

SETTLEMENT AGREEMENT

This Settlement Agreement is made by and between San Diego Coastkeeper and Coastal Environmental Rights Foundation (“Plaintiffs”), the International Boundary and Water Commission–United States Section and its commissioner in his official capacity (“USIBWC”), and Veolia Water West Operating Services, Inc.

WHEREAS, on or about January 30, 2024, Plaintiffs sent USIBWC and Veolia a Notice of Intent to Sue under the Clean Water Act (“Notice Letter”);

WHEREAS, in April 2024, Plaintiffs filed a complaint against the USIBWC and Veolia Water North America – West, LLC, in the United States District Court for the Southern District of California, Case No. 3:24-cv-00663 (S.D. Cal.) (“Litigation”);

WHEREAS, in March 2025, Plaintiffs filed a First Amended Complaint in the Litigation alleging that USIBWC and Veolia Water West Operating Services, Inc. violated Sections 301 and 402 of the Clean Water Act, 33 U.S.C. §§ 1311 and 1342, by unlawfully discharging pollutants from certain USIBWC-owned infrastructure and by failing to comply with certain requirements of its National Pollutant Discharge Elimination System permit (“NPDES”), ECF No. 48;

WHEREAS, USIBWC and Veolia answered the First Amended Complaint, ECF Nos. 59, 85;

WHEREAS, Plaintiffs, USIBWC, and Veolia wish to settle all claims in and completely resolve the Litigation, including Plaintiffs’ claim for costs and attorneys’ fees, to avoid unnecessary litigation and without any admission of fact or law; and

WHEREAS, the Parties are not asking the court to retain jurisdiction to enforce the terms of the settlement or enter this Agreement as a judicial order.

NOW, THEREFORE, it is agreed:

1. Definitions. Whenever the terms listed below are used, the following definitions shall apply:
 - a. “Agreement” means this Settlement Agreement.
 - b. “Effective Date” means the date this Agreement is executed by counsel for all Parties.
 - c. “Facility” has the same meaning as that term is defined in Attachment A of the NPDES Permit No. CA0108928, Order No. R9-2021-0001, as Amended by Order No. R9-2023-0009.
 - d. “Litigation” means the civil action that Plaintiffs brought against USIBWC and Veolia Water West Operating Services, Inc., in the United States District Court for the Southern District of California, Case No. 3:24-cv-00663 (S.D. Cal.).
 - e. “Minute 328 Project Portal” means the public web portal that USIBWC maintains showing the location and status of projects included in the July 2022 Minute 328 of the United States-Mexico Treaty for Utilization of Waters of the Colorado and Tijuana Rivers and of the Rio Grande, signed February 3, 1944, currently available at <https://gisportal.ibwc.gov/agsportal/apps/instant/sidebar/index.html?appid=042ae0c0255b4dd0a6364581ef55ef5e>.
 - f. “Parties” and “Party” mean the parties to this Agreement, which are Plaintiffs, USIBWC, and Veolia.
 - g. “USIBWC” means the International Boundary and Water Commission—United States Section and its commissioner in his official capacity.
 - h. “Veolia” means Veolia Water West Operating Services, Inc., and its predecessors and successors in interest, affiliates, subsidiaries, parents, divisions, associates,

representatives, owners, assigns, insurers, reinsurers, shareholders, present and future directors and officers, and all employees, attorneys, agents and persons acting by, through, under or in concert with all of the foregoing.

2. Application of this Agreement. This Agreement applies to, is binding upon, and inures to the benefit of only the Parties.

3. Effect of Settlement. All negotiations and related communications and proceedings regarding the actions the Parties agreed to undertake in this Agreement shall be treated as compromise and settlement negotiations for the purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law. This Agreement shall not be admitted for any purpose in any proceeding without prior notice to the Parties.

4. USIBWC's Actions.

a. USIBWC will make best efforts to perform monthly updates for all projects that are tracked by the Minute 328 Project Portal.

b. USIBWC will make best efforts to inform the public via its social media account on X (formerly Twitter) within three business days of significant changes in Facility operations, the status of major repairs that could significantly impact the Facility, and learning of information that could significantly impact Facility operations (for example, unexpectedly high flows originating in Mexico that might impact the canyon-collector system). This provision imposes no requirement on USIBWC to inform the public of minor or incidental changes, malfunctions, or delays in repairs that have an insignificant effect on Facility operations.

c. Within one year after the Effective Date, members of USIBWC staff will participate in one meeting at Plaintiffs' request to discuss operations at the Facility. Plaintiffs may contact Rebecca Rizzuti at Rebecca.rizzuti@ibwc.gov to request and schedule the meeting.

5. Veolia's Actions. While Veolia operates any part of the Facility under a contract with USIBWC, Veolia will make best efforts to assist USIBWC in the completion of the actions in Paragraph 4(b) by providing information to USIBWC that may come within the reporting requirements of that subparagraph.

6. Dismissal of Claims. Within three days after receiving the payment amount agreed to in Paragraph 10, Plaintiffs shall, pursuant to Federal Rule of Civil Procedure 41(a)(2), move to dismiss all claims against all parties to the Litigation.

7. Release. In consideration for entering into and complying with each and every provision in this Agreement, Plaintiffs shall release, discharge, and covenant not to assert, by way of commencement or refiling of any action or in any other fashion, any and all claims, causes of action, suits, or demands of any kind in law or in equity that were or could have been asserted in the Litigation based upon the facts or claims asserted in the Notice Letter or the First Amended Complaint, whether known or unknown, that existed on or before the Effective Date, against USIBWC and Veolia. The remedy described in Paragraph 12 is the sole exception to this release.

8. Section 1542 Waiver. With respect to any matters released by this Agreement, the Parties waive and relinquish any rights, defenses, or benefits they may have under Section 1542 of the California Civil Code or any analogous provision, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Parties acknowledge that they may hereafter discover facts in addition to, or different from, those which they now know or believe to be true with respect to the subject matter of this Agreement. The Parties agree that the releases under this Agreement, which are an integral part of the consideration provided under it, shall be, and will remain, effective in all respects notwithstanding the discovery of such different or additional facts.

9. Covenant Not to Sue. Provided that USIBWC complies with every term in Paragraph 4, for a period of two years from the entry of orders dismissing the Litigation, no Plaintiff will file suit against USIBWC or Veolia for violations of the Clean Water Act or based on any alleged failure to comply with requirements of any NPDES permit issued for the Facility prior to providing USIBWC and Veolia notice and attempting to resolve any Clean Water Act claims in a good faith.

10. Fees and Costs. The Parties agree that Plaintiffs are entitled to reasonable attorneys' fees and costs for work completed in connection with the Litigation and accrued as of the Effective Date.

a. The United States shall pay \$494,945.33 to Plaintiffs by electronic funds transfer in accordance with instructions provided by Plaintiffs' counsel to counsel-of-record for USIBWC in the Litigation.

b. Any obligations of the United States to expend funds under this Agreement are subject to the availability of appropriations in accordance with the Anti-Deficiency Act, 31 U.S.C. § 1341. This Agreement shall not be construed to require the United States to obligate or pay funds in contravention of the Anti-Deficiency Act, 31 U.S.C. § 1341.

c. Plaintiffs agree that payment of the amount agreed upon in this paragraph within 120 days of the Effective Date, or acceptance by Plaintiffs' counsel of such payment on

any subsequent date, shall constitute full and final payment of all attorneys' fees and costs of litigation incurred by all Plaintiffs in the Litigation as of the Effective Date. Such payment or acceptance of payment releases the United States, including USIBWC, from any claims regarding such fees and costs that Plaintiffs have asserted or could have asserted under any provision of law in connection with the Litigation.

d. Plaintiffs warrant and certify that they will not collect or seek to collect attorneys' fees or costs in connection with the Litigation other than those provided for in this Agreement.

11. Preservation of Agency Discretion Consistent with Governing Law. Except as expressly provided herein, nothing in this Agreement shall be construed to limit or modify the discretion accorded USIBWC by statute, treaty, or other applicable law.

12. Dispute Resolution. In the event of a disagreement between the Parties concerning the interpretation or completion of any aspect of this Agreement, the dissatisfied Party shall provide the other Party with written notice of the dispute and a request for negotiations. The Parties shall meet and confer to attempt to resolve the dispute within fifteen business days of the written notice, or such time thereafter as is mutually agreed. If the Parties are unable to resolve the dispute within forty-five days of such meeting, Plaintiffs' sole remedy is to bring an action to reassert the existing claims in the First Amended Complaint in the Litigation. If any Plaintiff files suit to reassert the claims in the First Amended Complaint, USIBWC and Veolia reserve any and all claims or defenses, except that each agrees that it will not raise as a defense the expiration of any statute of limitations, laches, or any similar defense arising from Plaintiffs' execution of this Agreement that would undermine any Plaintiff's ability to prosecute its lawsuit. The Parties agree that contempt of court is not an available remedy under this Agreement.

13. Modification. This Agreement may be modified by written agreement of the Parties without notice to the court. Any dispute regarding invocation of this provision shall be resolved in accordance with the dispute resolution provisions of Paragraph 12.

14. Notice. Any notice required or made with respect to this Agreement shall be in writing and shall be effective upon receipt.

a. For any matter relating to this Agreement, the contact persons are as follows.

For Plaintiffs:

Livia Borak Beaudin
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1140 South Coast Highway 101
Encinitas, CA 92024
Livia@coastlawgroup.com

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Courtney Brown
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San Diego CA 92111
Courtney@sdcoastkeeper.org

For USIBWC:

Chief, Environmental Defense Section
U.S. Department of Justice
Environment & Natural Resources Division
P.O. Box 7611
Washington, DC 20044

Brandon N. Adkins
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Rebecca Rizzuti
Deputy Chief Legal Counsel
U.S. International Boundary and Water Commission
Legal Affairs Office
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El Paso, TX 79902
Rebecca.rizzuti@ibwc.gov

For Veolia:

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New York, NY 10020-1001
mingber@mayerbrown.com

Thomas H. Bienert, Jr.
Bienert Katzman Littrell Williams LLP
903 Calle Amanecer, Suite 350
San Clemente, CA 92673
tbienert@bklwlaw.com

b. Upon written notice to the other Party, any Party may designate a successor contact person for any matter relating to this Agreement.

15. Force Majeure. The possibility exists that circumstances outside the reasonable control of USIBWC or Veolia could delay compliance with this Agreement. Such situations include, but are not limited to, a government shutdown, a natural disaster, or catastrophic environmental events requiring an immediate or time-consuming response by USIBWC or Veolia. If USIBWC or Veolia invokes this term of the Agreement, the invoking Party will provide Plaintiffs with reasonable notice.

16. Interpretation and Applicable Law. This Agreement shall be governed, construed, and interpreted in accordance with the laws of the United States and the State of California without regard to principles of conflicts of law. This Agreement shall be interpreted and

construed as a whole, according to its fair meaning and not strictly for or against any Party, and without regard to which Party drafted the Agreement or any section thereof.

17. Termination. Except where a shorter period is provided, USIBWC's and Veolia's obligations under this Agreement shall be terminated two years after the Effective Date.

18. Final Agreement. This Agreement constitutes the final, complete, and exclusive agreement and understanding between Plaintiffs, USIBWC, and Veolia with respect to the matters addressed in this Agreement. There are no representations, agreements, or understandings relating to this settlement other than those expressly contained in this Agreement.

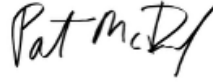
19. Representative Authority. The individuals signing this Agreement on behalf of the Parties certify that they are authorized to bind their respective Parties to this Agreement.

WHEREFORE, after reviewing the terms and conditions of this Agreement, Plaintiffs, the United States on behalf of USIBWC, and Veolia hereby consent and agree to the terms and conditions of this Agreement.

FOR SAN DIEGO COASTKEEPER:

Dated: 8/4/26

By:



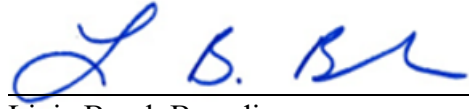
Patrick McDonough
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San Diego Coastkeeper
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San Diego, CA 92111

Attorneys for San Diego Coastkeeper

FOR COASTAL ENVIRONMENTAL RIGHTS FOUNDATION:

Dated: 8/4/2026

By:



Livia Borak Beaudin
Coast Law Group LLP
Attorneys for Plaintiff Coastal
Environmental Rights Foundation

FOR USIBWC:

Dated: August 5, 2026

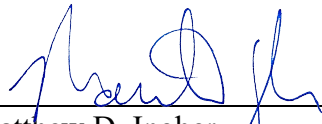
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FOR VEOLIA:

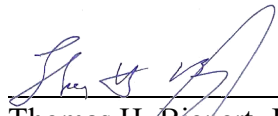
Dated: 8/5/2026

By:


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Dated: 8/5/2026

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