVP Contract Water”); the purpose use of BBID’s CVP Contract Water includes irrigation.

C. BBID has found and determined that it can make available from its rescheduled 2025-26 supply of CVP Contract Water up-to 450 acre-feet of irrigation water that is temporarily surplus to the existing needs of BBID’s customers within its boundaries (“Water”).

D. The Parties hereto will request delivery of the Water to BSF’s WWD Account No. 605 for irrigation use only, pursuant to terms and conditions as are deemed necessary, appropriate, and mutually agreeable.

E. BSF is willing to purchase the Water provided the Parties obtain all necessary approvals prior to August 15, 2026 (“Required Approvals Date”); (2) make all necessary arrangements for the delivery of Water to BSF’s WWD Account No. 605 prior to August 31, 2026; and (3) BSF is able to receive delivery of Water no later than February 28, 2027 (“Required Delivery Availability Date”).

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND THE MUTUAL AGREEMENTS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. Transfer. BBID and BSF agree to work cooperatively in an effort to obtain all necessary approvals and achieve the transfer of the Water as set forth in this Agreement. The Water shall be delivered to BSF’s WWD Account No. 605 on or before the Required Delivery Availability Date.

2. Purchase Price. The purchase price that BSF will pay BBID for the Water shall be Five Hundred Thirteen Dollars and Ninety-Four Cents (\$513.94) per acre-foot, or up to \$231,273.00 for up-to 450 acre-feet of Water (“Purchase Price”). Said Purchase Price shall be inclusive of the following charges:

Estimated USBR Charges

BBID’s 2025-26 Cost of Service Rate:	\$25.59/AF
CVPIA Restoration Fund ¹ :	\$13.64/AF
2025-26 O’Neill PGP (Conveyance Pumping Capital):	\$0.50/AF
2025-26 Dos Amigos PP (Conveyance Pumping Capital):	\$0.89/AF
2025-26 Project Use Energy Direct Pumping Rate:	\$8.54/AF
2025-26 Direct Pumping Capital:	\$1.89/AF
Subtotal of Estimated USBR Charges:	\$51.05/AF

BBID’s Administrative Charges: \$462.89/AF

Total Charges Comprising Purchase Price: \$513.94/AF

BBID will absorb any additional USBR charges (i.e., USBR charges not listed above, including USBR’s 25-26 Rescheduling Fee.) without additional charge to BSF. If the USBR does not bill any of the per acre-foot charges outlined above, BSF agrees no refund shall be due to BSF. Only Water delivered to WWD Account No. 605 for BSF shall be purchased at the above Purchase Price. There will be no amount due of the Purchase Price for Water that BBID cannot transfer.

3. Payment of Purchase Price. BSF shall deposit in an escrow account the Purchase Price for 450 acre-feet of Water payable to BBID with Placer Title Company, 7700 N. Palm Ave., Suite 101, Fresno, CA 93711, Attn. Gretchan Wheeler (“Escrow Agent”), as follows, with the express understanding that the Parties will submit adjustments to the Purchase Price deposited based upon the actual Water made available for transfer:

(a) Two Hundred Thirty-One Thousand Two Hundred Seventy-Three Dollars and Zero Cents (\$231,273.00), *plus an additional amount to cover all commissions and escrow fees*, for the 450 acre-feet of Water will be deposited into escrow **on or before July , 2026 or five (5) business days after execution of this Agreement by both Parties, whichever is later or this agreement will become void.**

4. Closing of Escrow. Escrow shall close on or before the Required Delivery Availability Date such that the Purchase Price proceeds shall be disbursed to the below-named persons upon delivery of the Water to BSF’s WWD Account No. 605 as follows:

(a) Up-to Two Hundred Thirty-One Thousand Two Hundred Seventy-Three Dollars and Zero Cents (\$231,273.00), or \$513.94 per acre-foot will be paid to BBID based upon the quantity of Water USBR approves and schedules for delivery to WWD, and WWD allocates to BSF, which shall not exceed 450 acre-feet.

¹ Effective from October 1, 2025 to September 30, 2026.

5. Closing Protocols. The Parties shall comply with the following provisions during escrow:

(a) BBID and BSF shall execute Joint Escrow Instructions in the form set forth in **Exhibit A** attached hereto and standard form escrow instructions for Placer Title Company, in the form set forth in **Exhibit B** attached hereto, both of which are incorporated by this reference.

(b) If any Water is paid for by BSF but is not made available for timely delivery to BSF's WWD Account No. 605 by the Required Delivery Availability Date, then any and all amounts paid for such non-delivered Water, shall be refunded to BSF by BBID.

(c) BSF will take delivery of the Water from WWD pursuant to schedules submitted by WWD and BBID and approved by the Bureau of Reclamation.

(d) Final payment or escrow disbursements to BBID will be subject to the receipt of all approvals that may be required in order for the proposed transfer of Water to BSF to take place. Each party shall exercise their best efforts to see that such approvals are obtained.

(e) In the event of a default by BSF, the amounts deposited into escrow will be retained in escrow to ensure an adequate source for payment for damages, if any, suffered by BBID as a result of that default. Damages would be subject to proof. In the event that all necessary approvals are not obtained by the Required Approvals Date, or in the event Water is not made available for timely delivery to BSF by the Required Delivery Availability Date, or in the event of a default by BBID, all funds in escrow or any funds priorly released from escrow to BBID will be immediately returned to BSF and the escrow terminated. If the escrow is terminated due to default of a party, the defaulting party shall pay all escrow cancellation fees; otherwise, they shall be divided equally between BSF and BBID.

(f) For clarity and to avoid ambiguity, BSF is only required to pay for Water that is made available for timely delivery to WWD Account No. 605 for the benefit of BSF on or before the Required Delivery Availability Date. If some but not all Water is made available to WWD by that date, BSF shall only pay for the Water that is made available to WWD by that date, and BBID shall refund all payments made by BSF for Water which was not made available due to necessary approvals not being obtained. Nevertheless, if some Water is made available after the Required Water Availability Date, and BSF is willing to accept it, BSF shall pay for all Water that it accepts on the terms set forth in this Agreement or upon other mutually acceptable terms set forth in writing by the parties.

(g) BSF will pay all escrow fees and commissions and BSF agrees to indemnify BBID from and against any and all claims and commissions which may arise as a result of BSF's failure to pay such fees and commissions.

6. Pre-Closing Conditions. Prior to the closing of escrow, the proposed transfer of Water will be subject to the following conditions:

(a) Any and all approvals for the transfer totaling up-to 450 acre-feet of Water to BSF's WWD Account No. 605 are obtained from the USBR, WWD, and any other entities for the Water to be made available for timely delivery to BSF.

(b) BBID and BSF executed and delivered to the Escrow Holder the following:

- i. Joint Escrow Instructions as set forth in **Exhibit A**; and
- ii. Standard form escrow instructions for Placer Title Company as set forth in **Exhibit B**;
- iii. Additional Instructions for Placer Title Company as set forth in **Exhibit C**; and
- iv. General Provisions regarding escrow as set forth in **Exhibit D**.

7. Post-Closing Conditions. After the closing of escrow, the transfer of Water will be subject to the following conditions:

(a) BBID shall be responsible for timely payment to the USBR of USBR's changes as set forth in Paragraph 2 above and any applicable incremental charges, provided that BSF at all times is making timely payments of its obligations under this Agreement.

(b) BSF shall be responsible for paying WWD and the Parties understand that WWD shall be responsible for paying any San Luis and Delta Mendota Water Authority ("SLDMWA") charges imposed on the conveyance or delivery of Water. BSF shall also be responsible for paying WWD for other costs and charges as may be imposed upon the Water by WWD.

(c) All releases of Water for transfer shall be made pursuant to a delivery schedule established cooperatively between BBID, BSF, WWD, and any necessary intermediary agencies. Such releases and deliveries shall be so scheduled so that the Water is made available for timely delivery to WWD Account No. 605 for BSF by the Required Delivery Availability Date.

(d) The "Delivery Point" to WWD for the Water shall be Reaches 4-7 of the California Aqueduct/San Luis Canal.

(e) BSF agrees that the Water shall be used for reasonable and beneficial agricultural purposes only upon lands approved for delivery and of such water within WWD.

(f) The delivery of the Water shall be subject to available capacity (but

BSF shall not be required to pay for Water that is not made available for timely delivery to BSF due to capacity or other problems).

8. Termination of Agreement. If escrow does not close by September 30, 2026 (and no later the Required Delivery Availability Date), or if the Parties are unable to secure all necessary approvals for the proposed transfer of Water prior to the Required Approvals Date, this Agreement shall expire, unless mutually extended in writing and deposits shall be returned to BSF, less applicable escrow fees and costs.

9. Force Majeure. The Parties agree to forego or suspend their USBR cost for any Water not scheduled and not delivered to WWD so long as, and to the extent that, the performance thereof shall be prevented by earthquakes, fires, tornadoes, facility failures, floods, drownings, strikes, other casualties or acts of God, orders of court or governmental agencies having jurisdiction over the subject matter thereof or other events or causes beyond the control of the parties hereto.

10. Housekeeping.

(a) BSF and BBID agree that the delivery of the Water under this Agreement shall not give BSF or WWD any right to acquire BBID water beyond the term of this Agreement.

(b) The Parties understand that time is of the essence and that BBID and BSF will be required to execute separate Water Transfer Agreements with WWD to effectuate the transfer of Water under this Agreement.

(c) The Water will be transferred to and credited to BSF's WWD Account No. 605, and BBID agrees to transmit this information to WWD, if requested.

(d) BBID makes no warranty or representations as to the quality or fitness for use of the Water transfer and delivered to BSF under this Agreement. BSF shall be responsible for all necessary measures at its own expense for any testing, treatment, and other steps required for use of the Water.

(e) This Agreement constitutes the entire Agreement between BBID and BSF and supersedes any oral agreement, statement, or promise between them relating to the subject matter of this Agreement. Any amendment, including oral modification, must be reduced to writing and signed by both Parties to be effective.

(f) The signatories attest that they are authorized to execute this Agreement.

(g) This Agreement may be executed in counterparts, each of which shall be an original but all of which together shall constitute a single document.

(h) Should any litigation commence between the parties to this Agreement concerning the rights and duties of any party pursuant to, related to, or arising from, this Agreement, the prevailing party in such litigation shall be entitled, in addition to such

other relief as may be granted, to reasonable attorneys' fees and costs of such litigation as shall be determined by the court in such litigation, or in a separate action brought for that purpose.

In WITNESS WHEREOF, the parties executed this Agreement on this day first mentioned above.

BYRON-BETHANY IRRIGATION DISTRICT

BLUE SKY FARMS

By: _____

By: _____

Edwin Pattison, General Manager

Erick H. Johnson, Owner

JOINT ESCROW INSTRUCTIONS

EXHIBIT A

THESE JOINT ESCROW INSTRUCTIONS are made and effective as of _____, by and between Byron-Bethany Irrigation District (“BBID”) and Blue Sky Farms (“BSF”) with reference to the following facts:

A. BBID and BSF are the parties to that certain Agreement for Temporary Transfer of Water dated as of _____, a copy of which is attached hereto (the “Transfer Agreement”). Pursuant to the Transfer Agreement, BBID will cause to have transferred up-to 450 acre-feet of Water, to Westlands Water District on behalf of BSF during 2026 (no later than February 28, 2027).

B. Pursuant to Paragraph 3 of the Transfer Agreement, BSF is to make a deposit of \$231,273.00 into an escrow (the “Escrow”) on or before July __, 2026, or five (5) business days after execution of this Agreement, whichever is later, by both parties, *plus an amount to cover all commissions and escrow fees* (the “Funds”). The Funds constitute a portion of the purchase price of the water to be transferred by BBID pursuant to the Transfer Agreement.

C. Placer Title Company (“Escrow Holder”) has agreed to act as the escrow holder for the Funds. This Agreement, together with Exhibit B hereto, shall constitute the instructions for the Escrow upon acceptance by Escrow Holder.

THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Establishment of Escrow. Upon execution of these Escrow Instructions by Escrow Holder, the Escrow shall be opened at Escrow Holder’s office at 7700 N. Palm Ave., Suite 101, Fresno, CA 93711. The Funds shall be thereupon deposited into the Escrow by BSF and shall be held by Escrow Holder in ***a non-interest bearing account***. Escrow Holder’s duties hereunder are expressly limited to holding, investing, and disbursing the Funds. Escrow Holder is under no obligation to take any action under Transfer Agreement or otherwise except as expressly described in these Escrow Instructions.

2. Procedure for Disbursement. Escrow Holder shall not be responsible for determining that the conditions precedent to the distribution of the Funds from the Escrow have been satisfied. The Funds shall be distributed from the Escrow to BBID by Escrow Holder upon receipt of escrow instructions from both BBID and BSF authorizing such disbursement. BBID and BSF shall provide such instructions to Escrow Holder as soon as all conditions precedent to such disbursement have been satisfied or waived. Disbursement shall occur as soon as possible following the receipt of such instructions.

3. Procedure Following Disbursement. Upon disbursement of the Funds, Escrow Holder shall deliver to BBID and BSF escrow statements and any other documents appropriate for delivery out of the Escrow. All escrow fees shall be paid by BSF except as set forth below, and prior to the disbursement of Funds BSF shall deposit into the Escrow an amount sufficient to cover all such fees. Escrow Holder is hereby authorized to disburse its fees from the Escrow following disbursement of the Funds.

If escrow terminates due to the failure of conditions allowing the timely transfer of the water, the cancellation fees shall be shared equally by the parties. If the escrow fails to close due to the default of a party, the defaulting party shall pay the cancellation fees.

4. Escrow Holder's Standard Instructions. The standard form escrow instructions of Escrow Holder are attached hereto as Exhibit B, are incorporated herein by this reference, and shall apply to the Escrow. The parties shall execute such additional documents to confirm the application of such standard form escrow instructions as are requested by Escrow Holder.

5. Escrow Provisions. Time is of the essence in these Escrow Instructions. Subject to any contrary provisions of the Transfer Agreement, if the Escrow is not in a position to permit the disbursement of the Funds by September 30, 2026 (and no later than February 28, 2027), without any default by BBID or BSF, Escrow Holder shall cancel the Escrow upon receipt of written notice from both BBID and BSF authorizing such action. In the absence of such written notice of cancellation, Escrow Holder shall proceed to disburse the Funds as soon as possible. Except as provided in Section 6, upon any cancellation of the Escrow without closing Escrow Holder shall comply with the disbursement provisions of this agreement unless and until notice of cancellation is given by either party.

6. Matters Relating to Escrow Holder. In the event Escrow Holder is unable to comply with these Escrow Instructions without fault on the part of either BBID or BSF, the parties shall enter into additional joint escrow instructions instructing Escrow Holder to return to each party the Funds or documents that each has deposited into the Escrow; provided, that any cancellation charges shall be paid as set forth in paragraph 3 above. In the event of conflicting demands upon Escrow Holder with respect to the Funds, Escrow Holder may cease activity with respect to the Escrow and shall retain all Funds pending its receipt of joint instructions from the parties or instructions from the court of competent jurisdiction relating to the disbursement of the Funds. It is understood that the foregoing sentence is intended merely as an accommodation to Escrow Holder and shall in no way affect the rights, duties, or obligations of the parties under these Escrow Instructions, the Transfer Agreement or any other document by which they are bound.

7. Binding Effect. These Escrow Instructions shall be binding upon and shall inure to the benefit of the heirs, personally representative, nominees, successors and assigns of the parties.

8. Governing Law. These Escrow Instructions shall be governed by and construed in accordance with the laws of the State of California.

9. Counterparts. These Escrow Instructions may be executed in counterparts, each of which shall be an original but all of which together shall constitute a single document.

IN WITNESS WHEREFORE, the parties have executed these Escrow Instructions as of the date first above written.

Byron-Bethany Irrigation District

By: _____
Edwin Pattison, General Manager

Blue Sky Farms

By: _____
Erick H. Johnson, Owner

ACCEPTED:

PLACER TITLE COMPANY

By: _____

Placer Title Company
7700 North Palm Avenue, Suite 101, Fresno, CA 93711
(559) 261-2910 Fax - (559) 261-2963

EXHIBIT B
ESCROW INSTRUCTIONS

TO: **Placer Title Company ("Placer")**
Attn: **Gretchan Wheeler (Escrow Officer)**

Date: _____
File No.: P-_____

Description: Byron-Bethany Irrigation District to Blue Sky Farms up-to 450AF (TWAI #ABWA06090)

This escrow has been opened pursuant to that certain purchase agreement entitled "Agreement for Temporary Transfer of Water" and "Joint Escrow Instructions" dated _____ ("Purchase Agreement") by and between Byron-Bethany Irrigation District ("Seller") and Blue Sky Farms ("Buyer") with regard to that certain transfer commonly described as the up-to 450 acre-foot water transfer. The terms and conditions of the Purchase Agreement are incorporated herein by reference. Placer has been requested to act as escrow agent for the Buyer and Seller (jointly referred to as the "Parties" and individually as a "Party") under the Purchase Agreement.

Placer is willing to act as escrow agent ("Escrow Agent") for the parties pursuant to the Purchase Agreement subject to the following terms and conditions.

1. **Obligations of Escrow Agent.** Escrow Agent shall be responsible only for the applicable portions of Purchase Agreement dealing with financing, escrow, allocation of costs, prorations, and delivery of documents and Seller's assignment of proceeds to pay the broker commission, if any.
2. **Satisfaction of Executory Terms.** Pursuant to the Purchase Agreement, the consummation of the escrow is subject to satisfaction of certain executory terms and provisions which are not the responsibility of Escrow Agent. The Parties shall be solely responsible for determining such satisfaction and shall notify Escrow Agent in writing in a form reasonably satisfactory to Escrow Agent when such executory terms have been **fully** satisfied or are otherwise waived. Escrow Agent's receipt of such written acknowledgment shall constitute a direction to Escrow Agent to close the Escrow.
3. **General Provisions.** Escrow Agent's duties and responsibilities in this escrow are subject to the General Provisions. To the extent that the Purchase Agreement is inconsistent with the General Provisions, the terms of the General Provisions shall control as to Escrow Agent's rights, duties, and responsibilities.

Requirements for Interest Bearing Accounts. In the event that Escrow Agent is requested to deposit funds in an interest-bearing account, Escrow Agent shall not be obligated to open such account until Escrow Agent has received an executed Form W-9 with appropriate taxpayer information from the Party to whose benefit the interest will accrue. The Parties acknowledge that Escrow Agent shall be entitled to a fee of \$50.00 for opening any interest-bearing account.

Placer Title Company

Date: _____
File No.: P- _____

Funds Held Fee. If in the event that funds remain in escrow for any reason more than 90 days after the close of escrow, or if escrow has not closed 90 days after the estimated closing date set forth in the existing escrow instructions to Escrow Holder ("Dormancy Period"), Escrow Holder will make reasonable efforts to notify the parties regarding same. If funds remain in escrow beyond the Dormancy Period, a monthly "funds held fee" of \$25.00 shall accrue for each month or fraction of a month thereafter that the funds, or any portion thereof, remain in escrow. Escrow Holder is instructed to deduct the monthly funds held fee directly from the funds held in escrow on a monthly or other periodic basis (i.e., quarterly, semi-annually, etc.). The parties agree to pay these sums to compensate Escrow Holder for administering, monitoring, accounting, reminders and other notifications and processing of the funds so held in accordance with this provision.

Document/Funds Delivery: After close of escrow, all documents, funds and statements are to be sent to the undersigned at the addresses provided to Escrow Agent.

Escrow Fees. Escrow Agent shall allocate fees and costs between the Parties in accordance with the Purchase Agreement. The Parties understand that in the event of cancellation of this Escrow, Escrow Agent shall be entitled to a cancellation fee and reimbursement of any direct costs incurred at the request of a Party.

SELLER(S):

Byron-Bethany Irrigation District
By Edwin Pattison, General Manager

BUYER(S):

Blue Sky Farms
Erick H. Johnson, Owner

RE: Escrow No. P- _____

Gretchan Wheeler
Escrow Officer
Placer Title Company
7700 North Palm Avenue, Suite 101
Fresno, CA 93711

Dear Ms. Wheeler:

All conditions precedent to disbursement of the funds you now hold in P- _____ have now been satisfied. Please disburse funds as soon as possible and close the above numbered escrow. Any funds payable to seller or buyer shall be made via a check payable to seller or buyer.

Please let The Water Agency, Inc. know when these documents are ready, and they will pick them up and deliver them.

Thank you for your assistance on this matter.

BYRON-BETHANY IRRIGATION DISTRICT

By: _____

Edwin Pattison, General Manager

BLUE SKY FARMS

By: _____

Erick H. Johnson, Owner

Placer Title Company

7700 N. Palm, Suite 101
Fresno, CA 93711

Date:

Escrow No.:P-_____

Property Address: 450 AF WATER
TRANSFER
CA



785692-1004-0

**EXHIBIT C
ADDITIONAL INSTRUCTIONS**

ADDITIONAL TERMS & CONDITIONS

UNUSUAL ESCROW SERVICES: The undersigned parties hereby agree to pay an additional escrow fee for the following additional and unusual service pursuant to California Insurance Code 12401.8

Additional Service provided:

Agreed fee for said service: \$700.00

Buyers:

Blue Sky Farms

by Erick H. Johnson, Owner

Date Signed: _____

Sellers:

Byron-Bethany Irrigation District

Edwin Pattison, General Manager

Date Signed: _____

Escrow No. P- _____

Property Address: up to 450AF WATER TRANSFER CA

EXHIBIT D
GENERAL PROVISIONS

1. DEPOSIT OF FUNDS AND DISBURSEMENTS

All funds deposited in this escrow from any source shall be deposited by escrow holder in a non-interest bearing demand account or accounts in a state or national bank or savings and loan association. The depositors, may, at their election, request deposit of funds in an interest bearing account and escrow holder may charge a fee for establishing such account. The deposit of funds in a non-interest bearing account by escrow holder may result in escrow holder receiving a range of economic benefits from bank in the form of services, credits, benefits, or other things of value. All disbursement shall be made by Escrow Holder's check unless otherwise instructed in writing.

2. PRORATIONS AND ADJUSTMENTS

All prorations and/or adjustments called for in this escrow are to be made on the basis of a thirty (30) day month unless otherwise instructed in writing. The phrase "close of escrow" as used in this escrow means the date on which documents are recorded and relate only to proration and/or adjustments unless otherwise specified.

3. RECORDATION OF INSTRUMENTS

Escrow Holder is authorized to record any documents delivered through this escrow, if necessary or proper for the issuance of the requested policy of title insurance. Recordation of documents shall be construed as "close of escrow" unless otherwise specified in these instructions.

4. AUTHORIZATION TO FURNISH COPIES

Escrow Holder is authorized to furnish copies of these instructions, supplements, amendments or notices of cancellations, and closing statements in this escrow, to the real estate broker(s), agents, lender(s), attorney(s), accountant(s) involved in this escrow as well as the title insurer issuing any requested policy(ies) of title insurance upon the request of said lenders, real estate brokers, agents, attorneys, accountants and title insurer. Escrow Holder is also authorized to furnish to the Buyer's lender, all documents that support Seller's debits being paid through escrow.

5. PERSONAL PROPERTY TAXES

No examination, UCC search or insurance as to personal property and/or the amount of payment of personal property taxes is required unless otherwise instructed in writing.

6. PROPERTY TAXES--Intentionally deleted

~~Escrow Holder will prorate taxes on real property based on the latest figures available from the Tax Collector as of close of escrow. Assessments neither shown on the Collector's tax rolls as of close of escrow, nor specifically disclosed to Escrow Holder in writing prior to close of escrow are to be adjusted by the parties outside of escrow without liability to Escrow Holder. Any funds returned to Escrow Holder after close of escrow will be returned to the party against whom payment was charged, and any adjustments will be made by the parties outside of escrow without liability to Escrow Holder.~~

7. SUPPLEMENTAL PROPERTY TAXES--Intentionally deleted

~~Buyer and Seller herein acknowledge that there may be secured supplemental and/or additional taxes which may be assessed against the subject property by reason of change in ownership or completion of construction pursuant to California Revenue and Taxation Code, Section 75 et seq. This will be reflected in the policy of title insurance issued at close of escrow. However, Escrow Holder shall not be concerned with any supplemental taxes assessed after the close of~~

~~escrow. Escrow Holder shall also not be concerned with, or liable for payment, adjustment or proration of supplemental taxes assessed prior to close of escrow, unless said supplemental tax assessments are specifically reflected on the Tax Collector's rolls; or Seller provides any supplemental tax bills to Escrow Holder with an explanation of time periods covered by the tax bill(s) for proration purposes. All assessments not shown on the tax rolls; nor specifically disclosed to Escrow Holder in writing are to be adjusted by the parties outside of escrow without liability to Escrow Holder. Notwithstanding the foregoing, under no circumstances shall Escrow Holder be concerned with, or responsible for identifying, determining or paying the amount of any unsecured assessment(s).~~

8. AUTHORIZATION TO CORRECT OR AMEND DEED--Intentionally deleted

~~Buyer and Seller hereby authorize Escrow Holder to correct or amend after execution, the Grant Deed(s) being executed by Seller herein to (1) conform to the vesting of any Deed of Trust (if applicable; being executed by Buyer in this transaction; (2) at the request of Buyer, change or insert the method of holding title to the subject property; or (3) correct any typographical errors in the name of the grantor or grantee.~~

9. RIGHT OF CANCELLATION / EARNEST MONEY DISPUTES

Unless the purchase and sale agreement between the parties provides to the contrary, any party instructing Escrow Holder to cancel this escrow shall timely file a notice of cancellation in the specific office of Escrow Holder which is handling the escrow, and so state the reason for cancellation. Upon receipt of such request, Escrow Holder, shall prepare cancellation instructions in accordance with the terms of the request for signatures of the principals and shall forward same to the principals by certified and/or regular mail. If a written objection to cancellation is not received in Escrow Holder's office within ten (10) days after date of mailing, Escrow Holder is authorized at its option to comply with the notice, as well as demand for payment of Escrow Holder's cancellation charges and other fees or costs incurred in the escrow and set forth in the cancellation instructions. If a written objection is received or Escrow Holder does not receive mutual instructions signed by all parties, Escrow Holder is authorized at its sole discretion to hold all earnest money deposits in this escrow, and take no further action until otherwise directed either by mutual instructions or final order of a court of competent jurisdiction. Escrow Holder may collect its cancellation charges and other fees or costs incurred in the escrow unless a written objection to said fees and/or charges was received in writing by Escrow Holder within ten (10) days of mailing the cancellation instructions. This does not in any way limit or revoke the right of Escrow Holder to elect to file an interpleader or institute other legal action as set forth in Paragraph 10 of these General Provisions.

10. ACTION IN INTERPLEADER

The principals hereto expressly agree that you, as Escrow Holder, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court all documents and funds held in escrow. In the event such action is filed, the principals jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefor to be rendered by the court. Upon the filing of such action, you shall thereupon be fully released and discharged from all obligations to further perform any duties or obligations otherwise imposed by the terms of this escrow.

11. TERMINATION OF AGENCY OBLIGATION AND PAYMENT OF FEES AND CHARGES

If there is no action taken on this escrow within three (3) months after the estimated closing date as shown on the escrow instructions or any written extensions thereof, Escrow Holder's agency obligation shall terminate at Escrow Holder's option, and Escrow Holder shall prepare cancellation instructions for all parties in the manner set forth in Section 9 (Cancellation) and Section 10 (Interpleader). Nothing in this section limits or revokes Escrow Holder's right to file an interpleader or institute other legal action pursuant to paragraph 10 of these General Provisions.

12. CONFLICTING INSTRUCTIONS

Should Escrow Holder before or after close of escrow receive or become aware of any conflicting demands or claims with respect to this escrow or the rights of any of the parties hereto, or any money or property deposited herein or affected hereby, Escrow Holder shall have the right to discontinue any or all further acts on Escrow Holder's part until the conflict is resolved to Escrow Holder's satisfaction, and Escrow holder shall have the further right to commence or defend any action or proceeding for the determination of the conflict as provided in Paragraph 9 (Cancellation) and Paragraph 10 (Interpleader) of these General Provisions.

13. ABANDONED, UNCLAIMED OR DISPUTED FUNDS

Any funds held by Escrow Holder after close of escrow, or after conflicting demands have been made to Escrow Holder regarding the funds, or any funds abandoned or remaining unclaimed shall be assessed a holding fee of \$15.00 per month, which may be withdrawn from the funds on deposit. Any such funds described in this paragraph shall be maintained pursuant to paragraph 1 of these General Provisions, unless otherwise instructed by the principals in writing. After three years, the remaining amount of any unclaimed or abandoned funds may escheat to the State of California. Nothing in this section limits or evokes the right of Escrow Holder to file an interpleader or other court action pursuant to paragraph 10 of these General Provisions.

14. INSURANCE POLICIES OTHER THAN TITLE INSURANCE--Intentionally deleted

~~When dealing with real property and/or improvements located thereon it is advisable to obtain fire, hazard or liability insurance coverage. In all acts in this escrow relating to insurance, including adjustments, if any, Escrow Holder may assume that each policy is in force and that the necessary premium has been paid. Escrow Holder shall not be responsible for obtaining evidence of fire, hazard or liability insurance, unless Escrow Holder has received written instructions prior to close of escrow from the parties and/or their respective lenders.~~

15. USURY AND NOTE DISCLOSURE--Intentionally deleted

~~The undersigned acknowledges Escrow Holders obligations concerning the preparation of any notes or loan documents in this escrow are limited to the preparation of the loan documents in accordance with the instructions of the parties to said documents. Escrow Holder shall have no other liability or responsibility in this regard including, but not limited to, any liability or responsibility for questions of usury, the enforceability of any provisions being inserted in the loan documents at the request of one of the parties, the tax ramifications of the loan(s) or the interest thereunder, or any disclosures which are required to be made under the Dodd Frank Wall Street Reform Act or any other state or federal law requiring disclosures by the lender or arranger of credit.~~

16. LIMITATION OF LIABILITY RE: CLERICAL OR MATHEMATICAL ERRORS

In the event Escrow Holder miscalculates or otherwise makes an error in determining applicable prorations, in computing, paying, and/or obtaining lender or other payoff demands or statements, or in determining the amount of required funds from either party for the close of escrow, such error or miscalculation shall not relieve any party from any liability such party would otherwise have had if no such error or miscalculation had been made. To the extent that Escrow Holder shall advance its own funds to mitigate the effects of any miscalculation or error, Escrow Holder shall have the right to immediate reimbursement of such amounts advanced, together with interest at the rate of 10% per annum on the amount advanced plus any attorney's fees or collection fees incurred.

17. AGREEMENT OF COOPERATION OR REIMBURSEMENT (UNJUST ENRICHMENT)

In the event that any party to this escrow received funds or is credited with funds to which they are not entitled, for whatever reason, they agree upon written demand of Escrow Holder, to return said funds to the proper party entitled or to Escrow Holder for disbursement. Escrow Holder may advance its own funds to mitigate the effects of any erroneous disbursement or credit of funds to which a party to the escrow was not entitled. Escrow Holder may bring a lawsuit to enforce either the return of said funds, or the reimbursement of said funds. In the event that Escrow Holder brings such lawsuit, the parties agree to reimburse the prevailing party in any such action, its reasonable attorney's fees and costs incurred in such action.

18. REAL ESTATE CONTRACTS

Escrow Holder is not a party to the underlying Real Estate Contract. Unless the Real Estate Contract also constitutes joint escrow instructions, which instructions have been accepted in writing by escrow holder, escrow holder accepts no responsibility to discharge conditions or contingencies of the contract, and then only to the extent required by that portion of the contract which constitutes escrow instructions.

19. FACSIMILES AND ELECTRONICALLY TRANSMITTED DOCUMENTS AND SIGNATURES

In the event the parties to the transaction transmit signed documents or instructions (other than those documents which must be recorded and bear original notarized signatures) to Escrow Holder by facsimile, e-mail, or other electronic means authorized by law, Escrow Holder may rely on said documents, instructions or signatures in the same manner as if they bore original signatures. Upon Escrow Holder's request, the party transmitting the document or instruction will provide Escrow Holder the original of the document or instruction which bears original signatures within 72 hours after transmission.

20. REPRESENTATION AND INDEMNIFICATION.

The parties who have affixed their signature(s) to these instructions do hereby represent that they have no knowledge of any obligations, debts, easements, covenants or agreements, other than those specific items referenced within these instructions or any amendment thereto that might result in a lien, outstanding interest, or exception to title as of the close of escrow. Said parties do hereby indemnify and agree to reimburse Escrow Holder for any loss, costs, and attorney’s fees resulting from any false representation or failure to disclose such matters referred to under this paragraph, and those which might be created hereafter but prior to said close of escrow.

21. ESCROW NOT RESPONSIBLE FOR PAYMENT OF BILLS

The undersigned acknowledge that any bills or charges for repairs, work or inspections on the property are solely the responsibility of the parties to this escrow. Escrow Holder will not be responsible for payment of or collection of payment from parties to this escrow for any bills submitted to escrow other than those that have been approved for payment on the Buyer’s, Seller’s and Borrower’s settlement statements, and which Escrow Holder reserves the right to refuse to pay through escrow.

22. AUTHORIZATION TO OBTAIN PAYOFF AND OTHER INFORMATION

The undersigned hereby instructs and authorizes escrow holder to obtain pay off demands and such other information as escrow holder deems necessary from any creditors or lien holders that are to be paid in whole or in part through this escrow and authorizes said creditors or lien holders to provide such information to escrow holder.

BY OUR SIGNATURES SET FORTH BELOW, THE PARTIES ACKNOWLEDGE THAT WE HAVE READ, UNDERSTAND AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS CONTAINED HEREIN, IN THEIR ENTIRETY. THESE GENERAL PROVISIONS ARE PART OF THE ESCROW INSTRUCTIONS AND MAY BE EXECUTED IN COUNTERPARTS, EACH OF WHICH SHALL BE DEEMED AN ORIGINAL REGARDLESS OF THE DATE OF ITS EXECUTION AND DELIVERY AND ALL SUCH COUNTERPARTS TOGETHER SHALL CONSTITUTE ONE DOCUMENT.

Date: _____

Date: _____

Seller(s):

By:

Byron-Bethany Irrigation District
By: Edwin Pattison
General Manager

Buyer(s):

By:

Blue Sky Farms
By: Erick H. Johnson
Owner