

Appendix J
Water Supply Assessment

I-15 Logistics Project
Draft Environmental Impact Report

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Final Water Supply Assessment for I-15 Logistics Center

Prepared by:



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Board Approved on

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Chapter I – Introduction

This Water Supply Assessment (WSA) has been prepared for the I-15 Logistics Center (Project) in accordance with the provisions of Senate Bill No. 610 (SB 610). California Water Code references are provided throughout this document *in italic text* where relevant.

SB 610

For projects meeting certain criteria, a public water system supplier must prepare and approve a WSA that contains three parts:

- Explicit identification of existing and anticipated water supply entitlements, water rights and water service contracts, demonstrated by contracts, Capital Improvement Programs, and permit applications.
- If no water has been received from the source identified to supply the project, other competing purveyors that receive water from this source must be identified.
- If groundwater is a proposed supply, factors such as adjudicated rights, groundwater management practices and historical pumping must be presented to establish proper use of the resource.

The latest adopted Urban Water Management Plan (UWMP) may be utilized to provide the information required for the WSA. If the demands expected from the proposed project are not accounted for in the UWMP, a discussion must be included with regard to whether the water system’s total projected water supplies during normal, single dry and multiple dry years over a 20-year period from the date of the report, will meet the projected demand of the proposed project in addition to the system’s existing and projected future uses.

On the basis of the WSA, the public water supplier is required to provide “written verification” of “sufficient water supplies.” The verification must consider the following factors:

- The availability of water over the next 20 years.
- The applicability of any urban water shortage contingency analysis prepared per Water Code Section 10632.
- The reduction in water supply allocated to a specific use by an adopted ordinance.
- The amount of water that can be reasonably relied upon from other water supply projects, such as conjunctive use, reclaimed water, water conservation, and water transfer.

In June 2016 West Valley Water District (District) adopted the 2015 San Bernardino Valley Regional Urban Water Management Plan (RUWMP), as is required for water suppliers providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre feet per year (AFY).

The RUWMP projected water supplies to meet future demands through the year 2040. It assessed the projected demand and supply and concluded that the District has, and will have, an adequate water supply to meet all demands within their service area to 2040.

The RUWMP contains the following information as required by Water Code Section 10910 for WSAs:

- A detailed description of each groundwater basin that supplies the District with potable water.
- Copies of the court decrees and judgments for each groundwater basin.
- A detailed description and analysis of the amount and location of groundwater pumped by the District for each groundwater basin for the last five years.
- A detailed description and analysis of the amount and location of the groundwater projected to be pumped from each groundwater basin by the District.
- An analysis of the sufficiency of each groundwater basin to meet the District's projected amounts to be pumped under normal, single dry year, and multiple dry year conditions for the next 20 years (2015 - 2040) in five-year increments.

This WSA incorporates information and direct citations from the RUWMP. Additional information can be found in the adopted RUWMP

(https://wuedata.water.ca.gov/public/uwmp_attachments/6449323356/SBV_RUWMP_rev_with_appendices.pdf).

Project Overview

The Project site is located in unincorporated San Bernardino County just north of Interstate 15 (I-15), south of Sierra Avenue, east of Lytle Creek Road, and mostly within the northern portion of the City of Fontana's (City's) Sphere of Influence. The Project involves the development of a new warehouse facility, the realignment of Lytle Creek road, and the annexation of these components, and additional areas into the City of Fontana. The total annexation area into the City of Fontana would be 119.34 acres. The proposed annexation would include 22 parcels, inclusive of the warehouse site, and portions of the road right-of-way (ROW) for Lytle Creek Road, Sierra Avenue, and I-15. The Project includes Tentative Parcel Map 19712.

The Project is mostly within the water service area of the District (Figure 1), a public water system as defined in CWC Section 10912. The District's existing service area and its sphere of influence area do not fully cover the project site; therefore, an expansion of the District's sphere of influence is proposed to fully cover the Project area. Annexation of the project into the District's service area is proposed so it can provide water service to this future area of the City. Additionally, San Bernardino Valley Municipal Water District (SBVMWD) is a wholesale water provider and State Water Contractor and provides water to the City and the District. SBVMWD's existing service area does not fully include the Project site. Therefore, annexation of the Project into SBVMWD's service area is also proposed so that it can provide wholesale water service for this future area of the City.

The Project site consists of 72.34 acres, located within a portion of the larger 119.34 acre annexation area. The portion of the project site being developed with uses associated with water demand includes 61.17 acres and consists of a concrete tilt-up logistics warehouse of approximately 1,175,720 square feet. The Project is being entitled to include two potential office spaces that would total approximately 30,000 square feet and would be located on the northeast and southeast corners of the proposed warehouse with associated facilities and improvements such as a guard booth, parking, landscaping, and a detention basin. The Project will require water for consumptive and sanitary purposes to support employees at the facility and for irrigation of landscaped areas.

The Project location incorporates an area that is currently developed with eight rural residential uses as well as undeveloped land. Two of the residences are proposed to be redeveloped into the proposed industrial use. The demands of the remaining existing residential uses are supplied privately and it is assumed they will not connect to the District's water systems as part of this Project.

Chapter II – Water Supply Assessment

Determination of a Project

California Water Code section 10910

(a) Any city or county that determines that a project, as defined in Section 10912, is subject to the California Environmental Quality Act Division 13 (commencing with Section 21000) of the Public Resources Code, under Section 21080 of the Public Resources Code shall comply with this part.

As defined in Section 10912(a) (5) of the California Water Code, *a proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area, must have a WSA included in their Environmental Impact Report. This particular Project falls into this category, and therefore requires a WSA.*

Preparer

California Water Code section 10910

(b) The city or county, at the time that it determines whether an environmental impact report, a negative declaration, or a mitigated negative declaration is required for any project subject to the California Environmental Quality Act pursuant to Section 21080.1 of the Public Resources Code, shall identify any water system that is, or may become as a result of supplying water to the project identified pursuant to this subdivision, a public water system, as defined in Section 10912, that may supply water for the project. If the city or county is not able to identify any public water system that may supply water for the project, the city or county shall prepare the water assessment required by this part after consulting with any entity serving domestic water supplies whose service area includes the project site, the local agency formation commission, and any public water system adjacent to the project site.

The Project is mostly within the water service area of the District, a public water system as defined in Section 10912, and the District would supply water for the project. Figure 1 depicts the project location within the District's current service area boundary. Annexation of the remaining portion of the Project into the District's service area is proposed.

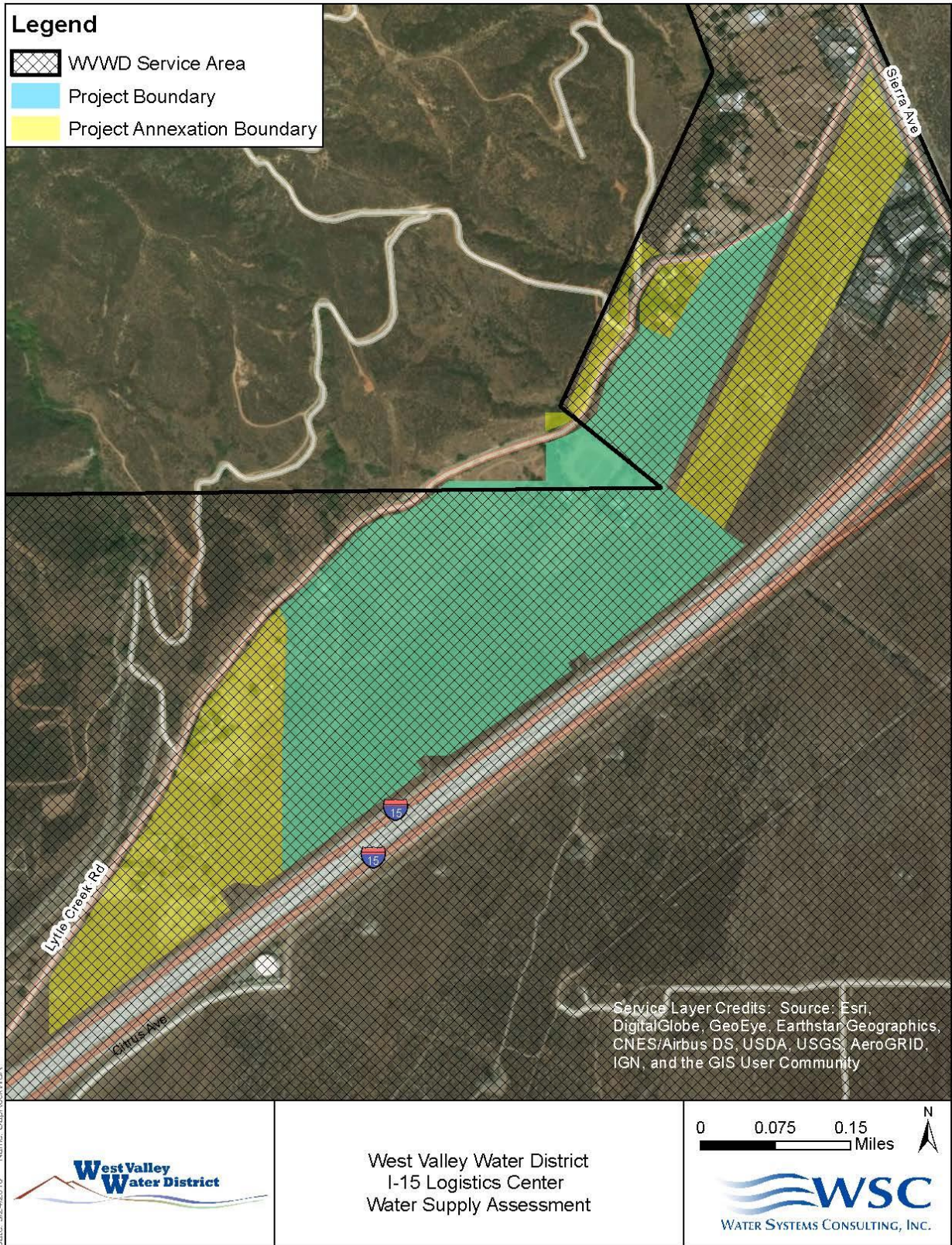


Figure 1. Project Location

Project Demands Inclusion in an UWMP

California Water Code section 10910

(c) (1) The city or county, at the time it makes the determination required under Section 21080.1 of the Public Resources Code, shall request each public water system identified pursuant to subdivision (b) to determine whether the projected water demand associated with a proposed project was included as part of the most recently adopted urban water management plan adopted pursuant to Part 2.6 (commencing with Section 10610).

(c) (2) If the projected water demand associated with the proposed project was accounted for in the most recently adopted urban water management plan, the public water system may incorporate the requested information from the urban water management plan in preparing the elements of the assessment required to comply with subdivisions (d), (e), (f), and (g).

The 2015 RUWMP is the most recently adopted UWMP by the District and outlines water supplies that will be used by the District to fulfill projected future demand. The District's projected future water demands in the 2015 RUWMP were derived from three factors: the expected growth in service area population, the expected change in per-capita consumption, and the expected industrial growth in addition to overall demand growth. For planning purposes, the District estimated that beginning in 2020, its per-capita consumption would be approximately 10 percent higher than the observed 2015 value. This methodology assumes that all other non-residential water uses will increase proportionately to residential uses. It was also assumed industrial demand would increase by an additional 1,100 AFY beyond the projected demands determined using the per-capita methodology.

As shown on the Conceptual Site Plan in Figure 2, the proposed developed site area is 61.17 acres and is comprised of M-2 General Industrial, Warehouse (S-1), Office (B) uses. For the purposes of estimating water demands for the Project, the developed acres attributed to each use type, including landscape irrigation for light industrial and parking area requirements for both uses, were estimated by prorating the total developed area based on the building square feet for each use type. Demands were then estimated for the Project using land use based water demand factors from the District's 2012 Water Master Plan (WMP). The land use demand factors are applied to gross estimated acreage for each land use. Applying the District's 2012 WMP water usage rate of 2,000 gpd/acre for the Light Industrial building, parking and landscape irrigation areas and 3,500 gpd/acre to office building and parking areas yields a demand of 147 AFY as shown in Table 1. The Project is expected to be completed in a single phase and the water demands are expected to be in place by 2020. The existing residential uses within the Project area are not currently served by the District so the redevelopment of these uses does not impact the estimated demands for the Project area.

Table 1. Estimated Project Demands

Land Use	Acres	WMP Factor (gpd/acre)	AFY
Office	6.13	3,500	24
Light Industrial (Warehouse)	55.03	2,000	123
Totals	61.2		147

The RUWMP assumed that the District's total industrial demands would increase from 709 AFY in 2015 to 2,231 AFY in 2040, a total increase of 1,522 AFY. The additional demands of the Project of 147 AFY are less than the assumed increase in industrial demands in the RUWMP; therefore, the demands of the Project were included in the RUWMP. Information from the 2015 RUWMP was used for this WSA and is described in detail in the following sections.

Note that the District is also currently preparing a WSA for another industrial development in their service area in the unincorporated San Bernardino County community of Bloomington that is estimated to have a net additional demand of 70 AFY. When considered in addition to the demands of this Project, the total is still lower than the assumed increase in industrial demands in the RUWMP.

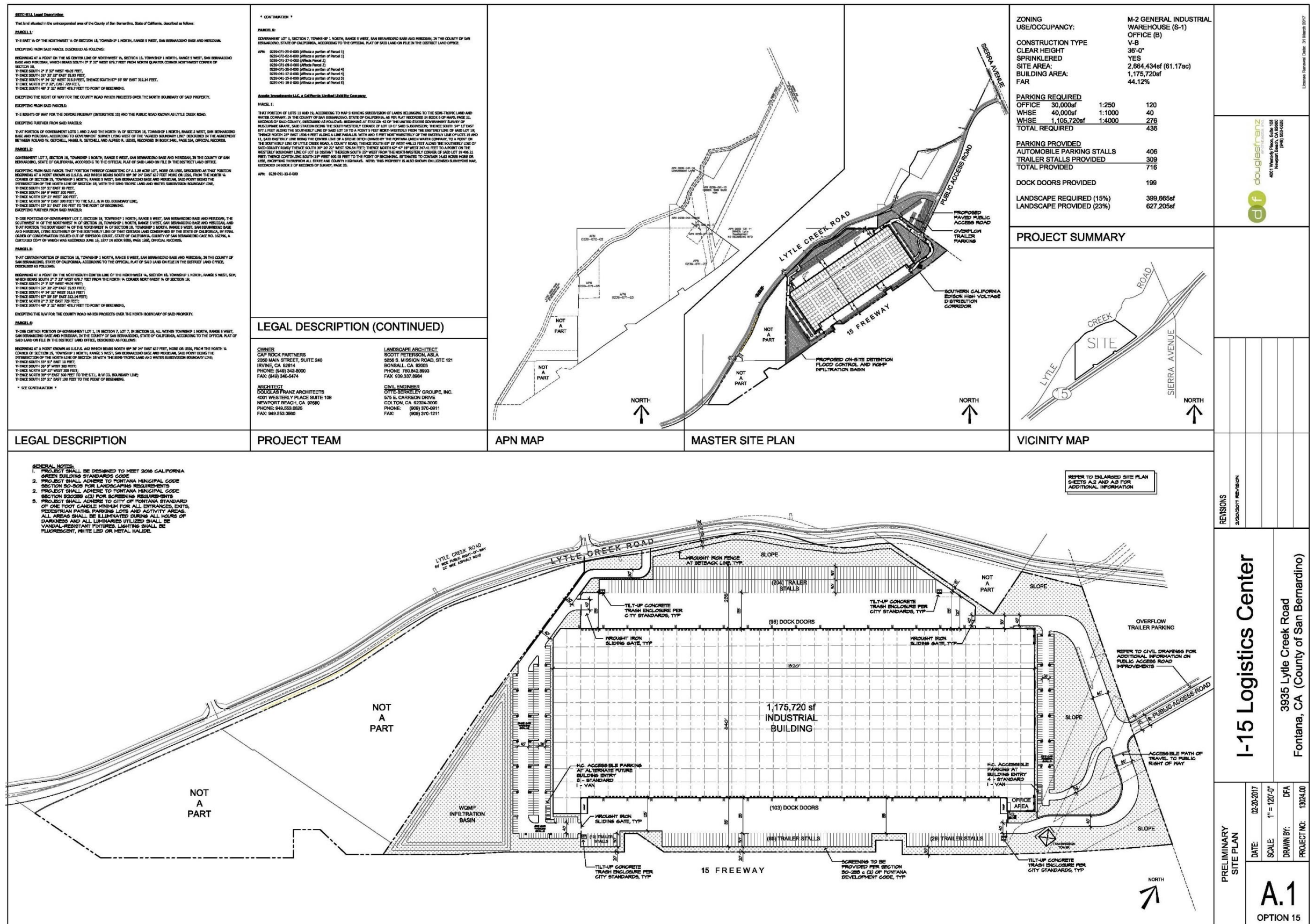


Figure 2. Conceptual Site Plan

System Description

Water Code section 10631 (Urban Water Management Plan Requirements)

(a) Describe the service area of the supplier, including current and projected population, climate, and other demographic factors affecting the supplier's water management planning. The projected population estimates shall be based upon data from the state, regional, or local service agency population projections within the service area of the urban water supplier and shall be in five-year increments to 20 years or as far as data is available.

A summary of the District's service area and population are included in this section. Additional information related to the population estimates and other factors affecting the District's water management planning are published in the 2015 RUWMP.

The District is a County Water District, a public agency of the State of California, organized and existing under the County Water District Law (Division 12, Section 30,000 of the Water Code) of the State of California. Among other typical political subdivision powers, it has the power of taxation and eminent domain.

The District is located in southwestern San Bernardino County with a small part in northern Riverside County. The service area is shown in Figure 3. The District is adjacent to the western limits of the City of San Bernardino on the east; adjacent to and including the eastern part of the City of Fontana on the west; adjacent to the U.S. Forest Service boundary on the north; and the County of Riverside on the south. The District is divided into northern and southern sections by the central portion of the City of Rialto.

The current and estimated future populations within the District from the 2015 RUWMP are shown in Table 2.

Table 2. Population - Current and Projected

Population Served	2015	2020	2025	2030	2035	2040
Population Served	80,161	86,246	92,793	99,836	107,415	115,568

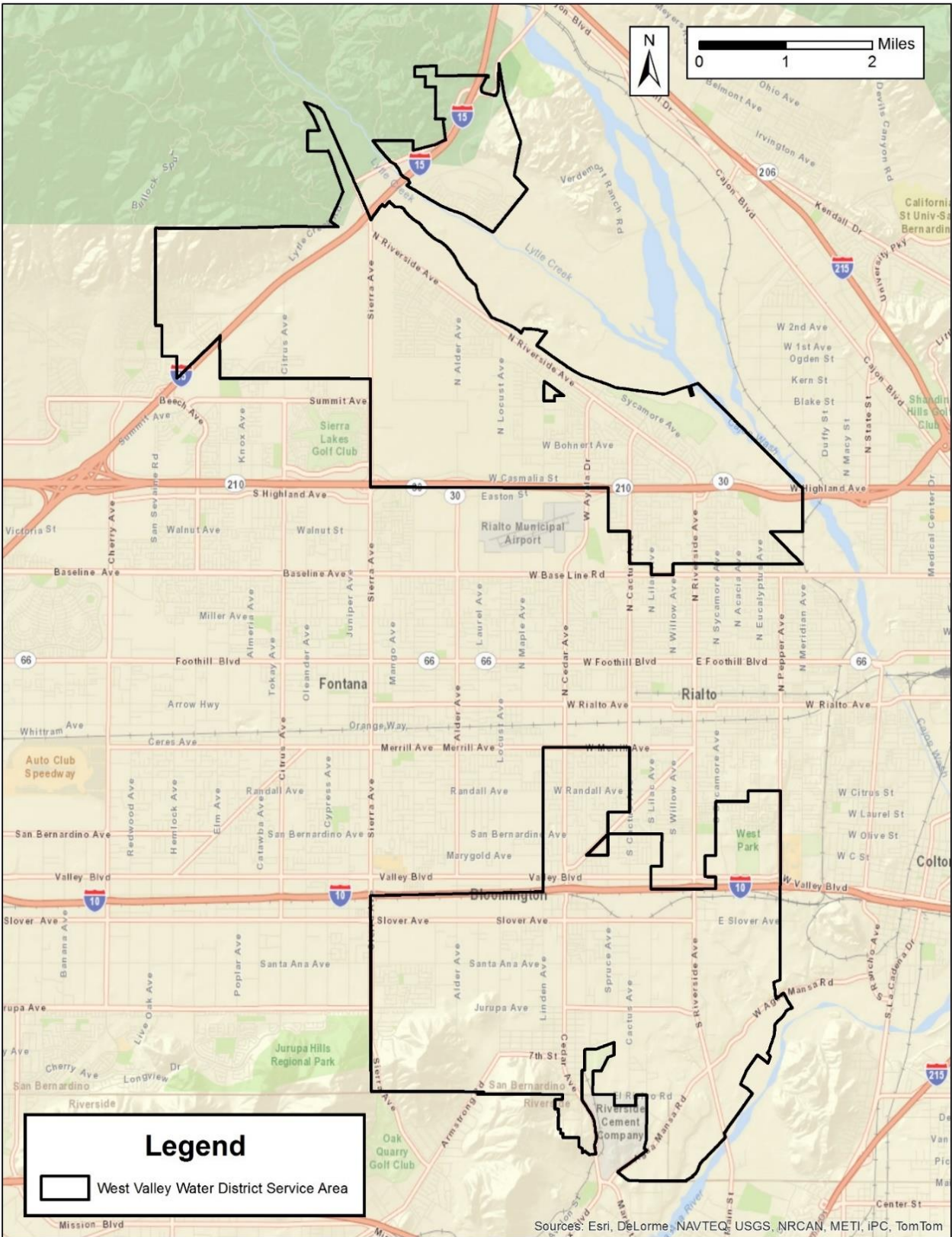


Figure 3. West Valley Water District Service Area

Water Demands

California Water Code section 10631

(e) (1) Quantify, to the extent records are available, past and current water use, over the same five-year increments described in subdivision (a), and projected water use, identifying the uses among water use sectors including, but not necessarily limited to, all of the following uses:

(A) Single-family residential.

(B) Multifamily.

(C) Commercial.

(D) Industrial.

(E) Institutional and governmental.

(F) Landscape.

(G) Sales to other agencies.

(H) Saline water intrusion barriers, groundwater recharge, or conjunctive use, or any combination thereof.

(I) Agricultural.

(2) The water use projections shall be in the same five-year increments described in subdivision (a).

The Water Conservation Bill of 2009 (SBX7-7) is one of four policy bills enacted as part of the November 2009 Comprehensive Water Package. The Water Conservation Bill of 2009 provides the regulatory framework to support the statewide reduction in urban per capita water use described in the 20 by 2020 Water Conservation Plan. Consistent with SBX7-7, the District has determined and reported its existing baseline water consumption and established future water use targets in gallons per day per capita, as described in the 2015 RUWMP. To meet these targets the District has formulated a conservation program to meet these goals, as described in the 2015 RUWMP.

Water Uses by Sector

The District categorizes customers as single family residential, multi-family residential, landscape irrigation, agricultural irrigation, commercial, industrial, institutional, fire service, and hydrant uses. Water deliveries for each customer class for the years 2011 through 2015 are summarized in Table 3.

Table 3. Past Demands for Raw and Potable Water – Actual (AF)

Use Type	Additional Description	Level of Treatment When Delivered	2011	2012	2013	2014	2015
Single Family		Drinking Water	12,017	12,789	12,400	11,958	9,786
Multi-Family		Drinking Water	531	597	566	553	504
Commercial		Drinking Water	1,450	1,625	1,690	1,654	1,453
Institutional		Drinking Water	1,020	1,232	1,160	1,157	825
Industrial		Drinking Water	886	876	762	770	709
Agricultural irrigation		Drinking Water	117	152	90	111	105
Landscape Irrigation		Drinking Water	1,355	1,674	1,687	1,799	1,319
Golf Course		Drinking Water	292	0	0	0	0
Fire Service		Drinking Water	2	2	1	2	2
Hydrant		Drinking Water	97	143	281	326	273
Sales/Transfers/Exchanges to other agencies	SB County Connection / Glen Helen	Drinking Water	0	0	0	10	92
Nonrevenue		Drinking Water	2,200	2,157	2,074	2,131	2,064
		Total	19,966	21,246	20,710	20,472	17,131

Projected future water use was estimated using two factors: the expected growth in service area population, and the expected change in per-capita consumption. For planning purposes, the District estimated that beginning in 2020, its per-capita consumption would be approximately 10 percent higher than the observed 2015 value. While the District will continue to encourage conservation, this assumption reflects the possible change in behaviors that may occur after the current drought ends and mandatory drought restrictions are phased out. The estimated future demands are shown in Table 4 and Table 5. The District does not anticipate any routine or single large water sales to any agencies in the future. The District does not anticipate future water use related to saline barriers, groundwater recharge operations, or recycled water. For the purpose of projections, based on data from the past five years, nonrevenue water is assumed to be 10 percent of total sales. The District will continue efforts to decrease water loss and thereby reduce gallons per capita per day of water use.

Table 4. Demands for Raw and Potable Water – Projected (AF)

Use Type	Additional Description	Level of Treatment	2020	2025	2030	2035	2040
Single Family		Drinking Water	11,654	12,538	13,490	14,514	15,616
Multi-Family		Drinking Water	600	646	695	747	804
Commercial		Drinking Water	1,730	1,861	2,002	2,154	2,318
Institutional		Drinking Water	982	1,057	1,137	1,223	1,316
Industrial		Drinking Water	1,944	2,008	2,077	2,151	2,231
Agricultural Irrigation		Drinking Water	100	80	40	20	0
Landscape Irrigation		Drinking Water	1,571	1,691	1,819	1,957	2,105
Golf Course		Drinking Water	0	0	0	0	0
Fire Service		Drinking Water	2	3	3	3	3
Hydrant		Drinking Water	325	349	376	404	435
Sales/Transfers/Exchanges to other agencies	SB County Connection / Glen Helen	Drinking Water	0	0	0	0	0
Nonrevenue		Drinking Water	1,891	2,023	2,164	2,317	2,483
	Total		20,799	22,256	23,802	25,492	27,312

Table 5. Total Water Demands (AF)

Demand	2015	2020	2025	2030	2035	2040
Potable and Raw Water	17,131	20,799	22,256	23,802	25,492	27,312
Recycled Water Demand	0	0	0	0	0	0
Total Water Demand	17,131	20,799	22,256	23,802	25,492	27,312

Water Supplies

California Water Code section 10910

- (d)(1) *The assessment required by this section shall include an identification of any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project, and a description of the quantities of water received in prior years by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), under the existing water supply entitlements, water rights, or water service contracts.*
- (2) *An identification of existing water supply entitlements, water rights, or water service contracts held by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), shall be demonstrated by providing information related to all of the following:*
- (A) *Written contracts or other proof of entitlement to an identified water supply.*
 - (B) *Copies of a capital outlay program for financing the delivery of a water supply that has been adopted by the public water system.*
 - (C) *Federal, state, and local permits for construction of necessary infrastructure associated with delivering the water supply.*
 - (D) *Any necessary regulatory approvals that are required in order to be able to convey or deliver the water supply.*

District Overview

The District utilizes three primary sources for drinking water supply: local surface water from flows on the east side of the San Gabriel Mountains, including North Fork Lytle Creek, Middle Fork Lytle Creek, and South Fork Lytle Creek; groundwater; and imported water from the State Water Project (SWP). The District distribution system is divided into eight pressure zones; it currently has 25 existing reservoirs with a total storage capacity of approximately 72.61 million gallons. The District also operates a 14.4-MGD water filtration facility. These supplies are discussed further below. The contracts and entitlements for District water supplies are summarized in Table 8 and are enclosed in Appendix A through Appendix E.

Surface Water

The District has the right to divert and export 2,290 gpm out of the Lytle Creek Region when it is available as described in the Lytle Creek Judgment in Appendix A. The District can also purchase an additional 1,350 gpm of Lytle Creek flows through an agreement with the City of San Bernardino (San Bernardino is not able to utilize their surface water flows), which is treated at the Oliver P. Roemer WFF (see Appendix A). The District also utilizes Lytle Creek surface water flows for groundwater recharge in the Lytle Creek Basin.

The District is participating in regional planning efforts to capture additional stormwater for purposes of groundwater recharge.

State Water Project

The District receives SWP water from the San Bernardino Valley Municipal Water District (Valley District) through the Lytle Turnout off the San Gabriel Feeder Pipeline. Newly constructed metering and transmission facilities will enable the District to purchase and treat up to 20 MGD (approximately 23,000 AFY) at final treatment plant expansion. SWP water is treated at the District's Oliver P. Roemer Water Filtration Facility (WFF) and used for potable supply, or can be used to supply non-potable customers, or for groundwater recharge in the Lytle Creek Basin. In 2006 the WFF was expanded to increase production capacity to 14.4 MGD. Ultimately this plant will have a capacity of 20.4 MGD. The District has been utilizing SWP water through the Lytle Turnout since 1999.

Groundwater Supplies

California Water Code section 10910

(f) If a water supply for a proposed project includes groundwater, the following additional information shall be included in the water assessment:

- (1) A review of any information contained in the urban water management plan relevant to the identified water supply for the proposed project.*
- (2) A description of any groundwater basin or basins from which the proposed project will be supplied. For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present*

management conditions continue, in the most current bulletin of the department that characterizes the condition of the groundwater basin, and a detailed description by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), of the efforts being undertaken in the basin or basins to eliminate the long-term overdraft condition.

- (3) A detailed description and analysis of the amount and location of groundwater pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), for the past five years from any groundwater basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.*
- (4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), from any basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.*
- (5) An analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet the projected water demand associated with the proposed project. A water assessment shall not be required to include the information required by this paragraph if the public water system determines, as part of the review required by paragraph (1), that the sufficiency of groundwater necessary to meet the initial and projected water demand associated with the project was addressed in the description and analysis required by paragraph (4) of subdivision (b) of Section 10631.*

The District draws approximately 65 percent of its water supply from its wells. The District's normal operating practice is to pump its wells 16 hours a day during off peak hours to take advantage of Southern California Edison's time of use rate. If, for some reason, wells are not in service (maintenance or repair), the District has the ability and right to pump its wells up to 24 hours per day. The District has approximately 36 MGD production capability from all of its wells in operation 24 hours per day.

The District extracts groundwater from five regional groundwater basins: Bunker Hill and Lytle Creek (which are both part of the San Bernardino Basin Area), Rialto-Colton, Riverside North, and Chino Basins. All five basins have been adjudicated and are managed, as discussed further in the following sections specific to each basin.

The District, in a joint venture with the City of Rialto and Valley District, constructed 25,000 feet of 48-inch transmission line known as the Baseline Feeder, which is described in the Baseline Feeder Agreement in Appendix E. Through an agreement with Valley District, the District is to receive 5,000 AFY of supply through this transmission line. The District has received water through the Baseline Feeder since 1998. Because this water is not produced by the District, it is not included in Table 6.

The District's historical production for the past five years is shown in Table 6.

Table 6. Groundwater Volume Pumped (AF)

Groundwater Type	Location or Basin Name	Water Quality	2011	2012	2013	2014	2015
Alluvial Basin	Lytle Creek	Drinking Water	2,983	4,002	3,776	3,262	2,159
Alluvial Basin	Riverside North	Drinking Water	3,144	3,932	3,389	2,992	2,065
Alluvial Basin	Rialto-Colton	Drinking Water	4,883	4,093	4,005	3,916	2,505
Alluvial Basin	Bunker Hill	Drinking Water	1,335	1,682	1,885	1,478	1,520
Alluvial Basin	Chino	Drinking Water	0	0	0	0	0
	Total		12,345	13,709	13,055	11,648	8,249

The San Bernardino Basin Area

The San Bernardino Basin Area (SBBA) was defined by, and adjudicated in gross, by the Western-San Bernardino Judgment (Western Judgment) in 1969 (see Appendix B). The SBBA has a surface area of approximately 141 square miles and lies between the San Andreas and San Jacinto faults. The basin is bordered on the northwest by the San Gabriel Mountains and Cucamonga fault zone; on the northeast by the San Bernardino Mountains and San Andreas fault zone; on the east by the Banning fault and Crafton Hills; and on the south by a low, east-facing escarpment of the San Jacinto fault and the San Timoteo Badlands. Alluvial fans extend from the base of the mountains and hills that surround the valley and coalesce to form a broad, sloping alluvial plain in the central part of the valley. The SBBA encompasses the Bunker Hill sub basin (DWR Number 8.02-06) defined by DWR and also includes a small portion of the Yucaipa Basin (8-02.07) and Rialto-Colton Basin (8-02.04) as defined by DWR. The SBBA also encompasses surface water.

The Western Judgment established the natural safe yield of the SBBA to be a total of 232,100 AF per year (AFY) for both surface water diversions and groundwater extractions (the Western Judgment is provided in Appendix B). Surface water is diverted from Mill Creek, Lytle Creek, and the SAR. The average surface water diversions in the SBBA for direct use from 1968 to 2000 were 39,000 AFY.

The Western Judgment allocates 64,862 AFY of the safe yield, which equates to 27.95 percent, to the Plaintiffs. The Plaintiffs include the City of Riverside (the successor to the Riverside Water Company and the Gage Canal Company), Riverside Highland Water Company, Meeks & Daley Water Company, and Regents of the University of California. The Riverside County agencies may not exceed their allocation unless they participate in “New Conservation” (explained below).

The Non-Plaintiffs’ (agencies within San Bernardino County, including the District) rights were defined in the Judgment as 167,238 AFY, which equates to 72.05 percent of the safe yield. San Bernardino agencies are allowed to extract more than 167,238 AFY from the SBBA, as long as they import and recharge a like amount of water into the SBBA. The Western-San Bernardino Watermaster provides an annual accounting of both the plaintiff and non-plaintiff extractions and a comparison to the safe yield. The Watermaster bases the Valley District replenishment water requirement on the cumulative accounting of non-plaintiff extractions. If the cumulative extractions are less than the cumulative safe yield, there is a groundwater “credit” in the basin. In years when cumulative extractions are greater than their allocation, a “debit” is given. Recharge is also required to offset the export of water outside

the SBBA in excess of the amount recorded during the base period (1959-1963). Credits are earned for any new supplies such as stormwater capture. As of the accounting performed for the 2015 Annual Western-San Bernardino Watermaster Report, the Non-Plaintiffs have 104,994 AF of net credit accumulated in the SBBA and are, therefore, not required to recharge. Although there is no recharge requirement under the Judgment, the Non-Plaintiffs have continued to recharge the SBBA.

Lytle Creek Sub basin

Lytle Creek Basin is part of the SBBA, and it is not identified as a separate sub-basin in DWR Bulletin 118-2003; however, the sub basin is an integral part of the Upper Santa Ana Valley Groundwater Basin and a major recharge area for both the Bunker Hill and Rialto-Colton sub basins. Historically, local agencies have recognized Lytle Creek sub basin as a distinct groundwater sub basin. In the Western Judgment, the Bunker Hill and Lytle Creek sub basins are combined into the SBBA. However, the three separate water-bearing zones and intervening confining zones of the Bunker Hill sub basin are not observed in the Lytle sub basin. Sediments within the Lytle sub basin are, for the most part, highly permeable, and the aquifer has a high specific yield. High permeability and specific yield tend to result in an aquifer that responds rapidly to changes in inflow (precipitation and streamflow) and outflow (groundwater pumping, streamflow, and subsurface outflow).

Lytle Creek sub basin is adjoined on the west by the Rialto-Colton sub basin along the Lytle Creek fault, and on the east and southeast by the Bunker Hill sub basin along the Loma Linda fault and Barrier G. The northwestern border of the sub basin is delineated by the San Gabriel Mountains, and runoff from the mountains flows south/southeast through Lytle and Cajon Creeks into the basin.

Numerous groundwater barriers are present within Lytle Creek sub basin, resulting in six compartments within the sub basin. Barriers A through D divide the northwestern portion of the sub basin into five sub-areas and the southeastern portion of the sub basin comprises the sixth sub-area. Barrier F divides the northwestern sub-areas from the southeastern sub-area. Studies have shown that the groundwater barriers are less permeable with depth. When groundwater levels are high during wet years, more leakage occurs across the barriers than when groundwater levels are lower (i.e., during dry years). The amount of pumping in each sub-area, in large part, controls the movement of groundwater across the barrier within the older alluvium but not the younger alluvium.

It is important to note that the water rights in Lytle Creek are set forth in long-standing court judgments governing the rights of the parties in that basin. The Lytle Creek Basin was adjudicated under the 1924 Judgment No. 17,030 from the Superior Court of San Bernardino County (Lytle Creek Judgment) and is managed by the Lytle Creek Water Conservation Association, which is made up of the successors to the stipulated parties of the judgment (a copy of the Lytle Creek Judgment is provided in Appendix J of the 2015 RUWMP and in Appendix A of this WSA). Table 7 shows historical extractions from the SBBA for years 2010-2014.

Table 7. Historic Groundwater Extractions and Surface Water Diversions from SBBA (AFY)

Entity	2010	2011	2012	2013	2014
Non-Plaintiffs					
Bear Valley Mutual Water Company (a)	17,524	16,862	15,560	15,259	17,102
City of Colton (a)	4,740	4,783	6,222	5,170	4,879
East Valley Water District (a)	18,120	18,408	19,538	18,796	17,896
City of Loma Linda (a)	4,863	5,401	5,776	5,571	5,449
City of Redlands (a)	28,960	31,908	31,918	29,641	29,100
City of Rialto (a)	5,325	3,377	3,109	4,082	4,132
San Bernardino Valley MWD (a)	291	618	3,790	7,485	8,178
City of San Bernardino (a)	49,185	50,331	50,250	46,853	44,798
West Valley Water District (a)	7,986	7,697	8,637	7,723	6,397
Yucaipa Valley Water District (a)	166	97	120	220	154
Other Agencies in San Bernardino and Private Entities (b)	16,474	19,288	23,053	17,597	15,062
Subtotal for Non-Plaintiffs	153,634	158,770	167,973	158,397	153,147
Plaintiffs					
Riverside Highland Water Company (c)	1,136	1,655	2,135	2,873	2,077
Agencies in Riverside County (d)	52,987	54,151	60,159	60,885	57,072
Subtotal for Plaintiffs	54,123	55,806	62,294	63,758	59,149
Total	207,757	214,576	230,267	222,155	212,296

Notes:

- (a) Data from Volume 1 of the Western-San Bernardino Watermaster Annual Report for 2015.
- (b) Includes Crafton Water Company, Devore Water Company, Fontana Union Water Company, Loma Linda University, Mentone Citrus Growers, Mount Vernon Water Company, Mountain View Generating Station, Muscoy Mutual Water Company, San Bernardino County – Facility Management, Tennessee Water Company, Terrace Water Company, and Redlands water Company. Data from Volume 1 of the Western-San Bernardino Watermaster Annual Report for 2015.
- (c) Riverside-Highland Water Company’s service area extends into both San Bernardino and Riverside counties. However, Riverside-Highland Water Company is a Plaintiff within the Western Judgment and therefore extractions for Riverside-Highland are typically included with those of Riverside County entities. Data from Table No. 11, Western-San Bernardino Watermaster Annual Report for 2015.
- (d) Includes Agua Mansa Water Company and Meeks & Daley Water Company, Regents of the University of California, and the City of Riverside. Data from Table Nos. 10, 12, and 13 of the Western-San Bernardino Annual Report for 2015.

Rialto-Colton Basin

The Rialto-Colton subbasin underlies a portion of the upper Santa Ana Valley in southwestern San Bernardino County and northwestern Riverside County. This subbasin is about 10 miles long and varies in width from about 3.5 miles in the northwestern part to about 1.5 miles in the southeastern part. This subbasin is bounded by the San Gabriel Mountains on the northwest, the San Jacinto fault on the northeast, the Badlands on the southeast, and the Rialto-Colton fault on the southwest.

The District and its predecessors have been utilizing the Rialto Basin for water supply for more than 80 years. The Rialto Basin was adjudicated under the 1961 Decree No. 81,264 from the Superior Court of San Bernardino County (Rialto Basin Decree) (see Appendix C). Groundwater storage capacity of the basin is about 210,000 af (DPW 1934), with an estimated 120,000 af for the Rialto portion of the subbasin and about 93,000 af for the Colton portion. The basin shows quick rises of water levels during high precipitation years and slower decline over several years.

Under normal conditions, when the basin is not in adjudication, the District has unlimited extraction rights. During drought conditions when the adjudication is in effect, the District's extraction right ranges from 3,067 afy in the most severe drought periods to a maximum of 6,134 afy. Existing wells in the Rialto Basin have the capacity to extract up to 10,000 afy during normal conditions.

North Riverside Basin

The North Riverside Basin (the portion of the Riverside Basin Area in San Bernardino County) is part of the 1969 Judgment No. 117,628 (Western Judgment- see Appendix B), under the Bunker Hill Basin. The Riverside Groundwater Basin is a large alluvial fill basin that is bounded by major faults and topographic barriers. Recharge to the basin occurs by the underflow from basins to the north, contributions from the Santa Ana River, and from percolation of surface water runoff from the surrounding uplands, in particular the Box Spring Mountains to the east. The District, which has no limits or restrictions on groundwater pumping in the basin, has been utilizing the North Riverside Basin for water supply for more than 60 years.

Extractions from the North Riverside Basin for use in Riverside County are limited to 21,085 AFY by the Judgment. Extractions for use in San Bernardino County are unlimited, provided that water levels at three index wells in the Rialto-Colton and Riverside North Basins stay above 822.04 feet MSL. The 2015 Integrated Regional Water Management Plan provided an estimate of 30,100 AFY as the sustainable supply from North Riverside for use in San Bernardino County, based on extractions from 1996 to 2005.

Chino Basin

Fontana Water Company, the City of Rialto, and the District extract water from Chino Sub basin, an adjudicated basin managed by the Chino Basin Watermaster. The Chino Sub basin lies in the southwest corner of San Bernardino County. The Chino Sub basin is bordered to the east by the Rialto-Colton fault. In the other three directions, the Chino Sub basin is ringed by impermeable mountain rock, the San Gabriel Mountains to the north, the Jurupa Mountains and Puente Hills to the south and southwest. Average annual precipitation across the basin is 17 inches. This part of the San Bernardino Valley is drained by San Antonio Creek and Cucamonga Creek southerly to the Santa Ana River.

On January 2, 1975, several Chino Basin producers filed suit in California State Superior Court for San Bernardino County (the "Court") to settle the problem of allocating water rights in the Chino Basin. On January 27, 1978, the Court entered a judgment in Chino Basin Municipal Water District v. City of Chino et al. (Chino Basin Watermaster Judgment) adjudicating water rights in the Chino Basin and establishing the Chino Basin Watermaster (see Appendix D). The Judgment adjudicated all groundwater rights in Chino Basin and contains a physical solution to meet the requirements of water users having rights in or dependent upon the Chino Basin. The Judgment also appointed the Watermaster to account for and implement the management of the Chino Basin. The Judgment declared that the initial operating safe yield of the Chino Basin is 145,000 AFY. The Basin is managed through implementation of the Chino Optimum Basin Management Plan. Per the Judgment, the District has a minimum of approximately 1,000 AFY of extraction rights. Extractions above that amount must be replenished with SWP water through a program with the Chino Basin Watermaster.

Recycled Water

The District does not currently have or use recycled water as a supply. The District is completing a master plan for potential use of recycled water within its service area. The District's plans for recycled water are still preliminary, and the expected beneficial use has not been quantified.

Desalinated Water

The District does not currently use desalinated water as a supply and has no current plans to develop new desalinated water supplies.

Exchanges or Transfers

The District currently has interconnections with the Cities of Rialto, Colton and San Bernardino, the Fontana Water Company, Marygold Mutual Water Company, and Valley District which can be utilized as needed for short-term supply needs. These connections are not typically used for extended periods and are not relied on as a source of supply.

Future Water Supply and Projects

To meet the future demands within the system, the District plans to rehabilitate existing wells, to drill new wells, and equip wells with wellhead treatment if required. These wells are planned for various groundwater basins and pressure zones within the distribution system.

Groundwater is not the only planned supply source to be utilized by the District to meet the anticipated future demands. The District has expanded the Oliver P. Roemer Water Filtration Facility to allow additional treatment of SWP water when available. A future expansion of the plant will increase the ultimate capacity of the facility to 20.4 MGD.

Over time, the District intends to utilize a greater amount from each existing source, up to their legal rights and availability from each water supply source.

Summary of Existing and Planned Sources of Water

The District's actual supplies used during 2015 are summarized in Table 8.

Table 8. Water Supplies - Actual

Water Supply	Additional Detail on Water Supply	Entitlement, Right or Contract	2015 Actual Volume (AF)	2015 Water Quality
Surface Water	Lytle Creek	Lytle Creek Judgment & Water Purchase Agreement- Appendix A	2,271	Drinking Water
Purchased or Imported Water	SWP Water	No limit or contract; obtained from SBVMWD	2,244	Drinking Water
Groundwater	Lytle Creek	Lytle Creek Judgment & Water Purchase Agreement- Appendix A	2,159	Drinking Water
Groundwater	Riverside North	Western Judgment- Appendix B	2,065	Drinking Water
Groundwater	Rialto-Colton	Rialto Basin Decree- Appendix C	2,505	Drinking Water
Groundwater	Bunker Hill	Western Judgment	1,520	Drinking Water
Groundwater	Chino	Chino Basin Watermaster Judgment- Appendix D	0	Drinking Water
Purchased or Imported Water	Baseline Feeder (Bunker Hill)	Baseline Feeder Agreement- Appendix E	4,367	Drinking Water
	Total		17,131	

The District plans to utilize a greater amount from each of its supply sources, up to the legal rights and availability. The District’s available supplies for future years are summarized in Table 9.

Table 9. Water Supplies – Projected (AF)

Water Supply	Additional Detail on Water Supply	2020	2025	2030	2035	2040
Surface Water	Lytle Creek	5,500	5,500	5,500	5,500	5,500
Purchased or Imported Water	SWP Water	7,000	7,000	7,000	7,000	7,000
Groundwater	Riverside North	2,500	3,500	4,000	4,500	4,500
Groundwater	Rialto-Colton	6,000	6,000	6,000	6,000	6,000
Groundwater	SBBA Groundwater (Bunker Hill / Lytle)	9,500	14,000	17,000	19,500	19,500
Groundwater	Chino	900	900	900	900	900
Purchased or Imported Water	Baseline Feeder (Bunker Hill)	5,000	5,000	5,000	5,000	5,000
	Total	36,400	41,900	45,400	48,400	48,400

Supply Reliability

California Water Code section 10631

(c) Describe the reliability of the water supply and vulnerability to seasonal or climatic shortage, to the extent practicable, and provide data for each of the following:

- (1) An average water year.*
- (2) A single dry water year.*
- (3) Multiple dry water years.*

Groundwater

Some of the District's wells have been impacted by arsenic, perchlorate and volatile organic carbons (VOCs). The District has implemented wellhead treatment as needed and continues to monitor groundwater contamination and the movement of groundwater contaminant plumes. These past and ongoing groundwater treatment projects have demonstrated that treatment is an economically viable alternative for handling arsenic, perchlorate and VOCs. Based on current conditions, water quality is not anticipated to affect District supply reliability. However, water quality issues are constantly evolving. The District will take action to protect and treat supply when needed, but it is well recognized that water quality treatment can have significant costs.

Geologic hazards within Lytle Creek have the potential to disrupt the water supply system by restricting the flow and/or introducing large quantities of suspended solids to the runoff, thereby increasing turbidity levels. To deal with this water quality issue, the District added pre-treatment capability at the Oliver P. Roemer WFF to achieve both turbidity removal and total organic carbon reduction.

State Water Project

During times of State-wide drought conditions, the availability of SWP water may be reduced. These conditions are normally known in advance, providing the District with the opportunity to plan for the reduced supply. During a drought period, it is Valley District's priority to meet obligations to maintain lake levels at Big Bear Lake and to make direct deliveries to the water treatment plants operated by Redlands, the District, EVWD, YVWD, and SBMWD.

Reliability by Type of Year

During normal and wet years, Valley District uses SWP water for groundwater recharge. Therefore, this water is available for production during dry years. Through its use of groundwater storage, Valley District does not anticipate a reduction in the availability of SWP water during single or multiple dry years.

Due to the size of the groundwater basins utilized by the District, a single dry year will not affect well production. The annual amount produced in past normal, single dry, or multiple dry water years from a basin does not give an accurate representation of potential basin production. Factors such as lower system demand, cost of pumping, inoperable wells, pumping duration, replenishment costs, water quality, cost of supply and the ability to treat water all affect annual basin production numbers.

The District has been able to utilize up to 5,500 AFY during normal times from Lytle Creek surface flows and projects a minimum of 2,130 AFY during extended drought conditions. The District and its predecessors have been utilizing Lytle Creek surface flows for water supply for more than 130 years.

Regional Supply Reliability

The District is committed to minimizing the need to import water from other regions. The District operates a number of conservation programs to implement various Demand Management Measures, helping to reduce the need for imported water.

Sufficiency Assessment

California Water Code section 10910

- (c) (3) *If the projected water demand associated with the proposed project was not accounted for in the most recently adopted urban water management plan, or the public water system has no urban water management plan, the water assessment for the project shall include a discussion with regard to whether the public water system’s total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the public water system’s existing and planned future uses, including agricultural and manufacturing uses.*
- (4) *If the city or county is required to comply with this part pursuant to subdivision (b), the water assessment for the project shall include a discussion with regard to whether the total projected water supplies, determined to be available by the city or county for the project during normal, single dry, and multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to existing and planned future uses, including agricultural and manufacturing uses.*

There has been a historical trend associated with drier years and an increase in water use among agencies. Conservation efforts have proven to be effective in decreasing water use in dry years, such as the past three years (2013-2015).

The District has estimated that demands could increase 10 percent during a single dry year. During a multiple dry year period, it is expected that conservation messaging and restrictions would lead to consumption dropping back down to normal year levels in the second dry year, and falling a further 10 percent in the third dry year.

The following tables summarize the anticipated supplies and demands for the District.

Table 10. Normal Year Supply and Demand Comparison (AF)

Totals	2020	2025	2030	2035	2040
Supply Totals	36,400	41,900	45,400	48,400	48,400
Demand Totals	20,799	22,256	23,802	25,492	27,312
Difference	15,601	19,644	21,598	22,908	21,088

Table 11. Single Dry Year Supply and Demand Comparison (AF)

Totals	2020	2025	2030	2035	2040
Supply Totals	33,030	38,530	42,030	45,030	45,030
Demand Totals	22,879	24,481	26,183	28,041	30,043
Difference	10,151	14,049	15,847	16,989	14,987

Table 12. Multiple Dry Years Supply and Demand Comparison (AF)

Year	Totals	2020	2025	2030	2035	2040
First Year	Supply Totals	33,030	38,530	42,030	45,030	45,030
	Demand Totals	22,879	24,481	26,183	28,041	30,043
	Difference	10,151	14,049	15,847	16,989	14,987
Second Year	Supply Totals	33,030	38,530	42,030	45,030	45,030
	Demand Totals	20,799	22,256	23,802	25,492	27,312
	Difference	12,231	16,274	18,228	19,538	17,718
Third Year	Supply Totals	33,030	38,530	42,030	45,030	45,030
	Demand Totals	18,719	20,030	21,422	22,943	24,580
	Difference	14,311	18,500	20,608	22,087	20,450

Water Shortage Contingency Plan

Per California Water Code section 10632, the District has an adopted Water Shortage Contingency Plan that is included in the 2015 RUWMP.

Determination

California Water Code section 10911

(c) The city or county may include in any environmental document an evaluation of any information included in that environmental document provided pursuant to subdivision (b). The city or county shall determine, based on the entire record, whether projected water supplies will be sufficient to satisfy the demands of the project, in addition to existing and planned future uses. If the city or county determines that water supplies will not be sufficient, the city or county shall include that determination in its findings for the project.

The District has verified that it has the water supplies available during normal, single-dry, and multiple-dry years within a 20-year projection that will meet the projected demand associated with the proposed Project, in addition to existing and planned future uses.

Reservation of Authority

Nothing in this WSA shall be construed to create a right or entitlement to water service, or any specific level of service nor does it affect existing law concerning the District's obligation to provide water service to its existing customers or to any potential future customers. **(See Government Code § 66473.7(m) and (n).)**

In addition, the District specifically reserves its authority to impose reasonable terms and conditions or to refuse water service to any existing customers or to any potential future customers, in order to conserve water in the face of an existing or threatened water shortage. **(See Water Code § 350, et. seq.)**

Conditions of Approval

This assessment of reliable water supply is conditioned on the following:

1. The property owner will install water efficient devices and landscaping according to the requirements of the District's water use efficiency ordinance(s), if any, at the time of construction of the Project to reduce the impact of this Project on District water supplies.
2. Prior to Project construction, the property owner is required to meet with District staff to develop a plan of service. The plan of service will include, but not be limited to, water and recycled water requirements to serve the Project. If there is a change in the circumstances detailed in this water supply assessment, the District has the option to suspend the approval of this WSA.
3. This Project is not located near any existing recycled water facilities; however, in the future it may be possible to serve this Project with recycled water. District policy recognizes recycled water as a preferred source of water supply for all non-potable water demands, including, without limitation, irrigation of recreation areas, green-belts, open space, common areas, commercial landscaping and supply for aesthetic impoundment or other water features. The majority of landscaped areas in this Project will be designed to use recycled water to the greatest extent possible.

According to District requirements, the Project may be conditioned to construct a recycled water system physically separated from the potable water system. This system will need to be constructed to the District's recycled water standards. The Project may also be conditioned to construct off-site recycled water facilities. The District will make a determination on requirements for recycled water use and facilities during the design phase of the Project.

4. This WSA will be reviewed every three (3) years until the Project begins construction. The property owner shall notify the District when construction has begun. The review will ensure that the information included in this WSA remains accurate and no significant changes to the Project or District's water supply have occurred. If the property owner has not contacted the District within three (3) years of approval of this WSA, it will be assumed that the proposed Project no longer requires the estimated water demand calculated, the demand for this Project will not be considered in assessments for future Projects, and the assessment provided by this document will become invalid.
5. (a) Based on present information the District has determined that it will be able to provide adequate water supplies to meet the potable water demand for this Project in addition to existing and future uses. Water service will be guaranteed by the satisfaction of all rules and regulations of

the District. The District reserves the right to revisit this water supply assessment in the event of a potential increase in water demand to the Project.

(b) This WSA is not a commitment to serve the Project, but a review of District's supplies based on present information available.

(c) Recycled water will be used to the greatest extent possible on the proposed Project.

References

San Bernardino Valley Municipal Water District. (January 2015). *Upper Santa Ana River Watershed Integrated Regional Water Management Plan*.

Appendix A. Lytle Creek Judgment & Surface Water Purchase Agreement

Copy
OF
Certified Copy
OF
JUDGMENT

Rendered in the Superior Court of San Bernardino
County, California, on January 28th, 1924,
in Action No. 17030 and Entitled:

**"City of San Bernardino vs. Fontana
Water Co. et al."**

Recorded in Book 829, Page 293 of Deeds, San
Bernardino County Records

Judgment

*In the Superior Court of the State of California
in and for the County of San Bernardino*

CITY OF SAN BERNARDINO,
a municipal corporation,

Plaintiff,

vs.

FONTANA WATER COMPANY, a corporation, FONTANA UNION WATER COMPANY, a corporation, FONTANA POWER COMPANY, a corporation, FONTANA FARMS COMPANY, a corporation, FONTANA COMPANY, a corporation, LYTLE CREEK WATER AND IMPROVEMENT COMPANY, a corporation, CITIZENS LAND AND WATER COMPANY OF BLOOMINGTON, a corporation, RIVERSIDE HIGHLAND WATER COMPANY, a corporation, RANCHERIA WATER COMPANY, a corporation, MUTUAL LAND AND WATER COMPANY OF RIALTO, a corporation, TERRACE WATER COMPANY, a corporation, THE GAGE CANAL COMPANY, a corporation, RIVERSIDE TRUST COMPANY, LIMITED, a corporation, RIVERSIDE

No.
17030

ORANGE COMPANY, LIMITED, a corporation, CITY OF COLTON, a municipal corporation, GATE CITY ICE AND PRE-COOLING COMPANY, a corporation, COLTON CITY WATER COMPANY, a corporation, MEEKS AND DALEY WATER COMPANY, a corporation, FONTANA LAND COMPANY, a corporation, JOHN-HUB WATER COMPANY, a corporation, FONTANA DEVELOPMENT COMPANY, a corporation, NORTH COLTON WATER COMPANY, a corporation, LAWSON WELL COMPANY, a corporation, ALTA VISTA WATER COMPANY, a corporation, CLARA VISTA WATER COMPANY, a corporation, ORCHARD MUTUAL WATER COMPANY, a corporation, EAST RIVERSIDE WATER COMPANY, a corporation, JAMES BARNHILL, JOHN DOE, RICHARD ROE, SAM BLACK, JOE WHITE, SAM WHITE, CHARLES WHITE, TOM BROWN, SARAH BROWN, CHARLES BROWN, MARY BROWN, CHARLES LOW and JOHN LOW, and RIALTO DOMESTIC WATER COMPANY, a corporation,
Defendants.

WHEREAS there has been filed in this action a stipulation for judgment, duly executed by and on the part of the plaintiff above named and by and on the part of each and all of the following named defendants in this action, to-wit: Fontana Water Company, a corporation;

Fontana Union Water Company, a corporation; Fontana Power Company, a corporation, Fontana Farms Company, a corporation; Fontana Land Company, a corporation, Lytle Creek Water and Improvement Company, a corporation; Citizens Land and Water Company of Bloomington, a corporation; Riverside Highland Water Company, a corporation; Rancheria Water Company, a corporation; Mutual Land and Water Company of Rialto, a corporation; Terrace Water Company, a corporation; City of Colton, a municipal corporation; Rialto Domestic Water Company, a corporation; and James Barnhill (said Barnhill being erroneously sued herein, under the name of "W. W. Barnhill"),

NOW THEREFORE, by reason of said stipulation, and pursuant to the terms and provisions thereof,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Court as follows:

I.

This action is hereby dismissed as to each and all of the defendants, other than those above named as parties to said stipulation; and each and all cross-complaints or cross-actions, filed or pending by or between any of the parties to said stipulation, above named are dismissed.

II.

As between the plaintiff and each and all of the defendants, above named, as parties to said stipulation, and as to each and all of said defendants as between themselves, excepting as set forth in Paragraph XXI hereof, it is further

ADJUDGED AND DECREED, as follows:

III.

That an inch of water, as the term is used herein, shall mean such quantity of water, in continuous flow, as will supply one-fiftieth part of a cubic foot of water per second of time.

IV.

That from time immemorial, there has flowed, and now flows, in Lytle Creek Canyon, in San Bernardino County, California, a natural stream, known as "Lytle Creek," and there exists below the mouth of said canyon, a certain pressure pipe line, belonging to said Power Company, and the cement intake diverting water into said pipe line, is situate on the west side of said stream, very near the mouth of said canyon, and at a distance of about 1662 feet north of a point in the north boundary of the Muscupiabe Rancho, between stations 48 and 49 thereof, where said boundary intersects the center line of Riverside Avenue, as delineated on the map showing subdivision of the lands of the Semi-Tropic Land and Water Company, (said location of said intake having been sometimes heretofore erroneously designated in the pleadings herein and elsewhere, as being about 2375 feet north of said point of intersection), said Map being recorded in the office of the County Recorder of said County, in Book 6 of Maps, page 12 thereof; and said Power Company, for more than five years last past, has been and now is diverting from said creek, at said intake, by means of said pipe line, the waters of said Creek, flowing at said intake not exceeding 3000 inches, and is conducting said waters to the power house of said Power Company, situated on Farm Lot 66, designated on said Map, which waters,

upon being discharged from said Power House, belong to and are distributed to sundry parties, for their use, in proportion to their rights and interests therein.

V.

That in the San Bernardino Valley in said County, there exists, and lies below, and to the southeast of the mouth of said canyon, an area of land herein designated as "Lytle Creek Region" which, for the purposes of this decree, is defined and described as follows:

Commencing at a point in the center line of Mill Street, in the City of San Bernardino, in said County, situate 300 feet east of the center line of Mt. Vernon Avenue; thence north 400 feet; thence west to the center line of Mt. Vernon Avenue; thence running north along the center line of Mt. Vernon Avenue, to the intersection thereof with the center line of Fourth Street, (said street being identical with Foothill Boulevard); thence running west along the center line of Fourth Street, to a point where the center line of Fourth Street would intersect the center line of Muscott Avenue, if said Avenue were extended south; thence running north to the point of intersection of center line of Muscott Avenue with center line of Base Line; thence running west along center line of Base Line, to the southeast corner of Section 31, Township 1 North, Range 4 West, S. B. B. & M.; thence running north to the southwesterly boundary of the right of way of Atchison, Topeka and Santa Fe Railway Company (on which right of way are located the main railroad tracks of said Railroad Company, running from said City, through Cajon Pass); thence following along said southwesterly boundary of said right of way, to the point of intersection thereof, with the State Highway

at Verdemont; thence following said Highway to the point of intersection thereof, with the north line of Township 1 North, Range 5 West, San Bernardino Base and Meridian; thence running west, along the north line of Township 1 North, Range 5 West, San Bernardino Base and Meridian, to the northwest corner of said last mentioned township; thence running southeasterly to a point situate five feet east of the most easterly point of said intake of said pipe line of said Power Company, thence running southeasterly and following upon and along a line parallel with the east side of that certain cement canal, formerly known as the "Semi-Tropic Canal" (the intake of which canal is identical with said intake of said pipe line), and at all points five feet distant in a northeasterly direction from the east side of said Canal, to a point where said line would intersect the northwesterly line of Farm Lot 68, designated on said Map, if said northwesterly line of said Lot were projected southwest; thence along said northwesterly line of said Lot, to the foot of the ridge or bluff known as the "Rialto Bench," thence running southeasterly along the foot of said bluff, to a point where the foot of said bluff intersects the center line of said Mill Street; running thence east, along the center line of Mill Street, to the place of beginning.

VI.

That whenever there shall be discharge from said Power House, surplus water in excess of the quantity at the time required to satisfy the domestic and irrigation needs of the respective parties, entitled to receive and use water discharged from said Power House, all of such surplus water, so discharged, shall be used for

replenishing the underground water sources of said Lytle Creek Region, and to that end, shall be delivered by said Power Company, to and upon the wash of said Lytle Creek, by a cement conduit, at the highest point on the westerly margin of said wash, to which such water can reasonably be conducted by gravity flow from said Power House. Such replenishment work, as to the water so delivered upon said wash, shall be performed under the supervision and direction of the Committee hereinafter mentioned.

VII.

That all water flowing at said intake of said pipe line of said Power Company, between the 15th day of December, and the 15th day of the next succeeding month of April, of each year hereafter elapsing, shall be diverted and applied in the manner and in accordance with the priorities hereinafter set forth, to-wit:

First: To supply to said pipe line 2000 inches of water, or such larger quantity as may, at the time, be required and taken for immediate use for irrigation or domestic purposes, by the parties entitled to receive and use water discharged from said Power House, not exceeding the extent of their respective rights to such water.

Second: To supply additional water to said pipe line, to the extent of an aggregate amount of 3000 inches, (inclusive of the water specified in the next preceding subdivision "First"), except and provided that all or any part of such additional water shall be allowed to flow past said intake, into the wash or channel of said creek, for replenishing the underground water of said

Region, whenever so requested in writing by the said Improvement Company, except during periods:

(a) When the quantity of water flowing in said creek at said intake, exceeds 4000 inches, in which event such excess water may be diverted through said pipe line, until the total quantity of water, diverted there-through, amounts to 2500 inches, or

(b) When the quantity of water, flowing in said creek, at said intake exceeds 5000 inches, in which event, such excess water may be diverted through said pipe line, until the total quantity of water, diverted therethrough, amounts to 3000 inches.

Third: All water, so permitted to pass said intake, shall be used, as far as reasonably practicable, for replenishing the underground water contained in the entire area of the Lytle Creek Wash, situate below said intake, provided that at all times, so far as is reasonably practicable, the upper portion of said wash shall be so replenished with water until no more water can be sunk therein, before such replenishment is performed on the portion of said wash lying south of Highland Avenue, or lying east of the west boundary of the lands in said Region now owned by the Muscoy Water Company.

Fourth: If, at the end of five years, from date hereof, said Improvement Company or their successors in interest, decide that the water producing capacity of wells, situate south of an east and west line drawn through said Power House, and north of said Highland Avenue, would be benefited and increased by conducting at said intake, into said pipe line, a quantity of water not exceeding 3000 inches, then and in that event, all of the water flowing at said intake, shall at all times

thereafter, be turned into said pipe line, to the extent of said 3000 inches, instead of permitting a portion of such waters to flow past said intake, as aforesaid, and at said Power House, all surplus water, in excess of the quantity at the time required to meet the then requirements of the respective parties, entitled to receive and use water discharged from said Power House, shall be used in accordance with, and be subject to the provisions of Paragraph VI hereof.

VII-a

That no water shall ever be conducted by any party hereto, from that certain tract of land, situated in said San Bernardino County, described as follows:

Beginning at a point on the center line of hereinbefore mentioned Muscott Avenue, said point being situate one-half mile north of said Base Line; running thence south to the center line of said Fourth Street; running thence west, along said center line of Fourth Street, to the point of intersection thereof with the center line of the right of way, for electrical transmission line, of Southern Sierras Power Company; running thence northwesterly along said center line of said right of way, to a point where said center line of said right of way would intersect a line drawn due west from said point of beginning; thence running east to said point of beginning.

VIII.

That in order to conserve, in the most economical and effectual method, all waters which, under the provisions hereof, are from time to time to be used for replenishing the underground water sources of said Region, and also, for further replenishing the underground water

supply of said Region, to conserve, so far as may be reasonably practicable, the surplus, or flood waters, of streams or canyons tributary to said Region, a committee of five persons shall annually be appointed in the month of September of each year, which committee shall have full charge and direction of such water conservation work, and of all expenditures relating thereto, provided that, in case of disagreement or difference of opinion, the power of such committee shall be exercised by concurrence of a majority of its members. One of the members of said committee shall be so appointed by said Improvement Company; one by said Citizens Company; one by said Union Water Company, one by said Mutual Company, Rancheria Water Company, Riverside Company and said City of San Bernardino; and one by said Terrace Water Company, James Barnhill and City of Colton, and each of said members shall serve for one year, and until his successor is appointed and no member of said committee shall receive any compensation for serving thereon. Vacancies on said committee shall also be filled by appointment, to be made in like manner as aforesaid, by the party or parties which made the appointment of the member whose place so becomes vacant, and any person appointed to fill such vacancies shall fill out the unexpired term of his predecessor. Subject to the provisions hereof, said committee is hereby authorized to, from time to time, install any water conservation works, including the construction of dams, ditches, cuts, obstructions, and shafts on land in said Lytle Creek Wash, lying north of Fourth Street, (said street being identical with Foothill Boulevard) and also in and along any canyon, the waters of which are tributary to said Region, and take all other steps,

as in its uncontrolled discretion may be deemed expedient, in order to accomplish the underground conservation of such waters, provided that nothing herein shall be construed as authorizing said committee to trespass upon the property or rights of any party or to do any act that would infringe upon or impair or interfere with the right of any party to the use of any water to which such party shall be entitled. The expense of installing such system and maintaining the same, and carrying on said work of water conservation, shall be borne and paid, subject to the provisions hereof, by the Fontana Companies, Citizens Company, Riverside Company, Improvement Company, Mutual Company, Rancheria Water Company, Rialto Domestic Water Company, City of Colton, City of San Bernardino, Terrace Water Company, and James Barnhill, in the same proportions that the maximum quantity of water which each of said eleven parties (or group of parties), is allotted hereunder, the right to pump from said Region, bears to the aggregate maximum quantity of water which all of said parties are allotted hereunder the right to pump from said Region, provided that in the event of any other person or corporation joining in said conservation work, and paying a proportion of the expense thereof, the proportions of said expense to be borne by said parties, as hereinbefore set forth, shall be correspondingly and equitably reduced. Said committee, in the month of October of each year, and from time to time thereafter, as they may deem proper, shall make an estimate of the amount of money at the time required to be paid to said committee by said eleven parties hereto above named, in order to meet the expense for conservation work as aforesaid, at the

time being undertaken, or in contemplation by said committee.

Said committee shall thereupon present to each of said eleven parties, a bill for the proportionate amount so to be paid by such party, and if any party shall fail to pay such bill, within thirty days after it shall be so presented to such party, then said committee may bring, and it shall be its duty to bring, suit against such party for the amount of such bill, together with costs, including a reasonable attorneys' fee to be fixed by the court in which such suit shall be brought.

Any and all lands, owned by any of said specified parties who are to bear the expense of said conservation work as aforesaid, situate in said Lytle Creek Region, and lying north of said "Fourth Street," and not suitable for the growing of crops thereon, may be used at any and all times for spreading water thereon, and sinking and conserving water therein, by means of dams, obstructions, ditches, cuts and shafts, or by taking such other steps as may be deemed expedient by said committee, provided however, that such water conservation work shall not be done in such a manner as to injure or interfere with the use of any pumping plant, structure or other improvement, situate on any land where such work is performed.

IX.

That the maximum quantity of water which said plaintiff, City of San Bernardino, shall be, and is entitled to take from said Region, and use beyond the confines thereof, is such quantity of water, which when added to the water said plaintiff is entitled to have delivered to it, from said Lytle Creek, will amount in the

aggregate, (inclusive of said Lytle Creek Water) to 325 inches of water, and said plaintiff shall not be entitled to divert, at any time, from said Region, an amount of water in excess of said 325 inches. Of said quantity of water, 225 inches and no more may be pumped or diverted from that certain tract of land in said Region, comprising 10.09 acres, and forming a part of tract known as the "McKenzie Tract" (said tract of 10.09 acres being more particularly described in that certain deed running from William L. McKenzie, and others, to said plaintiff, and recorded in Book 109 of Deeds, at page 303 thereof, in the office of the County Recorder of said San Bernardino County), and none of said 225 inches shall ever be diverted by plaintiff from any other portion of said Region.

Said plaintiff is also the owner of the right to take, divert and use water from that portion of the San Bernardino Valley, lying east of the easterly boundary line of said Lytle Creek Region and east of a line beginning at the point of intersection of the State Highway with the south boundary line of Section 34, Township 2 North, Range 5 West, S. B. B. & M., and running thence to the northwest corner of said Section 34, and north of the center line of Mill Street, extended east to Sterling Avenue, and from streams tributary to said portion of said valley, situate in said portion of said valley, either from the surface flow of such streams, or from wells bored or to be bored in said portion of said valley, to such extent as may be reasonably necessary to supply the needs of said city and its inhabitants with water for supplying needs and purposes within said City. The right of said plaintiff to take water from the surface flow of Lytle Creek, to the extent of 100 inches, shall

not be affected or diminished by any claims of the Fontana Companies, or any of them to salvage water, by reason of any water of Lytle Creek being conducted or conveyed in or through pipe lines, or conduits of any kind.

X.

That, subject to the provisions of this paragraph, the maximum quantity of water which said Rialto Domestic Water Company shall be, and is entitled to take from said Region and use beyond the confines thereof, is such quantity of water which, when added to the water said Company is entitled to have delivered to it from said Lytle Creek, will amount in the aggregate (inclusive of said Lytle Creek Water) to 143.22 inches of water, and said Company shall not be entitled to divert, at any time from said Region, an amount of water in excess of said quantity hereinbefore in this paragraph specified. Of said quantity of water, 100 inches and no more may be pumped from said Region by said Company, provided that:

(a) None of said 100 inches of water shall be taken from any well or water development situate south of a line located parallel to, and situate three-fourths of a mile north of, Highland Avenue.

(b) The right of said Company to so pump and take said one hundred inches of water, shall be exercised only to such extent as shall be necessary to supply the City of Rialto, and the inhabitants thereof, with water for municipal and domestic uses and purposes, and for the irrigation of flowers, trees and lawns, within said City, and then only during such times as the 43.22 inches of water (now supplied by said Company to the

inhabitants of said City) is inadequate, or unsuitable for such purposes or uses.

(c) None of said 100 inches of water shall, at any time, be used outside of the now, or hereafter existing corporate limits of said City of Rialto, except to the extent that said 43.22 inches is now being used outside said City.

(d) Nothing in this Paragraph X contained shall be construed as vesting in said Company the right to take any portion of said 100 inches of water from any well or water development, without the consent of the owner of the land on which such well or water development is situated.

(e) The right to pump and take said 100 inches of water from said region shall be exercised only in the event such right shall be transferred to the City of Rialto.

(f) The water derived from said 100 inches water right, other than water supplied for fire hydrants, sewers, stores and buildings, not used for dwellings, shall not be furnished to the inhabitants of said City of Rialto, except through meters and when charged for at meter rates.

XI.

That the maximum quantity of water which said Improvement Company shall be, and is entitled to take from said Region, and use beyond the confines thereof, is, such quantity of water, which when added to the water said Company is entitled to have delivered to it from said Lytle Creek, will amount in the aggregate (inclusive of said Lytle Creek Water), to 1026.23 inches, and said Improvement Company shall not be en-

titled to divert at any time, from said Region, an amount of water in excess of said quantity in this paragraph hereinbefore specified. Of said quantity of water, only 700 inches may be pumped and diverted from said Region, by said Improvement Company, except during such periods when the quantity of water said Company is deriving from said Lytle Creek, is temporarily reduced to a quantity of less than 326.23 inches, during which periods additional water may be pumped and diverted from said Region by said Company, but only to an extent sufficient to supply such deficiency of said Lytle Creek Water, and only so long as such deficiency continues. Said pumping of said 700 inches of water by said Improvement Company shall be confined to the Ferguson Ranch, (said Ranch being the real property described in that certain deed, dated November 20th, 1908, and executed by Fontana Development Company, and recorded in the office of the County Recorder of said San Bernardino County, in Book 429 of Deeds, page 103 thereof), and said Company is not entitled to pump any water from any other part of said Region.

XII.

That the maximum quantity of water, which said Mutual Company shall be, and is entitled to take and conduct from said Region, and use beyond the confines thereof, is 125 inches of water, and said Mutual Company shall not be entitled to divert at any time, from said Region, an amount of water in excess of said 125 inches, all of which said quantity of water may be pumped by said Company from said Region, but all of said water shall be taken from wells, or water de-

velopments situate south of Highland Avenue, and north of Base Line.

XIII.

That the maximum quantity of water which said Riverside Company shall be, and is entitled to take from said Region, and use beyond the confines thereof, is 450 inches of water, and said Riverside Company shall not be entitled to divert at any time, from said Region, an amount of water in excess of said 450 inches, all of which said quantity of water may be pumped or diverted by said Company from said Region, but all of said water shall be taken from wells or water developments situate south of Highland Avenue, and north of Base Line.

XIV.

That the maximum quantity of water which said Rancheria Water Company shall be, and is entitled to take from said Region, and use beyond the confines thereof, is 120 inches of water, and said Company shall not be entitled to divert at any time from said Region, an amount of water in excess of 120 inches, all of which said quantity of water may be pumped or diverted by said Company from said Region, but all of said water shall be taken from wells or water developments, situate south of Highland Avenue, and north of said Fourth Street.

XV.

That the maximum quantity of water which said Citizens Company shall be, and is entitled to take from

said Region, and use beyond the confines thereof, is 1300 inches of water, and said Citizens Company shall not be entitled to divert, at any time, from said Region, an amount of water in excess of said 1300 inches, all of which said quantity of water may be pumped or diverted by said Company from said Region, provided that:

(a) No more than 200 inches shall ever be diverted or pumped by said Citizens Company, from that part of said Ferguson Ranch specified in that certain deed, executed by the Semi-Tropic Land and Water Company, to the Rialto Irrigation District, and recorded in the office of the County Recorder of said San Bernardino County, in Book 187 of Deeds, at page 213 thereof, and

(b) No more than 585 inches shall ever be diverted from said Region by said Citizens Company, from the northeast quarter of Section 36, Township 1 North, Range 5 West, S. B. B. & M., and

(c) No more than 150 inches shall ever be diverted or pumped by said Citizens Company, from that certain tract of land, situate in said Region, described as follows, to-wit:

Commencing at a point on the Base Line two thousand and fifty feet east of the southwest corner of Township 1 North, Range 4 West, San Bernardino Base and Meridian, and running thence due east 250 feet; thence north 14 degrees west, 344 feet; thence north 24 degrees 10 minutes West, 839.7 feet; thence north 39 degrees, 56 minutes west, 1096 feet; thence due west 674 feet; thence south 8 degrees, 20 minutes east, 500 feet; thence south 34 degrees, 15 minutes east, 1119 feet; thence south 58 degrees, 35 minutes east, 998-7/10 feet, to the place of beginning.

(d) None of the remaining quantity of said 1300 inches of water shall ever be diverted or pumped by said Citizens Company, from any lands in said Region, lying to the north of Base Line, but nothing herein contained shall be construed as obligating said Citizens Company, to divert any specific quantity of water from lands lying north of Base Line, to the end that any quantity of water may be diverted by said Company, from lands in said Region lying south of Base Line, so long as such quantity, when added to the quantity of water which said Company may be then contemporaneously taking from said Region, from lands north of Base Line, shall not exceed in the aggregate, said maximum quantity of 1300 inches of water; provided however, that in the event of said Company diverting at any time from said Region, a total quantity of water, exceeding 1100 inches, then all of such excess water shall be taken by said Company from lands in said Region lying south of a line drawn parallel to, and situate 2500 feet south of Base Line.

(e) Said Citizens Company shall never be entitled to divert any water from that certain tract of land situate in said Region, and described as follows:

Beginning at the southeast corner of the northeast quarter of the northeast quarter of Section 36, Township 1 North, Range 5 West, San Bernardino Base and Meridian; running thence west, 11.89 chains to a post, thence north 3 degrees 10 minutes west, 20 chains to a post on the north line of said Section, thence east 1 chain, thence south 32 degrees east, 8.32 chains to a post; thence south 2 degrees west, 2.06 chains to a post; thence south 54 degrees east, 4.59 chains to a post; thence south 83 degrees east, 4.40 chains to the east line

of said Section, thence south 8.48 chains to the place of beginning.

XVI. ,

The maximum quantity of water which James Barnhill (sued herein under the erroneous name of "W. W. Barnhill"), shall be, and is entitled to take from said Region, and use beyond the confines thereof, is seventy-five inches of water and said Barnhill shall not be entitled to divert, at any time, from said Region, an amount of water in excess of said 75 inches, all of which said quantity of water may be pumped by him from said Region, but all of said water shall be taken from wells, or water developments, situate south of the existing right of way of Atchison, Topeka and Santa Fe Railway Company (on which said right of way are located the railroad tracts extending from said City of San Bernardino, to the City of Rialto), and north of said Mill Street.

XVII.

That the maximum quantity of water, which said Terrace Water Company shall be, and is entitled to take from said Region, and use beyond the confines thereof, is 150 inches of water, and said Terrace Water Company shall not be entitled to divert, at any time, from said Region, an amount of water in excess of said 150 inches, but all of said water shall be taken from wells or water developments, situate south of said right of way of said Railway Company mentioned in the next preceding paragraph hereof, and north of said Mill Street. All of said water may be pumped.

XVIII.

That the maximum quantity of water which said City of Colton shall be, and is entitled to take from said

and its tributaries, and from said Lytle Creek Region, and conduct from said Region, and use beyond the confines thereof, shall amount to an aggregate quantity of 3480.78 inches, and said Fontana Companies shall never be entitled either collectively or separately to divert, beyond said confines, at any time from said water sources, or any of them, an amount of water in excess of said quantity in this paragraph hereinbefore specified. Of said 3480.78 inches of water, 1300 inches and no more may be pumped and diverted from said Region, by said Fontana Companies, provided that:

(a) No more than three hundred inches shall ever be pumped from the next hereinafter described tract of land, and said 300 inches shall be pumped from no other place; said tract being that certain tract, in said Region, described as follows:

That portion of the Southwest portion of the Muscupiabe Rancho, described as follows:

Beginning at station O of the north boundary of the Muscupiabe Rancho, which point is situate near the northeasterly bank of Lytle Creek, and near the mouth of Lytle Creek Canyon;

Thence following and along the northerly boundary of said Muscupiabe Ranch, South 67 degrees, 52 minutes East, thirty-five and fifty-three hundredths (35.53) chains to station 1 of said Muscupiabe Rancho; thence south 48 degrees, 14 minutes west, fifty-six and seventy-six hundredths (56.76) chains to the southwesterly corner of Farm Lot Ten (10) designated on the Map showing SUBDIVISION OF LANDS BELONGING TO SEMI-TROPIC LAND AND WATER COMPANY, recorded in Book 6 of Maps, at page 12, in the office of the County Recorder of said San Bernardino County;

Region, and use beyond the confines thereof, is 600 inches of water, and said City shall not be entitled to divert, at any time, from said Region, an amount of water in excess of said 600 inches, all of which said quantity of water may be pumped by said City from said Region, but all of said water shall be taken from wells or water developments situate south of the last mentioned right of way of said Railway Company, and north of said Mill Street, and none of said water shall be used west of the highway, running approximately north and south, situate on the Rialto Bench, and known as "Rancho Avenue."

XIX.

As used herein, (1) the term "Fontana Companies," refers to Fontana Water Company, Fontana Union Water Company, Fontana Power Company, Fontana Farms Company, and Fontana Land Company; (2) the term "Citizens Company" refers to the Citizens Land and Water Company of Bloomington; (3) the term "Riverside Company" refers to the Riverside Highland Water Company; (4) the term "Improvement Company" refers to the Lytle Creek Water and Improvement Company; (5) the term "Mutual Company" refers to the Mutual Land and Water Company of Rialto; (6) the term "Power Company" refers to the Fontana Power Company, and (7) the term "Union Water Company" refers to Fontana Union Water Company.

XX.

That the maximum quantity of water which said Fontana Companies shall be, and are collectively entitled to take from the surface and sub-surface waters of said Lytle Creek, and from said Lytle Creek Canyon,

Thence north 24 degrees, 43 minutes west, eighty-four and twenty-four hundredths (84.24) chains to a point in the north boundary of said Muscupiabe Rancho; said point being identical with the north corner of Farm Lot One (1), designated on said Map; thence, following and along the north boundary of the Muscupiabe Ranch, south fifty-one degrees, thirty minutes east, eleven and fifty-hundredths (11.50) chains to Station 49 thereof;

Thence, south 63 degrees, 00 minutes east, 40 chains to Station 0 of said Muscupiabe Rancho, the place of beginning.

Containing two hundred twelve and nineteen hundredths (212.19) acres.

(b) No more than 200 inches shall ever be pumped and diverted from said Region, from that certain tract of land in said Region, described as follows:

Commencing at a point on Line 2-3 of the northeasterly boundary of the southwest portion of the Rancho Muscupiabe, said point being north 45 degrees, 0 minutes west, one hundred thirty-seven and three-tenths chains from the southeast corner of Section 25, Township 1 North, Range 5 West, San Bernardino Base and Meridian; thence following the northeasterly boundary line of lands heretofore conveyed by the Fontana Development Company, to the Lytle Creek Water and Improvement Company, by deed recorded in Book 429 of Deeds, page 103, south 71 degrees, 13 minutes west, thirty-four and twenty-eight hundredths chains; thence still following said boundary north eighty-two degrees, fifty-nine minutes west, eighteen and seventy-three hundredths chains, for a point of beginning; thence from said point of beginning north fifty-four degrees,

fifteen minutes west, eighty-three and four hundredths chains; thence south 35 degrees, 45 minutes west, along the boundary line of the land conveyed by the Fontana Development Company to the Fontana Union Water Company, by deed recorded in Book 505 of Deeds, page 274, to the northwesterly corner of Lot 64, of Map showing subdivision of lands belonging to the Semi-Tropic Land and Water Company, as per plat recorded in Book 6 of Maps, page 12, of the records of said County, including the western portion of the Muscupiabe Grant, as per plat recorded in Book 7 of Maps, page 23, of the records of said County; thence from said northwesterly corner of said Lot 64, easterly and along the northeast line of Lots 64, 66, 68, 70, 72, 74 and 76, to the westerly point of land conveyed by the Fontana Development Company to the Lytle Creek Water and Improvement Company, by deed recorded in Book 429 of Deeds, page 103, et. seq.; thence following the north boundary of said tract south 82 degrees, 59 minutes east, twenty-six and twenty-seven hundredths chains, more or less, to point of beginning.

(c) None of the remaining 800 inches, or any portion of said 1300 inches of water, shall ever be pumped by said Fontana Companies, or any of them, from any portion of said Region lying to the south, or southeasterly of a line drawn from the southeast corner of Farm Lot 68, designated on said Map, to that certain point situate on the boundary of said Muscupiabe Rancho, designated or known as "Stake No. 3" (which said last mentioned point is situate very near to the northeast corner of Section 22, Township 1 North, Range 5 west, S. B. B. & M.); thence running due east to the southwesterly boundary of said right of way of

said Atchison, Topeka and Santa Fe Railway Company, hereinbefore mentioned, save and except that 150 inches of said 1300 inches of water may be pumped or diverted from lands in said Region lying below or to the south or southeasterly of said line.

(d) No water, pumped in said Region by any of said Fontana Companies, shall ever be conducted east of the west boundary of the lands in said Region now owned by the Muscoy Water Company, a corporation, provided however, that if any of the said Fontana Companies shall exercise the right to substitute for 150 inches of the surface waters of said Lytle Creek other water (said right being specifically provided for in that certain judgment rendered by the Superior Court of said San Bernardino County, in Action numbered 9383 in said Court, a copy of which judgment is recorded in the office of the County Recorder of said County, in Book 369 of Deeds at page 323 thereof, which said judgment is based upon that certain contract, dated October 26, 1891, wherein John L. Campbell granted to the Semi-Tropic Land and Water Company, the right to make such substitution of such water), then and in that event, such substituted water, not exceeding 150 inches, may be conducted anywhere.

(e) No water, except the 300 inches permitted to be pumped hereunder, from the tract of land described in Subdivision (a) of this Paragraph XX, shall ever be pumped and diverted by any of said Fontana Companies, from said Region, except and provided that whenever the quantity of water which said Fontana Companies are deriving from said Lytle Creek, at said intake, when added to any water that shall at the time be actually pumped from said tract (there shall be no

obligation to pump any water from said tract), shall amount in the aggregate to less than 2500 inches, then, so long as such deficiency shall continue, said Fontana Companies may take and divert from said Region from any or all of said other areas hereinbefore specified (but not more from any one of said areas than the maximum that they are entitled to take from such tract as hereinbefore stated) such quantity of water as may be necessary to make up such deficiency and maintain such aggregate supply of 2500 inches.

(f) Said quantity of 2500 inches and said maximum quantity of 3480.78 inches of water, hereinbefore referred to in this Paragraph XX, both relate exclusively to water which said Fontana Companies are entitled to take for their own use for irrigation and other beneficial purposes, beyond the confines of said Region.

XXI.

Nothing herein contained shall settle, bind or affect any question, matter or right existing between any of said Fontana Companies only, the purpose of this decree being to define and adjudicate the rights involved herein, of each and all of the respective parties hereto, other than said Fontana Companies, and also to adjudicate the collective rights of all of said Fontana Companies, constituting one group of defendants, without affecting any right which any of said Fontana Companies may have against any other of said Fontana Companies.

XXII.

That, except as provided in Paragraph XXIV hereof, no well shall ever be sunk hereafter by any party to

this action, within a distance of 200 feet of the north boundary line of said Ferguson Ranch, and it is further decreed that none of said Fontana Companies shall be entitled to hereafter pump any water in said Lytle Creek Canyon, at any time when such water is not needed for irrigation purposes.

XXIII

Nothing contained herein shall be construed as permitting or shall permit, any water to be diverted from said Region, or from any water sources herein mentioned, at any time when the water so diverted is not reasonably needed for some useful or beneficial purpose, and it shall not be deemed a useful or beneficial purpose within the meaning of this paragraph, to use water:

(a) For irrigating, between the 15th day of November and the 15th day of March, of the next succeeding year, any grain or cereal crop, unless such crop is growing in an orchard;

(b) For saturating or causing water to sink in lands, lying outside of the said Region and canyon, for the purpose of accomplishing underground storing of water, or of adding to the water contained in such lands, nor for exercising unreasonable irrigation of crops or trees growing thereon.

XXIV.

That none of the parties to this action shall ever be entitled hereafter, to sink any well within a distance of 500 feet from any other well, owned, or operated by any other party to this action, except for substituting a new well in lieu of any now existing well, within said distance, for the sole purpose of maintaining, but not in-

creasing, the quantity of water now taken by such existing well, within such distance, provided however, that if it is desired to sink such new well within said distance, then such new well shall be always located as near as reasonably practicable to the existing old well for which it is to be substituted, as aforesaid.

XXV.

That each and all of the parties to this action, when taking any water from any water source mentioned herein, shall install, and at all times maintain respectively, at every point at which such water is so taken, such measuring box or weir or other measuring device, as will show readily and accurately the quantity of water at the time being taken at such point, which box and weir or other device, shall be installed and maintained as directed by, and to the satisfaction of said committee on water conservation, and shall at all times be open to inspection by an member of said committee, and by any party to this action.

XXVI.

Nothing herein contained shall be construed as vesting any new right in any of the parties hereto, to enter upon and take water from any water development or well situate on any property of any other party hereto, but the provisions of this paragraph shall not impair or affect any existing right of any party hereto.

XXVII.

That the rights of each and all of the said parties to pump water from said Region, as hereinbefore specified and defined are, as between said parties, equal and cor-

relative, without any priority or superiority of right, except as hereinbefore specifically stated or provided as to a particular interest or right, as between particular specified parties.

XXVIII.

That every provision of this decree in favor of, or applying to any party hereto, shall also apply to, and inure to the benefit of, and also bind each and all of the heirs, legal representatives, successors and assigns of such party.

XXIX.

That nothing herein decreed shall impair, abridge, or affect any existing right of any party hereto, which is now established by decree of court, or by other record, to have delivered, or to share in water from the surface flow of said Lytle Creek, except as may hereinbefore be otherwise specifically provided. Nothing herein decreed shall impair, abridge or affect any existing right of any party hereto to practice water conservation by sinking water in said Lytle Creek Canyon.

XXX.

That each and all of the parties hereto, and the agents and employees of each of them, are hereby perpetually restrained and enjoined from doing any act or thing in violation of the provisions of this decree.

XXXI.

None of the several maximum quantities of water which the parties hereto are respectively entitled to take from said Region, and use beyond the confines thereof, as herein specified, shall be increased or affected by the

future acquiring of additional lands in said Region by any of said parties; provided, however, anything to the contrary herein contained notwithstanding, should any party hereto hereafter purchase from any other party hereto the herein specified right to divert water of such other party, such purchasing party shall be entitled to exercise such purchased right of diverting water from said Region, in addition to the right allotted hereunder to such purchasing party.

XXXII.

No objection shall ever be made by any of said parties as to the interest or right of any party, as hereinbefore specified and defined, or as to the validity of this judgment in so specifying or defining such interest or right, on the ground that such interest or right, as so specified or defined, is not consistent with or warranted by the pleadings relative thereto; and if, in any case, it shall appear that any such interest or right, as so specified and defined, is in fact not consistent with or warranted by such pleading as actually filed, then such pleading shall be deemed and treated as amended, to conform to and sustain such interest and right as hereinbefore specified and defined.

XXXIII.

Each of said parties waives all right of appeal from this judgment, and no appeal shall be taken by any party or parties from this judgment or any part thereof.

XXXIV.

No party to this judgment shall be entitled to recover costs from any other party.

Dated: January 28th, 1924.

BENJAMIN F. WARMER,
Judge.

Endorsed:
Filed Jan. 28, 1924

HARRY L. ALLISON, Clerk
By M. L. ALDRIDGE, Deputy.

Docketed: Jan. 30, 1924, at 1:35 o'clock P. M.

Entered: Jan. 28, 1924, Book 41, Page 154.

HARRY L. ALLISON, Clerk
By R. M. SCHMIDT, Deputy Clerk

STATE OF CALIFORNIA, }
COUNTY OF SAN BERNARDINO, } ss.

I, HARRY L. ALLISON, County Clerk and ex-officio Clerk of the Superior Court, do hereby certify the foregoing to be a full, true and correct copy of the original on file in my office.

Witness my hand and seal of the Superior Court, this 14th day of Feb., 1924.

HARRY L. ALLISON, County Clerk.
By R. M. SCHMIDT, Deputy.

Recorded at request of Leonard, Surr & Hellyer, Feb. 16, 1924, at 28 minutes past 9.00 A. M., in Book 829, Page 293, of Deeds, Records San Bernardino County.

FULTON G. FERAUD, County Recorder.
By IRENE McINERNY, Deputy Recorder.
Fee \$13.50.

I hereby certify that I have correctly transcribed this instrument on the records in the office of the Recorder of San Bernardino County.

R. EASTON, Copyist.

Compared:

M. ALEXANDER,—R. EASTON.

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**AGREEMENT BETWEEN
THE WEST SAN BERNARDINO COUNTY WATER DISTRICT
AND THE CITY OF SAN BERNARDINO
FOR PURCHASE OF LYTLE CREEK SURFACE WATER SUPPLY**

This Agreement is made as of April 20, 1993,
by and between the WEST SAN BERNARDINO COUNTY WATER DISTRICT
(District), and the CITY OF SAN BERNARDINO (City), a municipal
corporation, by and through its BOARD OF WATER COMMISSIONERS.

RECITALS

A. City owns 1.94 million gallons per day (mgd) of water rights to the surface flow of Lytle Creek (150 miners inches). Said rights are set forth in City of San Bernardino vs. Fontana Water Co. et al., Superior Court of San Bernardino County, California, January 28, 1924, Case No. 17030. City's rights include: 100 miners inches in the name of the City; 50 miners inches held by Mt. Vernon Water Company, one-third owner of the "Campbell Rights" by San Bernardino County Superior Court Case No. 20790, Lytle Creek Water and Improvement Company vs. Grapeland Irrigation District, et al.

B. District is in the process of constructing a water filtration and treatment facility adequate to properly filter and treat said water supply for domestic use.

THEREFORE, IT IS AGREED:

1. Upon completion of said treatment plant, District shall divert City's said 1.94 mgd, or any portion thereof as determined by the District, for treatment and use in District's water system. Point of diversion shall be the

1 Afterbay of the Southern California Edison Company's
2 Fontana Power House. The actual amount of City's water
3 available for sale shall be that amount of surface flow
4 in Lytle Creek allocated to City by various judgments,
5 agreements and low flow restrictions of same.

6 2. District shall pay City an amount equal to the charge
7 established by the San Bernardino Valley Municipal
8 Water District for imported State Project Water for
9 groundwater recharge; currently, \$60.00 per acre foot or,
10 the average cost per acre foot to District to produce and
11 transport well water from District's Lytle Creek Well
12 Field to elevation one thousand five hundred seventy
13 (1,570) feet above sea level which is the same elevation
14 as said treatment plant, whichever is less. Present
15 estimated cost per acre foot is \$75.00 to produce and
16 transport said water. City will continue to pay
17 assessments which may be imposed by the Lytle Creek Water
18 Conservation Association against surface flow rights it
19 owns.

20 3. This Agreement shall terminate on January 1, 2023.
21 District shall have a right to two (2) ten-year extension
22 options after said expiration date. This Agreement may
23 be modified only upon the mutual written agreement of the
24 parties hereto. Any request for modification of this
25 Agreement shall be made at least ninety (90) days prior
26 to the proposed effective date of any such requested
27 modification. This Agreement shall inure to the benefit
28 of and be binding upon the parties hereto and their

- 1 respective successors, legal representatives, and
2 assigns. This Agreement shall be reviewed by the parties
3 ninety (90) days prior to the end of each five-year
4 anniversary date of this Agreement.
- 5 4. District agrees to indemnify and hold City and its
6 officers, employees, successors and assigns, and each of
7 them, harmless from and against all liability or claims
8 thereof for loss of or damage to property or injury to or
9 death of any person proximately caused in whole or in
10 part by any acts, omission, negligence, gross negligence
11 or willful misconduct, of District or its contractors, or
12 by any acts for which District or its contractors are
13 liable without fault, in the construction, operation and
14 maintenance of the facilities hereunder, save and except
15 in those instances where such loss, damage, injury, or
16 death is caused in whole or in part by the negligence of
17 City or its contractors or by any acts for which City or
18 its contractors are liable without fault.
- 19 5. City agrees to indemnify and hold District and its
20 officers, employees, successors, and assigns, and each of
21 them, harmless from and against all liability or claims
22 thereof for loss of or damage to property or injury to or
23 death of any person proximately caused in whole or in
24 part by any acts, omission, negligence, gross negligence
25 or willful misconduct, of City or its contractors, or by
26 any acts for which City or its contractors are liable
27 without fault, in the operation and maintenance of the
28 facilities hereunder, save and except in those instances

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where such loss, damage, injury, or death is caused in whole or in part by the negligence of District or its contractors or by any acts for which District or its contractors are liable without fault.

6. Written notice to be given to either party shall be given by personal delivery or by registered or certified mail; other correspondence and invoices may be sent by first class mail, addressed and delivered as set forth below:

General Manager
City of San Bernardino
Municipal Water Department
300 North "D" Street
San Bernardino, CA 92418

General Manager
West San Bernardino
County Water District
855 West Base Line Rd.
Rialto, CA 92376

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its respective duly authorized officers. The effective date of this Agreement shall be the date first above written.

BOARD OF WATER COMMISSIONERS
CITY OF SAN BERNARDINO

WEST SAN BERNARDINO COUNTY
WATER DISTRICT

By: Margaret H. Chandler
Margaret H. Chandler
President

By: Oliver P. Roemer
Oliver P. Roemer, President

ATTEST:

ATTEST:

By: Cheryl A. Flowers
Cheryl A. Flowers
Secretary

By: Ira B. Pace
Ira B. Pace, Secretary

APPROVED AS TO FORM AND CONTENT

Gerald D. Shoaf
Gerald D. Shoaf, Legal Counsel

Appendix B. Western Judgment

FILED
RIV. REICE COUNTY

APR 17 1969

DONALD D. McLELLAN, Clerk
By *[Signature]* Deputy

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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF RIVERSIDE

WESTERN MUNICIPAL WATER DISTRICT OF
RIVERSIDE COUNTY, a municipal water
district; CITY OF RIVERSIDE, a
municipal corporation; THE GAGE
CANAL COMPANY, a corporation; AGUA
MANSA WATER COMPANY, a corporation,
MEEKS & DALEY WATER COMPANY, a
corporation; RIVERSIDE HIGHLAND
WATER COMPANY, a corporation, and
THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA,

Plaintiffs,

-vs-

(A) EAST SAN BERNARDINO COUNTY
WATER DISTRICT, et al.,

Defendants

784/26
No. 784-726
J.M.
4/17/69

JUDGMENT

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Boundaries of San Bernardino
Valley Municipal Water
District & Western Municipal
Water District of Riverside
County

APPENDIX B --	Extractions by Plaintiffs from San Bernardino Basin Area.
APPENDIX C --	Exports for Use on Lands not Tributary to Riverside Narrows
APPENDIX D --	Miscellaneous Data

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RECITALS

(a) Complaint. The complaint in this action was filed by certain parties exporting water from the area defined herein as the San Bernardino Basin Area for use within Western, and sought a general adjudication of water rights.

(b) Orange County Water District Action. Subsequently the Orange County Water District filed an action for the adjudication of the water rights of substantially all water users in the area tributary to Prado Dam in the Santa Ana River Watershed. A decree of physical solution has been entered in such action whereby individual water users were dismissed, and San Bernardino Valley and Western assumed responsibility for the deliveries of certain flows at Riverside Narrows and Prado respectively.

(c) Physical Solution. The Judgment herein will further implement the physical solution in the Orange County Water District action, as well as determine the rights of the hereinafter named Plaintiffs to extract water from the San Bernardino Basin Area, and provide for replenishment of the area above Riverside Narrows. Such Judgment is fair and equitable, in the best interests of the parties, and in furtherance of the water policy of the State. San Bernardino Valley has the statutory power and resources to effectuate this Judgment and accordingly the other defendants may be dismissed.

(d) Stipulation. The parties named herein through their respective counsel have proposed and filed a written stipulation agreeing to the making and entry of this Judgment. By reason of such stipulation, and good cause appearing

1 therefor,

2
3 IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:
4

5 I

6 ACTIVE PARTIES

7
8 (a) The parties to this Judgment are as follows:

9 (1) Plaintiff Western Municipal Water District
10 of Riverside County, a California municipal water district,
11 herein often called "Western", appearing and acting pursuant to
12 Section 71751 of the Water Code;

13 (2) Plaintiff City of Riverside, a municipal
14 corporation;

15 (3) Plaintiffs Riverside Highland Water
16 Company, Agua Mansa Water Company and Meeks & Daley Water
17 Company, each of which is a mutual water company and a
18 California corporation;

19 (4) Plaintiff The Regents of the University
20 of California, a California public corporation;

21 (5) Defendant San Bernardino Valley
22 Municipal Water District, a California municipal water district,
23 herein often called "San Bernardino Valley", appearing and
24 acting pursuant to Section 71751 of the Water Code;

25 (b) This Judgment shall inure to the benefit of, and
26 be binding upon, the successors and assigns of the parties.

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28 II

29 DISMISSED PARTIES

30 All parties other than those named in the preceding
31 Paragraph I are dismissed without prejudice.

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III
PRIOR JUDGMENTS

(a) The Judgment dated and entered on May 13, 1959, in that certain action filed in the Superior Court of the State of California in and for the County of San Bernardino, entitled and numbered "San Bernardino Valley Water Conservation District, a State Agency, Plaintiff v. Riverside Water Company, a corporation, et al., Defendants", No. 97031, is superseded effective January 1, 1971, and for so long as this Judgment remains in effect as to any party hereto that was a party to that action, and as to any party hereto that is a successor in interest to the rights determined in that action.

(b) The Judgment dated June 23, 1965, and entered on April 21, 1966, in that certain action filed in the Superior Court of the State of California in and for the County of San Bernardino entitled and numbered "San Bernardino Valley Water Conservation District, a State Agency, Plaintiff, v. Riverside Water Company, a corporation, et al., Defendants," No. 111614, is superseded effective January 1, 1971, and for so long as this Judgment remains in effect as to any party hereto that was a party to that action, and as to any party hereto that is a successor in interest to any rights determined in that action.

(c) As used in this Paragraph III only, "party" includes any person or entity which stipulates with the parties hereto to accept this Judgment.

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IV
DEFINITIONS

The following ground water basins and tributary areas are situated within the Santa Ana River watershed upstream from Riverside Narrows and are tributary thereto, and their approximate locations and boundaries for purposes of this Judgment are shown upon the map attached hereto as Appendix "A": San Bernardino Basin Area (the area above Bunker Hill Dike, but excluding certain mountainous regions and the Yucaipa, San Timoteo, Oak Glen and Beaumont Basins); Colton Basin Area, Riverside Basin Area within San Bernardino County, and Riverside Basin Area within Riverside County.

As used herein the following terms shall have the meanings herein set forth:

(a) Bunker Hill Dike - The San Jacinto Fault, located approximately as shown on Appendix "A", and forming the principal downstream boundary of the San Bernardino Basin Area.

(b) Riverside Narrows - That bedrock narrows in the Santa Ana River indicated on Appendix "A".

(c) Extractions - Any form of the verb or noun shall include pumping, diverting, taking or withdrawing water, either surface or subsurface, by any means whatsoever, except extractions for hydroelectric generation to the extent that such flows are returned to the stream, and except for diversions for replenishment.

(d) Natural Precipitation - Precipitation which falls naturally in the Santa Ana River watershed.

(e) Imported Water - Water brought into the Santa Ana River watershed from sources of origin outside such watershed.

1 (f) Replenishment - Artificial recharge of the
2 ground water body achieved through the spreading or retention of
3 water for the purpose of causing it to percolate and join the
4 underlying ground water body, or injection of water into the
5 ground water resources by means of wells; provided that as used
6 with reference to any obligation of Western to replenish the
7 Riverside Basin Area in Riverside County, the term replenishment
8 shall include any water caused to be delivered by Western for
9 which credit is received by San Bernardino Valley against its
10 obligation under the Orange County Judgment to provide base
11 flow at Riverside Narrows.

12 (g) Safe Yield - Safe yield is that maximum
13 average annual amount of water that could be extracted from the
14 surface and subsurface water resources of an area over a period
15 of time sufficiently long to represent or approximate long-time
16 mean climatological conditions, with a given areal pattern of
17 extractions, under a particular set of physical conditions or
18 structures as such affect the net recharge to the ground water
19 body, and with a given amount of usable underground storage
20 capacity, without resulting in long-term, progressive lowering
21 of ground water levels or other undesirable result. In
22 determining the operational criteria to avoid such adverse
23 results, consideration shall be given to maintenance of adequate
24 ground water quality, subsurface outflow, costs of pumping,
25 and other relevant factors.

26 The amount of safe yield is dependent in part upon
27 the amount of water which can be stored in and used from the
28 ground water reservoir over a period of normal water supply
29 under a given set of conditions. Safe yield is thus related to
30 factors which influence or control ground water recharge, and
31

1 to the amount of storage space available to carry over recharge
2 occurring in years of above average supply to years of
3 deficient supply. Recharge, in turn, depends on the available
4 surface water supply and the factors influencing the
5 percolation of that supply to the water table.

6 Safe yield shall be determined in part through the
7 evaluation of the average net groundwater recharge which would
8 occur if the culture of the safe yield year had existed over
9 a period of normal native supply.

10 (h) Natural Safe Yield - That portion of the safe
11 yield of the San Bernardino Basin Area which could be derived
12 solely from natural precipitation in the absence of imported
13 water and the return flows therefrom, and without
14 contributions from new conservation. If in the future any
15 natural runoff tributary to the San Bernardino Basin Area is
16 diverted away from that Basin Area so that it is not included
17 in the calculation of natural safe yield, any replacement made
18 thereof by San Bernardino Valley or entities within it from
19 imported water shall be included in such calculation.

20 (i) New Conservation - Any increase in
21 replenishment from natural precipitation which results from
22 operation of works and facilities not now in existence, other
23 than those works installed and operations which may be
24 initiated to offset losses caused by increased flood control
25 channelization.

26 (j) Year - A calendar year from January 1 through
27 December 31. The term "annual" shall refer to the same period
28 of time.

29 (k) Orange County Judgment - The final judgment
30 in Orange County Water District v. City of Chino, et al.,
31 Orange County Superior Court No. 117628, as it may from time to
32

1 time be modified.

2 (l) Return Flow - That portion of the water
3 applied for use in any particular ground water basin which
4 subsequently reaches the ground water body in that basin.

5 (m) Five Year Period - a period of five consecutive
6 years.

7 V

8 EXTRACTIONS FROM THE SAN BERNARDINO BASIN AREA

9
10 (a) For Use by Plaintiffs. The average annual
11 extractions from the San Bernardino Basin Area delivered for
12 use in each service area by each Plaintiff for the five year
13 period ending with 1963 are hereby determined to be as set forth
14 in Table B-1 of Appendix "B". The amount for each such
15 Plaintiff delivered for use in each service area as set forth
16 in Table B-1 shall be designated, for purposes of this Judgment,
17 as its "base right" for such service area.

18 (b) For Use by Others. The total actual average
19 annual extractions from the San Bernardino Basin Area by
20 entities other than Plaintiffs for use within San Bernardino
21 County for the five year period ending with 1963 are assumed
22 to be 165,407 acre feet; the correct figure shall be
23 determined by the Watermaster as herein provided.

24
25 VI

26 SAN BERNARDINO BASIN AREA RIGHTS AND REPLENISHMENT

27
28 (a) Determination of Natural Safe Yield. The
29 natural safe yield of the San Bernardino Basin Area shall be
30 computed by the Watermaster, reported to and determined
31 initially by supplemental order of this Court, and thereafter

1 shall be subject to the continuing jurisdiction thereof.

2 (b) Annual Adjusted Rights of Plaintiffs.

3 1. The annual "adjusted right" of each
4 Plaintiff to extract water from the San Bernardino
5 Basin Area for use in each service area designated
6 in Table B-1 shall be equal to the sum of the
7 following:

8 (a) its base right for such service area, until
9 the natural safe yield of the San Bernardino Basin
10 Area is determined, and thereafter its percentage
11 of such natural safe yield determined by the
12 methods used in Table B-2; and (b) an equal
13 percentage for each service area of any new
14 conservation, provided the conditions of the
15 subparagraph 2 below have been met.

16 2. In order that the annual adjusted
17 right of each such Plaintiff shall include its
18 same respective percentage of any new conservation,
19 such Plaintiff shall pay its proportionate share
20 of the costs thereof. Each Plaintiff shall have
21 the right to participate in new conservation projects,
22 under procedures to be determined by the Watermaster
23 for notice to Plaintiffs of the planned construction
24 of such projects. With respect to any new
25 conservation brought about by Federal installations,
26 the term "costs" as used herein shall refer to any
27 local share required to be paid in connection with
28 such project. Each Plaintiff shall make its
29 payment at times satisfactory to the constructing
30 agency, and new conservation shall be credited to
31 any participating Plaintiff as such conservation is
32 effected.

1 3. In any five year period, each
2 Plaintiff shall have the right to extract from the
3 San Bernardino Basin Area for use in each service
4 area designated in Table B-1 an amount of water
5 equal to five times its adjusted right for such
6 service area; provided, however, that extractions by
7 each Plaintiff in any year in any service area shall
8 not exceed such Plaintiff's adjusted right for that
9 service area by more than 30 percent.

10 4. If the natural safe yield of the
11 San Bernardino Basin Area has not been determined by
12 January 1, 1972, the initial determination thereof
13 shall be retroactive to that date and the rights
14 of the Plaintiffs, and the replenishment
15 obligation of San Bernardino Valley as hereinafter
16 set forth, shall be adjusted as of such date. Any
17 excess extractions by Plaintiffs shall be charged
18 against their respective adjusted rights over the
19 next five year period, or in the alternative,
20 Plaintiffs may pay to San Bernardino Valley the
21 full cost of any replenishment which it has pro-
22 vided as replenishment for such excess extractions.
23 Any obligation upon San Bernardino Valley to pro-
24 vide additional replenishment, by virtue of such
25 retroactive determination of natural safe yield,
26 may also be discharged over such next five year
27 period.

28 5. Plaintiffs and each of them and
29 their agents and assigns are enjoined from extracting
30 any more water from the San Bernardino Basin Area than
31 is permitted under this Judgment. Changes in place
32

1 of use of any such water from one service area to
2 another shall not be made without the prior
3 approval of Court upon a finding of compliance
4 with Paragraph XV(b) of this Judgment. So long
5 as San Bernardino Valley is in compliance with all
6 its obligations hereunder, and Plaintiffs are
7 allowed to extract the water provided for in this
8 Judgment, Plaintiffs are further enjoined from
9 bringing any action to limit the water extracted
10 from the San Bernardino Basin Area for use within
11 San Bernardino Valley.

12 6. Nothing in this Judgment shall
13 prevent future agreements between San Bernardino
14 Valley and Western under which additional
15 extractions may be made from the San Bernardino Basin
16 Area, subject to the availability of imported water
17 not required by San Bernardino Valley, and subject
18 to payment satisfactory to San Bernardino Valley
19 for replenishment required to compensate for such
20 additional extractions.

21
22 (c) San Bernardino Valley Replenishment. San
23 Bernardino Valley shall provide imported water for
24 replenishment of the San Bernardino Basin Area at least equal
25 to the amount by which extractions therefrom for use within
26 San Bernardino County exceed during any five year period the
27 sum of: (a) five times the total average annual extractions
28 determined under Paragraph V(b) hereof, adjusted as may be
29 required by the natural safe yield of the San Bernardino Basin
30 Area; and (b) any new conservation to which users within San
31 Bernardino Valley are entitled. Such replenishment shall be
32

1 supplied in the year following any five year period; provided
2 that during the first five year period, San Bernardino Valley
3 shall supply annual amounts on account of its obligations
4 hereunder, and such amounts shall be not less than fifty
5 percent of the gross amount of excess extractions in the
6 previous year.

7 1. Against its replenishment obligation
8 over any five year period San Bernardino Valley shall
9 receive credit for that portion of such excess
10 extractions that returns to the ground water of the
11 San Bernardino Basin Area.

12 2. San Bernardino Valley shall also
13 receive credit against any future replenishment
14 obligations for all replenishment which it provides
15 in excess of that required herein, and for any
16 amounts which may be extracted without replenishment
17 obligation, which in fact are not extracted.

18 (d) In this subparagraph (d), "person" and "entity"
19 mean only those persons and entities, and their successors
20 in interest, which have stipulated with the parties to this
21 Judgment within six months after its entry to accept this
22 Judgment.

23 San Bernardino Valley agrees that the base rights of
24 persons or entities other than Plaintiffs to extract water
25 from the San Bernardino Basin Area for use within San
26 Bernardino Valley will be determined by the average annual
27 quantity extracted by such person or entity during the five
28 year period ending with 1963. After the natural safe yield
29 of the San Bernardino Basin Area is determined hereunder, such
30
31

1 base rights will be adjusted to such natural safe yield; the
2 adjusted right of each such person or entity shall be that
3 percentage of natural safe yield as determined hereunder from
4 time to time which the unadjusted right of such person or
5 entity is of the amount determined under Paragraph V(b).

6 San Bernardino Valley further agrees that in the
7 event the right to extract water of any of such persons or
8 entities in the San Bernardino Basin Area is adjudicated and
9 legal restrictions placed on such extractions which prevent
10 extracting of water by said persons or entities in an amount
11 equal to their base rights, or after natural safe yield is
12 determined, their adjusted rights, San Bernardino Valley will
13 furnish to such persons or entities or recharge the ground
14 water resources in the area of extraction for their benefit
15 with imported water, without direct charge to such persons or
16 entities therefor, so that the base rights, or adjusted
17 rights, as the case may be, may be taken by the person or
18 entity.

19 Under the provisions hereof relating to furnishing
20 of such water by San Bernardino Valley, such persons or
21 entities shall be entitled to extract in addition to their
22 base rights or adjusted rights any quantities of water spread
23 for repumping in their area of extractions, which has been
24 delivered to them by a mutual water company under base rights
25 or adjusted base rights included by the Watermaster under the
26 provisions of Paragraph V (b) hereof. Extractions must be
27 made within three years of spreading to so qualify.

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*Basin for Case 3
&
16/11/68*

VII

WATER DISCHARGED ACROSS THE BUNKER HILL DIKE

San Bernardino Valley shall keep in force an agreement with the City of San Bernardino that the present annual quantity of municipal sewage effluent discharged across Bunker Hill Dike, assumed for all purposes herein to be 16,000 acre feet annually, shall be committed to the discharge of the downstream obligations imposed on San Bernardino Valley under this Judgment or under the Orange County Judgment, and that such effluent shall comply with the requirements of the Santa Ana River Basin Regional Water Quality Control Board in effect December 31, 1968.

VIII

EXTRACTIONS FROM COLTON BASIN AREA AND RIVERSIDE BASIN AREA IN SAN BERNARDINO COUNTY.

*B.W.N
&
Colton*

(a) The average annual extractions from the Colton Basin Area and that portion of the Riverside Basin Area within San Bernardino County, for use outside San Bernardino Valley, for the five year period ending with 1963 are assumed to be 3,349 acre feet and 20,191 acre feet, respectively; the correct figures shall be determined by the Watermaster as herein provided.

(b) Over any five year period, there may be extracted from each such Basin Area for use outside San Bernardino Valley, without replenishment obligation, an amount equal to five times such annual average for the Basin Area; provided, however, that if extractions in any year exceed such average by more than 20 percent, Western shall provide replenishment in the following year equal to the excess

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extractions over such 20 percent peaking allowance.

(c). To the extent that extractions from each such Basin Area for use outside San Bernardino Valley exceed the amounts specified in the next preceding Paragraph (b), Western shall provide replenishment. Except for any extractions in excess of the 20 percent peaking allowance, such replenishment shall be supplied in the year following any five year period, and shall not be from reclaimed water produced within San Bernardino Valley. Such replenishment shall also be of a quality at least equal to the water extracted from the Basin Area being recharged; provided, that water from the State Water Project shall be deemed to be of acceptable quality. Replenishment shall be supplied to the Basin Area from which any excess extractions have occurred and in the vicinity of the place of the excess extractions to the extent required to preclude influence on the water level in the three wells below designated; provided that discharge of imported water into the Santa Ana River or Warm Creek from a connection on the State Aqueduct near the confluence thereof, if released in accordance with a schedule approved by the Watermaster to achieve compliance with the objectives of this Judgment, shall satisfy any obligation of Western to provide replenishment in the Colton Basin Area, or that portion of the Riverside Basin Area in San Bernardino County, or the Riverside Basin Area in Riverside County.

(d) Extractions from the Colton Basin Area and that portion of the Riverside Basin Area within San Bernardino County, for use within San Bernardino Valley, shall not be limited. However, except for any required replenishment by Western, San Bernardino Valley shall provide the water to maintain the static water levels in the area, as determined by wells numbered

17.

IF DECREASE THE LEVEL DROP FROM
WESTERN PUMP CAN GO TO
BUNDEN HILL WITH LEVEL MAINTAINED
822.04

Need to talk to
Hammiger to
clarify this

1 1S 4W 21 Q3, 1S 4W 29 H1, and 1S 4W 29 Q1 at an average level
2 no lower than that which existed in the Fall season of 1963.
3 Such 1963 average water level is hereby determined to be 822.04
4 feet above sea level. In future years, the level shall be
5 computed by averaging the lowest static water levels in each
6 of the three wells occurring at or about the same time of the
7 year, provided that no measurements will be used which reflect
8 the undue influence of pumping in nearby wells, or in the
9 three wells, or pumping from the Riverside Basin in Riverside
10 County in excess of that determined pursuant to Paragraph IX(a)
11 hereof.

12 (e) Extractions by Plaintiffs from the Colton Basin
13 Area and the portion of the Riverside Basin Area in San
14 Bernardino County may be transferred to the San Bernardino
15 Basin Area if the level specified in Paragraph (d) above is
16 not maintained, but only to the extent necessary to restore
17 such 1963 average water level, provided that Western is not
18 in default in any of its replenishment obligations. San
19 Bernardino Valley shall be required to replenish the San
20 Bernardino Basin Area in an amount equal to any extractions so
21 transferred. San Bernardino Valley shall be relieved of
22 responsibility toward the maintenance of such 1963 average water
23 level to the extent that Plaintiffs have physical facilities
24 available to accommodate such transfers of extractions, and
25 insofar as such transfers can be legally accomplished.

26 (f) The Colton Basin Area and the portion of the
27 Riverside Basin Area in San Bernardino County constitute a major
28 source of water supply for lands and inhabitants in both San
29 Bernardino Valley and Western, and the parties hereto have a
30 mutual interest in the maintenance of water quality in these
31 Basin Areas and in the preservation of such supply. If
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When WMO
gains strength
SA WW

1 the water quality in such Areas, as monitored by the City of
2 Riverside wells along the river, falls below the Objectives set
3 therefor by the Santa Ana River Basin Regional Water Quality
4 Control Board, the Court shall have jurisdiction to modify the
5 obligations of San Bernardino Valley to include, in addition
6 to its obligation to maintain the average 1963 water level,
7 reasonable provisions for the maintenance of such water quality.

8 (g) The primary objectives of Paragraph VIII and
9 related provisions are to allow maximum flexibility to San
10 Bernardino Valley in the operation of a coordinated
11 replenishment and management program, both above and below
12 Bunker Hill Dike; to protect San Bernardino Valley against
13 increased extractions in the area between Bunker Hill Dike and
14 Riverside Narrows, which without adequate provision for
15 replenishment might adversely affect base flow at Riverside
16 Narrows, for which it is responsible under the Orange County
17 Judgment; and to protect the area as a major source of ground
18 water supply available to satisfy the historic extractions
19 therefrom for use within Western, without regard to the method
20 of operation which may be adopted by San Bernardino Valley for
21 the San Bernardino Basin Area, and without regard to the effect
22 of such operation upon the historic supply to the area below
23 Bunker Hill Dike.

24 If these provisions should prove either inequitable or
25 unworkable, the Court upon the application of any party hereto
26 shall retain jurisdiction to modify this Judgment so as to
27 regulate the area between Bunker Hill Dike and Riverside Narrows
28 on a safe yield basis; provided that under such method of
29 operation, (1) base rights shall be determined on the basis of
30 total average annual extractions for use within San Bernardino
31 Valley and Western, respectively, for the five year period ending
32

1 with 1963; (2) such base rights for use in both Districts shall
2 be subject to whatever adjustment may be required by the safe
3 yield of the area, and in the aggregate shall not be exceeded
4 unless replenishment therefor is provided; (3) in calculating
5 safe yield, the outflow from the area at Riverside Narrows shall
6 be determined insofar as practical by the base flow obligations
7 imposed on San Bernardino Valley under the Orange County
8 Judgment; and (4) San Bernardino Valley shall be required to
9 provide replenishment for any deficiency between the actual
10 outflow and the outflow obligation across Bunker Hill Dike as
11 established by safe yield analysis using the base period of
12 1934 through 1960.

13
14 IX

15 EXTRACTIONS FROM THE PORTION OF RIVERSIDE BASIN AREA
16 IN RIVERSIDE COUNTY WHICH IS TRIBUTARY TO RIVERSIDE NARROWS.

17 (a) The average annual extractions from the portion
18 of the Riverside Basin Area in Riverside County which is
19 tributary to Riverside Narrows, for use in Riverside County,
20 for the five year period ending with 1963 are assumed to be
21 30,044 acre feet; the correct figures shall be determined by
22 the Watermaster as herein provided.

23 (b) Over any five year period, there may be
24 extracted from such Basin Area, without replenishment
25 obligation, an amount equal to five times such annual average
26 for the Basin Area; provided, however, that if extractions in
27 any year exceed such average by more than 20 percent, Western
28 shall provide replenishment in the following year equal to the
29 excess extractions over such 20 percent peaking allowance.

30 (c) To the extent that extractions from such Basin
31 Area exceed the amounts specified in the next preceding
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20.

1 Paragraph (b), Western shall provide replenishment. Except
2 for any extractions in excess of the 20 percent peaking
3 allowance, such replenishment shall be supplied in the year
4 following any five year period, and shall be provided at or
5 above Riverside Narrows.

6 (d) Western shall also provide such replenishment
7 to offset any reduction in return flow now contributing to the
8 base flow at Riverside Narrows, which reduction in return
9 flow results from the conversion of agricultural uses of water
10 within Western to domestic or other uses connected to sewage
11 or waste disposal systems, the effluent from which is not
12 tributary to the rising water at Riverside Narrows.

13
14 X

15 REPLENISHMENT TO OFFSET NEW EXPORTS OF WATER TO AREAS
16 NOT TRIBUTARY TO RIVERSIDE NARROWS.

17 Certain average annual amounts of water extracted
18 from the San Bernardino Basin Area and the area downstream
19 therefrom to Riverside Narrows during the five year period
20 ending in 1963 have been exported for use outside of the area
21 tributary to Riverside Narrows and are assumed to be 50,667
22 acre feet annually as set forth in Table C-1 of Appendix "C";
23 the correct amount shall be determined by the Watermaster as
24 herein provided. Western shall be obligated to provide
25 replenishment at or above Riverside Narrows for any increase
26 over such exports by Western or entities within it from such
27 areas for use within areas not tributary to Riverside Narrows.
28 San Bernardino Valley shall be obligated to provide
29 replenishment for any increase over the exports from San
30 Bernardino Valley for use in any area not within Western nor
31 tributary to Riverside Narrows as set forth in Table C-2 of
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21.

1 Appendix "C", such amounts being subject to correction by the
2 Watermaster, or for any exports from the San Bernardino Basin
3 Area for use in the Yucaipa, San Timoteo, Oak Glen and
4 Beaumont Basins.

5 XI

6 REPLENISHMENT CREDITS AND ADJUSTMENT FOR QUALITY

7
8 (a) All replenishment provided by Western under
9 Paragraph IX and all credits received against such
10 replenishment obligation shall be subject to the same adjustments
11 for water quality applicable to base flow at Riverside Narrows,
12 as set forth in the Orange County Judgment.

13 (b) Western shall receive credit against its
14 replenishment obligations incurred under this Judgment for the
15 following:

16 1. As against its replenishment obligation
17 under Paragraph VIII, any return flow to the Colton
18 Basin Area or the portion of the Riverside Basin Area
19 within San Bernardino County, respectively, resulting
20 from any excess extractions therefrom; and as
21 against its replenishment obligation under Paragraph
22 IX, any return flow to the portion of the Riverside
23 Basin Area in Riverside County, which contributes
24 to the base flow at Riverside Narrows, resulting
25 from any excess extractions therefrom, or from the
26 Riverside Basin Area in San Bernardino County, or
27 from the Colton Basin Area.

28 2. Subject to adjustment under
29 Paragraph (a) hereof, any increase over the present
30 amounts of sewage effluent discharged from
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treatment plants within Riverside County which are tributary to Riverside Narrows, and which results from the use of imported water.

3. Any replenishment which may be provided in excess of that required; any amounts which hereunder are allowed to be extracted from the Colton and Riverside Basin Areas without replenishment obligation by Western, and which in fact are not extracted; any storm flows conserved between Bunker Hill Dike and Riverside Narrows by works financed solely by Western, or entities within it, which would not otherwise contribute to base flow at Riverside Narrows; and any return flow from imported water used in Riverside County which contributes to base flow at Riverside Narrows; provided, however, that such use of the underground storage capacity in each of the above situations does not adversely affect San Bernardino Valley in the discharge of its obligations at Riverside Narrows under the Orange County Judgment, nor interfere with the accomplishment by San Bernardino Valley of the primary objectives of Paragraph VIII, as stated in Subdivision (g).

(c) The replenishment obligations of Western under this Judgment shall not apply during such times as amounts of base flow at Riverside Narrows and the amounts of water stored in the ground water resources below Bunker Hill Dike and tributary to the maintenance of such flow are found by Order of the Court to be sufficient to satisfy any obligation which San Bernardino Valley may have under this Judgment, or under the

Storage Areas

Doesn't this allow overproduction of Basin can full?

1 Orange County Judgment, and if the Court further finds by Order
2 that during such times any such increase in pumping, changes
3 in use or exports would not adversely affect San Bernardino
4 Valley in the future.

5 (d) The replenishment obligations of San Bernardino
6 Valley under Paragraph X of this Judgment for increase in
7 exports from the Colton and Riverside Basin Areas within San
8 Bernardino Valley below the Bunker Hill Dike shall not apply
9 during such times as the amounts of water in the ground water
10 resources of such area are found by Order of the Court to be
11 sufficient to satisfy the obligations which San Bernardino
12 Valley may have to Plaintiffs under this Judgment, and if the
13 Court further finds by Order that during such times any such
14 increases in exports would not adversely affect Plaintiffs in
15 the future.

16
17 XII

18 CONVEYANCE OF WATER BY SAN BERNARDINO VALLEY
19 TO RIVERSIDE NARROWS.

20 If San Bernardino Valley determines that it will
21 convey reclaimed sewage effluent, or other water, to or near
22 Riverside Narrows, to meet its obligations under this or the
23 Orange County Judgment, the City of Riverside shall make
24 available to San Bernardino Valley for that purpose any unused
25 capacity in the former Riverside Water Company canal, and the
26 Washington and Monroe Street storm drains, without cost except
27 for any alterations or capital improvements which may be
28 required, or any additional maintenance and operation costs which
29 may result. The use of those facilities shall be subject to the
30 requirements of the Santa Ana River Basin Regional Water Quality
31 Control Board and of the State Health Department, and compliance
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1 therewith shall be San Bernardino Valley's responsibility.

2
3 XIII

4 WATERMASTER

5 (a) This Judgment and the instructions and
6 subsequent orders of this Court shall be administered and
7 enforced by a Watermaster. The parties hereto shall make such
8 measurements and furnish such information as the Watermaster
9 may reasonably require, and the Watermaster may verify such
10 measurements and information and obtain additional measurements
11 and information as the Watermaster may deem appropriate.

12 (b) The Watermaster shall consist of a committee
13 of two persons. San Bernardino Valley and Western shall each
14 have the right to nominate one of such persons. Each such
15 nomination shall be made in writing, served upon the other
16 parties to this Judgment, and filed in Court. Such person shall
17 be appointed by and serve at the pleasure of and until further
18 order of this Court. If either Western or San Bernardino Valley
19 shall at any time nominate a substitute appointee in place of
20 the last appointee to represent it, such appointee shall be
21 appointed by the Court in place of such last appointee.

22 (c) Appendix "D" to this Judgment contains some of
23 the data which have been used in preparation of this Judgment,
24 and shall be utilized by the Watermaster in connection with
25 any questions of interpretation.

26 (d) Each and every finding and determination of the
27 Watermaster shall be made in writing certified to be by
28 unanimous action of both members of the Watermaster committee.
29 In the event of failure or inability of such Watermaster
30 Committee to reach agreement, the Watermaster committee may
31 determine to submit the dispute to a third person to be selected
32

25.

1 by them, or if they are unable to agree on a selection, to be
2 selected by the Court, in which case the decision of the third
3 person shall be binding on the parties; otherwise the fact,
4 issue, or determination in question shall forthwith be
5 certified to this Court by the Watermaster, and after due notice
6 to the parties and opportunity for hearing, said matter shall
7 be determined by order of this Court, which may refer the
8 matter for prior recommendation to the State Water Resources
9 Control Board. Such order of the Court shall be a determination
10 by the Watermaster within the meaning of this Judgment.

11 (e) The Watermaster shall report to the Court and
12 to each party hereto in writing not more than seven (7) months
13 after the end of each year, or within such other time as the
14 Court may fix, on each determination made by it pursuant to this
15 Judgment, and such other items as the parties may mutually
16 request or the Watermaster may deem to be appropriate. All of
17 the books and records of the Watermaster which are used in the
18 preparation of, or are relevant to, such reported data,
19 determinations and reports shall be open to inspection by the
20 parties hereto. At the request of any party this Court will
21 establish a procedure for the filing and hearing of objections
22 to the Watermaster's report.

23 (f) The fees, compensation and expenses of each
24 person on the Watermaster shall be borne by the District which
25 nominated such person. All other Watermaster service costs and
26 expenses shall be borne by San Bernardino Valley and Western
27 equally.

28 (g) The Watermaster shall initially compute and
29 report to the Court the natural safe yield of the San Bernardino
30 Basin Area, said computation to be based upon the cultural
31

1 conditions equivalent to those existing during the five
2 calendar year period ending with 1963.

3 (h) The Watermaster shall as soon as practical
4 determine the correct figures for Paragraphs V(b), VI(b)1,
5 VIII(a), IX(a) and X, as the basis for an appropriate
6 supplemental order of this Court.

7
8 XIV

9 CONTINUING JURISDICTION OF THE COURT

10 (a) The Court hereby reserves continuing
11 jurisdiction of the subject matter and parties to this Judgment,
12 and upon application of any party, or upon its own motion, may
13 review and redetermine, among other things, the following
14 matters and any matters incident thereto:

15 1. The hydrologic condition of any one or
16 all of the separate basins described in this Judgment in order
17 to determine from time to time the safe yield of the San
18 Bernardino Basin Area.

19 2. The desirability of appointing a
20 different Watermaster or a permanent neutral member of the
21 Watermaster, or of changing or more clearly defining the duties
22 of the Watermaster.

23 3. The desirability of providing for increases
24 or decreases in the extraction of any particular party because
25 of emergency requirements or in order that such party may
26 secure its proportionate share of its rights as determined
27 herein.

28 4. The adjusted rights of the Plaintiffs as
29 required to comply with the provisions hereof with respect to
30 changes in the natural safe yield of the San Bernardino Basin
31

32 27.

2 Area. If such changes occur, the Court shall adjudge that the
3 adjusted rights and replenishment obligations of each party
4 shall be changed proportionately to the respective base rights.

5 5. Conforming the obligations of San
6 Bernardino Valley under this Judgment to the terms of any new
7 judgment hereafter entered adjudicating the water rights within
8 San Bernardino Valley, if inconsistencies of the two judgments
9 impose hardship on San Bernardino Valley.

10 6. Adjusting the figures in Paragraphs V(b),
11 VI(b) 1, VIII(a) IX(a), and X, to conform to determination
12 by the Watermaster.

13 7. Credit allowed for return flow in the San
14 Bernardino Basin Area if water levels therein drop to the point
15 of causing undue hardship upon any party.

16 8. Other matters not herein specifically set
17 forth which might occur in the future and which would be
18 of benefit to the parties in the utilization of the surface and
19 ground water supply described in this Judgment, and not
20 inconsistent with the respective rights of the parties as herein
21 established and determined.

22 (b) Any party may apply to the Court under its
23 continuing jurisdiction for any appropriate modification of
24 this Judgment if its presently available sources of imported
25 water are exhausted and it is unable to obtain additional
26 supplies of imported water at a reasonable cost, or if there is
27 any substantial delay in the delivery of imported water through
28 the State Water Project.

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2 SAVING CLAUSES

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4 (a) Nothing in this Judgment precludes San
5 Bernardino Valley, Western, or any other party from exercising
6 such rights as it may have or obtain under law to spread, store
7 underground and recapture imported water, provided that any
8 such use of the underground storage capacity of the San
9 Bernardino Basin Area by Western or any entity within it shall
10 not interfere with any replenishment program of the Basin Area.

11 (b) Changes in the place and kind of water use,
12 and in the transfer of rights to the use of water, may be made
13 in the absence of injury to others or prejudice to the
14 obligations of either San Bernardino Valley or Western under
15 Judgment or the Orange County Judgment.

16 (c) If any Plaintiff shall desire to transfer all or
17 any of its water rights to extract water within San Bernardino
18 Valley to a person, firm, or corporation, public or private,
19 who or which is not then bound by this Judgment, such Plaintiff
20 shall as a condition to being discharged as hereinafter pro-
21 vided cause such transferee to appear in this action and file
22 a valid and effective express assumption of the obligations
23 imposed upon such Plaintiff under this Judgment as to such
24 transferred water rights. Such appearance and assumption of
25 obligation shall include the filing of a designation of the
26 address to which shall be mailed all notices, requests,
27 objections, reports and other papers permitted or required by
28 the terms of this Judgment.

29 If any Plaintiff shall have transferred all of its
30 said water rights and each transferee not theretofore bound by
31 this Judgment as a Plaintiff shall have appeared in this action
32

1 and filed a valid and effective express assumption of the
2 obligations imposed upon such Plaintiff under this Judgment as
3 to such transferred water rights, such transferring Plaintiff
4 shall thereupon be discharged from all obligations hereunder.
5 If any Plaintiff shall cease to own any rights in and to the water
6 supply declared herein and shall have caused the appearance and
7 assumption provided for in the third preceding sentence with
8 respect to each voluntary transfer, then upon application to
9 this Court and after notice and hearing such Plaintiff shall
10 thereupon be relieved and discharged from all further
11 obligations hereunder. Any such discharge of any Plaintiff
12 hereunder shall not impair the aggregate rights of defendant
13 San Bernardino Valley or the responsibility hereunder of the
14 remaining Plaintiffs or any of the successors.

15 (d) Non-use of any right to take water as provided
16 herein shall not result in any loss of the right. San
17 Bernardino Valley does not guarantee any of the rights set out
18 herein for Western and the other Plaintiffs as against the
19 claims of third parties not bound hereby. If Western or the
20 other Plaintiffs herein should be prevented by acts of third
21 parties within San Bernardino County from extracting the
22 amounts of water allowed them by this Judgment, they shall have
23 the right to apply to this Court for any appropriate relief,
24 including vacation of this Judgment, in which latter case all
25 parties shall be restored to their status prior to this
26 Judgment insofar as possible.

27 (e) Any replenishment obligation imposed hereunder
28 on San Bernardino Valley may be deferred until imported water
29 first is available to San Bernardino Valley under its contract
30 with the California Department of Water Resources and the
31

1 obligation so accumulated may be discharged in five
2 approximately equal annual installments thereafter.

3 (f) No agreement has been reached concerning the
4 method by which the cost of providing replenishment will be
5 financed, and no provision of this Judgment, nor its failure
6 to contain any provision, shall be construed to reflect any
7 agreement relating to the taxation or assessment of extractions.

8
9
10 XVI
EFFECTIVE DATE

11
12 The provisions of Paragraphs III and V to XII of this
13 Judgment shall be in effect from and after January 1, 1971;
14 the remaining provisions are in effect immediately.

15
16 XVII
COSTS

17
18 No party shall recover its costs herein as against
19 any other party.

20
21 THE CLERK WILL ENTER THIS JUDGMENT FORTHWITH.

22 DATED: *April 17, 1969*

23
24
25 ENTERED

[Signature]
JUDGE OF THE SUPERIOR COURT

26
27 APR 17 1969

28 JUDGMENT BOOK *124* PG *42*

Appendix C. Rialto Basin Decree

259

1 SURR & HELLYER
Attorneys at Law
2 599 Arrowhead Avenue
San Bernardino, California
3 Telephone: Turner 4-4704
4 Attorneys for Lytle Creek Water and
Improvement Company and Citizens
5 Land and Water Company of Bloomington

James A. Stone
entered Dec 15 1961
E. 167
V. District of Justice Clerk
By *James A. Stone*
DEPUTY

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SAN BERNARDINO

11 THE LYTLE CREEK WATER AND IMPROVEMENT)
12 COMPANY, a corporation,)
13)
14) Plaintiff,)
15)
16) vs.)
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SURR & HELLYER
Attorneys at Law
San Bernardino, California

No. 81264 -
DECREE

20 WHEREAS, there has been filed in the above-entitled action a
21 Stipulation for Judgment duly executed by and on the part of each and all of
22 the following named parties to said action (who are collectively hereinafter
23 referred to as "stipulating parties"), to-wit: The Lytle Creek Water and Im-
24 provement Company, a corporation (hereinafter referred to as "Lytle Creek");
25 Citizens Land and Water Company of Bloomington, a corporation (hereinafter
26 referred to as "Citizens"); Fontana Union Water Company, a corporation (here-
27 inafter referred to as "Fontana Union"); City of Colton, a municipal corporation
28 (hereinafter referred to as "Colton"); City of Rialto, a municipal corporation
29 (hereinafter referred to as "Rialto"); and Semi-Tropic County Water District, a
30 county water district organized and existing under the California County Water
31 District Law (hereinafter referred to as "Semi-Tropic"); and

32 WHEREAS, the Fontana Union was sued herein as John Doe

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1 Company No. 1, a corporation, and the Complaint herein should be amended
2 accordingly; and

3 WHEREAS it appears that Semi-Tropic should be joined as a
4 defendant in this action; and

5 WHEREAS, the action has been dismissed as to each of the
6 defendants Fontana Rancho Water Company, a corporation, and Highland
7 Avenue Water Company, a corporation; and

8 WHEREAS the Court has heard and considered evidence on the
9 part of the various stipulating parties; and

10 WHEREAS the parties have in said Stipulation for Judgment
11 waived Findings of Fact and Conclusions of Law;

12
13 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND
14 DECREED as follows:

15 1. The Complaint herein is hereby amended to set forth the true
16 name of the defendant John Doe Company No. 1, a corporation, which is
17 Fontana Union Water Company, a corporation.

18 2. Semi-Tropic County Water District is hereby joined as a
19 defendant in this action.

20 3. As used herein the terms listed below shall have the respec-
21 tive meanings next following them, viz:

22 (a) "Rivito Basin" or "Basin" shall mean that certain terri-
23 tory in the County of San Bernardino, State of California, which is more par-
24 ticularly described on Exhibit "1".

25 (b) "Year" shall mean a twelve month period commencing on
26 October 1 and ending on the next following September 30.

27 (c) "Acre Foot" of water shall mean that quantity of water
28 which will cover one acre to a depth of one foot, also being 43,560 cubic
29 feet, and which also is equal to a flow of 25,208 miner's inches of water for
30 24 hours.

31 4. Except as provided herein no stipulating party shall have any
32 priority to take water from the Basin, and the rights of the parties to take

21-5 17-3

1 water from the Basin as between themselves are set forth herein.

2 5. Subject to the pro rata reductions hereinafter set forth, the
3 amount of water in acre feet to which the stipulating parties are respectively
4 entitled to extract from the Basin in each year are as follows:

5 Colton	3,010 acre feet
6 Rialto	1,580 acre feet
7 Citizens	3,260 acre feet
8 Fontana Union	550 acre feet
9 Lytle Creek	3,600 acre feet
10 Semi-Tropic	-0- acre feet

11 6. The following described wells in the Basin are designated
12 and referred to herein as index wells for the purpose of determining the ele-
13 vation above sea level of the ground waters within the Basin. These wells
14 are as follows:

15 (a) "Duncan Well" - presently owned by Rialto, having
16 State Location No. 1S/SW-3A1, State Serial No. D-1084, located 109 feet
17 South of the center line of Baseline and 233 feet West of the center line of
18 Cactus Avenue.

19 (b) "Willow Street Well" - presently owned by Lytle Creek,
20 having State Location No. 1S/SW-2K1, State Serial No. D-1085, located 202
21 feet East of the center line of Willow Street and 133 feet North of the center
22 line of Victoria Avenue.

23 (c) "Boyd Well" - presently owned by Citizens, having
24 State Location No. 1S/SW-12L1, State Serial No. D-1095, located 109 feet West
25 of the center line of Eucalyptus Street and 155 feet North of the center line of
26 Wilson Street.

27 For the purpose of determination of the elevation of water above
28 sea level in the said index wells, the elevation above sea level of each of
29 the index wells is established as follows:

30 (a) "Duncan Well"	1352.79
31 (b) "Willow Street Well"	1287.00
32 (c) "Boyd Well"	1177.19

If for any reason any or all of said wells shall not be available

1 for measurement the identity and location of a substitute index well or wells
2 may be determined by a written stipulation executed by at least three-fourths
3 in number of the stipulating parties (or their successor(s) in interest) and
4 filed in this action, or in default of said stipulation, by order of this Court.

5 The elevation of the water level above sea level of each of
6 the index wells shall be measured in each of the months of March, April,
7 and May in each year. Each stipulating party shall be entitled from time to
8 time to designate one individual to be present and observe such measurements.
9 Measurements shall be made by the owners of the respective wells or such
10 other person, firm or corporation which three-fourths in number of the stipu-
11 lating parties shall designate to do so. Such measurements shall be made
12 at such times as the index well measured is not being pumped and has not
13 been pumped within the preceding twenty-four hours.

DAVID S. HILL, JR.
ATTORNEY AT LAW
1000 ...

14 7. As used herein the term "spring-high water level" for a year
15 at each of the index wells shall mean the highest elevation in feet above
16 sea level of the surface of the water table which shall be measured in each
17 respective index well at any one of the monthly measurements during either
18 March, April, or May.

19 In any year in which the average of the elevation of the
20 spring-high water level in the three index wells is above elevation 1002.3
21 feet above mean sea level, no stipulating party shall be limited in the amount
22 of water which may be pumped from the Basin. However, no stipulating party
23 shall acquire any additional right to extract water from the Basin by reason
24 of extracting more than such party is entitled under paragraph 5 above.

25 In any year in which the average of the elevations of the
26 spring-high water level in the three index wells is between 1002.3 feet above
27 mean sea level and 969.7 feet above mean sea level, each party shall be
28 entitled to pump from the Basin in such year only the amount of water to which
29 such party is entitled as specified in paragraph 5 above.

30 In any year in which the average of the elevations of the
31 spring-high water level in the three index wells is below 969.7 feet above
32 mean sea level, then the amount of water which the stipulating parties shall

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1 be entitled to pump from the Basin during such year shall be reduced one per
2 cent (1%) for each one (1) foot that the said average is below 969.7 feet above
3 mean sea level, and not cumulatively to be reduced more than fifty per cent (50%).

4 9. If any stipulating party acquires any of the wells located
5 within the Basin which are described on Exhibit "2", which is attached hereto
6 and hereby incorporated herein, such party shall have the additional right to
7 extract water from the Rialto Basin annually in the amount set forth on said
8 Exhibit "2" opposite the description of the respective wells.

9 10. Each stipulating party shall maintain records of all its extrac-
10 tions of water from the Basin so that it can be determined therefrom what extrac-
11 tion of water was taken from each well or combination of wells or other water
12 sources in the Basin from which such party received water in each year. Each
13 stipulating party shall equip each of its wells with a water metering device
14 which shall accurately measure the entire quantity of water pumped from the
15 well. Each stipulating party shall allow the other stipulating parties access
16 upon reasonable notice to the wells of such party to permit of inspection and
17 testing the metering equipment.

18 Upon written demand of any stipulating party, the party keeping
19 such records shall within thirty (30) days after receipt of such demand supply
20 to the party making such demand or other person designated by such party in
21 such demand a written statement of the amount of water (in acre feet) so taken
22 from each such well or combination of wells or other sources for each year after
23 1961 with respect to which no such statement has previously been supplied.

24 11. Every provision of this judgment in favor of all applies to any
25 party hereto and also applies to and inures to the benefit of and shall also bind
26 all of the heirs, legal representatives, successors and assigns of such party.

27 12. Nothing in this judgment contained shall prevent any stipulat-
28 ing party from selling or otherwise disposing of or purchasing or otherwise
29 acquiring any rights to extract water from the Basin which may be adjudged to
30 belong to any other stipulating party; but any such right to acquire or to dispose
31 of shall remain subject to any limitation or restrictions herein expressed

32 13. The stipulating parties will unite in opposing any new taking

1 of water from the Basin by other than a stipulating party or parties and will
2 prorate the expenses in making such opposition, including litigation or engi-
3 neering expenses, provided that:

4 (a) The term "new taking" shall not include any water
5 development in the Basin hereafter made for the sole purpose of maintaining
6 but not increasing any quantity of water now being taken from the Basin by the
7 person who may hereafter make such development; or in the exercise by any
8 person of an overlying right who is not a stipulating party.

9 (b) If any stipulating party does not join in prosecuting
10 any future suit to prevent, enjoin or limit any such new or unlawful taking,
11 such stipulating party not so joining shall bear proratably the expenses of such
12 suit, including attorneys' fees and engineering fees, only if final judgment
13 is rendered in such suit preventing enjoining or limiting such taking.

14 14. No stipulating party shall be entitled to recover court
15 costs from any other stipulating party in this proceeding.

16 15. The court will retain jurisdiction to enter modifications of
17 this decree upon a finding of changed circumstances.

18 16. In the event through litigation of the supply of water in the
19 Basin, or by reason of adjudication in any subsequent action, the stipulating
20 parties in the aggregate shall be unable to pump and extract from the Basin a
21 quantity of water so great as the aggregate water is set forth herein, the stip-
22 ulating parties shall prorate the aggregate quantity of water available in the
23 Basin as long as such inability shall continue.

24 17. The listing herein of any number of acre feet for any party
25 to this action other than a stipulating party shall not be deemed an admission
26 by any stipulating party that a non-stipulating party is entitled to any water
27 whatsoever from the Basin, nor as to the quantity which such non-stipulating
28 party may take from the Basin, but each such figure for any non-stipulating
29 party is listed in order that the stipulating parties may between themselves
30 agree as to their rights to extract water on account of acquisition of the wells
31 of non-stipulating parties.

32 18. As between stipulating parties only no extraction of water

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from the Basin by any stipulating party in excess of the amount herein provided to be taken by such party shall be deemed adverse to any other stipulating party, and each stipulating party hereby waives as against each other stipulating party the right to plead any statute of limitation or latches with respect to water extracted by such party in excess of such amount.

19. No objection shall ever be made by any party to this judgment as to the interest or right of any such party as herein defined or as to the validity of this judgment not so defining such interest or right on the ground that such interest or right as so defined is not consistent with or warranted by the pleadings in this action relative thereto, and if in any case it shall appear that any such interest or right as so defined is in fact not consistent with or warranted by such pleadings then such pleadings shall be deemed and treated as amended to conform to and sustain such interest and right as herein defined, and said pleadings shall be deemed sufficient to support this judgment.

Each of the parties to this judgment waives all right of appeal therefrom and no appeal shall be taken by any party hereto from this judgment or any part thereof and the same shall constitute a final judgment.

DONE IN OPEN COURT this 22 day of December, 1964.

J. W. H. [Signature]
Judge of the Superior Court

13 545 41

DESCRIPTION OF BOUNDARIES OF RIALTO BASIN

BEGINNING at a point on the centerline of Meridian Avenue, as shown on plat of Town of Rialto and Adjoining Subdivisions, as recorded in Map Book 4, page 11, records of the County Recorder of said County, said point being 950 feet North of the intersection of said Meridian Avenue and San Bernardino Avenue, thence Northwesterly to a point on the centerline of Rialto Avenue (Arrow Route) as shown on said subdivision plat, said point being 400 feet East of the intersection of West Rialto Avenue and Cactus Avenue; thence Northwesterly to a point on the centerline of Foothill Boulevard (State Highway Route No. 9), said point being 1,050 feet East of the intersection of said Foothill Boulevard and Linden Avenue, said intersection being the Southwest corner of Section 3, T1S, R5W, SBB&M; thence Northwesterly to a point in said Linden Avenue, said point being 700 feet North of said Foothill Boulevard; thence Northwesterly to a point in the centerline of Laurel Avenue as shown on said subdivision plat, said point being 3,600 feet North of said Foothill Boulevard; thence Northwesterly to the intersection of Alder Avenue and Baseline Road, said intersection being the Southeast corner of Section 32, T1N, R5W, SBB&M; thence Northwesterly to a point at the base of the San Gabriel Mountains, said point being 1,100 feet North and 1,400 feet West of the Southeast corner of Section 15, T1N, R6W, SBB&M; thence Northeasterly along the base of the San Gabriel Mountains in a direct line to a point in the East line of Section 13, T1N, R6W, said point being 3,700 feet North of the Southeast corner of said Section 13; thence Northeasterly along the base of the San Gabriel Mountains in a direct line to a point in fractional Section 7, T1N, R5W, said point being 2,200 feet North and 3,700 feet East of the Southwest corner of said Section 7; thence Southeasterly to a point in Muscupiabe Rancho, said point being 2,500 feet North and 950 feet East of the Southwest corner of fractional Section 22, T1N, R5W, SBB&M; thence Southeasterly to a point in said Muscupiabe Rancho, said point being 700 feet North and 3,700 feet East of the Southwest corner of said fractional Section 22, thence Southeasterly to a point in said Muscupiabe Rancho, said point being 4,000 feet North and 2,500 feet East of the Southwest corner of fractional Section 26, T1N, R5W, SBB&M; thence Southeasterly to a point in fractional Section 6, T1S, R4W, SBB&M, said point being 1,500 feet North and 4,300 feet East of the Southwest corner of said fractional Section 6; thence Southeasterly to a point on the centerline of Mill Street, as shown on plat The Martin Tract, as recorded in Map Book 3, page 27, records of the County Recorder of said County, said point being 1,050 feet West of the intersection of said Mill Street and Mt. Vernon Avenue; thence Southwesterly to the point of beginning.

<u>STATE WELL NUMBER</u>		<u>LOCATION</u>	<u>STIPULATED RIGHT ACRE FEET</u>
<u>Location Number</u>	<u>Serial Number</u>		
1S/5W-3B1	D-1083	680 feet South of center line Base Line, 2,183 feet West of Cactus Avenue	490 - 6
1S/5W-3J1	D-1083a	1,371 feet North of Foothill Blvd. 703 feet West of Cactus Avenue	490 - 6
1S/5W-3N1	D-1083b	404 feet North of Foothill Blvd. 1,241 feet East of center line Linden Avenue	540 - 6
1S/4W-7C1	E-8a	92 feet South of center line Foothill Blvd., 1,484 feet East of center line Meridian Avenue	290 321-1
1S/4W-18B2	E-70c	705 feet South of center line Mill Street, 1,085 feet West of Rancho Avenue	370 6
1S/4W-18E1	E-70a	416 feet East of center line Meridian Avenue, 608 feet North of center line Randall Avenue	160 6
1S/4W-18K1	E-70e	47 feet South of center line Citrus Avenue, 87 feet East of West line of Northeast 1/4 of Section 18	360 6
1N/5W-17K1	D-1170b	3,937 feet measured Southeasterly along the center line of Riverside Avenue from its intersection with the North line of Section 17, and 352 feet Southwest of the center line of Riverside Avenue measured at right angles	90 23
1N/5W-17G1	D-1170d	3,625 feet measured Southeasterly along the center line of Riverside Avenue from its intersection with the North line of Section 17, and 161 feet Southwest of the center line of Riverside Avenue measured at right angles	90 23
1N/5W-28J1	D-1177a	63 feet West of Linden Avenue, 45 feet South of Vineyard 0.36 miles North of Highland Avenue	40 22
1N/5W-31A1	D-1166	66 feet South of center line of Highland Avenue 361 feet East of center line of Juniper	370 - 6

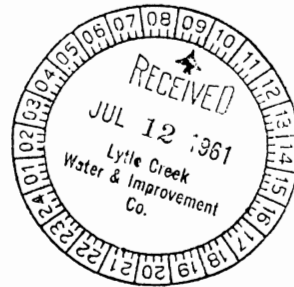
Exhibit "2"

Handwritten notes and signatures, including "2/2/83" and "2/2/83".

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Telephone: TUrner 4-4704

Attorneys for Lytle Creek Water and
Improvement Company and Citizens Land
and Water Company of Bloomington



SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

THE LYTLE CREEK WATER AND IMPROVEMENT)
COMPANY, a corporation,)
)
) Plaintiff,)
)
) vs.)
)
) FONTANA RANCHOS WATER COMPANY, a cor-)
) poration; HIGHLAND AVENUE WATER COMPANY,)
) a corporation; CITIZENS LAND AND WATER)
) COMPANY OF BLOOMINGTON, a corporation;)
) CITY OF RIALTO, a municipal corporation; and)
) CITY OF COLTON, a municipal corporation; et al.)
)
) Defendants.)

No. 81264

DECREE

WHEREAS, there has been filed in the above-entitled action a Stipulation for Judgment duly executed by and on the part of each and all of the following named parties to said action (who are collectively hereinafter referred to as "stipulating parties"), to-wit: The Lytle Creek Water and Improvement Company, a corporation (hereinafter referred to as "Lytle Creek"); Citizens Land and Water Company of Bloomington, a corporation (hereinafter referred to as "Citizens"); Fontana Union Water Company, a corporation (hereinafter referred to as "Fontana Union"); City of Colton, a municipal corporation (hereinafter referred to as "Colton"); City of Rialto, a municipal corporation (hereinafter referred to as "Rialto"); and Semi-Tropic County Water District, a county water district organized and existing under the California County Water District Law (hereinafter referred to as "Semi-Tropic"); and

WHEREAS, the Fontana Union was sued herein as John Doe

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ATTORNEYS AT LAW
SAN BERNARDINO, CALIFORNIA

1 Company No. 1, a corporation, and the Complaint herein should be
2 amended accordingly; and

3 WHEREAS, it appears that Semi-Tropic should be joined as a
4 defendant in this action; and

5 WHEREAS, the action has been dismissed as to each of the
6 defendants Fontana Ranchos Water Company, a corporation, and Highland
7 Avenue Water Company, a corporation; and

8 WHEREAS, the Court has heard and considered evidence on the
9 part of the various stipulating parties; and

10 WHEREAS, the parties have in said Stipulation for Judgment
11 waived Findings of Fact and Conclusions of Law;

12 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND
13 DECREED as follows:

14 1. The Complaint herein is hereby amended to set forth the true
15 name of the defendant John Doe Company No. 1, a corporation, which is
16 Fontana Union Water Company, a corporation.

17 2. Semi-Tropic County Water District is hereby joined as a
18 defendant in this action.

19 3. As used herein the terms listed below shall have the respec-
20 tive meanings next following them, viz:

21 (a) "Rialto Basin" or "Basin" shall mean that certain terri-
22 tory in the County of San Bernardino, State of California, which is more par-
23 ticularly described upon Exhibit "1", and which also includes all percolating
24 water and underground water and water sources underlying said territory.

25 (b) "Year" shall mean a twelve month period commencing on
26 October 1 and ending on the next following September 30.

27 (c) "Acre Foot" of water shall mean that quantity of water
28 which will cover one acre to a depth of one foot, also being 43,560 cubic
29 feet, and which also is equal to a flow of 25.208 miner's inches of water for
30 24 hours.

31 4. Except as provided herein no stipulating party shall have any
32 priority to take water from the Basin, and the rights of the parties to take

SURR & HEL, R
ATTORNEYS AT LAW
SAN BERNARDINO, CALIFORNIA

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water from the Basin as between themselves are set forth herein.

5. Subject to the pro rata reductions hereinafter set forth, the amount of water in acre feet to which the stipulating parties are respectively entitled to extract from the Basin in each year are as follows:

Colton	3,010 acre feet	- 3900
Rialto	1,580 acre feet	- 3100
Citizens	3,260 acre feet	
Fontana Union	550 acre feet	- 970 - 7900
Lytle Creek	3,600 acre feet	

6. The following described wells in the Basin are designated and referred to herein as index wells for the purpose of determining the elevation above sea level of the ground waters within the Basin. These wells are as follows:

(a) "Duncan Well" - presently owned by Rialto, having State Location No. 1S/5W-3A1, State Serial No. D-1084, located 109 feet South of the center line of Baseline and 233 feet West of the center line of Cactus Avenue.

(b) "Willow Street Well" - presently owned by Lytle Creek, having State Location No. 1S/5W-2K1, State Serial No. D-1085, located 202 feet East of the center line of Willow Street and 133 feet North of the center line of Victoria Avenue.

(c) "Boyd Well" - presently owned by Citizens, having State Location No. 1S/5W-12L1, State Serial No. D-1095, located 109 feet West of the center line of Eucalyptus Street and 155 feet North of the center line of Wilson Street.

For the purpose of determination of the elevation of water above sea level in the said index wells, the elevation above sea level of each of the index wells is established as follows:

- (a) "Duncan Well"
- (b) "Willow Street Well"
- (c) "Boyd Well"

If for any reason any or all of said wells shall not be available

1 for measurement, the identity and location of a substitute index well or wells
2 may be determined by a written stipulation executed by at least three-fourths
3 in number of the stipulating parties (or their successor(s) in interest) and
4 filed in this action, or in default of said stipulation, by order of this Court.

5 The elevation of the water level above sea level of each of
6 the index wells shall be measured in each of the months of March, April,
7 and May in each year. Each stipulating party shall be entitled from time to
8 time to designate one individual to be present and observe such measurements.
9 Measurements shall be made by the owners of the respective wells or such
10 other person, firm or corporation which three-fourths in number of the stipu-
11 lating parties shall designate to do so. Such measurements shall be made
12 at such times as the index well measured is not being pumped and has not
13 been pumped within the preceding twenty-four hours.

14 7. As used herein the term "spring-high water level" for a year
15 at each of the index wells shall mean the highest elevation in feet above
16 sea level of the surface of the water table which shall be measured in each
17 respective index well at any one of the monthly measurements during either
18 March, April, or May.

19 In any year in which the average of the elevation of the
20 spring-high water level in the three index wells is above elevation 1002.3
21 feet above mean sea level, no stipulating party shall be limited in the amount
22 of water which may be pumped from the Basin. However, no stipulating party
23 shall acquire any additional right to extract water from the Basin by reason
24 of extracting more than such party is entitled under paragraph 5 above.

25 In any year in which the average of the elevations of the
26 spring-high water level in the three index wells is between 1002.3 feet above
27 mean sea level and 969.7 feet above mean sea level, each party shall be
28 entitled to pump from the Basin in such year only the amount of water to which
29 such party is entitled as specified in paragraph 5 above.

30 In any year in which the average of the elevations of the
31 spring-high water level in the three index wells is below 969.7 feet above
32 mean sea level, then the amount of water which the stipulating parties shall

1 be entitled to pump from the Basin during such year shall be reduced ten
2 per cent (10%) for each one (1) foot that the said average is below 969.7 feet
3 above mean sea level.

4 9. If any stipulating party acquires any of the wells located
5 within the Basin which are described on Exhibit "2", which is attached
6 hereto and hereby incorporated herein, such party shall have the additional
7 right to extract water from the Rialto Basin annually in the amount set forth
8 on said Exhibit "2" opposite the description of the respective wells.

9 10. Each stipulating party shall maintain records of all extrac-
10 tions of water from the Basin so that it can be determined therefrom what
11 extraction of water was taken from each well or combination of wells or
12 other water sources in the Basin from which such party received water in
13 each year.

14 Upon written demand of any stipulating party, the party
15 keeping such records shall within thirty (30) days after receipt of such demand
16 supply to the party making such demand, or other person designated by such
17 party in such demand, a written statement of the amount of water (in acre
18 feet) so taken from each such well or combination of wells or other sources
19 for each year after 1961 with respect to which no such statement has pre-
20 viously been supplied.

21 11. Every provision of this judgment in favor of all applies to
22 any party hereto and also applies to and inures to the benefit of and shall
23 also bind all of the heirs, legal representatives, successors and assigns
24 of such party.

25 12. Nothing in this judgment contained shall prevent any stipu-
26 lating party from selling or otherwise disposing of or purchasing or otherwise
27 acquiring any rights to extract water from the Basin which may be adjudged to
28 belong to any other stipulating party; but any such right to acquire or so dis-
29 pose of shall remain subject to any limitation or restrictions herein expressed.

30 13. The stipulating parties will unite in opposing any new taking
31 of water from the Basin other than a stipulating party or parties and will pro-
32 rate the expenses in making such opposition, including litigation or engineer-

1 ing expenses, provided that:

2 (a) The term "new taking" shall not include any water develop-
3 ment in the Basin hereafter made for the sole purpose of maintaining but not
4 increasing any quantity of water now being taken from the Basin by the person
5 who may hereafter make such development.

6 (b) If any stipulating party does not join in prosecuting any
7 future suit to prevent, enjoin or limit any such new or unlawful taking, such
8 stipulating party not so joining shall bear proratably the expenses of such suit,
9 including attorneys' fees and engineering fees, only if final judgment is ren-
10 dered in such suit preventing enjoining or limiting such taking.

11 14. No stipulating party shall be entitled to recover court costs
12 from any other stipulating party in this proceeding.

13 15. The Court will render jurisdiction to enter modifications of this
14 decree.

15 16. In the event through litigation of the supply of water in the
16 Basin, or by reason of adjudication in any subsequent action, the stipulating
17 parties in the aggregate shall be unable to pump and extract from the Basin a
18 quantity of water so great as the aggregate water is set forth herein, the stipu-
19 lating parties shall prorate the aggregate quantity of water available in the
20 Basin as long as such inability shall continue.

21 17. The listing herein of any number of acre feet for any party to
22 this action other than a stipulating party shall not be deemed an admission by
23 any stipulating party that a non-stipulating party is entitled to any water what-
24 soever from the Basin, nor as to the quantity which such non-stipulating party
25 may take from the Basin, but each such figure for any non-stipulating party
26 is listed in order that the stipulating parties may between themselves agree
27 as to their rights to extract water on account of acquisition of the wells of
28 non-stipulating parties.

29 18. As between stipulating parties only no extraction of water from
30 the Basin by any stipulating party in excess of the amount herein provided to
31 be taken by such party shall be deemed adverse to any other stipulating party,
32 and each stipulating party hereby waives as against each other stipulating

1 party the right to plead any statute of limitation or latches with respect to
2 water extracted by such party in excess of such amount.

3 19. No objection shall ever be made by any party to this judgment
4 as to the interest or right of any such party as herein defined or as to the vali-
5 dity of this judgment not so defining such interest or right on the ground that
6 such interest or right as so defined is not consistent with or warranted by the
7 pleadings in this action relative thereto, and if in any case it shall appear
8 that any such interest or right as so defined is in fact not consistent with or
9 warranted by such pleadings then such pleadings shall be deemed and treated
10 as amended to conform to and sustain such interest and right as herein defined,
11 and said pleadings shall be deemed sufficient to support this judgment.

12 Each of the parties to this judgment waives all right of appeal
13 therefrom and no appeal shall be taken by any party hereto from this judgment
14 or any part thereof and the same shall constitute a final judgment.

15 DONE IN OPEN COURT this ____ day of _____, 1961.

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Judge of the Superior Court

DESCRIPTION OF BOUNDARIES OF RIALTO BASIN

BEGINNING at a point on the centerline of Meridian Avenue, as shown on plat of Town of Rialto and Adjoining Subdivisions, as recorded in Map Book 4, page 11, records of the County Recorder of said County, said point being 950 feet North of the intersection of said Meridian Avenue and San Bernardino Avenue; thence Northwesterly to a point on the centerline of Rialto Avenue (Arrow Route) as shown on said subdivision plat, said point being 400 feet East of the intersection of West Rialto Avenue and Cactus Avenue; thence Northwesterly to a point on the centerline of Foothill Boulevard (State Highway Route No. 9), said point being 1,050 feet East of the intersection of said Foothill Boulevard and Linden Avenue, said intersection being the Southwest corner of Section 3, T1S, R5W, SBB&M; thence Northwesterly to a point in said Linden Avenue, said point being 700 feet North of said Foothill Boulevard; thence Northwesterly to a point in the centerline of Laurel Avenue as shown on said subdivision plat, said point being 3,600 feet North of said Foothill Boulevard; thence Northwesterly to the intersection of Alder Avenue and Baseline Road, said intersection being the Southeast corner of Section 32, T1N, R5W, SBB&M; thence Northwesterly to a point at the base of the San Gabriel Mountains, said point being 1,100 feet North and 1,400 feet West of the Southeast corner of Section 15, T1N, R6W, SBB&M; thence Northeasterly along the base of the San Gabriel Mountains in a direct line to a point in the East line of Section 13, T1N, R6W, said point being 3,700 feet North of the Southeast corner of said Section 13; thence Northeasterly along the base of the San Gabriel Mountains in a direct line to a point in fractional Section 7, T1N, R5W, said point being 2,200 feet North and 3,700 feet East of the Southwest corner of said Section 7; thence Southeasterly to a point in Muscupiabe Rancho, said point being 2,500 feet North and 950 feet East of the Southwest corner of fractional Section 22, T1N, R5W, SBB&M; thence Southeasterly to a point in said Muscupiabe Rancho, said point being 700 feet North and 3,700 feet East of the Southwest corner of said fractional Section 22, thence Southeasterly to a point in said Muscupiabe Rancho, said point being 4,000 feet North and 2,500 feet East of the Southwest corner of fractional Section 26, T1N, R5W, SBB&M; thence Southeasterly to a point in fractional Section 6, T1S, R4W, SBB&M, said point being 1,500 feet North and 4,300 feet East of the Southwest corner of said fractional Section 6; thence Southeasterly to a point on the centerline of Mill Street, as shown on plat The Martin Tract, as recorded in Map Book 3, page 27, Records of the County Recorder of said County, said point being 1,050 feet West of the intersection of said Mill Street and Mt. Vernon Avenue; thence Southwesterly to the point of beginning.

<u>STATE WELL NUMBER</u>		<u>LOCATION</u>	<u>STIPULATED RIGHT ACRE FEET</u>
<u>Location Number</u>	<u>Serial Number</u>		
1S/5W-3B1	D-1083	680 feet South of center line Base Line, 2,183 feet West of Cactus Avenue	490 <i>R.I.A.T.</i>
1S/5W-3J1	D-1083a	1,371 feet North of Foothill Blvd. 703 feet West of Cactus Avenue	490 <i>R.I.A.T.</i>
1S/5W-3N1	D-1083b	404 feet North of Foothill Blvd. 1,241 feet East of center line Linden Avenue	540 <i>R.I.A.T.</i>
1S/4W-7C1	E-7a	92 feet South of center line Foothill Blvd., 1,484 feet East of center line Meridian Avenue	290 <i>S.B.</i>
1S/4W-18B2	E-70c	705 feet South of center line Mill Street, 1,085 feet West of Rancho Avenue	370 <i>...</i>
1S/4W-18E1	E-70a	416 feet East of center line Meridian Avenue, 608 feet North of center line Randall Avenue	160 <i>...</i>
1S/4W-18K1	E-70e	47 feet South of center line Citrus Avenue, 87 feet East of West line of Northeast 1/4 of Section 18	360 <i>...</i>
1N/5W-17K1	1170-B	3,937 feet measured Southeasterly along the center line of Riverside Avenue from its intersection with the North line of Section 17, and 352 feet Southwest of the center line of Riverside Avenue measured at right angles	90 <i>...</i>
1N/5W-17G1	D-1170	3,625 feet measured Southeasterly along the center line of Riverside Avenue from its intersection with the North line of Section 17, and 161 feet Southwest of the center line of Riverside Avenue measured at right angles	90 <i>...</i>
1N/5W-28J1	D-1177a	63 feet West of Linden Avenue, 45 feet South of Vineyard .036 miles North of Highland Avenue	70 <i>...</i>
1N/5W-31A1	D-1176	66 feet South of center line of Highland Avenue 361 feet East of center line of Juniper	370 <i>...</i>

Appendix D. Chino Basin Watermaster Judgment

*Rec'd J. Stark
Jan 27, 1978
td*

FILED

JAN 30 AM 11 41

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FILED - West District
San Bernardino County Clerk

OCT 25 1989

Caru Gemino

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

MICROFILMED

12 CHINO BASIN MUNICIPAL WATER)
13 DISTRICT,)
14 Plaintiff,)
15 v.)
16 CITY OF CHINO, et al.)
17 Defendants.)

No. 164327

REN 51010

JUDGMENT

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Exhibits

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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SAN BERNARDINO
11

12 CHINO BASIN MUNICIPAL WATER)
DISTRICT,)
13)
Plaintiff,) No. 164327
14)
v.) JUDGMENT
15)
CITY OF CHINO, et al.)
16)
Defendants.)
17)

18
19 I. INTRODUCTION

20 1. Pleadings, Parties and Jurisdiction. The complaint here-
21 in was filed on January 2, 1975, seeking an adjudication of water
22 rights, injunctive relief and the imposition of a physical solu-
23 tion. A first amended complaint was filed on July 16, 1976. The
24 defaults of certain defendants have been entered, and certain
25 other defendants dismissed. Other than defendants who have been
26 dismissed or whose defaults have been entered, all defendants have
27 appeared herein. By answers and order of this Court, the issues
28 have been made those of a full inter se adjudication between the

1 parties. This Court has jurisdiction of the subject matter of
2 this action and of the parties herein.

3 2. Stipulation For Judgment. Stipulation for entry of
4 judgment has been filed by and on behalf of a majority of the
5 parties, representing a majority of the quantitative rights herein
6 adjudicated.

7 3. Trial; Findings and Conclusions. Trial was commenced on
8 December 16, 1977, as to the non-stipulating parties, and findings
9 of fact and conclusions of law have been entered disposing of the
10 issues in the case.

11 4. Definitions. As used in this Judgment, the following
12 terms shall have the meanings herein set forth:

13 (a) Active Parties. All parties other than those who
14 have filed with Watermaster a written waiver of service of
15 notices, pursuant to Paragraph 58.

16 (b) Annual or Year -- A fiscal year, July 1 through
17 June 30, following, unless the context shall clearly indicate
18 a contrary meaning.

19 (c) Appropriative Right -- The annual production right
20 of a producer from the Chino Basin other than pursuant to an
21 overlying right.

22 (d) Basin Water -- Ground water within Chino Basin which
23 is part of the Safe Yield, Operating Safe Yield, or replen-
24 ishment water in the Basin as a result of operations under the
25 Physical Solution decreed herein. Said term does not include
26 Stored Water.

27 (e) CBMWD -- Plaintiff Chino Basin Municipal Water
28 District.

1 (f) Chino Basin or Basin -- The ground water basin
2 underlying the area shown as such on Exhibit "B" and within
3 the boundaries described in Exhibit "K".

4 (g) Chino Basin Watershed -- The surface drainage area
5 tributary to and overlying Chino Basin.

6 (h) Ground Water -- Water beneath the surface of the
7 ground and within the zone of saturation, i.e., below the
8 existing water table.

9 (i) Ground Water Basin -- An area underlain by one or
10 more permeable formations capable of furnishing substantial
11 water storage.

12 (j) Minimal Producer -- Any producer whose production
13 does not exceed five acre-feet per year.

14 (k) MWD -- The Metropolitan Water District of Southern
15 California.

16 (l) Operating Safe Yield -- The annual amount of ground
17 water which Watermaster shall determine, pursuant to criteria
18 specified in Exhibit "I", can be produced from Chino Basin by
19 the Appropriative Pool parties free of replenishment obliga-
20 tion under the Physical Solution herein.

21 (m) Overdraft -- A condition wherein the total annual
22 production from the Basin exceeds the Safe Yield thereof.

23 (n) Overlying Right -- The appurtenant right of an owner
24 of lands overlying Chino Basin to produce water from the Basin
25 for overlying beneficial use on such lands.

26 (o) Person. Any individual, partnership, association,
27 corporation, governmental entity or agency, or other organ-
28 ization.

1 (p) PVMWD -- Defendant Pomona Valley Municipal Water
2 District.

3 (q) Produce or Produced -- To pump or extract ground
4 water from Chino Basin.

5 (r) Producer -- Any person who produces water from Chino
6 Basin.

7 (s) Production -- Annual quantity, stated in acre feet,
8 of water produced.

9 (t) Public Hearing -- A hearing after notice to all
10 parties and to any other person legally entitled to notice.

11 (u) Reclaimed Water -- Water which, as a result of
12 processing of waste water, is suitable for a controlled use.

13 (v) Replenishment Water -- Supplemental water used to
14 recharge the Basin pursuant to the Physical Solution, either
15 directly by percolating the water into the Basin or indirectly
16 by delivering the water for use in lieu of production and use
17 of safe yield or Operating Safe Yield.

18 (w) Responsible Party -- The owner, co-owner, lessee or
19 other person designated by multiple parties interested in a
20 well as the person responsible for purposes of filing reports
21 hereunder.

22 (x) Safe Yield -- The long-term average annual quantity
23 of ground water (excluding replenishment or stored water but
24 including return flow to the Basin from use of replenishment
25 or stored water) which can be produced from the Basin under
26 cultural conditions of a particular year without causing an
27 undesirable result.

28 (y) SBVMWD -- San Bernardino Valley Municipal Water

1 District.

2 (z) State Water -- Supplemental Water imported through
3 the State Water Resources Development System, pursuant to
4 Chapter 8, Division 6, Part 6 of the Water Code.

5 (aa) Stored Water -- Supplemental water held in storage,
6 as a result of direct spreading, in lieu delivery, or other-
7 wise, for subsequent withdrawal and use pursuant to agreement
8 with Watermaster.

9 (bb) Supplemental Water -- Includes both water imported
10 to Chino Basin from outside Chino Basin Watershed, and re-
11 claimed water.

12 (cc) WMWD -- Defendant Western Municipal Water District
13 of Riverside County.

14 5. List of Exhibits. The following exhibits are attached to
15 this Judgment and made a part hereof:

16 "A" -- "Location Map of Chino Basin" showing boundaries
17 of Chino Basin Municipal Water District, and other geographic
18 and political features.

19 "B" -- "Hydrologic Map of Chino Basin" showing hydrologic
20 features of Chino Basin.

21 "C" -- Table Showing Parties in Overlying (Agricultural)
22 Pool.

23 "D" -- Table Showing Parties in Overlying (Non-
24 agricultural Pool and Their Rights.

25 "E" -- Table Showing Appropriators and Their Rights.

26 "F" -- Overlying (Agricultural) Pool Pooling Plan.

27 "G" -- Overlying (Non-agricultural) Pool Pooling Plan.

28 "H" -- Appropriative Pool Pooling Plan.

1 "I" -- Engineering Appendix.

2 "J" -- Map of In Lieu Area No. 1.

3 "K" -- Legal Description of Chino Basin.

4
5 II. DECLARATION OF RIGHTS

6 A. HYDROLOGY

7 6. Safe Yield. The Safe Yield of Chino Basin is 140,000 acre
8 feet per year.

9 7. Overdraft and Prescriptive Circumstances. In each year
10 for a period in excess of five years prior to filing of the First
11 Amended Complaint herein, the Safe Yield of the Basin has been
12 exceeded by the annual production therefrom, and Chino Basin is and
13 has been for more than five years in a continuous state of over-
14 draft. The production constituting said overdraft has been open,
15 notorious, continuous, adverse, hostile and under claim of right.
16 The circumstances of said overdraft have given notice to all
17 parties of the adverse nature of such aggregate over-production.

18 B. WATER RIGHTS IN SAFE YIELD

19 8. Overlying Rights. The parties listed in Exhibits "C" and
20 "D" are the owners or in possession of lands which overlie Chino
21 Basin. As such, said parties have exercised overlying water
22 rights in Chino Basin. All overlying rights owned or exercised by
23 parties listed in Exhibits "C" and "D" have, in the aggregate, been
24 limited by prescription except to the extent such rights have been
25 preserved by self-help by said parties. Aggregate preserved
26 overlying rights in the Safe Yield for agricultural pool use,
27 including the rights of the State of California, total 82,800 acre
28 feet per year. Overlying rights for non-agricultural pool use

1 total 7,366 acre feet per year and are individually decreed for
2 each affected party in Exhibit "D". No portion of the Safe Yield
3 of Chino Basin exists to satisfy unexercised overlying rights, and
4 such rights have all been lost by prescription. However, uses may
5 be made of Basin Water on overlying lands which have no preserved
6 overlying rights pursuant to the Physical Solution herein. All
7 overlying rights are appurtenant to the land and cannot be assigned
8 or conveyed separate or apart therefrom.

9 9. Appropriative Rights. The parties listed in Exhibit "E"
10 are the owners of appropriative rights, including rights by pres-
11 cription, in the unadjusted amounts therein set forth, and by
12 reason thereof are entitled under the Physical Solution to share in
13 the remaining Safe Yield, after satisfaction of overlying rights
14 and rights of the State of California, and in the Operating Safe
15 Yield in Chino Basin, in the annual shares set forth in Exhibit
16 "E".

17 (a) Loss of Priorities. By reason of the long continued
18 overdraft in Chino Basin, and in light of the complexity of
19 determining appropriative priorities and the need for con-
20 serving and making maximum beneficial use of the water re-
21 sources of the State, each and all of the parties listed in
22 Exhibit "E" are estopped and barred from asserting special
23 priorities or preferences, inter se. All of said appropri-
24 ative rights are accordingly deemed and considered of equal
25 priority.

26 (b) Nature and Quantity. All rights listed in Exhibit
27 "E" are appropriative and prescriptive in nature. By reason
28 of the status of the parties, and the provisions of Section

1 1007 of the Civil Code, said rights are immune from reduction
2 or limitation by prescription.

3 10. Rights of the State of California. The State of
4 California, by and through its Department of Corrections, Youth
5 Authority and Department of Fish and Game, is a significant pro-
6 ducer of ground water from and the State is the largest owner of
7 land overlying Chino Basin. The precise nature and scope of the
8 claims and rights of the State need not be, and are not, defined
9 herein. The State, through said departments, has accepted the
10 Physical Solution herein decreed, in the interests of implementing
11 the mandate of Section 2 of Article X of the California Constitu-
12 tion. For all purposes of this Judgment, all future production by
13 the State or its departments or agencies for overlying use on
14 State-owned lands shall be considered as agricultural pool use.

15 C. RIGHTS TO AVAILABLE GROUND WATER STORAGE CAPACITY

16 11. Available Ground Water Storage Capacity. There exists in
17 Chino Basin a substantial amount of available ground water storage
18 capacity which is not utilized for storage or regulation of Basin
19 Waters. Said reservoir capacity can appropriately be utilized for
20 storage and conjunctive use of supplemental water with Basin
21 Waters. It is essential that said reservoir capacity utilization
22 for storage and conjunctive use of supplemental water be undertaken
23 only under Watermaster control and regulation, in order to protect
24 the integrity of both such Stored Water and Basin Water in storage
25 and the Safe Yield of Chino Basin.

26 12. Utilization of Available Ground Water Capacity. Any
27 person or public entity, whether a party to this action or not, may
28 make reasonable beneficial use of the available ground water

1 storage capacity of Chino Basin for storage of supplemental water;
2 provided that no such use shall be made except pursuant to written
3 agreement with Watermaster, as authorized by Paragraph 28. In the
4 allocation of such storage capacity, the needs and requirements of
5 lands overlying Chino Basin and the owners of rights in the Safe
6 Yield or Operating Safe Yield of the Basin shall have priority and
7 preference over storage for export.

8
9 III. INJUNCTION

10 13. Injunction Against Unauthorized Production of Basin
11 Water. Each party in each of the respective pools is enjoined, as
12 follows:

13 (a) Overlying (Agricultural) Pool. Each party in the
14 Overlying (Agricultural) Pool, its officers, agents, employees,
15 successors and assigns, is and they each are ENJOINED AND
16 RESTRAINED from producing ground water from Chino Basin in any
17 year hereafter in excess of such party's correlative share of
18 the aggregate of 82,800 acre feet allocated to said Pool,
19 except pursuant to the Physical Solution or a storage water
20 agreement.

21 (b) Overlying (Non-Agricultural) Pool. Each party in
22 the Overlying (Non-agricultural) Pool, its officers, agents,
23 employees, successors and assigns, is and they each are
24 ENJOINED AND RESTRAINED from producing ground water of Chino
25 Basin in any year hereafter in excess of such party's decreed
26 rights in the Safe Yield, except pursuant to the provisions of
27 the Physical Solution or a storage water agreement.

28 (c) Appropriative Pool. Each party in the

1 Appropriative Pool, its officers, agents, employees, successors
2 and assigns, is and they are each ENJOINED AND RESTRAINED from
3 producing ground water of Chino Basin in any year hereafter in
4 excess of such party's decreed share of Operating Safe Yield,
5 except pursuant to the provisions of the Physical Solution or
6 a storage water agreement.

7 14. Injunction Against Unauthorized Storage or Withdrawal
8 of Stored Water. Each party, its officers, agents, employees,
9 successors and assigns is and they each are ENJOINED AND RESTRAINED
10 from storing supplemental water in Chino Basin for withdrawal, or
11 causing withdrawal of, water stored by that party, except pursuant
12 to the terms of a written agreement with Watermaster and in
13 accordance with Watermaster regulations. Any supplemental water
14 stored or recharged in the Basin, except pursuant to such a Water-
15 master agreement, shall be deemed abandoned and not classified as
16 Stored Water. This paragraph has no application, as such, to
17 supplemental water spread or provided in lieu by Watermaster pur-
18 suant to the Physical Solution.

19
20 IV. CONTINUING JURISDICTION

21 15. Continuing Jurisdiction. Full jurisdiction, power and
22 authority are retained and reserved to the Court as to all matters
23 contained in this judgment, except:

24 (a) The redetermination of Safe Yield, as set forth in
25 Paragraph 6, during the first ten (10) years of operation of
26 the Physical Solution;

27 (b) The allocation of Safe Yield as between the several
28 pools as set forth in Paragraph 44 of the Physical Solution;

1 (c) The determination of specific quantitative rights
2 and shares in the declared Safe Yield or Operating Safe Yield
3 herein declared in Exhibits "D" and "E"; and

4 (d) The amendment or modification of Paragraphs 7(a) and
5 (b) of Exhibit "H", during the first ten (10) years of oper-
6 ation of the Physical Solution, and thereafter only upon
7 affirmative recommendation of at least 67% of the voting power
8 (determined pursuant to the formula described in Paragraph 3
9 of Exhibit "H"), but not less than one-third of the members
10 of the Appropriative Pool Committee representatives of parties
11 who produce water within CBMWD or WMWD; after said tenth year
12 the formula set forth in said Paragraph 7(a) and 7(b) of
13 Exhibit "H" for payment of the costs of replenishment water
14 may be changed to 100% gross or net, or any percentage split
15 thereof, but only in response to recommendation to the Court
16 by affirmative vote of at least 67% of said voting power of
17 the Appropriative Pool representatives of parties who produce
18 ground water within CBMWD or WMWD, but not less than one-third
19 of their number. In such event, the Court shall act in con-
20 formance with such recommendation unless there are compelling
21 reasons to the contrary; and provided, further, that the fact
22 that the allocation of Safe Yield or Operating Safe Yield
23 shares may be rendered moot by a recommended change in the
24 formula for replenishment assessments shall not be deemed to
25 be such a "compelling reason."

26 Said continuing jurisdiction is provided for the purpose of en-
27 abling the Court, upon application of any party, the Watermaster,
28 the Advisory Committee or any Pool Committee, by motion and, upon

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1 at least 30 days' notice thereof, and after hearing thereon, to
2 make such further or supplemental orders or directions as may be
3 necessary or appropriate for interpretation, enforcement or carry-
4 ing out of this Judgment, and to modify, amend or amplify any of
5 the provisions of this Judgment.

6
7 V. WATERMASTER

8 A. APPOINTMENT

9 16. Watermaster Appointment. CBMWD, acting by and through a
10 majority of its board of directors, is hereby appointed Water-
11 master, to administer and enforce the provisions of this Judgment
12 and any subsequent instructions or orders of the Court hereunder.
13 The term of appointment of Watermaster shall be for five (5) years.
14 The Court will by subsequent orders provide for successive terms or
15 for a successor Watermaster. Watermaster may be changed at any
16 time by subsequent order of the Court, on its own motion, or on the
17 motion of any party after notice and hearing. Unless there are
18 compelling reasons to the contrary, the Court shall act in con-
19 formance with a motion requesting the Watermaster be changed if
20 such motion is supported by a majority of the voting power of the
21 Advisory Committee.

22 B. POWERS AND DUTIES

23 17. Powers and Duties. Subject to the continuing supervision
24 and control of the Court, Watermaster shall have and may exercise
25 the express powers, and shall perform the duties, as provided in
26 this Judgment or hereafter ordered or authorized by the Court in
27 the exercise of the Court's continuing jurisdiction.

28 18. Rules and Regulations. Upon recommendation by the

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1 Advisory Committee, Watermaster shall make and adopt, after public
2 hearing, appropriate rules and regulations for conduct of Water-
3 master affairs, including meeting schedules and procedures, and
4 compensation of members of Watermaster at not to exceed \$25 per
5 member per meeting, or \$300 per member per year, whichever is less,
6 plus reasonable expenses related to activities within the Basin.
7 Thereafter, Watermaster may amend said rules from time to time upon
8 recommendation, or with approval of the Advisory Committee after
9 hearing noticed to all active parties. A copy of said rules and
10 regulations, and of any amendments thereof, shall be mailed to each
11 active party.

12 19. Acquisition of Facilities. Watermaster may purchase,
13 lease, acquire and hold all necessary facilities and equipment;
14 provided, that it is not the intent of the Court that Watermaster
15 acquire any interest in real property or substantial capital
16 assets.

17 20. Employment of Experts and Agents. Watermaster may
18 employ or retain such administrative, engineering, geologic,
19 accounting, legal or other specialized personnel and consultants as
20 may be deemed appropriate in the carrying out of its powers and
21 shall require appropriate bonds from all officers and employees
22 handling Watermaster funds. Watermaster shall maintain records for
23 purposes of allocation of costs of such services as well as of all
24 other expenses of Watermaster administration as between the several
25 pools established by the Physical Solution.

26 21. Measuring Devices. Watermaster shall cause parties,
27 pursuant to uniform rules, to install and maintain in good opera-
28 ting condition, at the cost of each party, such necessary measuring

1 devices or meters as Watermaster may deem appropriate. Such
2 measuring devices shall be inspected and tested as deemed necessary
3 by Watermaster, and the cost thereof shall constitute an expense of
4 Watermaster.

5 22. Assessments. Watermaster is empowered to levy and
6 collect all assessments provided for in the pooling plans and
7 Physical Solution.

8 23. Investment of Funds. Watermaster may hold and invest any
9 and all Watermaster funds in investments authorized from time to
10 time for public agencies of the State of California.

11 24. Borrowing. Watermaster may borrow from time to time
12 amounts not exceeding the annual anticipated receipts of Water-
13 master during such year.

14 25. Contracts. Watermaster may enter into contracts for the
15 performance of any powers herein granted; provided, however, that
16 Watermaster may not contract with or purchase materials, supplies
17 or services from CBMWD, except upon the prior recommendation and
18 approval of the Advisory Committee and pursuant to written order of
19 the Court.

20 26. Cooperation With Other Agencies. Subject to prior
21 recommendation or approval of the Advisory Committee, Watermaster
22 may act jointly or cooperate with agencies of the United States and
23 the State of California or any political subdivisions, munici-
24 palities or districts or any person to the end that the purpose of
25 the Physical Solution may be fully and economically carried out.

26 27. Studies. Watermaster may, with concurrence of the
27 Advisory Committee or affected Pool Committee and in accordance
28 with Paragraph 54(b), undertake relevant studies of hydrologic

1 conditions, both quantitative and qualitative, and operating
2 aspects of implementation of the management program for Chino
3 Basin.

4 28. Ground Water Storage Agreements. Watermaster shall
5 adopt, with the approval of the Advisory Committee, uniformly
6 applicable rules and a standard form of agreement for storage of
7 supplemental water, pursuant to criteria therefor set forth in
8 Exhibit "I". Upon appropriate application by any person, Water-
9 master shall enter into such a storage agreement; provided that all
10 such storage agreements shall first be approved by written order of
11 the Court, and shall by their terms preclude operations which will
12 have a substantial adverse impact on other producers.

13 29. Accounting for Stored Water. Watermaster shall calculate
14 additions, extractions and losses and maintain an annual account of
15 all Stored Water in Chino Basin, and any losses of water supplies
16 or Safe Yield of Chino Basin resulting from such Stored Water.

17 30. Annual Administrative Budget. Watermaster shall submit
18 to Advisory Committee an administrative budget and recommendation
19 for each fiscal year on or before March 1. The Advisory Committee
20 shall review and submit said budget and their recommendations to
21 Watermaster on or before April 1, following. Watermaster shall
22 hold a public hearing on said budget at its April quarterly meeting
23 and adopt the annual administrative budget which shall include the
24 administrative items for each pool committee. The administrative
25 budget shall set forth budgeted items in sufficient detail as
26 necessary to make a proper allocation of the expense among the
27 several pools, together with Watermaster's proposed allocation.
28 The budget shall contain such additional comparative information

1 or explanation as the Advisory Committee may recommend from time
2 to time. Expenditures within budgeted items may thereafter be
3 made by Watermaster in the exercise of powers herein granted, as a
4 matter of course. Any budget transfer in excess of 20% of a
5 budget category during any budget year or modification of such
6 administrative budget during any year shall be first submitted to
7 the Advisory Committee for review and recommendation.

8 31. Review Procedures. All actions, decisions or rules of
9 Watermaster shall be subject to review by the Court on its own
10 motion or on timely motion by any party, the Watermaster (in the
11 case of a mandated action), the Advisory Committee, or any Pool
12 Committee, as follows:

13 (a) Effective Date of Watermaster Action. Any action,
14 decision or rule of Watermaster shall be deemed to have
15 occurred or been enacted on the date on which written
16 notice thereof is mailed. Mailing of copies of approved
17 Watermaster minutes to the active parties shall constitute
18 such notice to all parties.

19 (b) Noticed Motion. Any party, the Watermaster (as
20 to any mandated action), the Advisory Committee, or any
21 Pool Committee may, by a regularly noticed motion, apply
22 to the Court for review of any Watermaster's action,
23 decision or rule. Notice of such motion shall be served
24 personally or mailed to Watermaster and to all active
25 parties. Unless otherwise ordered by the Court, such
26 motion shall not operate to stay the effect of such
27 Watermaster action, decision or rule.
28

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1 (c) Time for Motion. Notice of motion to review any
2 Watermaster action, decision or rule shall be served and filed
3 within ninety (90) days after such Watermaster action, de-
4 cision or rule, except for budget actions, in which event said
5 notice period shall be sixty (60) days.

6 (d) De Novo Nature of Proceedings. Upon the filing of
7 any such motion, the Court shall require the moving party to
8 notify the active parties, the Watermaster, the Advisory
9 Committee and each Pool Committee, of a date for taking
10 evidence and argument, and on the date so designated shall
11 review de novo the question at issue. Watermaster's findings
12 or decision, if any, may be received in evidence at said
13 hearing, but shall not constitute presumptive or prima facie
14 proof of any fact in issue.

15 (e) Decision. The decision of the Court in such proceed-
16 ing shall be an appealable supplemental order in this case.
17 When the same is final, it shall be binding upon the Water-
18 master and all parties.

19 C. ADVISORY AND POOL COMMITTEES

20 32. Authorization. Watermaster is authorized and directed to
21 cause committees of producer representatives to be organized to
22 act as Pool Committees for each of the several pools created under
23 the Physical Solution. Said Pool Committees shall, in turn,
24 jointly form an Advisory Committee to assist Watermaster in per-
25 formance of its functions under this judgment. Pool Committees
26 shall be composed as specified in the respective pooling plans, and
27 the Advisory Committee shall be composed of not to exceed ten (10)
28 voting representatives from each pool, as designated by the

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1 respective Pool Committee. WMWD, PVMWD and SBVMWD shall each be
2 entitled to one non-voting representative on said Advisory Com-
3 mittee.

4 33. Term and Vacancies. Members of any Pool Committee, shall
5 serve for the term, and vacancies shall be filled, as specified in
6 the respective pooling plan. Members of the Advisory Committee
7 shall serve at the will of their respective Pool Committee.

8 34. Voting Power. The voting power on each Pool Committee
9 shall be allocated as provided in the respective pooling plan. The
10 voting power on the Advisory Committee shall be one hundred (100)
11 votes allocated among the three pools in proportion to the total
12 assessments paid to Watermaster during the preceding year; pro-
13 vided, that the minimum voting power of each pool shall be

- 14 (a) Overlying (Agricultural) Pool 20,
15 (b) Overlying (Non-agricultural) Pool 5, and
16 (c) Appropriative Pool 20.

17 In the event any pool is reduced to its said minimum vote, the re-
18 maining votes shall be allocated between the remaining pools on
19 said basis of assessments paid to Watermaster by each such remain-
20 ing pool during the preceding year. The method of exercise of
21 each pool's voting power on the Advisory Committee shall be as
22 determined by the respective pool committees.

23 35. Quorum. A majority of the voting power of the Advisory
24 Committee or any Pool Committee shall constitute a quorum for the
25 transaction of affairs of such Advisory or Pool Committee; pro-
26 vided, that at least one representative of each Pool Committee
27 shall be required to constitute a quorum of the Advisory Committee.
28 No Pool Committee representative may purposely absent himself or

1 herself, without good cause, from an Advisory Committee meeting to
2 deprive it of a quorum. Action by affirmative vote of a majority
3 of the entire voting power of any Pool Committee or the Advisory
4 Committee shall constitute action by such committee. Any action or
5 recommendation of a Pool Committee or the Advisory Committee shall
6 be transmitted to Watermaster in writing, together with a report of
7 any dissenting vote or opinion.

8 36. Compensation. Pool or Advisory Committee members may
9 receive compensation, to be established by the respective pooling
10 plan, but not to exceed twenty-five dollars (\$25.00) for each
11 meeting of such Pool or Advisory Committee attended, and provided
12 that no member of a Pool or Advisory Committee shall receive
13 compensation of more than three hundred (\$300.00) dollars for
14 service on any such committee during any one year. All such com-
15 pensation shall be a part of Watermaster administrative expense.
16 No member of any Pool or Advisory Committee shall be employed by
17 Watermaster or compensated by Watermaster for professional or other
18 services rendered to such Pool or Advisory Committee or to Water-
19 master, other than the fee for attendance at meetings herein
20 provided, plus reimbursement of reasonable expenses related to
21 activities within the Basin.

22 37. Organization.

23 (a) Organizational Meeting. At its first meeting in
24 each year, each Pool Committee and the Advisory Committee
25 shall elect a chairperson and a vice chairperson from its
26 membership. It shall also select a secretary, a treasurer
27 and such assistant secretaries and treasurers as may be
28 appropriate, any of whom may, but need not, be members of

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1 such Pool or Advisory Committee.

2 (b) Regular Meetings. All Pool Committees and the
3 Advisory Committee shall hold regular meetings at a place and
4 time to be specified in the rules to be adopted by each Pool
5 and Advisory Committee. Notice of regular meetings of any
6 Pool or Advisory Committee, and of any change in time or
7 place thereof, shall be mailed to all active parties in said
8 pool or pools.

9 (c) Special Meetings. Special meetings of any Pool or
10 Advisory Committee may be called at any time by the Chair-
11 person or by any three (3) members of such Pool or Advisory
12 Committee by delivering notice personally or by mail to each
13 member of such Pool or Advisory Committee and to each active
14 party at least 24 hours before the time of each such meeting
15 in the case of personal delivery, and 96 hours in the case of
16 mail. The calling notice shall specify the time and place of
17 the special meeting and the business to be transacted. No
18 other business shall be considered at such meeting.

19 (d) Minutes. Minutes of all Pool Committee, Advisory
20 Committee and Watermaster meetings shall be kept at Water-
21 master's offices. Copies thereof shall be mailed or otherwise
22 furnished to all active parties in the pool or pools con-
23 cerned. Said copies of minutes shall constitute notice of any
24 Pool or Advisory Committee action therein reported, and shall
25 be available for inspection by any party.

26 (e) Adjournments. Any meeting of any Pool or Advisory
27 Committee may be adjourned to a time and place specified in
28 the order of adjournment. Less than a quorum may so adjourn

1 from time to time. A copy of the order or notice of adjourn-
2 ment shall be conspicuously posted forthwith on or near the
3 door of the place where the meeting was held.

4 38. Powers and Functions. The powers and functions of the
5 respective Pool Committees and the Advisory Committee shall be as
6 follows:

7 (a) Pool Committees. Each Pool Committee shall have the
8 power and responsibility for developing policy recommendations
9 for administration of its particular pool, as created under
10 the Physical Solution. All actions and recommendations of any
11 Pool Committee which require Watermaster implementation shall
12 first be noticed to the other two pools. If no objection is
13 received in writing within thirty (30) days, such action or
14 recommendation shall be transmitted directly to Watermaster
15 for action. If any such objection is received, such action or
16 recommendation shall be reported to the Advisory Committee
17 before being transmitted to Watermaster.

18 (b) Advisory Committee. The Advisory Committee shall
19 have the duty to study, and the power to recommend, review
20 and act upon all discretionary determinations made or to be
21 made hereunder by Watermaster.

22 [1] Committee Initiative. When any recommendation
23 or advice of the Advisory Committee is received by
24 Watermaster, action consistent therewith may be taken by
25 Watermaster; provided, that any recommendation approved
26 by 80 votes or more in the Advisory Committee shall
27 constitute a mandate for action by Watermaster consistent
28 therewith. If Watermaster is unwilling or unable to act

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1 pursuant to recommendation or advice from the Advisory
2 Committee (other than such mandatory recommendations),
3 Watermaster shall hold a public hearing, which shall be
4 followed by written findings and decision. Thereafter,
5 Watermaster may act in accordance with said decision,
6 whether consistent with or contrary to said Advisory
7 Committee recommendation. Such action shall be subject
8 to review by the Court, as in the case of all other
9 Watermaster determinations.

10 [2] Committee Review. In the event Watermaster
11 proposes to take any discretionary action, other than
12 approval or disapproval of a Pool Committee action or
13 recommendation properly transmitted, or execute any
14 agreement not theretofore within the scope of an Advisory
15 Committee recommendation, notice of such intended action
16 shall be served on the Advisory Committee and its members
17 at least thirty (30) days before the Watermaster meeting
18 at which such action is finally authorized.

19 (c) Review of Watermaster Actions. Watermaster (as to
20 mandated action), the Advisory Committee or any Pool Committee
21 shall be entitled to employ counsel and expert assistance in
22 the event Watermaster or such Pool or Advisory Committee seeks
23 Court review of any Watermaster action or failure to act. The
24 cost of such counsel and expert assistance shall be Water-
25 master expense to be allocated to the affected pool or pools.

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1 VI. PHYSICAL SOLUTION

2 A. GENERAL

3 39. Purpose and Objective. Pursuant to the mandate of
4 Section 2 of Article X of the California Constitution, the Court
5 hereby adopts and orders the parties to comply with a Physical
6 Solution. The purpose of these provisions is to establish a legal
7 and practical means for making the maximum reasonable beneficial
8 use of the waters of Chino Basin by providing the optimum economic,
9 long-term, conjunctive utilization of surface waters, ground waters
10 and supplemental water, to meet the requirements of water users
11 having rights in or dependent upon Chino Basin.

12 40. Need for Flexibility. It is essential that this Physical
13 Solution provide maximum flexibility and adaptability in order that
14 Watermaster and the Court may be free to use existing and future
15 technological, social, institutional and economic options, in order
16 to maximize beneficial use of the waters of Chino Basin. To that
17 end, the Court's retained jurisdiction will be utilized, where
18 appropriate, to supplement the discretion herein granted to the
19 Wastermaster.

20 41. Watermaster Control. Watermaster, with the advice of the
21 Advisory and Pool Committees, is granted discretionary powers in
22 order to develop an optimum basin management program for Chino
23 Basin, including both water quantity and quality considerations.
24 Withdrawals and supplemental water replenishment of Basin Water,
25 and the full utilization of the water resources of Chino Basin,
26 must be subject to procedures established by and administered
27 through Watermaster with the advice and assistance of the Advisory
28 and Pool Committees composed of the affected producers. Both the

1 quantity and quality of said water resources may thereby be pre-
2 served and the beneficial utilization of the Basin maximized.

3 42. General Pattern of Operations. It is contemplated that
4 the rights herein decreed will be divided into three (3) operating
5 pools for purposes of Watermaster administration. A fundamental
6 premise of the Physical Solution is that all water users dependent
7 upon Chino Basin will be allowed to pump sufficient waters from the
8 Basin to meet their requirements. To the extent that pumping
9 exceeds the share of the Safe Yield assigned to the Overlying
10 Pools, or the Operating Safe Yield in the case of the Appropriative
11 Pool, each pool will provide funds to enable Watermaster to replace
12 such overproduction. The method of assessment in each pool shall
13 be as set forth in the applicable pooling plan.

14 B. POOLING

15 43. Multiple Pools Established. There are hereby established
16 three (3) pools for Watermaster administration of, and for the
17 allocation of responsibility for, and payment of, costs of re-
18 plenishment water and other aspects of this Physical Solution.

19 (a) Overlying (Agricultural) Pool. The first pool shall
20 consist of the State of California and all overlying producers
21 who produce water for other than industrial or commercial
22 purposes. The initial members of the pool are listed in
23 Exhibit "C".

24 (b) Overlying (Non-agricultural) Pool. The second pool
25 shall consist of overlying producers who produce water for
26 industrial or commercial purposes. The initial members of
27 this pool are listed in Exhibit "D".

28 (c) Appropriative Pool. A third and separate pool shall

1 consist of owners of appropriative rights. The initial
2 members of the pool are listed in Exhibit "E".

3 Any party who changes the character of his use may, by sub-
4 sequent order of the Court, be reassigned to the proper pool; but
5 the allocation of Safe Yield under Paragraph 44 hereof shall not be
6 changed. Any non-party producer or any person who may hereafter
7 commence production of water from Chino Basin, and who may become a
8 party to this physical solution by intervention, shall be assigned
9 to the proper pool by the order of the Court authorizing such
10 intervention.

11 44. Determination and Allocation of Rights to Safe Yield of
12 Chino Basin. The declared Safe Yield of Chino Basin is hereby
13 allocated as follows:

14	<u>Pool</u>	<u>Allocation</u>
15	Overlying (Agricultural) Pool	414,000 acre feet in any five (5) consecutive years.
16	Overlying (Non-agricultural) 17 Pool.	7,366 acre feet per year.
18	Appropriative Pool	49,834 acre feet per year.

19 The foregoing acre foot allocations to the overlying pools are
20 fixed. Any subsequent change in the Safe Yield shall be debited or
21 credited to the Appropriative Pool. Basin Water available to the
22 Appropriative Pool without replenishment obligation may vary from
23 year to year as the Operating Safe Yield is determined by Water-
24 master pursuant to the criteria set forth in Exhibit "I".

25 45. Annual Replenishment. Watermaster shall levy and collect
26 assessments in each year, pursuant to the respective pooling plans,
27 in amounts sufficient to purchase replenishment water to replace
28 production by any pool during the preceding year which exceeds that

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1 pool's allocated share of Safe Yield in the case of the overlying
2 pools, or Operating Safe Yield in the case of the Appropriative
3 Pool. It is anticipated that supplemental water for replenishment
4 of Chino Basin may be available at different rates to the various
5 pools to meet their replenishment obligations. If such is the
6 case, each pool will be assessed only that amount necessary for the
7 cost of replenishment water to that pool, at the rate available to
8 the pool, to meet its replenishment obligation.

9 46. Initial Pooling Plans. The initial pooling plans, which
10 are hereby adopted, are set forth in Exhibits "F", "G" and "H",
11 respectively. Unless and until modified by amendment of the
12 judgment pursuant to the Court's continuing jurisdiction, each
13 such plan shall control operation of the subject pool.

14 C. REPORTS AND ACCOUNTING

15 47. Production Reports. Each party or responsible party
16 shall file periodically with Watermaster, pursuant to Watermaster
17 rules, a report on a form to be prescribed by Watermaster showing
18 the total production of such party during the preceding reportage
19 period, and such additional information as Watermaster may require,
20 including any information specified by the affected Pool Com-
21 mittee.

22 48. Watermaster Reports and Accounting. Watermaster's
23 annual report, which shall be filed on or before November 15 of
24 each year and shall apply to the preceding year's operation, shall
25 contain details as to operation of each of the pools and a certi-
26 fied audit of all assessments and expenditures pursuant to this
27 Physical Solution and a review of Watermaster activities.

28 - - - - -

D. REPLENISHMENT

1
2 49. Sources of Supplemental Water. Supplemental water may be
3 obtained by Watermaster from any available source. Watermaster
4 shall seek to obtain the best available quality of supplemental
5 water at the most reasonable cost for recharge in the Basin. To
6 the extent that costs of replenishment water may vary between
7 pools, each pool shall be liable only for the costs attributable to
8 its required replenishment. Available sources may include, but are
9 not limited to:

10 (a) Reclaimed Water. There exist a series of agreements
11 generally denominated the Regional Waste Water Agreements
12 between CBMWD and owners of the major municipal sewer systems
13 within the basin. Under those agreements, which are recog-
14 nized hereby but shall be unaffected and unimpaired by this
15 judgment, substantial quantities of reclaimed water may be
16 made available for replenishment purposes. There are addi-
17 tional sources of reclaimed water which are, or may become,
18 available to Watermaster for said purposes. Maximum benefi-
19 cial use of reclaimed water shall be given high priority by
20 Watermaster.

21 (b) State Water. State water constitutes a major
22 available supply of supplemental water. In the case of State
23 Water, Watermaster purchases shall comply with the water
24 service provisions of the State's water service contracts.
25 More specifically, Watermaster shall purchase State Water from
26 MWD for replenishment of excess production within CBMWD, WMWD
27 and PVMWD, and from SBVMWD to replenish excess production
28 within SBVMWD's boundaries in Chino Basin, except to the

1 extent that MWD and SBVMWD give their consent as required by
2 such State water service contracts.

3 (c) Local Import. There exist facilities and methods
4 for importation of surface and ground water supplies from
5 adjacent basins and watersheds.

6 (d) Colorado River Supplies. MWD has water supplies
7 available from its Colorado River Aqueduct.

8 50. Methods of Replenishment. Watermaster may accomplish
9 replenishment of overproduction from the Basin by any reasonable
10 method, including:

11 (a) Spreading and percolation or Injection of water in
12 existing or new facilities, subject to the provisions of
13 Paragraphs 19, 25 and 26 hereof.

14 (b) In Lieu Procedures. Watermaster may make, or cause
15 to be made, deliveries of water for direct surface use, in
16 lieu of ground water production.

17 E. REVENUES

18 51. Production Assessment. Production assessments, on what-
19 ever basis, may be levied by Watermaster pursuant to the pooling
20 plan adopted for the applicable pool.

21 52. Minimal Producers. Minimal Producers shall be exempted
22 from payment of production assessments, upon filing of production
23 reports as provided in Paragraph 47 of this Judgment, and payment
24 of an annual five dollar (\$5.00) administrative fee as specified by
25 Watermaster rules.

26 53. Assessment Proceeds -- Purposes. Watermaster shall have
27 the power to levy assessments against the parties (other than
28 minimal pumpers) based upon production during the preceding period

1 of assessable production, whether quarterly, semi-annually or
2 annually, as may be determined most practical by Watermaster or the
3 affected Pool Committee.

4 54. Administrative Expenses. The expenses of administration
5 of this Physical Solution shall be categorized as either (a) gen-
6 eral Watermaster administrative expense, or (b) special project
7 expense.

8 (a) General Watermaster Administrative Expense shall
9 include office rental, general personnel expense, supplies and
10 office equipment, and related incidental expense and general
11 overhead.

12 (b) Special Project Expense shall consist of special
13 engineering, economic or other studies, litigation expense,
14 meter testing or other major operating expenses. Each such
15 project shall be assigned a Task Order number and shall be
16 separately budgeted and accounted for.

17 General Watermaster administrative expense shall be allocated
18 and assessed against the respective pools based upon allocations
19 made by the Watermaster, who shall make such allocations based upon
20 generally accepted cost accounting methods. Special Project
21 Expense shall be allocated to a specific pool, or any portion there-
22 of, only upon the basis of prior express assent and finding of
23 benefit by the Pool Committee, or pursuant to written order of the
24 Court.

25 55. Assessments -- Procedure. Assessments herein provided
26 for shall be levied and collected as follows:

27 (a) Notice of Assessment. Watermaster shall give
28 written notice of all applicable assessments to each party on

1 or before ninety (90) days after the end of the production
2 period to which such assessment is applicable.

3 (b) Payment. Each assessment shall be payable on or
4 before thirty (30) days after notice, and shall be the ob-
5 ligation of the party or successor owning the water production
6 facility at the time written notice of assessment is given,
7 unless prior arrangement for payment by others has been made
8 in writing and filed with Watermaster.

9 (c) Delinquency. Any delinquent assessment shall bear
10 interest at 10% per annum (or such greater rate as shall equal
11 the average current cost of borrowed funds to the Watermaster)
12 from the due date thereof. Such delinquent assessment and
13 interest may be collected in a show-cause proceeding herein
14 instituted by the Watermaster, in which case the Court may
15 allow Watermaster its reasonable costs of collection, includ-
16 ing attorney's fees.

17 56. Accumulation of Replenishment Water Assessment Proceeds.

18 In order to minimize fluctuation in assessment and to give Water-
19 master flexibility in purchase and spreading of replenishment
20 water, Watermaster may make reasonable accumulations of replen-
21 ishment water assessment proceeds. Interest earned on such re-
22 tained funds shall be added to the account of the pool from which
23 the funds were collected and shall be applied only to the purchase
24 of replenishment water.

25 57. Effective Date. The effective date for accounting and
26 operation under this Physical Solution shall be July 1, 1977, and
27 the first production assessments hereunder shall be due after July
28 1, 1978. Watermaster shall, however, require installation of

1 meters or measuring devices and establish operating procedures
2 immediately, and the costs of such Watermaster activity (not
3 including the cost of such meters and measuring devices) may be
4 recovered in the first administrative assessment in 1978.

5
6 VII. MISCELLANEOUS PROVISIONS

7 58. Designation of Address for Notice and Service. Each
8 party shall designate the name and address to be used for purposes
9 of all subsequent notices and service herein, either by its en-
10 dorsement on the Stipulation for Judgment or by a separate desig-
11 nation to be filed within thirty (30) days after Judgment has been
12 served. Said designation may be changed from time to time by
13 filing a written notice of such change with the Watermaster. Any
14 party desiring to be relieved of receiving notices of Watermaster
15 or committee activity may file a waiver of notice on a form to be
16 provided by Watermaster. Thereafter such party shall be removed
17 from the Active Party list. Watermaster shall maintain at all
18 times a current list of active parties and their addresses for
19 purposes of service. Watermaster shall also maintain a full
20 current list of names and addresses of all parties or their suc-
21 cessors, as filed herein. Copies of such lists shall be available,
22 without cost, to any party, the Advisory Committee or any Pool
23 Committee upon written request therefor.

24 59. Service of Documents. Delivery to or service upon any
25 party or active party by the Watermaster, by any other party, or by
26 the Court, of any item required to be served upon or delivered to
27 such party or active party under or pursuant to the Judgment shall
28 be made personally or by deposit in the United States mail, first

1 class, postage prepaid, addressed to the designee and at the
2 address in the latest designation filed by such party or active
3 party.

4 60. Intervention After Judgment. Any non-party assignee of
5 the adjudicated appropriative rights of any appropriator, or any
6 other person newly proposing to produce water from Chino Basin, may
7 become a party to this judgment upon filing a petition in inter-
8 vention. Said intervention must be confirmed by order of this
9 Court. Such intervenor shall thereafter be a party bound by this
10 judgment and entitled to the rights and privileges accorded under
11 the Physical Solution herein, through the pool to which the Court
12 shall assign such intervenor.

13 61. Loss of Rights. Loss, whether by abandonment, forfeiture
14 or otherwise, of any right herein adjudicated shall be accomplished
15 only (1) by a written election by the owner of the right filed with
16 Watermaster, or (2) by order of the Court upon noticed motion and
17 after hearing.

18 62. Scope of Judgment. Nothing in this Judgment shall be
19 deemed to preclude or limit any party in the assertion against a
20 neighboring party of any cause of action now existing or hereafter
21 arising based upon injury, damage or depletion of water supply
22 available to such party, proximately caused by nearby pumping which
23 constitutes an unreasonable interference with such complaining
24 party's ability to extract ground water.

25 63. Judgment Binding on Successors. This Judgment and all
26 provisions thereof are applicable to and binding upon not only the
27 parties to this action, but also upon their respective heirs,
28 executors, administrators, successors, assigns, lessees and

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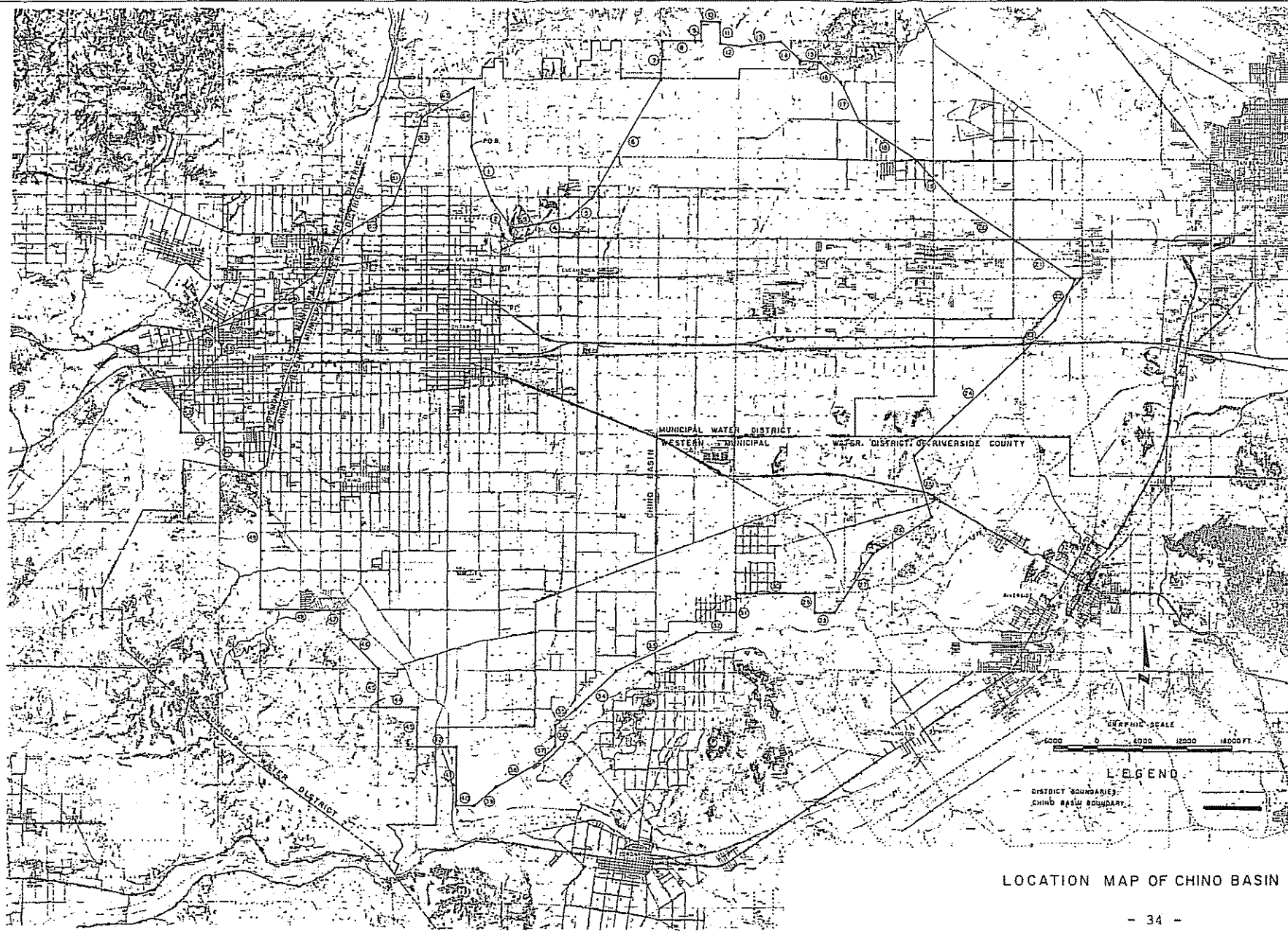
licensees and upon the agents, employees and attorneys in fact of all such persons.

64. Costs. No party shall recover any costs in this proceeding from any other party.

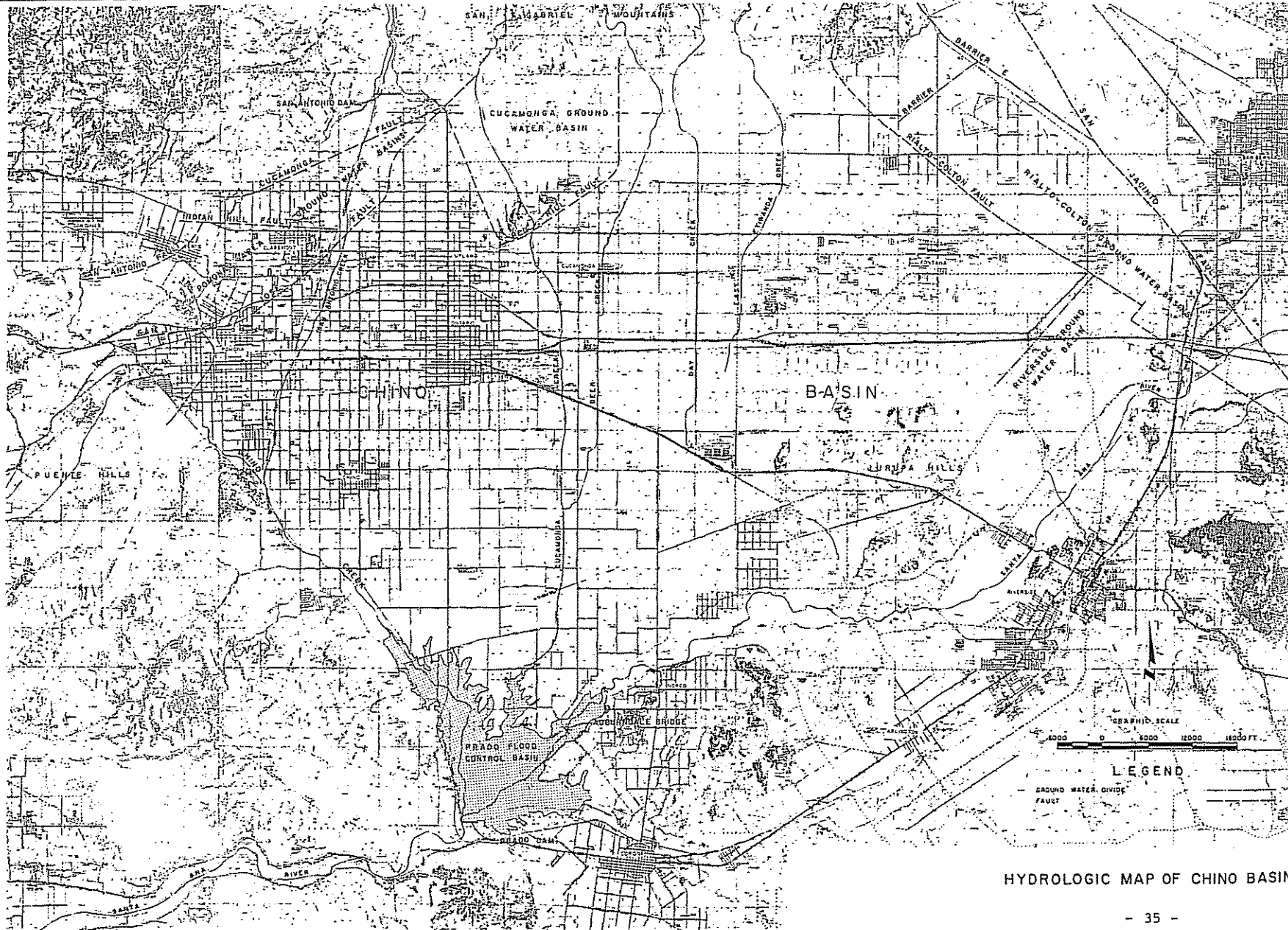
Dated: JAN 27 1978.

Arnold B. Weiss

Judge



LOCATION MAP OF CHINO BASIN



HYDROLOGIC MAP OF CHINO BASIN

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

1	STATE OF CALIFORNIA	Aphessetche, Xavier
2	COUNTY OF SAN BERNARDINO	Arena Mutual Water Assn.
3	Abacherli Dairy, Inc.	Armstrong Nurseries, Inc.
4	Abacherli, Frank	Arretche, Frank
5	Abacherli, Shirley	Arretche, Jean Pierre
6	Abbona, Anna	Arvidson, Clarence F.
7	Abbona, James	Arvidson, Florence
8	Abbona, Jim	Ashley, George W.
9	Abbona, Mary	Ashley, Pearl E.
10	Agliani, Amelia H.	Atlas Farms
11	Agman, Inc.	Atlas Ornamental Iron Works, Inc.
12	Aguerre, Louis B.	Aukeman, Carol
13	Ahmanson Trust Co.	Aukeman, Lewis
14	Akiyama, Shizuye	Ayers, Kenneth C., aka
15	Akiyama, Tomoo	Kelley Ayers
16	Akkerman, Dave	Bachoc, Raymond
17	Albers, J. N.	Baldwin, Edgar A.
18	Albers, Nellie	Baldwin, Lester
19	Alewyn, Jake J.	Banbury, Carolyn
20	Alewyn, Normalee	Bangma Dairy
21	Alger, Mary D.	Bangma, Arthur
22	Alger, Raymond	Bangma, Ida
23	Allen, Ben F.	Bangma, Martin
24	Allen, Jane F.	Bangma, Sam
25	Alta-Dena Dairy	Barba, Anthony B.
26	Anderson Farms	Barba, Frank
27	Anguiano, Sarah L. S.	Barcellos, Joseph
28	Anker, Gus	Barnhill, Maurine W.

EXHIBIT "C"

1	Barnhill, Paul	Boersma, Angie
2	Bartel, Dale	Boersma, Berdina
3	Bartel, Ursula	Boersma, Frank
4	Bartel, Willard	Boersma, Harry
5	Barthelemy, Henry	Boersma, Paul
6	Barthelemy, Roland	Boersma, Sam
7	Bassler, Donald V., M.D.	Boersma, William L.
8	Bates, Lowell R.	Bohlender & Holmes, Inc.
9	Bates, Mildred L.	Bokma, Peter
10	Beahm, James W.	Bollema, Jacob
11	Beahm, Joan M.	Boonstoo, Edward
12	Bekendam, Hank	Bootsma, Jim
13	Bekendam, Pete	Borba, Dolene
14	Bello, Eugene	Borba, Dolores
15	Bello, Olga	Borba, Emily
16	Beltman, Evelyn	Borba, George
17	Beltman, Tony	Borba, John
18	Bergquist Properties, Inc.	Borba, John & Sons
19	Bevacqua, Joel A.	Borba, John Jr.
20	Bevacqua, Marie B.	Borba, Joseph A.
21	Bidart, Bernard	Borba, Karen E.
22	Bidart, Michael J.	Borba, Karen M.
23	Binnell, Wesley	Borba, Pete, Estate of
24	Black, Patricia E.	Borba, Ricci
25	Black, Victor	Borba, Steve
26	Bodger, John & Sons Co.	Borba, Tom
27	Boer, Adrian	Bordisso, Alleck
28	Boersma and Wind Dairy	Borges, Angelica M.

1	Borges, Bernadette	Bothof, Roger W.
2	Borges, John O.	Bouma, Cornie
3	Borges, Linda L.	Bouma, Emma
4	Borges, Manual Jr.	Bouma, Henry P.
5	Borges, Tony	Bouma, Martin
6	Bos, Aleid	Bouma, Peter G. & Sons Dairy
7	Bos, Gerrit	Bouma, Ted
8	Bos, John	Bouman, Helen
9	Bos, John	Bouman, Sam
10	Bos, Margaret	Bower, Mabel E.
11	Bos, Mary	Boys Republic
12	Bos, Mary Beth	Breedyk, Arie
13	Bos, Tony	Breedyk, Jessie
14	Bosch, Henrietta	Briano Brothers
15	Bosch, Peter T.	Briano, Albert
16	Boschma, Betty	Briano, Albert Trustee for
17	Boschma, Frank	Briano, Albert Frank
18	Boschma, Greta	Briano, Lena
19	Boschma, Henry	Brink, Russell N.
20	Bosma, Dick	Brinkerhoff, Margaret
21	Bosma, Florence G.	Brinkerhoff, Robert L.
22	Bosma, Gerrit	Britschgi, Florence
23	Bosma, Jacob J.	Britschgi, Magdalena Garetto
24	Bosma, Jeanette Thea	Britschgi, Walter P.
25	Bosman, Frank	Brommer, Marvin
26	Bosman, Nellie	Brookside Enterprizes, dba
27	Bosnyak, Goldie M.	Brookside Vineyard Co.
28	Bosnyak, Martin	Brothers Three Dairy

1	Brown, Eugene	Chino Corona Investment
2	Brun, Martha M.	Chino Water Co.
3	Brun, Peter Robert	Christensen, Leslie
4	Buma, Duke	Christensen, Richard G.
5	Buma, Martha	Christian, Ada R.
6	Bunse, Nancy	Christian, Harold F.
7	Bunse, Ronnie L.	Christy, Ella J.
8	Caballero, Bonnie L.	Christy, Ronald S.
9	Caballero, Richard F.	Cihigoyenette, Jean
10	Cable Airport Inc.	Cihigoyenette, Leona
11	Cadlani, Donald	Cihigoyenette, Martin
12	Cadlani, Jesse R.	Clarke, Arthur B.
13	Cadlani, Marie Edna	Clarke, Nancy L.
14	Cambio, Anna	Clarke, Phyllis J.
15	Cambio, Charles, Estate of	Coelho, Isabel
16	Cambio, William V.	Coelho, Joe A. Jr.
17	Cardoza, Florence	Collins, Howard E.
18	Cardoza, Olivi	Collins, Judith F.
19	Cardoza, Tony	Collinsworth, Ester L.
20	Carnesi, Tom	Collinsworth, John E.
21	Carver, Robt M., Trustee	Collinsworth, Shelby
22	Cauffman, John R.	Cone Estate (05-2-00648/649)
23	Chacon Bros.	Consolidated Freightways Corp.
24	Chacon, Elvera P.	of Delaware
25	Chacon, Joe M.	Corona Farms Co.
26	Chacon, Robert M.	Corra, Rose
27	Chacon, Virginia L.	Costa, Dimas S.
28	Chez, Joseph C.	Costa, Laura

1	Costa, Myrtle	De Boer, L. H.
2	Costamagna, Antonio	De Boer, Sidney
3	Costamagna, Joseph	De Bos, Andrew
4	Cousyn, Claus B.	De Graaf, Anna Mae
5	Cramer, Carole F.	De Graaf, Gerrit
6	Cramer, William R.	De Groot, Dick
7	Crossroads Auto Dismantlers, Inc.	De Groot, Dorothy
8	Crouse, Beatrice I.	De Groot, Ernest
9	Crouse, Roger	De Groot, Henrietta
10	Crowley, Juanita C.	De Groot, Jake
11	Crowley, Ralph	De Groot, Pete Jr.
12	Cucamonga Vintners	De Haan, Bernadena
13	D'Astici, Teresa	De Haan, Henry
14	Da Costa, Cecilia B.	De Hoog, Adriana
15	Da Costa, Joaquim F.	De Hoog, Joe
16	Daloisio, Norman	De Hoog, Martin
17	De Berard Bros.	De Hoog, Martin L.
18	De Berard, Arthur, Trustee	De Hoog, Mitch
19	De Berard, Charles	De Hoog, Tryntje
20	De Berard, Chas., Trustee	De Jager, Cobi
21	De Berard, Helan J.	De Jager, Edward D.
22	De Berard, Robert	De Jong Brothers Dairy
23	De Berard, Robert, Trustee	De Jong, Cornelis
24	De Bie, Adrian	De Jong, Cornelius
25	De Bie, Henry	De Jong, Grace
26	De Bie, Margaret M.	De Jong, Jake
27	De Bie, Marvin	De Jong, Lena
28	De Boer, Fred	De Leeuw, Alice

1	De Leeuw, Sam	Dirkse, Catherine
2	De Soete, Agnes	Dirkse, Charles C.
3	De Soete, Andre	Dixon, Charles E.
4	De Vries, Abraham	Dixon, Geraldine A.
5	De Vries, Case	Doesberg, Hendrica
6	De Vries, Dick	Doesburg, Theodorus P.
7	De Vries, Evelyn	Dolan, Marion
8	De Vries, Henry, Estate of	Dolan, Michael H.
9	De Vries, Hermina	Dominguez, Helen
10	De Vries, Jack H.	Dominguez, Manual
11	De Vries, Jane	Donkers, Henry A.
12	De Vries, Janice	Donkers, Nellie G.
13	De Vries, John	Dotta Bros.
14	De Vries, John J.	Douma Brothers Dairy
15	De Vries, Neil	Douma, Betty A.
16	De Vries, Ruth	Douma, Fred A.
17	De Vries, Theresa	Douma, Hendrika
18	De Wit, Gladys	Douma, Herman G.
19	De Wit, Peter S.	Douma, Narleen J.
20	De Wyn, Evert	Douma, Phillip M.
21	De Zoete, Hattie V.	Dow Chemical Co.
22	De Zoete, Leo A.	Dragt, Rheta
23	Decker, Hallie	Dragt, William
24	Decker, Henry A.	Driftwood Dairy Farm
25	Demmer, Ernest	Droogh, Case
26	Di Carlo, Marie	Duhalde, Marian
27	Di Carlo, Victor	Duhalde, Lauren
28	Di Tommaso, Frank	Duits, Henrietta

1	Duits, John	Excelsior Farms F.D.I.C.
2	Dunlap, Edna Kraemer,	Fagundes, Frank M.
3	Estate of	Fagundes, Mary
4	Durrington, Glen	Fernandes, Joseph Jr.
5	Durrington, William F.	Fernandes, Velma C.
6	Dusi, John, Sr.	Ferraro, Ann
7	Dykstra, Dick	Ferreira, Frank J.
8	Dykstra, John	Ferreira, Joe C. Jr.
9	Dykstra, John & Sons	Ferreira, Narcie
10	Dykstra, Wilma	Filippi, J. Vintage Co.
11	Dyt, Cor	Filippi, Joseph
12	Dyt, Johanna	Filippi, Joseph A.
13	E and S Grape Growers	Filippi, Mary E.
14	Eaton, Thomas, Estate of	Fitzgerald, John R.
15	Echeverria, Juan	Flameling Dairy Inc.
16	Echeverria, Carlos	Flamingo Dairy
17	Echeverria, Pablo	Foss, Douglas E.
18	Eilers, E. Myrle	Foss, Gerald R.
19	Eilers, Henry W.	Foss, Russel
20	El Prado Golf Course	Fred & John Troost No. 1 Inc.
21	Ellsworth, Rex C.	Fred & Maynard Troost No. 2 Inc.
22	Engelsma, Jake	Freitas, Beatriz
23	Engelsma, Susan	Freitas, Tony T.
24	Escojeda, Henry	Gakle, Louis L.
25	Etiwanda Grape Products Co.	Galleano Winery, Inc.
26	Euclid Ave. Investment One	Galleano, Bernard D.
27	Euclid Ave. Investment Four	Galleano, D.
28	Euclid Ave. Three Investment	Galleano, Mary M.

1	Garcia, Pete	Hansen, Raymond F.
2	Gardner, Leland V.	Hanson, Ardeth W.
3	Gardner, Lola M.	Harada, James T.
4	Garrett, Leonard E.	Harada, Violet A.
5	Garrett, Patricia T.	Haringa, Earl and Sons
6	Gastelluberry, Catherine	Haringa, Herman
7	Gastelluberry, Jean	Haringa, Rudy
8	Gilstrap, Glen E.	Haringa, William
9	Gilstrap, Marjorie J.	Harper, Cecilia de Mille
10	Godinho, John	Harrington, Winona
11	Godinho, June	Harrison, Jacqueline A.
12	Gonsalves, Evelyn	Hatanaka, Kenichi
13	Gonsalves, John	Heida, Annie
14	Gorzeman, Geraldine	Heida, Don
15	Gorzeman, Henry A.	Heida, Jim
16	Gorzeman, Joe	Heida, Sam
17	Govea, Julia	Helms, Addison D.
18	Goyenette, Albert	Helms, Irma A.
19	Grace, Caroline E.	Hermans, Alma I.
20	Grace, David J.	Hermans, Harry
21	Gravatt, Glenn W.	Hettinga, Arthur
22	Gravatt, Sally Mae	Hettinga, Ida
23	Greydanus Dairy, Inc.	Hettinga, Judy
24	Greydanus, Rena	Hettinga, Mary
25	Griffin Development Co.	Hettinga, Wilbur
26	Haagsma, Dave	Heublein, Inc., Grocery Products
27	Haagsma, John	Group
28	Hansen, Mary D.	Hibma, Catherine M.

1	Hibma, Sidney	Hohberg, Harold C.
2	Hicks, Kenneth I.	Hohberg, Harold W.
3	Hicks, Minnie M.	Holder, Arthur B.
4	Higgins Brick Co.	Holder, Dorothy F.
5	Highstreet, Alfred V.	Holmes, A. Lee
6	Highstreet, Evada V.	Holmes, Frances P.
7	Hilarides, Bertha as Trustee	Hoogeboom, Gertrude
8	Hilarides, Frank	Hoogeboom, Pete
9	Hilarides, John as Trustee	Hoogendam, John
10	Hindelang, Tillie	Hoogendam, Tena
11	Hindelang, William	Houssels, J. K. Thoroughbred Farm
12	Hobbs, Bonnie C.	
13	Hobbs, Charles W.	Hunt Industries
14	Hobbs, Hazel I.	Idsinga, Ann
15	Hobbs, Orlo M.	Idsinga, William W.
16	Hoekstra, Edward	Imbach Ranch, Inc.
17	Hoekstra, George	Imbach, Kenneth E.
18	Hoekstra, Grace	Imbach, Leonard K.
19	Hoekstra, Louie	Imbach, Oscar K.
20	Hofer, Paul B.	Imbach, Ruth M.
21	Hofer, Phillip F.	Indaburu, Jean
22	Hofstra, Marie	Indaburu, Marceline
23	Hogeboom, Jo Ann M.	Iseli, Kurt H.
24	Hogeboom, Maurice D.	Ito, Kow
25	Hogg, David V.	J & B Dairy Inc.
26	Hogg, Gene P.	Jaques, Johnny C. Jr.
27	Hogg, Warren G.	Jaques, Mary
28	Hohberg, Edith J.	Jaques, Mary Lou

1	Jay Em Bee Farms	Knevelbaard, John
2	Johnson Bro's Egg Ranches, Inc.	Knudsen, Ejnar
3	Johnston, Ellwood W.	Knudsen, Karen M.
4	Johnston, George F. Co.	Knudsen, Kenneth
5	Johnston, Judith H.	Knudson, Robert
6	Jones, Leonard P.	Knudson, Darlene
7	Jongsma & Sons Dairy	Koel, Helen S.
8	Jongsma, Diana A.	Koetsier, Gerard
9	Jongsma, Dorothy	Koetsier, Gerrit J.
10	Jongsma, George	Koetsier, Jake
11	Jongsma, Harold	Koning, Fred W.
12	Jongsma, Henry	Koning, Gloria
13	Jongsma, John	Koning, J. W. Estate
14	Jongsma, Nadine	Koning, James A.
15	Jongsma, Tillie	Koning, Jane
16	Jordan, Marjorie G.	Koning, Jane C.
17	Jordan, Troy O.	Koning, Jennie
18	Jorritsma, Dorothy	Koning, John
19	Juliano, Albert	Koning, Victor A.
20	Kamper, Cornelis	Kooi Holstein Corporation
21	Kamstra, Wilbert	Koolhaas, Kenneth E.
22	Kaplan, Lawrence J.	Koolhaas, Simon
23	Kasbergen, Martha	Koolhaas, Sophie Grace
24	Kasbergen, Neil	Koopal, Grace
25	Kazian, Angelen Estate of	Koopal, Silas
26	Kingsway Const. Corp.	Koopman, Eka
27	Klapps Market	Koopman, Gene T.
28	Kline, James K.	Koopman, Henry G.

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1	Koopman, Ted	Leck, Arthur A.
2	Koopman, Tena	Leck, Evelyn M.
3	Koot, Nick	Lee, Harold E.
4	Koster, Aart	Lee, Helen J.
5	Koster, Frances	Lee, Henrietta C.
6	Koster, Henry B.	Lee, R. T. Construction Co.
7	Koster, Nellie	Lekkerkerk, Adriana
8	Kroes, Jake R.	Lekkerkerk, L. M.
9	Kroeze, Bros	Lekkerkerker, Nellie
10	Kroeze, Calvin E.	Lekkerkerker, Walt
11	Kroeze, John	Lewis Homes of California
12	Kroeze, Wesley	Livingston, Dorothy M.
13	Kruckenber, Naomi	Livingston, Rex E.
14	Kruckenber, Perry	Lokey, Rosemary Kraemer
15	L. D. S. Welfare Ranch	Lopes, Candida A.
16	Labrucherie, Mary Jane	Lopes, Antonio S.
17	Labrucherie, Raymond F.	Lopez, Joe D.
18	Lako, Samuel	Lourenco, Carlos, Jr.
19	Landman Corp.	Lourenco, Carmelina P.
20	Lanting, Broer	Lourenco, Jack C.
21	Lanting, Myer	Lourenco, Manual H.
22	Lass, Jack	Lourenco, Mary
23	Lass, Sandra L.	Lourenco, Mary
24	Lawrence, Cecelia, Estate of	Luiten, Jack
25	Lawrence, Joe H., Estate of	Luiz, John M.
26	Leal, Bradley W.	Luna, Christine I.
27	Leal, John C.	Luna, Ruben T.
28	Leal, John Craig	Lusk, John D. and Son a California corporation

1	Lyon, Gregory E.	Mickel, Louise
2	Lyon, Paula E.	Miersma, Dorothy
3	M & W Co. #2	Meirsma, Harry C.
4	Madole, Betty M.	Minaberry, Arnaud
5	Madole, Larry B.	Minaberry, Marie
6	Marquez, Arthur	Mistretta, Frank J.
7	Marquine, Jean	Mocho and Plaa Inc.
8	Martin, Lelon O.	Mocho, Jean
9	Martin, Leon O.	Mocho, Noeline
10	Martin, Maria D.	Modica, Josephine
11	Martin, Tony J.	Montes, Elizabeth
12	Martins, Frank	Montes, Joe
13	Mathias, Antonio	Moons, Beatrice
14	Mc Cune, Robert M.	Moons, Jack
15	Mc Masters, Gertrude	Moramarco, John A. Enterprises
16	Mc Neill, J. A.	Moreno, Louis W.
17	Mc Neill, May F.	Moss, John R.
18	Mees, Leon	Motion Pictures Associates, Inc.
19	Mello and Silva Dairy	Moynier, Joe
20	Mello and Sousa Dairy	Murphy, Frances V.
21	Mello, Emilia	Murphy, Myrl L.
22	Mello, Enos C.	Murphy, Naomi
23	Mello, Mercedes	Nanne, Martin Estate of
24	Mendiondo, Catherine	Nederend, Betty
25	Mendiondo, Dominique	Nederend, Hans
26	Meth. Hosp. - Sacramento	Norfolk, James
27	Metzger, R. S.	Norfolk, Martha
28	Metzger, Winifred	Notrica, Louis

1	Nyberg, Lillian M.	Ormonde, Viva
2	Nyenhuis, Annie	Ortega, Adeline B.
3	Nyenhuis, Jim	Ortega, Bernard Dino
4	Occidental Land Research	Osterkamp, Joseph S.
5	Okumura, Marion	Osterkamp, Margaret A.
6	Okumura, Yuiche	P I E Water Co.
7	Oldengarm, Effie	Palmer, Eva E.
8	Oldengarm, Egbert	Palmer, Walter E.
9	Oldengarm, Henry	Parente, Luis S.
10	Oliviera, Manuel L.	Parente, Mary Borba .
11	Oliviera, Mary M.	Parks, Jack B.
12	Olson, Albert	Parks, Laura M.
13	Oltmans Construction Co.	Patterson, Lawrence E. Estate of
14	Omlin, Anton	Payne, Clyde H.
15	Omlin, Elsie L.	Payne, Margo
16	Ontario Christian School Assn.	Pearson, Athelia K.
17	Oord, John	Pearson, William C.
18	Oostdam, Jacoba	Pearson, William G.
19	Oostdam, Pete	Pene, Robert
20	Oosten, Agnes	Perian, Miller
21	Oosten, Anthonia	Perian, Ona E.
22	Oosten, Caroline	Petrissans, Deanna
23	Oosten, John	Petrissans, George
24	Oosten, Marinus	Petrissans, Jean P.
25	Oosten, Ralph	Petrissans, Marie T.
26	Orange County Water District	Pickering, Dora M.
27	Ormonde, Manuel	(Mrs. A. L. Pickering)
28	Ormonde, Pete, Jr.	Pierce, John

1	Pierce, Sadie	Righetti, A. T.
2	Pietszak, Sally	Riley, George A.
3	Pine, Joe	Riley, Helen C.
4	Pine, Virginia	Robbins, Jack K.
5	Pires, Frank	Rocha, John M.
6	Pires, Marie	Rocha, Jose C.
7	Plaa, Jeanne	Rodrigues, John
8	Plaa, Michel	Rodrigues, Manuel
9	Plantenga, Agnes	Rodrigues, Manuel, Jr.
10	Plantenga, George	Rodrigues, Mary L.
11	Poe, Arlo D.	Rodriquez, Daniel
12	Pomona Cemetery Assn.	Rogers, Jack D.
13	Porte, Cecelia, Estate of	Rohrer, John A.
14	Porte, Garritt, Estate of	Rohrer, Theresa D.
15	Portsmouth, Vera McCarty	Rohrs, Elizabeth H.
16	Ramella, Mary M.	Rossetti, M. S.
17	Ramirez, Concha	Roukema, Angeline
18	Rearick, Hildegard H.	Roukema, Ed.
19	Rearick, Richard R.	Roukema, Nancy
20	Reinalda, Clarence	Roukema, Siebren
21	Reitsma, Greta	Ruderian, Max J.
22	Reitsma, Louis	Russell, Fred J.
23	Rice, Bernice	Rusticus, Ann
24	Rice, Charlie E.	Rusticus, Charles
25	Richards, Karin	Rynsburger, Arie
26	(Mrs. Ronnie Richards)	Rynsburger, Berdena, Trust
27	Richards, Ronald L.	Rynsburger, Joan Adele
28	Ridder, Jennie Wassenaar	Rynsburger, Thomas

1	S. P. Annex, Inc.	Scott, Frances M.
2	Salisbury, Elinor J.	Scott, Linda F.
3	Sanchez, Edmundo	Scott, Stanley A.
4	Sanchez, Margarita O.	Scritsmier, Lester J.
5	Santana, Joe Sr.	Serl, Charles A.
6	Santana, Palmira	Serl, Rosalie P.
7	Satragni, John B. Jr.	Shady Grove Dairy, Inc.
8	Scaramella, George P.	Shamel, Burt A.
9	Schaafsma Bros.	Shelby, Harold E.
10	Schaafsma, Jennie	Shelby, John A.
11	Schaafsma, Peter	Shelby, Velma M.
12	Schaafsma, Tom	Shelton, Alice A.
13	Schaap, Andy	Sherwood, Robert W.
14	Schaap, Ids	Sherwood, Sheila J.
15	Schaap, Maria	Shue, Eva
16	Schacht, Sharon C.	Shue, Gilbert
17	Schakel, Audrey	Sieperda, Anne
18	Schakel, Fred	Sieperda, James
19	Schmid, Olga	Sigrist, Hans
20	Schmidt, Madeleine	Sigrist, Rita
21	Schoneveld, Evert	Silveira, Arline L.
22	Schoneveld, Henrietta	Silveira, Frank
23	Schoneveld, John	Silveira, Jack
24	Schoneveld, John Allen	Silveira, Jack P. Jr.
25	Schug, Donald E.	Simas, Dolores
26	Schug, Shirley A.	Simas, Joe
27	Schuh, Bernatta M.	Singleton, Dean
28	Schuh, Harold H.	Singleton, Elsie R.

1	Sinnott, Jim	Staal, John
2	Sinnott, Mildred B.	Stahl, Zippora P.
3	Slegers, Dorothy	Stampfl, Berta
4	Slegers, Hubert J.	Stampfl, William
5	Slegers, Jake	Stanley, Robert E.
6	Slegers, Jim	Stark, Everett
7	Slegers, Lenwood M.	Stellingwerf, Andrew
8	Slegers, Martha	Stellingwerf, Henry
9	Slegers, Tesse J.	Stellingwerf, Jenette
10	Smith, Edward S.	Stellingwerf, Shana
11	Smith, Helen D.	Stellingwerf, Stan
12	Smith, James E.	Stelzer, Mike C.
13	Smith, Keith J.	Sterk, Henry
14	Smith, Lester W.	Stiefel, Winifred
15	Smith, Lois Maxine	Stiefel, Jack D.
16	Smith, Marjorie W.	Stigall, Richard L.
17	Soares, Eva	Stigall, Vita
18	Sogioka, Mitsuyoshi	Stockman's Inn
19	Sogioka, Yoshimato	Stouder, Charlotte A.
20	Sousa, Sam	Stouder, William C.
21	Southern Pacific Land Co.	Struikmans, Barbara
22	Southfield, Eddie	Struikmans, Gertie
23	Souza, Frank M.	Struikmans, Henry Jr.
24	Souza, Mary T.	Struikmans, Henry Sr.
25	Spickerman, Alberta	Struikmans, Nellie
26	Spickerman, Florence	Swager, Edward
27	Spickerman, Rudolph	Swager, Gerben
28	Spyksma, John	Swager, Johanna

1	Swager, Marion	Terpstra, Theodore G.
2	Swierstra, Donald	Teune, Tony
3	Swierstra, Fanny	Teunissen, Bernard
4	Sybrandy, Ida	Teunissen, Jane
5	Sybrandy, Simon	Thomas, Ethel M.
6	Sytsma, Albert	Thommen, Alice
7	Sytsma, Edith	Thommen, Fritz
8	Sytsma, Jennie	Tillema, Allie
9	Sytsma, Louie	Tillema, Harold
10	Te Velde, Agnes	Tillema, Klaas D.
11	Te Velde, Bay	Timmons, William R.
12	Te Velde, Bernard A.	Tollerup, Barbara
13	Te Velde, Bonnie	Tollerup, Harold
14	Te Velde, Bonnie G.	Trapani, Louis A.
15	Te Velde, George	Trimlett, Arlene R.
16	Te Velde, George, Jr.	Trimlett, George E.
17	Te Velde, Harm	Tristant, Pierre
18	Te Velde, Harriet	Tuinhout, Ale
19	Te Velde, Henry J.	Tuinhout, Harry
20	Te Velde, Jay	Tuinhout, Hilda
21	Te Velde, Johanna	Tuls, Elizabeth
22	Te Velde, John H.	Tuls, Jack S.
23	Te Velde, Ralph A.	Tuls, Jake
24	Te Velde, Zwaantina, Trustee	Union Oil Company of California
25	Ter Maaten, Case	United Dairyman's Co-op.
26	Ter Maaten, Cleone	Urquhart, James G.
27	Ter Maaten, Steve	Usle, Cathryn
28	Terpstra, Carol	Usle, Faustino

1	V & Y Properties	Van Hofwegen, Clara
2	Vaile, Beryl M.	Van Hofwegen, Jessie
3	Valley Hay Co.	Van Klaveren, A.
4	Van Beek Dairy Inc.	Van Klaveren, Arie
5	Van Canneyt Dairy	Van Klaveren, Wilhelmina
6	Van Canneyt, Maurice	Van Klaveren, William
7	Van Canneyt, Wilmer	Van Leeuwen, Arie C.
8	Van Dam, Bas	Van Leeuwen, Arie C.
9	Van Dam, Isabelle	Van Leeuwen, Arlan
10	Van Dam, Nellie	Van Leeuwen, Clara G.
11	Van Den Berg, Gertrude	Van Leeuwen, Cornelia L.
12	Van Den Berg, Joyce	Van Leeuwen, Harriet
13	Van Den Berg, Marinus	Van Leeuwen, Jack
14	Van Den Berg, Marvin	Van Leeuwen, John
15	Van Der Linden, Ardith	Van Leeuwen, Letie
16	Van Der Linden, John	Van Leeuwen, Margie
17	Van Der Linden, Stanley	Van Leeuwen, Paul
18	Van Der Veen, Kenneth	Van Leeuwen, William A.
19	Van Diest, Anna T.	Van Ravenswaay, Donald
20	Van Diest, Cornelius	Van Ryn Dairy
21	Van Diest, Ernest	Van Ryn, Dick
22	Van Diest, Rena	Van Surksum, Anthonetta
23	Van Dyk, Bart	Van Surksum, John
24	Van Dyk, Jeanette	Van Veen, John
25	Van Foeken, Martha	Van Vliet, Effie
26	Van Foeken, William	Van Vliet, Hendrika
27	Van Hofwegan, Steve	Van Vliet, Hugo
28	Van Hofwegen, Adrian A.	Van Vliet, Klaas

1	Vande Witte, George	Vander Laan, Katie
2	Vanden Berge, Gertie	Vander Laan, Martin Jr.
3	Vanden Berge, Gertie	Vander Laan, Tillie
4	Vanden Berge, Jack	Vander Leest, Anna
5	Vanden Berge, Jake	Vander Leest, Ann
6	Vanden Brink, Stanley	Vander Meer, Alice
7	Vander Dussen, Agnes	Vander Meer, Dick
8	Vander Dussen, Cor	Vander Poel, Hank
9	Vander Dussen, Cornelius	Vander Poel, Pete
10	Vander Dussen, Edward	Vander Pol, Irene
11	Vander Dussen, Geraldine Marie	Vander Pol, Margie
12	Vander Dussen, James	Vander Pol, Marines
13	Vander Dussen, John	Vander Pol, William P.
14	Vander Dussen, Nelvina	Vander Schaaf, Earl
15	Vander Dussen, Rene	Vander Schaaf, Elizabeth
16	Vander Dussen, Sybrand Jr.	Vander Schaaf, Henrietta
17	Vander Dussen, Sybrand Sr.	Vander Schaaf, John
18	Vander Dussen Trustees	Vander Schaaf, Ted
19	Vander Eyk, Case Jr.	Vander Stelt, Catherine
20	Vander Eyk, Case Sr.	Vander Stelt, Clarence
21	Vander Feer, Peter	Vander Tuig, Arlene
22	Vander Feer, Rieka	Vander Tuig, Sylvester
23	Vander Laan, Ann	Vander Veen, Joe A.
24	Vander Laan, Ben	Vandervlag, Robert
25	Vander Laan, Bill	Vander Zwan, Peter
26	Vander Laan, Corrie	Vanderford, Betty W.
27	Vander Laan, Henry	Vanderford, Claud R.
28	Vander Laan, James	Vanderham, Adrian

1	Vanderham, Cornelius	Vestal, J. Howard
2	Vanderham, Cornelius P.	Visser, Gerrit
3	Vanderham, Cory	Visser, Grace
4	Vanderham, E. Jane	Visser, Henry
5	Vanderham, Marian	Visser, Jess
6	Vanderham, Martin	Visser, Louie
7	Vanderham, Pete C.	Visser, Neil
8	Vanderham, Wilma	Visser, Sam
9	Vasquez, Eleanor	Visser, Stanley
10	Veenendaal, Evert	Visser, Tony D.
11	Veenendaal, John H.	Visser, Walter G.
12	Veiga, Dominick Sr.	Von Der Ahe, Fredric T.
13	Verbree, Jack	Von Euw, George
14	Verbree, Tillie	Von Euw, Marjorie
15	Verger, Bert	Von Lusk, a limited partnership
16	Verger, Betty	Voortman, Anna Marie
17	Verhoeven, Leona	Voortman, Edward
18	Verhoeven, Martin	Voortman, Edwin J.
19	Verhoeven, Wesley	Voortman, Gertrude Dena
20	Vermeer, Dick	Wagner, Richard H.
21	Vermeer, Jantina	Walker, Carole R.
22	Vernola Ranch	Walker, Donald E.
23	Vernola, Anthonietta	Walker, Wallace W.
24	Vernola, Anthony	Wardle, Donald M.
25	Vernola, Frank	Warner, Dillon B.
26	Vernola, Mary Ann	Warner, Minnie
27	Vernola, Pat F.	Wassenaar, Peter W.
28	Vestal, Frances Lorraine	Waters, Michael

1	Weeda, Adriana	Wiersma, Jake
2	Weeda, Daniel	Wiersma, Otto
3	Weeks, O. L.	Wiersma, Pete
4	Weeks, Verona E.	Winchell, Verne H., Trustee
5	Weidman, Maurice	Wind, Frank
6	Weidman, Virginia	Wind, Fred
7	Weiland, Adaline I.	Wind, Hilda
8	Weiland, Peter J.	Wind, Johanna
9	Wesselink, Jules	Woo, Frank
10	West, Katharine R.	Woo, Sem Gee
11	West, Russel	Wybenga, Clarence
12	West, Sharon Ann	Wybenga, Gus
13	Western Horse Property	Wybenga, Gus K.
14	Westra, Alice	Wybenga, Sylvia
15	Westra, Henry	Wynja, Andy
16	Westra, Hilda	Wynja, Iona F.
17	Westra, Jake J.	Yellis, Mildred
18	Weststeyn, Freida	Yellis, Thomas E.
19	Weststeyn, Pete	Ykema-Harmsen Dairy
20	Whitehurst, Louis G.	Ykema, Floris
21	Whitehurst, Pearl L.	Ykema, Harriet
22	Whitmore, David L.	Yokley, Betty Jo
23	Whitmore, Mary A.	Yokley, Darrell A.
24	Whitney, Adolph M.	Zak, Zan
25	Wiersema, Harm	Zivelonghi, George
26	Wiersema, Harry	Zivelonghi, Margaret
27	Wiersma, Ellen H.	Zwaagstra, Jake
		Zwaagstra, Jessie M.
28	Wiersma, Gladys J.	Zwart, Case

NON-PRODUCER WATER DISTRICTS

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- Chino Basin Municipal Water District
- Chino Basin Water Conservation District
- Pomona Valley Municipal Water District
- Western Municipal Water District of Riverside County

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DEFAULTING OVERLYING AGRICULTURAL PRODUCERS

1		
2	Cheryl L. Bain	Roy W. Lantis
3	Warren Bain	Sharon I. Lantis
4	John M. Barcelona	Frank Lorenz
5	Letty Bassler	Dagney H. MacDonald
6	John Brazil	Frank E. Martin
7	John S. Briano	Ruth C. Martin
8	Lupe Briano	Connie S. Mello
9	Paul A. Briano	Naldiro J. Mello
10	Tillie Briano	Felice Miller
11	Arnie B. Carlson	Ted Miller
12	John Henry Fikse	Masao Nerio
13	Phyllis S. Fikse	Tom K. Nerio
14	Lewellyn Flory	Toyo Nerio
15	Mary I. Flory	Yuriko Nerio
16	L. H. Glazer	Harold L. Rees
17	Dorothy Goodman	Alden G. Rose
18	Sidney D. Goodman	Claude Rouleau, Jr.
19	Frank Grossi	Patricia M. Rouleau
20	Harada Brothers	Schultz Enterprises
21	Ellen Hettinga	Albert Shaw
22	Hein Hettinga	Lila Shaw
23	Dick Hofstra, Jr.	Cathy M. Stewart
24	Benjamin M. Hughey	Marvin C. Stewart
25	Frieda L. Hughey	Betty Ann Stone
26	Guillaume Indart	John B. Stone
27	Ellwood B. Johnston, Trustee	Vantoll Cattle Co., Inc.
28	Perry Kruckenberg, Jr.	Catherine Verburg

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- 1 Martin Verburg
- 2 Donna Vincent
- 3 Larry Vincent
- 4 Cliff Wolfe & Associates
- 5 Ada M. Woll
- 6 Zarubica Co.
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EXHIBIT "D"

OVERLYING NON-AGRICULTURAL RIGHTS

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<u>Party</u>	<u>Total Overlying Non-Agricultural Rights (Acre Feet)</u>	<u>Share of Safe Yield (Acre Feet)</u>
Ameron Steel Producers, Inc.	125	97.858
County of San Bernardino	171	133.870
Conrock Company	406	317.844
Kaiser Steel Corporation	3,743	2,930.274
Red Star Fertilizer	20	15.657
Southern California Edison Co.	1,255	982.499
Space Center, Mira Loma	133	104.121
Southern Service Co., dba		
Blue Seal Linen	24	18.789
Sunkist, Orange Products Division	2,393	1,873.402
Carlsberg Mobile Home Properties,		
Ltd. '73	593	464.240
Union Carbide Corporation	546	427.446
Quaker Chemical Co.	<u>0</u>	<u>0</u>
Totals	9,409	7,366.000

A PROFESSIONAL CORPORATION
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EXHIBIT "E"
APPROPRIATIVE RIGHTS

<u>Party</u>	<u>Appropriative Right (Acre Feet)</u>	<u>Share of Initial Operating Safe Yield (Acre Feet)</u>	<u>Share of Operating Safe Yield (Percent)</u>
City of Chino	5,271.7	3,670.067	6.693
City of Norco	289.5	201.545	0.368
City of Ontario	16,337.4	11,373.816	20.742
City of Pomona	16,110.5	11,215.852	20.454
City of Upland	4,097.2	2,852.401	5.202
Cucamonga County Water District	4,431.0	3,084.786	5.626
Jurupa Community Ser- vices District	1,104.1	768.655	1.402
Monte Vista County Water District	5,958.7	4,148.344	7.565
West San Bernardino County Water District	925.5	644.317	1.175
Etiwanda Water Company	768.0	534.668	0.975
Felspar Gardens Mutual Water Company	68.3	47.549	0.087
Fontana Union Water Co.	9,188.3	6,396.736	11.666
Marygold Mutual Water Co.	941.3	655.317	1.195
Mira Loma Water Co.	1,116.0	776.940	1.417
Monta Vista Irr. Co.	972.1	676.759	1.234
Mutual Water Company of Glen Avon Heights	672.2	467.974	0.853
Park Water Company	236.1	164.369	0.300
Pomona Valley Water Co.	3,106.3	2,162.553	3.944
San Antonio Water Co.	2,164.5	1,506.888	2.748
Santa Ana River Water Company	1,869.3	1,301.374	2.373
Southern California Water Company	1,774.5	1,235.376	2.253
West End Consolidated Water Company	<u>1,361.3</u>	<u>947.714</u>	<u>1.728</u>
TOTAL	78,763.8	54,834.000	100.000

EXHIBIT "F"
OVERLYING (AGRICULTURAL) POOL
POOLING PLAN

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3 1. Membership in Pool. The State of California and all pro-
4 ducers listed in Exhibit "C" shall be the initial members of this
5 pool, which shall include all producers of water for overlying
6 uses other than industrial or commercial purposes.

7 2. Pool Meetings. The members of the pool shall meet
8 annually, in person or by proxy, at a place and time to be desig-
9 nated by Watermaster for purposes of electing members of the Pool
10 Committee and conducting any other business of the pool. Special
11 meetings of the membership of the pool may be called and held as
12 provided in the rules of the pool.

13 3. Voting. All voting at meetings of pool members shall be
14 on the basis of one vote for each 100 acre feet or any portion
15 thereof of production from Chino Basin during the preceding year,
16 as shown by the records of Watermaster.

17 4. Pool Committee. The Pool Committee for this pool shall
18 consist of not less than nine (9) representatives selected at
19 large by members of the pool. The exact number of members of the
20 Pool Committee in any year shall be as determined by majority vote
21 of the voting power of members of the pool in attendance at the
22 annual pool meeting. Each member of the Pool Committee shall have
23 one vote and shall serve for a two-year term. The members first
24 elected shall classify themselves by lot so that approximately
25 one-half serve an initial one-year term. Vacancies during any
26 term shall be filled by a majority of the remaining members of the
27 Pool Committee.

28 5. Advisory Committee Representatives. The number of

1 representatives of the Pool Committee on the Advisory Committee
2 shall be as provided in the rules of the pool from time to time
3 but not exceeding ten (10). The voting power of the pool on the
4 Advisory Committee shall be apportioned and exercised as deter-
5 mined from time to time by the Pool Committee.

6 6. Replenishment Obligation. The pool shall provide funds
7 for replenishment of any production by persons other than members
8 of the Overlying (Non-agricultural) Pool or Appropriator Pool, in
9 excess of the pool's share of Safe Yield. During the first five
10 (5) years of operations of the Physical Solution, reasonable
11 efforts shall be made by the Pool Committee to equalize annual
12 assessments.

13 7. Assessments. All assessments in this pool (whether for
14 replenishment water cost or for pool administration or the allo-
15 cated share of Watermaster administration) shall be in an amount
16 uniformly applicable to all production in the pool during the
17 preceding year or calendar quarter. Provided, however, that the
18 Agricultural Pool Committee, may recommend to the Court modifica-
19 tion of the method of assessing pool members, inter se, if the
20 same is necessary to attain legitimate basin management objectives,
21 including water conservation and avoidance of undesirable socio-
22 economic consequences. Any such modification shall be initiated
23 and ratified by one of the following methods:

24 (a) Excess Production. In the event total pool
25 production exceeds 100,000 acre feet in any year, the Pool
26 Committee shall call and hold a meeting, after notice to all
27 pool members, to consider remedial modification of the
28 assessment formula.

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1 (b) Producer Petition. At any time after the fifth
2 full year of operation under the Physical Solution, a peti-
3 tion by ten percent (10%) of the voting power or membership
4 of the Pool shall compel the holding of a noticed meeting
5 to consider revision of said formula of assessment for re-
6 plenishment water.

7 In either event, a majority action of the voting power in attend-
8 ance at such pool members' meeting shall be binding on the Pool
9 Committee.

10 8. Rules. The Pool Committee shall adopt rules for con-
11 ducting meetings and affairs of the committee and for adminis-
12 tering its program and in amplification of the provisions, but not
13 inconsistent with, this pooling plan.

EXHIBIT "G"
OVERLYING (NON-AGRICULTURAL) POOL
POOLING PLAN

1
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3 1. Membership in Pool. The initial members of the pool,
4 together with the decreed share of the Safe Yield of each, are
5 listed in Exhibit "D". Said pool includes producers of water for
6 overlying industrial or commercial (non-agricultural) purposes, or
7 such producers within the Pool who may hereafter take water pur-
8 suant to Paragraph 8 hereof.

9 2. Pool Committee. The Pool Committee for this pool shall
10 consist of one representative designated by each member of the
11 pool. Voting on the committee shall be on the basis of one vote
12 for each member, unless a volume vote is demanded, in which case
13 votes shall be allocated as follows:

14 The volume voting power on the Pool Committee shall
15 be 1,484 votes. Of these, 742 votes shall be allocated on
16 the basis of one vote for each ten (10) acre feet or fraction
17 thereof of decreed shares in Safe Yield. (See Exhibit "D".)
18 The remaining 742 votes shall be allocated proportionally
19 on the basis of assessments paid to Watermaster during the
20 preceding year.*

21 3. Advisory Committee Representatives. At least three (3)
22 members of the Pool Committee shall be designated by said committee
23 to serve on the Advisory Committee. The exact number of such
24 representatives at any time shall be as determined by the Pool
25 Committee. The voting power of the pool shall be exercised in the
26

27 *Or production assessments paid under Water Code Section
28 72140 et seq., as to years prior to the second year of operation
under the Physical Solution hereunder.

1 Advisory Committee as a unit, based upon the vote of a majority of
2 said representatives.

3 4. Replenishment Obligation. The pool shall provide funds
4 for replenishment of any production in excess of the pool's share
5 of Safe Yield in the preceding year.

6 5. Assessment. Each member of this pool shall pay an assess-
7 ment equal to the cost of replenishment water times the number of
8 acre feet of production by such producer during the preceding year
9 in excess of (a) his decreed share of the Safe Yield, plus (b) any
10 carry-over credit under Paragraph 7 hereof. In addition, the cost
11 of the allocated share of Watermaster administration expense shall
12 be recovered on an equal assessment against each acre foot of
13 production in the pool during such preceding fiscal year or calen-
14 dar quarter; and in the case of Pool members who take substitute
15 ground water as set forth in Paragraph 8 hereof, such producer
16 shall be liable for its share of administration assessment, as if
17 the water so taken were produced, up to the limit of its decreed
18 share of Safe Yield.

19 6. Assignment. Rights herein decreed are appurtenant to the
20 land and are only assignable with the land for overlying use
21 thereon; provided, however, that any appropriator who may, directly
22 or indirectly, undertake to provide water service to such overlying
23 lands may, by an appropriate agency agreement on a form approved by
24 Watermaster, exercise said overlying right to the extent, but only
25 to the extent necessary to provide water service to said overlying
26 lands.

27 7. Carry-over. Any member of the pool who produces less than
28 its assigned water share of Safe Yield may carry such unexercised

1 right forward for exercise in subsequent years. The first water
2 produced during any such subsequent year shall be deemed to be an
3 exercise of such carry-over right. In the event the aggregate
4 carry-over by any pool member exceeds its share of Safe Yield, such
5 member shall, as a condition of preserving such surplus carry-over,
6 execute a storage agreement with Watermaster.

7 8. Substitute Supplies. To the extent that any Pool member,
8 at the request of Watermaster and with the consent of the Advisory
9 Committee, takes substitute surface water in lieu of producing
10 ground water otherwise subject to production as an allocated share
11 of Safe Yield, said party shall nonetheless remain a member of this
12 Pool.

13 9. Rules. The Pool Committee shall adopt rules for adminis-
14 tering its program and in amplification of the provisions, but not
15 inconsistent with, this pooling plan.
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EXHIBIT "H"
APPROPRIATIVE POOL
POOLING PLAN

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3 1. Qualification for Pool. Any city, district or other
4 public entity and public utility -- either regulated under Public
5 Utilities Commission jurisdiction, or exempt therefrom as a non-
6 profit mutual water company (other than those assigned to the
7 Overlying [Agricultural] Pool) -- shall be a member of this pool.
8 All initial members of the pool are listed in Exhibit "E", together
9 with their respective appropriative rights and acre foot allocation
10 and percentage shares of the initial and subsequent Operating Safe
11 Yield.

12 2. Pool Committee. The Pool Committee shall consist of one
13 (1) representative appointed by each member of the Pool.

14 3. Voting. The total voting power on the Pool Committee
15 shall be 1,000 votes. Of these, 500 votes shall be allocated in
16 proportion to decreed percentage shares in Operating Safe Yield.
17 The remaining 500 votes shall be allocated proportionally on the
18 basis of assessments paid to Watermaster during the preceding
19 year.* Routine business of the Pool Committee may be conducted on
20 the basis of one vote per member, but upon demand of any member a
21 weighted vote shall be taken. Affirmative action of the Committee
22 shall require a majority of the voting power of members in attend-
23 ance, provided that it includes concurrence by at least one-third
24 of its total members.

25 4. Advisory Committee Representatives. Ten (10) members of
26

27 _____
28 *Or production assessments paid under Water Code Section 72140
et seq., as to years prior to the second year of operation under
the Physical Solution hereunder.

1 the Pool Committee shall be designated to represent this pool on
2 the Advisory Committee. Each major appropriator, i.e., the owner
3 of an adjudicated appropriative right in excess of 3,000 acre feet,
4 shall be entitled to one representative. The remaining members
5 representing the Appropriative Pool on the Advisory Committee shall
6 be elected at large by the remaining members of the pool. The
7 voting power of the Appropriative Pool on the Advisory Committee
8 shall be apportioned between the major appropriator representatives
9 in proportion to their respective voting power in the Pool Com-
10 mittee. The remaining two representatives shall exercise equally
11 the voting power proportional to the Pool Committee voting power
12 of all remaining appropriators; provided, however, that if any
13 representative fails to attend an Advisory Committee meeting, the
14 voting power of that representative shall be allocated among the
15 representatives of the Appropriator Pool in attendance in the same
16 proportion as their own respective voting powers.

17 5. Replenishment Obligation. The pool shall provide funds
18 for purchase of replenishment water to replace any production by
19 the pool in excess of Operating Safe Yield during the preceding
20 year.

21 6. Administrative Assessment. Costs of administration of
22 this pool and its share of general Watermaster expense shall be
23 recovered by a uniform assessment applicable to all production
24 during the preceding year.

25 7. Replenishment Assessment. The cost of replenishment water
26 required to replace production from Chino Basin in excess of
27 Operating Safe Yield in the preceding year shall be allocated and
28 recovered as follows:

1 (a) For production, other than for increased export,
2 within CBMWD or WMWD:

3 (1) Gross Assessment. 15% of such replenishment
4 water costs shall be recovered by a uniform assessment
5 against all production of each appropriator producing in
6 said area during the preceding year.

7 (2) Net Assessment. The remaining 85% of said
8 costs shall be recovered by a uniform assessment on each
9 acre foot of production from said area by each such
10 appropriator in excess of his allocated share of Oper-
11 ating Safe Yield during said preceding year.

12 (b) For production which is exported for use outside
13 Chino Basin in excess of maximum export in any year through
14 1976, such increased export production shall be assessed
15 against the exporting appropriator in an amount sufficient to
16 purchase replenishment water from CBMWD or WMWD in the amount
17 of such excess.

18 (c) For production within SBVMWD or PVMWD:

19 By an assessment on all production in excess of
20 an appropriator's share of Operating Safe Yield in an
21 amount sufficient to purchase replenishment water through
22 SBVMWD or MWD in the amount of such excess.

23 8. Socio-Economic Impact Review. The parties have conducted
24 certain preliminary socio-economic impact studies. Further and
25 more detailed socio-economic impact studies of the assessment
26 formula and its possible modification shall be undertaken for the
27 Appropriator Pool by Watermaster no later than ten (10) years from
28 the effective date of this Physical Solution, or whenever total

1 production by this pool has increased by 30% or more over the
2 decreed appropriative rights, whichever is first.

3 9. Facilities Equity Assessment. Watermaster may, upon
4 recommendation of the Pool Committee, institute proceedings for
5 levy and collection of a Facilities Equity Assessment for the
6 purposes and in accordance with the procedures which follow:

7 (a) Implementing Circumstances. There exist several
8 sources of supplemental water available to Chino Basin, each
9 of which has a differential cost and quantity available. The
10 optimum management of the entire Chino Basin water resource
11 favors the maximum use of the lowest cost supplemental water
12 to balance the supplies of the Basin, in accordance with the
13 Physical Solution. The varying sources of supplemental water
14 include importations from MWD and SBVMWD, importation of
15 surface and ground water supplies from other basins in the
16 immediate vicinity of Chino Basin, and utilization of re-
17 claimed water. In order to fully utilize any of such alter-
18 nate sources of supply, it will be essential for particular
19 appropriators having access to one or more of such supplies to
20 have invested, or in the future to invest, directly or in-
21 directly, substantial funds in facilities to obtain and
22 deliver such water to an appropriate point of use. To the
23 extent that the use of less expensive alternate sources of
24 supplemental water can be maximized by the inducement of a
25 Facilities Equity Assessment, as herein provided, it is to the
26 long-term benefit of the entire basin that such assessment be
27 authorized and levied by Watermaster.

28 (b) Study and Report. At the request of the Pool

1 Committee, Watermaster shall undertake a survey study of the
2 utilization of alternate supplemental supplies by members of
3 the Appropriative Pool which would not otherwise be utilized
4 and shall prepare a report setting forth the amount of such
5 alternative supplies being currently utilized, the amount of
6 such supplies which could be generated by activity within the
7 pool, and the level of cost required to increase such uses and
8 to optimize the total supplies available to the basin. Said
9 report shall contain an analysis and recommendation for the
10 levy of a necessary Facilities Equity Assessment to accomplish
11 said purpose.

12 (c) Hearing. If the said report by Watermaster contains
13 a recommendation for imposition of a Facilities Equity Assess-
14 ment, and the Pool Committee so requests, Watermaster shall
15 notice and hold a hearing not less than 60 days after dis-
16 tribution of a copy of said report to each member of the pool,
17 together with a notice of the hearing date. At such hearing,
18 evidence shall be taken with regard to the necessity and
19 propriety of the levy of a Facilities Equity Assessment and
20 full findings and decision shall be issued by Watermaster.

21 (d) Operation of Assessment. If Watermaster determines
22 that it is appropriate that a Facilities Equity Assessment be
23 levied in a particular year, the amount of additional supple-
24 mental supplies which should be generated by such assessment
25 shall be estimated. The cost of obtaining such supplies,
26 taking into consideration the investment in necessary
27 facilities shall then be determined and spread equitably among
28 the producers within the pool in a manner so that those

1 producers not providing such additional lower cost supple-
2 mental water, and to whom a financial benefit will result, may
3 bear a proportionate share of said costs, not exceeding said
4 benefit; provided that any producer furnishing such supple-
5 mental water shall not thereby have its average cost of water
6 in such year reduced below such producer's average cost of
7 pumping from the Basin. In so doing, Watermaster shall
8 establish a percentage of the total production by each party
9 which may be produced without imposition of a Facilities
10 Equity Assessment. Any member of the pool producing more
11 water than said percentage shall pay such Facilities Equity
12 Assessment on any such excess production. Watermaster is
13 authorized to transmit and pay the proceeds of such Facilities
14 Equity Assessment to those producers who take less than their
15 share of Basin water by reason of furnishing a higher per-
16 centage of their requirements through use of supplemental
17 water.

18 10. Unallocated Safe Yield Water. To the extent that, in any
19 five years, any portion of the share of Safe Yield allocated to
20 the Overlying (Agricultural) Pool is not produced, such water shall
21 be available for reallocation to members of the Appropriative Pool,
22 as follows:

23 (a) Priorities. Such allocation shall be made in the
24 following sequence:

25 (1) to supplement, in the particular year, water
26 available from Operating Safe Yield to compensate for any
27 reduction in the Safe Yield by reason of recalculation
28 thereof after the tenth year of operation hereunder.

1 (2) pursuant to conversion claims as defined in
2 Subparagraph (b) hereof.

3 (3) as a supplement to Operating Safe Yield,
4 without regard to reductions in Safe Yield.

5 (b) Conversion Claims. The following procedures may be
6 utilized by any appropriator:

7 (1) Record of Land Use Conversion. Any appro-
8 priator who undertakes, directly or indirectly, dur-
9 ing any year, to permanently provide water service to
10 lands which during the immediate preceding five (5)
11 consecutive years was devoted to irrigated agriculture
12 may report such change in land use or water service to
13 Watermaster. Watermaster shall thereupon verify such
14 change in water service and shall maintain a record and
15 account for each appropriator of the total acreage
16 involved and the average annual water use during said
17 five-year period.

18 (2) Establishment of Allocation Percentage. In
19 any year in which unallocated Safe Yield water from
20 the Overlying (Agricultural) Pool is available for such
21 conversion claims, Watermaster shall establish allocable
22 percentages for each appropriator based upon the total
23 of such converted acreage recorded to each such appro-
24 priator's account.

25 (3) Allocation and Notice. Watermaster shall
26 thereafter apply the allocated percentage to the total
27 unallocated Safe Yield water available for special
28 allocation to derive the amount thereof allocable to

1 each appropriator; provided that in no event shall the
2 allocation to any appropriator as a result of such
3 conversion claim exceed 50% of the average annual amount
4 of water actually applied to the areas converted by such
5 appropriator prior to such conversion. Any excess water
6 by reason of such limitation on any appropriator's right
7 shall be added to Operating Safe Yield. Notice of such
8 special allocation shall be given to each appropriator
9 and shall be treated for purposes of this Physical
10 Solution as an addition to such appropriator's share of
11 the Operating Safe Yield for the particular year only.

12 (4) Administrative Costs. Any costs of Water-
13 master attributable to administration of such special
14 allocations and conversion claims shall be assessed
15 against appropriators participating in such reporting.

16 11. In Lieu Procedures. There are, or may develop, certain
17 areas within Chino Basin where good management practices dictate
18 that recharge of the basin be accomplished, to the extent prac-
19 tical, by taking surface supplies of supplemental water in lieu of
20 ground water otherwise subject to production as an allocated share
21 of Operating Safe Yield.

22 (a) Method of Operation. Any appropriator producing
23 water within such designated in lieu area who is willing to
24 abstain for any reason from producing any portion of such
25 producer's share of Operating Safe Yield in any year may
26 offer such unpumped water to Watermaster. In such event,
27 Watermaster shall purchase said water in place, in lieu of
28 spreading replenishment water, which is otherwise required to

1 make up for over production. The purchase price for in lieu
2 water shall be the lesser of:

3 (1) Watermaster's current cost of replenishment
4 water, whether or not replenishment water is currently
5 then obtainable, plus the cost of spreading; or

6 (2) The cost of supplemental surface supplies to
7 the appropriator, less

8 a. said appropriator's average cost of
9 ground water production, and

10 b. the applicable production assessment
11 were the water produced.

12 Where supplemental surface supplies consist of MWD or
13 SBVMWD supplies, the cost of treated, filtered State
14 water from such source shall be deemed the cost of
15 supplemental surface supplies to the appropriator for
16 purposes of such calculation.

17 In any given year in which payments may be made pursuant to
18 a Facilities Equity Assessment, as to any given quantity of
19 water the party will be entitled to payment under this
20 section or pursuant to the Facilities Equity Assessment, as
21 the party elects, but not under both.

22 (b) Designation of In Lieu Areas. The first in lieu
23 area is designated as the "In Lieu Area No. 1" and consists
24 of an area wherein nitrate levels in the ground water gen-
25 erally exceed 45 mg/l, and is shown on Exhibit "J" hereto.
26 Other in lieu areas may be designated by subsequent order of
27 Watermaster upon recommendation or approval by Advisory
28 Committee. Said in lieu areas may be enlarged, reduced or

1 eliminated by subsequent orders; provided, however, that
2 designation of In Lieu Areas shall be for a minimum fixed
3 term sufficient to justify necessary capital investment. In
4 Lieu Area No. 1 may be enlarged, reduced or eliminated in
5 the same manner, except that any reduction of its original
6 size or elimination thereof shall require the prior order of
7 Court.

8 12. Carry-over. Any appropriator who produces less than his
9 assigned share of Operating Safe Yield may carry such unexercised
10 right forward for exercise in subsequent years. The first water
11 produced during any such subsequent year shall be deemed to be an
12 exercise of such carry-over right. In the event the aggregate
13 carry-over by any appropriator exceeds its share of Operating Safe
14 Yield, such appropriator shall, as a condition of preserving such
15 surplus carry-over, execute a storage agreement with Watermaster.
16 Such appropriator shall have the option to pay the gross assess-
17 ment applicable to such carry-over in the year in which it accrued.

18 13. Assignment, Transfer and Lease. Appropriative rights,
19 and corresponding shares of Operating Safe Yield, may be assigned
20 or may be leased or licensed to another appropriator for exercise
21 in a given year. Any transfer, lease or license shall be ineffec-
22 tive until written notice thereof is furnished to and approved as
23 to form by Watermaster, in compliance with applicable Watermaster
24 rules. Watermaster shall not approve transfer, lease or license of
25 a right for exercise in an area or under conditions where such
26 production would be contrary to sound basin management or detri-
27 mental to the rights or operations of other producers.

28 14. Rules. The Pool Committee shall adopt rules for

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1 administering its program and in amplification of the provisions,
2 but not inconsistent with, this pooling plan.

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EXHIBIT "I"

ENGINEERING APPENDIX

1
2
3 1. Basin Management Parameters. In the process of imple-
4 menting the physical solution for Chino Basin, Watermaster shall
5 consider the following parameters:

6 (a) Pumping Patterns. Chino Basin is a common supply
7 for all persons and agencies utilizing its waters. It is an
8 objective in management of the Basin's waters that no pro-
9 ducer be deprived of access to said waters by reason of
10 unreasonable pumping patterns, nor by regional or localized
11 recharge of replenishment water, insofar as such result may
12 be practically avoided.

13 (b) Water Quality. Maintenance and improvement of
14 water quality is a prime consideration and function of
15 management decisions by Watermaster.

16 (c) Economic Considerations. Financial feasibility,
17 economic impact and the cost and optimum utilization of the
18 Basin's resources and the physical facilities of the parties
19 are objectives and concerns equal in importance to water
20 quantity and quality parameters.

21 2. Operating Safe Yield. Operating Safe Yield in any year
22 shall consist of the Appropriative Pool's share of Safe Yield of
23 the Basin, plus any controlled overdraft of the Basin which
24 Watermaster may authorize. In adopting the Operating Safe Yield
25 for any year, Watermaster shall be limited as follows:

26 (a) Accumulated Overdraft. During the operation of
27 this Judgment and Physical Solution, the overdraft accumu-
28 lated from and after the effective date of the Physical

1 Solution and resulting from an excess of Operating Safe Yield
2 over Safe Yield shall not exceed 200,000 acre feet.

3 (b) Quantitative Limits. In no event shall Operating
4 Safe Yield in any year be less than the Appropriative Pool's
5 share of Safe Yield, nor shall it exceed such share of Safe
6 Yield by more than 10,000 acre feet. The initial Operating
7 Safe Yield is hereby set at 54,834 acre feet per year.

8 Operating Safe Yield shall not be changed upon less than five
9 (5) years' notice by Watermaster.

10 Nothing contained in this paragraph shall be deemed to authorize,
11 directly or indirectly, any modification of the allocation of
12 shares in Safe Yield to the overlying pools, as set forth in
13 Paragraph 44 of the Judgment.

14 3. Ground Water Storage Agreements. Any agreements author-
15 ized by Watermaster for storage of supplemental water in the
16 available ground water storage capacity of Chino Basin shall
17 include, but not be limited to:

18 (a) The quantities and term of the storage right.

19 (b) A statement of the priority or relation of said
20 right, as against overlying or Safe Yield uses, and other
21 storage rights.

22 (c) The procedure for establishing delivery rates,
23 schedules and procedures which may include

24 [1] spreading or injection, or

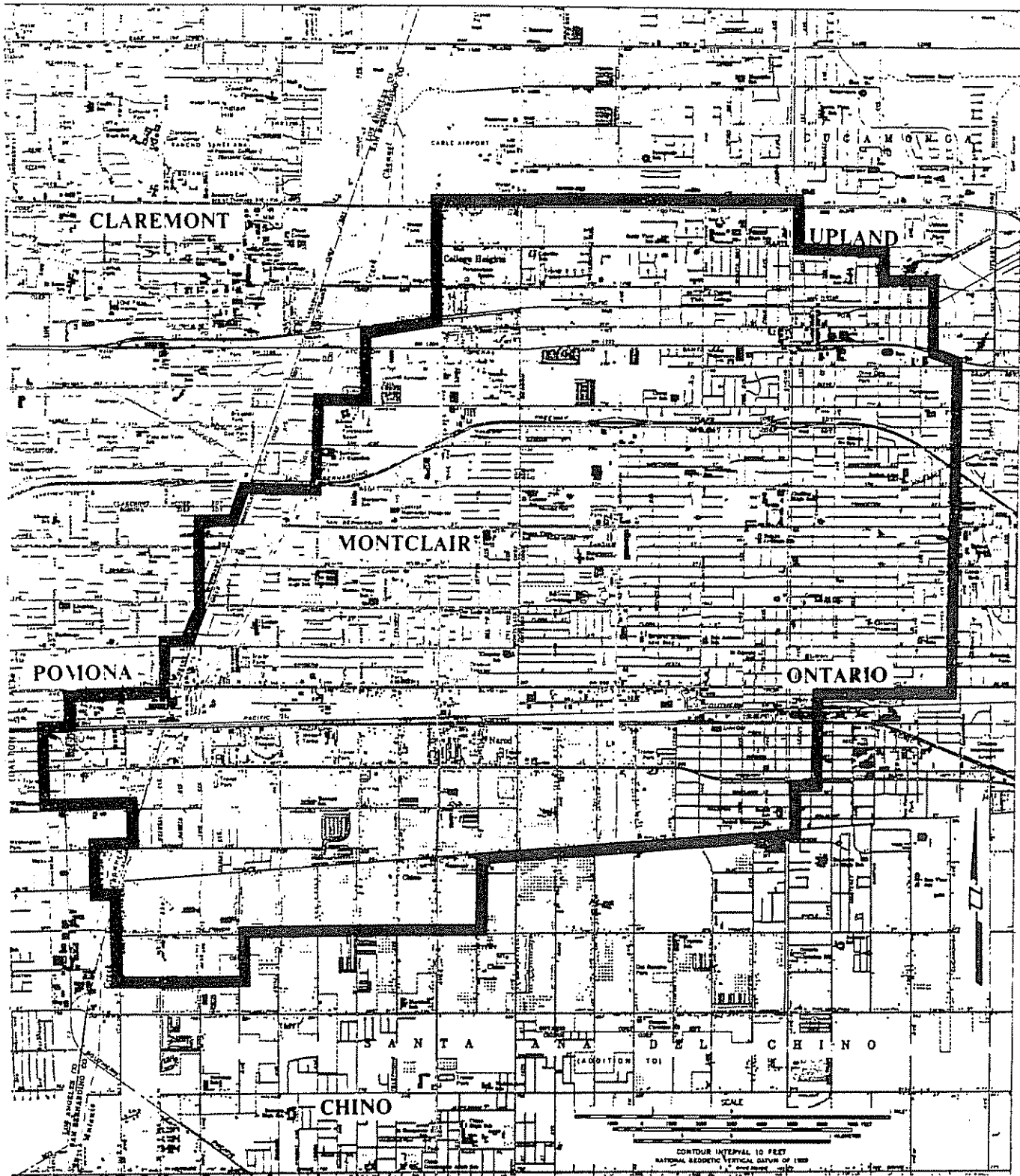
25 [2] in lieu deliveries of supplemental water for
26 direct use.

27 (d) The procedures for calculation of losses and annual
28 accounting for water in storage by Watermaster.

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(e) The procedures for establishment and adminis-
tration of withdrawal schedules, locations and methods.



**CHINO BASIN
IN LIEU AREA NO. 1**

LEGAL DESCRIPTION

OF CHINO BASIN

Preamble

All of the townships and ranges referred to in the following legal description are the San Bernardino Base and Meridian. Certain designated sections are implied as the System of Government Surveys may be extended where not established. Said sections are identified as follows:

Section 20, T1N, R8W is extended across Rancho Cucamonga;

Section 36, T1N, R8W is extended across the City of Upland;

Sections 2, 3, and 4, T1S, R7W are extended across Rancho Cucamonga;

Section 10, T1S, R8W is extended across the City of Claremont;

Sections 19, 20, 21, 30, 31 and 32, T1S, R8W are extended across the City of Pomona;

Sections 4, 5, and 28, T2S, R8W are extended across Rancho Santa Ana Del Chino;

Sections 15 and 16, T3S, R7W are extended across Rancho La Sierra; and

Sections 17 and 20, T3S, R7W are extended across Rancho El Rincon.

Description

Chino Basin is included within portions of the Counties of San Bernardino, Riverside and Los Angeles, State of California, bounded by a continuous line described as follows:

BEGINNING at the Southwest corner of Lot 241 as shown on Map of Ontario Colony Lands, recorded in Map Book 11, page 6, Office of the County Recorder of San Bernardino County, said corner being the Point of Beginning;

1. Thence Southeasterly to the Southeast corner

of Lot 419 of said Ontario Colony Lands;

2. Thence Southeasterly to a point 1300 feet North of the South line and 1300 feet East of the West line of Section 4, T1S, R7W;

3. Thence Easterly to a point on the East line of Section 4, 1800 feet North of the Southeast corner of said Section 4;

4. Thence Easterly to the Southeast corner of the Southwest quarter of the Northeast quarter of Section 3, T1S, R7W;

5. Thence Northeasterly to a point on the North line of Section 2, T1S, R7W, 1400 feet East of the West line of said Section 2;

6. Thence Northeasterly to the Southwest corner of Section 18, T1N, R6W;

7. Thence Northerly to the Northwest corner of said Section 18;

8. Thence Easterly to the Northeast corner of said Section 18;

9. Thence Northerly to the Northwest corner of the Southwest quarter of Section 8, T1N, R6W;

10. Thence Easterly to the Northeast corner of said Southwest quarter of said Section 8;

11. Thence Southerly to the Southeast corner of said Southwest quarter of said Section 8;

12. Thence Easterly to the Northeast corner of Section 17, T1N, R6W;

13. Thence Easterly to the Northeast corner of Section 16, T1N, R6W;

14. Thence Southeasterly to the Northwest corner of the Southeast quarter of Section 15, T1N, R6W;

15. Thence Easterly to the Northeast corner of said Southeast quarter of said Section 15;

16. Thence Southeasterly to the Northwest corner of the Northeast quarter of Section 23, T1N, R6W;

17. Thence Southeasterly to the Northwest corner

of Section 25, T1N, R6W;

18. Thence Southeasterly to the Northwest corner of the Northeast quarter of Section 31, T1N, R5W;

19. Thence Southeasterly to the Northeast corner of the Northwest quarter of Section 5, T1S, R5W;

20. Thence Southeasterly to the Southeast corner of Section 4, T1S, R5W;

21. Thence Southeasterly to the Southeast corner of the Southwest quarter of Section 11, T1S, R5W;

22. Thence Southwesterly to the Southwest corner of Section 14, T1S, R5W;

23. Thence Southwest to the Southwest corner of Section 22, T1S, R5W;

24. Thence Southwesterly to the Southwest corner of the Northeast quarter of Section 6, T2S, R5W;

25. Thence Southeasterly to the Northeast corner of Section 18 T2S, R5W;

26. Thence Southwesterly to the Southwest corner of the Southeast quarter of Section 13, T2S, R6W;

27. Thence Southwesterly to the Southwest corner of the Northeast quarter of Section 26, T2S, R6W;

28. Thence Westerly to the Southwest corner of the Northwest quarter of said Section 26;

29. Thence Northerly to the Northwest corner of said Section 26;

30. Thence Westerly to the Southwest corner of Section 21, T2S, R6W;

31. Thence Southerly to the Southeast corner of Section 29, T2S, R6W;

32. Thence Westerly to the Southeast corner of Section 30, T2S, R6W;

33. Thence Southwesterly to the Southwest corner of Section 36, T 2 S, R 7 W;

34. Thence Southwesterly to the Southeast corner

of Section 3, T3S, R7W;

35. Thence Southwesterly to the Southwest corner of the Northeast quarter of Section 10, T3S, R7W;

36. Thence Southerly to the Northeast corner of the Northwest quarter of Section 15, T3S, R7W;

37. Thence Southwesterly to the Southeast corner of the Northeast quarter of Section 16, T3S, R7W;

38. Thence Southwesterly to the Southwest corner of said Section 16;

39. Thence Southwesterly to the Southwest corner of the Northeast quarter of Section 20, T3S, R7W;

40. Thence Westerly to the Southwest corner of the Northwest quarter of said Section 20;

41. Thence Northerly to the Northwest corner of Section 17, T3S, R7W;

42. Thence Westerly to the Southwest corner of Section 7, T3S, R7W;

43. Thence Northerly to the Southwest corner of Section 6, T3S, R7W;

44. Thence Westerly to the Southwest corner of Section 1, T3S, R8W;

45. Thence Northerly to the Southeast corner of Section 35, T2S, R8W;

46. Thence Northwesterly to the Northwest corner of said Section 35;

47. Thence Northerly to the Southeast corner of Lot 33, as shown on Map of Tract 3193, recorded in Map Book 43, pages 46 and 47, Office of the County Recorder of San Bernardino County;

48. Thence Westerly to the Northwest corner of the Southwest quarter of Section 28, T2S, R8W;

49. Thence Northerly to the Southwest corner of Section 4, T2S, R8W;

50. Thence Westerly to the Southwest corner of Section 5, T2S, R8W;

51. Thence Northerly to the Southwest corner of Section 32, T1S, R8W;

52. Thence Westerly to the Southwest corner of Section 31, T1S, R8W;

53. Thence Northerly to the Southwest corner of Section 30, T1S, R8W;

54. Thence Northeasterly to the Southwest corner of Section 20, T1S, R8W;

55. Thence Northerly to the Northwest corner of the Southwest quarter of the Southwest quarter of said Section 20;

56. Thence Northwesterly to the Northeast corner of the Southeast quarter of the Southeast quarter of the Northwest quarter of Section 19, T1S, R8W;

57. Thence Easterly to the Northwest corner of Section 21, T1S, R8W;

58. Thence Northeasterly to the Southeast corner of the Southwest quarter of the Southwest quarter of Section 10, T1S, R8W;

59. Thence Northeasterly to the Southwest corner of Section 2, T1S, R8W;

60. Thence Northeasterly to the Southeast corner of the Northwest quarter of the Northwest quarter of Section 1, T1S, R8W;

61. Thence Northerly to the Northeast corner of the Northwest quarter of the Northeast quarter of Section 36, T1N, R8W;

62. Thence Northerly to the Southeast corner of Section 24, T1N, R8W;

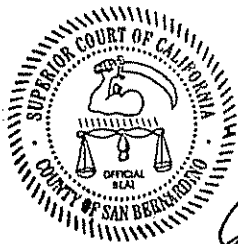
63. Thence Northeasterly to the Southeast corner of the Northwest quarter of the Northwest quarter of Section 20, T1N, R7W; and

64. Thence Southerly to the Point of Beginning.

Sections Included

Said perimeter description includes all or portions of the following Townships, Ranges and Sections of San Bernardino Base and Meridian:

- T1N, R5W - Sections: 30, 31 and 32
- T1N, R6W - Sections: 8, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36
- T1N, R7W - Sections: 19, 20, 24, 25, 26, 29, 30, 31, 32, 35 and 36
- T1N, R8W - Sections: 25 and 36
- T1S, R5W - Sections: 4, 5, 6, 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 28, 29, 30, 31 and 32.
- T1S, R6W - Sections: 1 through 36, inclusive
- T1S, R7W - Sections: 1 through 36, inclusive
- T1S, R8W - Sections: 1, 2, 10, 11, 12, 13, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36
- T2S, R5W - Sections: 6, 7 and 18
- T2S, R6W - Sections: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 29, 30 and 31
- T2S, R7W - Sections: 1 through 36, inclusive
- T2S, R8W - Sections: 1, 2, 3, 4, 5, 9, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, 24, 25, 26, 27, 28, 35 and 36
- T3S, R7W - Sections: 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 16, 17 and 20
- T3S, R8W - Section: 1.



THE DOCUMENT TO WHICH THIS CERTIFICATION IS ATTACHED IS A FULL, TRUE AND CORRECT COPY OF THE ORIGINAL ON FILE AND OF RECORD IN MY OFFICE.

OCT 29 2002

ATTEST
Clerk of the Superior Court of the State of California, in and for the County of San Bernardino

Terry Wittenborn
Deputy

Terry Wittenborn

92 pages

Appendix E. Baseline Feeder Agreement

**RESTATED AND AMENDED AGREEMENT
FOR THE
CONSTRUCTION, OPERATION AND MAINTENANCE OF THE NEW BASELINE FEEDER**

This Restated and Amended Agreement for the Construction, Operation and Maintenance of the New Baseline Feeder (“**Restated Agreement**”) is entered into and effective this 1st day of May, 2012 by and among the City of Rialto (“**Rialto**”), Riverside Highland Water Company (“**RHWC**”), San Bernardino Valley Municipal Water District (“**Valley District**”) and West Valley Water District (“**West Valley**”). Rialto, RHWC, Valley District and West Valley are each sometimes referred to as a “**Party**” and are collectively sometimes referred to as the “**Parties.**”

Recitals

- A. On December 7, 1989, Valley District and West Valley entered into an agreement entitled “Contract Between the San Bernardino Valley Municipal Water District and West San Bernardino County Water District for a Water Supply from Facilities to be Constructed Known as the ‘Baseline Feeder.’” A true and correct copy of this agreement is attached hereto as Exhibit “A” and incorporated herein by reference.
- B. On December 11, 1989, Valley District and Rialto entered into an agreement entitled “Contract Between the San Bernardino Valley Municipal Water District and the City of Rialto for a Water Supply from Facilities to be Constructed Known as the ‘Baseline Feeder.’” A true and correct copy of this agreement is attached hereto as Exhibit “B” and incorporated herein by reference.
- C. On January 18, 1990, Valley District and RHWC entered into an agreement entitled “Contract Between the San Bernardino Valley Municipal Water District and Riverside Highland Water Company for a Water Supply from Facilities to be Constructed Known as the ‘Baseline Feeder.’” A true and correct copy of this agreement is attached hereto as Exhibit “C” and incorporated herein by reference.
- D. In October 1990, Rialto, Valley District and West Valley entered into an agreement entitled “Agreement Among the San Bernardino Valley Municipal Water District, the City of Rialto and the West San Bernardino County Water District for the Construction, Operation, and Maintenance of Phase 3 and 4 of the Baseline Feeder.” A true and correct copy of this agreement is attached hereto as Exhibit “D” and incorporated herein by reference.
- E. The Parties constructed the Baseline Feeder Pipeline and appurtenant other facilities (the “**Baseline Feeder**”) and have operated the Baseline Feeder for approximately the past twenty years for the benefit of their respective ratepayers.

- F. In recent years, however, it has become clear to the Parties that the Baseline Feeder needs substantial additional investment in order to continue to provide a reliable source of municipal supplies for Rialto, West Valley and potentially RHWC. As a result, the Parties are constructing the Baseline Feeder Well Replacement and Improvement Project (the “**Project**”), which consists of two replacement wells, a reservoir tank, a booster station, the rehabilitation and re-equipping of the Perris Street Well, and other needed appurtenances in order for Valley District to continue conveying water from the San Bernardino Basin Area (the “**SBBA**”) to users within the respective service areas of Rialto and West Valley, and potentially RHWC. More detailed specifications for the Project are shown in Exhibit “E”. The combination of the Baseline Feeder and the Project is referred to in this Restated Agreement as the “**New Baseline Feeder.**”
- G. Valley District has issued bonds to facilitate the design and construction of the Project. A copy of Valley District’s filing with the Internal Revenue Service documenting the issuance of bonds is attached as Exhibit “F”.
- H. The Parties are entering into this Restated Agreement to accomplish several objectives. First, Rialto, RHWC and West Valley seek to obtain an assurance from Valley District that the water supplies required by their respective retail customers will be available to them, on the terms and conditions specified in this Restated Agreement. Second, Rialto, RHWC and West Valley seek to obtain an assurance from Valley District that Valley District will construct, operate and maintain the New Baseline Feeder on the terms and conditions specified in this Restated Agreement. Third, Valley District seeks to obtain assurances from Rialto, RHWC and West Valley that they will pay for the cost of constructing, operating and maintaining the New Baseline Feeder, which includes paying the costs of operating, maintaining, improving and repairing the Baseline Feeder and destroying the 9th Street Well, as specified in this Restated Agreement. Fourth, all Parties wish to enter into an agreement that, to the extent feasible, avoids future disagreements over the operation and ownership of the New Baseline Feeder.
- I. The Parties wish to memorialize their agreements by entering into this Restated Agreement.

Agreements

The Parties agree as follows:

1. *Term of Agreement.*

- a. *Initial Term.* This Restated Agreement shall extend for a term of thirty (30) years, or until the debt incurred by Valley District in financing the Project is paid in full, including any interest or other charges, whichever occurs later (“**Initial Term**”).
- b. *Extensions.* This Agreement shall renew automatically for successive terms of ten (10) years unless all of the Parties agree to terminate this Restated Agreement at least one hundred twenty (120) days prior to the end of the then current term. Notwithstanding anything to the contrary contained herein, the Parties may agree, at any time after the Initial Term, to: (i) terminate this Restated Agreement and divide the New Baseline Feeder among the Parties in proportion to each Party’s share of the capital costs of those facilities, or (ii) terminate this Restated Agreement and transfer all remaining responsibilities and obligations under this Restated Agreement to a joint exercise of powers authority formed under the provisions of Government Code sections 6500 *et seq.* Notwithstanding a termination of this Restated Agreement and/or the termination of the Assignment Agreement referenced in paragraph 2.c.ii. below, Valley District shall have the continuing obligation to deliver water to the other Parties as provided in this Restated Agreement on the terms and conditions set forth herein.

2. *Construction, Operation and Maintenance of the Project*

- a. *Lease by West Valley.* The Parties acknowledge that West Valley holds title in fee simple to the land on which the two replacement wells and other associated appurtenances are being constructed. As a condition precedent to this Restated Agreement becoming effective, Valley District has entered into a lease with West Valley by which West Valley leases the land in question to Valley District, or its successors or assignees, for a period that is identical to the term of this Restated Agreement. An executed copy of the lease agreement between West Valley and Valley District is attached hereto as Exhibit “G”.
- b. *Construction.* Valley District shall construct the Project in a timely manner in accordance with the plans and specifications attached hereto as Exhibit “E”. The Parties anticipate that the Project shall be completed by June 30, 2012. Valley District shall provide monthly updates on changes to the plans, specifications, and schedules. If, at any time during the construction, Valley District projects that the total changes for construction of the Project will exceed the contracted amount by 5% or more, Valley District shall obtain the prior consent of the Parties. Valley District shall not be liable for any delays or additional costs in constructing the

Project, save for the negligence, intentional acts and willful misconduct of Valley District and its employees, agents and contractors.

- c. *Operation and Maintenance.* Upon completion of the Project, Valley District shall be solely responsible for the operation and maintenance of the Project.
- i. Absent an assignment pursuant to subparagraph ii below, Valley District shall operate and maintain the Project so that all water delivered to the other Parties complies with public health standards established by the State of California for domestic use.
 - ii. Valley District may assign its responsibility to operate and maintain the Project to any public agency certified by the California Department of Public Health or its successor to provide domestic water supplies. As of the effective date of this Agreement, Valley District intends to assign its responsibility under this subparagraph 2.c.ii to West Valley, but nothing in this Agreement shall be construed to limit Valley District's discretion to assign its responsibilities under this subparagraph 2.c.ii to an agency other than West Valley or not to assign its responsibilities to any other agency.
 - (1) Any such assignment shall be in writing and shall oblige the assignee to operate the Project so as to meet the delivery schedules established by means of this Restated Agreement.
 - (2) Any such assignment shall be made pursuant to the form assignment and assumption agreement attached hereto as Exhibit "H", and specifically, shall provide that the assignee shall, to the extent permitted by California law, indemnify, defend and hold Valley District harmless, for the operation and maintenance of the Project.
 - (3) Any such assignment shall not become effective until it is approved in writing by the Parties to this Restated Agreement. The assignment shall provide that the assignee may not assign its obligations to a third party without the prior written consent of the Parties to this Restated Agreement.
 - (4) The Parties hereby pre-approve Valley District's assignment of its responsibilities to operate and maintain the Project to West Valley by means of an assignment and assumption agreement substantially in the form attached hereto as Exhibit "H".

- (5) In the event that any Party believes that West Valley has failed to perform its obligations under the assignment referred to in the immediately preceding subparagraphs, that Party may invoke the dispute resolution provisions of paragraph 10(b) to request Valley District to revoke the assignment or take such other action as may be appropriate.
- d. *Ownership of Project Facilities.* Valley District shall own, in fee simple, all facilities constructed as part of the Project until the each of the other Parties completes payment of the capital cost of those facilities. Upon a Party's making complete payment of its share of the capital costs (and interest thereupon) of the Project facilities to Valley District, the Party may request that Valley District transfer the Party's proportional ownership of Project facilities to the Party and Valley District shall transfer such proportional ownership to the Party regardless of whether other Parties have completed making their respective capital payments.
- e. *Costs.* All Parties agree that the construction, operation and maintenance of the Project will occur at no cost to Valley District. Valley District shall finance the construction of the Project but shall be entitled to recover all of its costs (including, but not limited to, financing costs, experts and attorneys' fees, and direct expenditures) from the other Parties as specified in this Restated Agreement, save for costs directly caused by the negligence, intentional acts and willful misconduct of Valley District and its employees, agents and contractors.

3. *Deliveries of Water*

Valley District shall deliver water to the other Parties from the Project and the other Parties shall take delivery of such water on the terms and conditions specified in this Restated Agreement.

- a. *System Capacity.* The Parties understand and acknowledge that the current allowed maximum delivery from the Project is 7,500 acre-feet/year pursuant to the "*Agreement to Develop and Adopt an Institutional Controls Groundwater Management Program*" as amended. Valley District will use reasonable efforts to meet the other Parties' delivery requests on a real-time basis. However, the Parties also understand and acknowledge that deliveries may be reduced at any time due to drought, equipment failure, or other causes. Valley District shall not be liable for any reductions in deliveries, save for reductions in deliveries directly caused by the negligence, intentional acts and willful misconduct of Valley District and its employees, agents and contractors.

- b. *Maximum Delivery Quantities.* RHWC understands and acknowledges that water it may obtain under the provisions of this Agreement is a stand-by source and that RHWC does not anticipate taking deliveries on a regular basis. Notwithstanding the prior sentence, RHWC shall be entitled to obtain a maximum delivery of 900 acre-feet/year, West Valley shall be entitled to obtain a maximum delivery of 2/3 of the remaining available water, or 4,400 acre-feet if RHWC takes delivery of 900 acre-feet, up to 5,000 acre-feet if RHWC takes no delivery; and Rialto shall be entitled to obtain a maximum delivery of 1/3 of the remaining available water, or 2,200 acre-feet if RHWC takes delivery of 900 acre-feet, up to 2,500 acre-feet if RHWC takes no delivery.
- c. *Maximum Delivery Flow Rates for RHWC.* The maximum delivery flow rate for RHWC is limited to 1,000 gallons per minute.
- d. *Limits on Deliveries Outside the Boundaries of Valley District.*
 - i. *Rialto and West Valley.* Rialto and West Valley agree that all water delivered to them through the New Baseline Feeder shall be used within the boundaries of Valley District. Rialto and West Valley further agree that neither water delivered through the New Baseline Feeder nor any other water available to Rialto or West Valley that may be surplus to its needs as a result of the supply available from the New Baseline Feeder, shall be delivered or exchanged in any way for use outside the boundaries of Valley District.
 - ii. *RHWC.* RHWC agrees that all water delivered to RHWC pursuant to the terms of this Restated Agreement shall be deemed to be an “extraction” by RHWC from the SBBA under the terms of the so-called “*Western Judgment*” (*Western Municipal Water District et al. v. East San Bernardino County Water District et al.*, Riverside County Superior Court Case No. 78426). Any deliveries of water to RHWC shall be consistent with the *Western Judgment* and nothing in this Restated Agreement shall be construed to modify the provisions of the *Western Judgment* in any way. If there is any inconsistency between the provisions of the *Western Judgment* and this Restated Agreement, the terms of the *Western Judgment* shall control.
- e. *Delivery Schedule.* The Parties shall meet each December during the term of this Restated Agreement, or such other time as may be mutually agreed upon, to schedule their respective anticipated monthly demands for the following calendar year.

- i. Valley District shall prepare a monthly report detailing deliveries to the Parties during the previous month and the calendar year-to-date. Valley District shall email this report to the other Parties no later than 15 days after the receipt of delivery data for the prior month from the other Parties.
- ii. West Valley or Rialto may take deliveries greater than their respective annual allocations, *provided however*, that the other Parties receiving deliveries from the Project in that year agree to reduce their respective allocated quantities by an equivalent quantity, and *provided further* that under no circumstances shall the total deliveries in a calendar year from the Project exceed 7,500 acre-feet.
- iii. In the event that RHWC determines, after the annual delivery schedule has been established, that it requires additional water (but not in excess of the 900 afy), then Valley District shall give priority to deliveries to RHWC over deliveries to West Valley or Rialto. Any reductions in deliveries to West Valley or Rialto shall be in proportion to their respective remaining deliveries during that year.
- iv. Any modification to the annual delivery schedule agreed upon at the December meeting must be provided to Valley District at least one month prior to the month in which there is a change to the previously approved delivery schedule, save in the case of drought, disruption of State Water Project supplies, or emergency, during which each of the other Parties will provide as much notice to Valley District as is possible under the circumstances.
- v. Notwithstanding actual deliveries under the terms of this Restated Agreement, RHWC, Rialto and West Valley shall at all times be subject to the payment terms set forth in paragraph 4 below.
- f. *Water Supplies from the City of San Bernardino.* Valley District, acting on behalf of the other Parties to this Restated Agreement, will attempt to negotiate a contract with City of San Bernardino Municipal Water Department (“**SBMWD**”) for a long-term contract for delivery of water from the SBMWD’s Encanto Booster Station in the event of emergency or as additional supplemental water supply to the Project. Nothing in the preceding sentence shall require Valley District to successfully negotiate an agreement with SBMWD. The Parties understand and acknowledge that such an agreement may result in a standby/availability charge from SBMWD that would be passed through to Parties receiving water from SBMWD.

- g. *Emergency Water Supplies.* Nothing in this Restated Agreement shall be construed to prevent any Party from securing emergency or supplemental water supplies from any other water purveyor, *provided that* such emergency or supplemental water supplies may only be used within the available capacity of the New Baseline Feeder.
- h. *System Hydraulics.* Valley District, in cooperation with the other Parties to this Restated Agreement, will evaluate the New Baseline Feeder system hydraulics needed to allow the other Parties to be able to receive the water deliveries contemplated by this Restated Agreement and, not later than December 31, 2013, construct any improvements needed for such deliveries to occur.
- i. The cost of evaluating the New Baseline Feeder hydraulics, determining potential improvements that would allow the Parties to receive the water deliveries contemplated in this Restated Agreement, and implementing such improvements shall be treated as capital costs for the Project.
- ii. Valley District estimated the cost of such improvements at \$500,000 and shared that estimate with the other Parties to this Agreement. All Parties believe that the estimate is reasonable but recognize that the actual cost of such improvements may be greater or less than the estimate, depending upon a number of factors.
- iii. Valley District has financed such costs through the issuance of bonds and shall be reimbursed for such capital expenditures as provided in paragraph 4 below, provided that if Valley District anticipates that the cost of these improvements will exceed \$550,000, Valley District shall promptly consult with the other Parties to this Agreement and shall obtain their consent before proceeding further.
- i. *Temporary Interruptions of Deliveries.* Valley District may temporarily discontinue or reduce the delivery of water to the Parties for the purposes of necessary investigation, inspection, maintenance, repair, or replacement of any facilities necessary for the delivery of water to each Party. Valley District shall provide each Party with advance notice of such interruptions as far in advance as possible, except in cases of emergency, in which case advance notice need not be given. Whenever possible, Valley District shall performed scheduled maintenance, repair, or replacement of any facilities that may cause temporarily discontinue or reduce the delivery of water to the Parties between November and April and shall attempt to provide the Parties with 60-90 days' advance notice of such maintenance, repair or replacement. The interruption of service, however, shall not excuse nonpayment of amounts owed to Valley District under paragraph 4 below.

4. *Payments*

- a. *Capital Payments by RHCW.* RHCW shall pay Valley District the following amounts:
- i. An annual minimum stand-by payment of \$12,000, payable in equal monthly installments, to defray the capital costs of the Project.
 - ii. If RHCW decides to request water delivered through the Project, RHCW will pay its proportionate share of the capital costs of the Project, with a minimum annual payment of \$12,000.
- b. *Capital Payments by Rialto and West Valley.* Rialto and West Valley shall pay Valley District the following amounts:
- i. After subtracting RHCW's annual capital payment, as defined in paragraph 4.a. above, from the total annual capital repayment due to Valley District, West Valley shall pay Valley District 2/3 of the remaining total annual capital repayment and Rialto shall pay Valley District 1/3 of the remaining total annual capital repayment in monthly installments. These payments are to be made regardless of the quantity of water delivered to Rialto or West Valley, notwithstanding droughts, equipment failure, or any other conditions.
 - ii. If conditions or deliveries change during the course of a calendar year, Valley District shall calculate the over/undercharge and Rialto and/or West Valley shall pay those over/undercharges during the following calendar year, without interest. Sample procedures for these calculations are shown in Exhibit "I" and an example of the capital payment schedule is shown in Exhibit "J".
- c. *Additional Payment by Rialto.* Rialto shall make a monthly payment to Valley District as consideration for Valley District's amortizing the outstanding balance for past Baseline Feeder charges. The annual charge is shown in Exhibit "J".
- d. *Payment for State Water Project Water Recharge.* RHCW, Rialto and West Valley shall each make a monthly payment to Valley District for Valley District to recharge State Water Project Water in the Sweetwater, Devil Canyon, Badger, and Waterman basins. Each Party's payment shall be equal to the product of: (i) 25%, (ii) the quantity of water in acre-feet delivered to the Party during the preceding calendar year, and (iii) the unit cost of recharge water in acre-feet as determined by Valley District as part of its Cooperative Recharge Program or any successor program. The current unit cost of recharge water is \$118/af. Each

Party shall pay, on a monthly basis, its share of costs for the State Water Project Water Recharge.

- e. *Payments to Defray Operation and Maintenance Costs.* Each Party shall pay, on a monthly basis, its share of the costs incurred by Valley District to operate and maintain the Project. Such costs include, but are not limited to, actual pumping, maintenance and replacement costs, plus actual treatment costs, if any, including any treatment costs associated with the removal of contaminants to levels that comply with health-based standards issued by the California Department of Public Health and/or other state or federal regulatory agencies.
- i. Valley District shall, not later than each November 1, tabulate its total costs for operating and maintaining the Project during the then-current calendar year (projected for a 12-month period) and provide its estimate of costs for the then-current and subsequent calendar years to the other Parties. Valley District may include in such tabulation of costs, but is not limited to, experts and attorneys' fees, and direct expenditures. Valley District may not charge a premium or general/administrative fee for operating or maintaining the Project.
- ii. Each Party's share of the costs of operating and maintaining the Project shall be the product of: (i) unit water cost for the year, which is the total operation and maintenance costs incurred by Valley District divided by the amount of water delivered, and (ii) the quantity of water delivered to the Party.
- iii. Initially, the Parties estimate that the unit cost of water will be \$90/acre-foot.
- iv. Valley District will adjust unit costs based on the actual operation, maintenance and State Water Project Water recharge costs for each calendar year. Valley District will invoice RHCW, Rialto and West Valley for any over/undercharges by spreading those charges over the next 12 monthly bills as a "true up." An example of a "true up" calculation is shown as Exhibit "T".
- v. If, at any time during a calendar year, Valley District projects that the total annual cost for operation and maintenance of the Project during the year will exceed the budgeted amount by 10% or more, the Parties shall promptly meet to determine whether to: (i) increase the budget, (ii) modify the expense line items to keep actual expenses within 10% of the budgeted amount, or (iii) take any other action(s) that may be appropriate under the circumstances. All Parties must consent to any action taken under this subparagraph v.

- f. *Payments Obligatory.* Each Party shall make all payments required by this Restated Agreement as they become due, notwithstanding any individual default by its customers or users, any dispute over charges, or any change in water deliveries, capital costs, operation and maintenance costs or otherwise.

5. *Provisions Applying to the Ninth Street Well and the Baseline Feeder*

- a. *Ownership of Capacity.* The Parties agree to the following ownership of capacity by percentages for each phase of the Baseline Feeder, shown on Exhibit “K”, and the 9th St. Well, which are based on the proportionate share of capital costs paid by each Party.

Agency	9 th St Well & Surge Chamber	BLF Wasteline	BLF Phase I	BLF Phase II	BLF Phase III	BLF Phase IV
Valley District	18.5%	18.5%	18.5%	18.5%	33.3%	33.3%
West Valley	48%	48%	48%	48%	33.3%	33.3%
Rialto	24%	24%	24%	24%	33.3%	33.3%
RHWC	9.5%	9.5%	9.5%	9.5%	0%	0%

- b. *Relation to Prior Agreement.* Valley District, West Valley and Rialto agree that this Restated Agreement supplements the “Agreement among the San Bernardino Valley Municipal Water District, the City of Rialto, and West San Bernardino County Water District for the Construction, Operation, and Maintenance of Phase 3 and 4 of the Baseline Feeder” executed in October 1990. To the extent that the terms of this Restated Agreement are inconsistent with the terms of the aforementioned agreement, the terms of this Restated Agreement shall control.
- c. *Responsibility for Works.* Valley District shall be responsible for the operation, maintenance, improvements, and repairs of the 9th St Well Site (including the surge chamber) and the Baseline Feeder Phase I, II, and wasteline pipeline. West Valley shall be responsible for the operation, maintenance, improvements, and repairs of the Baseline Feeder Phase III and IV pipeline.
- d. *Destruction of the Ninth Street Well.* The 9th St. Well equipment became inoperable in August 2005 due to deteriorated well casing and has been destroyed. The Parties agree to allocate the costs of well destruction in accordance with the proportionate share of ownership for the well as shown in the table above.

- e. *Annual Budget.* Valley District and West Valley shall annually prepare a budget for the operation, maintenance, improvements and repairs of the works for which they are responsible, as described in paragraph 5.c. above during the subsequent calendar year and shall present that budget to the other Parties for review and approval no later than each December 1.
- i. The budget will estimate the work required during the subsequent year, but Valley District and West Valley, in their respective reasonable discretion, may adjust the work to be performed as be required by good engineering practice.
 - ii. The budget shall allocate the costs of the work to be performed in proportion to the Parties' ownership shares of the various facilities as shown in the table above.
 - iii. If, at any time during a calendar year, Valley District or West Valley project that the total annual cost for operation and maintenance during the year will exceed the budgeted amount by 10% or more, the Parties shall promptly meet to determine whether to: (i) increase the budget, (ii) modify the expense line items to keep actual expenses within 10% of the budgeted amount, or (iii) take any other action(s) that may be appropriate under the circumstances. All Parties must consent to any action taken under this subparagraph iii.
 - iv. At the conclusion of each calendar year, Valley District and West Valley shall retain and credit for the next year any payments in excess of a Party's share of the actual work performed or invoice a Party for its underpayment for actual work performed.
 - v. All Parties shall pay all invoices issued by Valley District or West Valley within 30 days of receipt.
- f. *Advance Notice of Work.* Any planned work to operate, maintain, improve or repair these facilities shall be coordinated with all Parties as far in advance as reasonably feasible, except in cases of emergency, in which case advance notice need not be given. Whenever possible, Valley District and West Valley shall performed scheduled maintenance, repair, or replacement of any facilities that may cause temporarily discontinue or reduce the delivery of water to the Parties between November and April and shall attempt to provide the Parties with 60-90 days' advance notice of such maintenance, repair or replacement. Valley District and West Valley may, in their sole discretion, perform required work with their own forces, may contract for such work with other Parties or other public agencies, or may contract for such work with licensed contractors. The

interruption of service, however, shall not excuse nonpayment of amounts owed to either Valley District or West Valley.

6. *Use of Another Party's Capacity.* Each Party may use capacity owned by another Party, provided: (i) such capacity is not being used by the Party owning the capacity, (ii) there is a written agreement between the Parties involved for the use of such capacity, (iii) the Party using another Party's capacity agrees to pay the full cost (capital and operations and maintenance) associated with that capacity, and (iv) the agreement is also approved by the other Parties to this Restated Agreement. A Party may also lease its unused capacity to a non-Party on the terms described in the immediately preceding sentence, *provided however* that all Parties shall have a right of first refusal to lease such unused capacity.

7. *Additional Facilities.*

a. *Good Faith Negotiations.* The Parties recognize that, from time to time, one or more Parties may decide to construct additional facilities, pipeline, wells, and/or booster stations that increase the capacity of the New Baseline Feeder, improve its performance, provide additional flexibility, or otherwise serve the public interest. The Parties agree to negotiate, in good faith, the terms under which additional capacity, terms of operation, and costs and operating criteria for these new facilities are to be provided. The Parties agree, however, that the costs of any new facilities needed to meet increased demand (including but not limited to planning, design, permitting and construction and operation and maintenance) shall be allocated among the Parties proportionally based on the allocation of the additional production.

b. *Consistency with ICGMP Agreement.* If the Parties determine that it is necessary to expand the New Baseline Feeder in order to meet increased demands in the future, the Parties agree to work collaboratively in accordance with the "Agreement to Develop and Adopt an Institutional Controls Groundwater Management Program" as amended, to obtain any necessary approvals from local, state or federal regulatory agencies.

8. *Additional Parties.* The Parties recognize that public agencies that do not currently receive water deliveries from the Baseline Feeder or that will not receive water in the future from the New Baseline Feeder may wish to become Parties to this Restated Agreement. The Parties agree that such non-Parties may become Parties, with the consent of all of the then-current Parties, on the following terms and conditions:

a. Any new Party must pay a proportional share of the capital cost of the facility(ies) that are needed to deliver water to the new Party, including payment for capital costs incurred by the Parties prior to the date on which the new Party enters into this Restated Agreement.

- b. The current Parties to this Restated Agreement must agree that there is unused capacity available for the new Party and/or one or more Parties must agree to assign all or a portion of their current capacity to the new Party.
- c. Prior to any such assignment, each current Party shall have a right of first refusal to purchase such unused or potentially assignable capacity from the other Party on the same terms and conditions as the other Party offered the capacity to the new Party.

9. *Indemnification*

- a. *Indemnification by Valley District.* Valley District shall indemnify, defend and hold harmless RHCW, Rialto and West Valley, their directors, officers, employees and agents from and against all damages, liabilities, claims, actions, demands, costs and expenses (including, but not limited to, costs of investigations, lawsuits and any other proceedings whether in law or in equity, settlement costs, attorneys' fees and costs), and penalties or violations of any kind, which arise out of, result from, or are related to Valley District's performance of its obligations under this Restated Agreement.
- b. *Indemnification by RHCW, Rialto and West Valley.* RHCW, Rialto and West Valley shall each indemnify, defend and hold harmless Valley District, its directors, officers, employees and agents from and against all damages, liabilities, claims, actions, demands, costs and expenses (including, but not limited to, costs of investigations, lawsuits and any other proceedings whether in law or in equity, settlement costs, attorneys' fees and costs), and penalties or violations of any kind, which arise out of, result from, or are related to the performance of RHCW, Rialto and/or West Valley's respective obligations under this Restated Agreement.
- c. *Indemnification Procedures.* Any Party that is an indemnified party (the "**Indemnified Party**") that has a claim for indemnification against the other Party (the "**Indemnifying Party**") under this Restated Agreement, shall promptly notify the Indemnifying Party in writing, *provided, however*, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party shall relieve the Indemnifying Party from any obligation unless (and then solely to the extent) the Indemnifying Party is prejudiced. Further, the Indemnified Party shall promptly notify the Indemnifying Party of the existence of any claim, demand, or other matter to which the indemnification obligations would apply, and shall give the Indemnifying Party a reasonable opportunity to defend the same at its own expense and with counsel of its own selection, *provided* that the Indemnified Party shall at all times also have the right to fully participate in the disputed matter at its own expense. If the Indemnifying Party, within a reasonable time after notice from the Indemnified Party, fails to defend a claim, demand or other

matter to which the indemnification obligations would apply, the Indemnified Party shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle (exercising reasonable business judgment), the claim or other matter, on behalf, or for the account, and at the risk, of the Indemnifying Party. If the claim is one that cannot by its nature be defended solely by the Indemnifying Party, then the Indemnified Party shall make available all information and assistance to the Indemnifying Party that the Indemnifying Party may reasonably request.

10. *Administration of Restated Agreement*

- a. *Books and Records.* Each Party shall have access to and the right to examine any of the other Party's pertinent books, documents, papers or other records (including, without limitation, records contained on electronic media) relating to the performance of that Party's obligations pursuant to this Restated Agreement. Specifically, RHWC, Rialto and West Valley shall have access to all the accounting records and meter readings taken by Valley District or its contracted operator upon reasonable advance notice to Valley District.
 - i. *Retention of Records; Preservation of Privilege.* Each Party retain all such books, documents, papers or other records to facilitate such review in accordance with that Party's record retention policy. Access to each Party's books and records shall be during normal business hours only. Nothing in this paragraph shall be construed to operate as a waiver of any applicable privileges.
 - ii. *Annual Approval of Project Accounting.* No later than each March 1, the Parties shall review and approve the accounting records for project expenditures in the prior year. To facilitate such review and approval, Valley District and West Valley shall provide accounting records for the prior calendar year to the other Parties no later than January 31 of each year.
 - iii. *Outside Auditors.* Any Party may, at any time and at its sole cost, hire an auditor to examine the accounting for work performed pursuant to this Restated Agreement. The Parties may also agree to retain an independent auditor to review the accounting for work performed pursuant to this Restated Agreement. The costs of such an auditor will be shared proportionally among the Parties based on their respective percentages of the capital cost for the year(s) for which records are examined.
- b. *Disputes.* The Parties recognize that there may be disputes regarding the obligations of the Parties or the interpretation of this Restated Agreement. The Parties agree that they may attempt to resolve disputes as follows:

- i. *Statement Describing Alleged Violation or Interruption of Restated Agreement.* A Party or Parties alleging a violation or interruption of this Restated Agreement (the “**Initiating Party(ies)**”) shall provide a written statement describing all facts that it believes constitute a violation or interruption of this Restated Agreement to the Party(ies) alleged to have violated or interrupted the terms of this Restated Agreement (the “**Responding Party(ies)**”).
- ii. *Response to Statement of Alleged Violation or Interruption.* The Responding Party(ies) shall have sixty days from the date of the written statement to prepare a written response to the allegation of a violation or interruption of this Restated Agreement and serve that response on the Initiating Party(ies) or to cure the alleged violation or interruption to the reasonable satisfaction of the Initiating Party(ies). The Initiating Party(ies) and the Responding Party(ies) shall then meet within thirty days of the date of the response to attempt to resolve the dispute amicably.
- iii. *Mediation of Dispute.* If the Initiating Party(ies) and the Responding Party(ies) cannot resolve the dispute within ninety days of the date of the written response, they shall engage a mediator, experienced in water-related disputes, to attempt to resolve the dispute. Each Party shall ensure that it is represented at the mediation by a Director or Councilperson. These representatives of the Initiating Party(ies) and the Responding Party(ies) may consult with staff and/or technical consultants during the mediation and such staff and/or technical consultants may be present during the mediation. The costs of the mediator shall be divided evenly between the Initiating Party(ies) and the Responding Party(ies).
- iv. *Prior to Claims Under California Tort Claims Act.* The Parties agree that the procedure described in this paragraph 10.b. represents an effort to resolve disputes without the need for a formal claim under the California Tort Claims Act or other applicable law. The period of time for the presentation of a claim by one Party against another shall be tolled for the period from the date on which the Initiating Party(ies) file a written statement until the date upon which the mediator renders a decision.
- v. *Reservation of Rights.* Nothing in this paragraph 10.b. shall require a Party to comply with a decision of the mediator and, after the completion of the mediation process described above, each Party shall retain and may exercise at any time all legal and equitable rights and remedies it may have to enforce the terms of this Restated Agreement; provided, that prior to commencing litigation, a Party shall provide at least five calendar days’ written notice of its intent to sue to all Parties.

11. *General Provisions.*

- a. *Authority.* Each signatory of this Restated Agreement represents that s/he is authorized to execute this Restated Agreement on behalf of the Party for which s/he signs. Each Party represents that it has legal authority to enter into this Restated Agreement and to perform all obligations under this Restated Agreement.
- b. *Amendment.* This Restated Agreement may be amended or modified only by a written instrument executed by each of the Parties to this Restated Agreement.
- c. *Jurisdiction and Venue.* This Restated Agreement shall be governed by and construed in accordance with the laws of the State of California, except for its conflicts of law rules. Any suit, action, or proceeding brought under the scope of this Restated Agreement shall be brought and maintained to the extent allowed by law in the County of San Bernardino, California.
- d. *Headings.* The paragraph headings used in this Restated Agreement are intended for convenience only and shall not be used in interpreting this Restated Agreement or in determining any of the rights or obligations of the Parties to this Restated Agreement.
- e. *Construction and Interpretation.* This Restated Agreement has been arrived at through negotiations and each Party has had a full and fair opportunity to revise the terms of this Restated Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in the construction or interpretation of this Restated Agreement.
- f. *Entire Agreement.* This Restated Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Restated Agreement and, save as expressly provided in this Restated Agreement, supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this Restated Agreement.
- g. *Partial Invalidity.* If, after the date of execution of this Restated Agreement, any provision of this Restated Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Restated Agreement, such provision shall be fully severable. However, in lieu thereof, there shall be added a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.
- h. *Successors and Assigns.* This Restated Agreement shall be binding on and inure to the benefit of the successors and assigns of the respective Parties to this Restated Agreement. Save as described in paragraph 2 above, no Party may

assign its interests in or obligations under this Restated Agreement without the written consent of the other Parties, which consent shall not be unreasonably withheld or delayed.

- i. *Waivers.* Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Restated Agreement and forbearance to enforce one or more of the rights or remedies provided in this Restated Agreement shall not be deemed to be a waiver of that right or remedy.
- j. *Attorneys' Fees and Costs.* The prevailing Party in any litigation or other action to enforce or interpret this Restated Agreement shall be entitled to reasonable attorneys' fees, expert witnesses' fees, costs of suit, and other and necessary disbursements in addition to any other relief deemed appropriate by a court of competent jurisdiction.
- k. *Necessary Actions.* Each Party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out the purposes of this Restated Agreement.
- l. *Compliance with Law.* In performing their respective obligations under this Restated Agreement, the Parties shall comply with and conform to all applicable laws, rules, regulations and ordinances.
- m. *Third Party Beneficiaries.* This Restated Agreement shall not create any right or interest in any non-Party or in any member of the public as a third party beneficiary.
- n. *Counterparts.* This Restated Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.
- o. *Notices.* All notices, requests, demands or other communications required or permitted under this Restated Agreement shall be in writing unless provided otherwise in this Restated Agreement and shall be deemed to have been duly given and received on: (i) the date of service if served personally or served by facsimile transmission on the Party to whom notice is to be given at the address(es) provided below, (ii) on the first day after mailing, if mailed by Federal Express, U.S. Express Mail, or other similar overnight courier service, postage prepaid, and addressed as provided below, or (iii) on the third day after mailing if mailed to the Party to whom notice is to be given by first class mail, registered or certified, postage prepaid, addressed as follows:

CITY OF RIALTO

City Manager
City of Rialto
150 S. Palm Ave.
Rialto, CA 92376
(909) 820-2525 (telephone)
(909) 873-2921 (facsimile)

RIVERSIDE HIGHLAND WATER COMPANY

General Manager
Riverside Highland Water Company
12374 Michigan Street
Grand Terrace, CA 92313-5602
(909) 825-4128 (telephone)
(909) 825-1715 (facsimile)

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

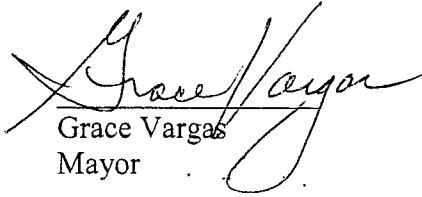
General Manager
San Bernardino Valley Municipal Water District
380 East Vanderbilt Way
San Bernardino, CA 92408-2725
(909) 387-9200 (telephone)
(909) 387-9247 (facsimile)

WEST VALLEY WATER DISTRICT

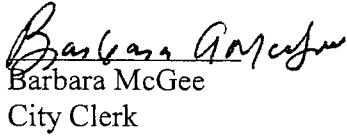
General Manager
West Valley Water District
855 W. Base Line Rd.
Rialto, CA 92377
(909) 875-1804 (telephone)
(909) 875-1849 (facsimile)

---- Signatures on the following page ----

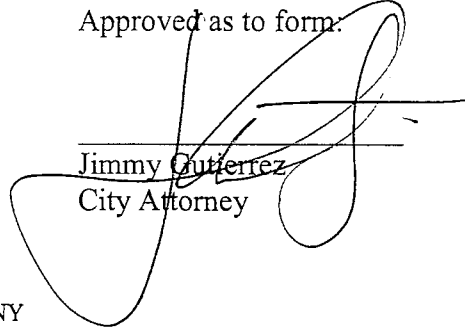
CITY OF RIALTO


Grace Vargas
Mayor

Attest:


Barbara McGee
City Clerk

Approved as to form:


Jimmy Gutierrez
City Attorney

RIVERSIDE HIGHLAND WATER COMPANY

William McKeever, President
Board of Directors

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

C. Patrick Milligan
President, Board of Directors

WEST VALLEY WATER DISTRICT

Attest:

Earl Tillman, Jr., President
Board of Directors

Peggy Asche
Secretary of the Board of Directors

CITY OF RIALTO

Grace Vargas
Mayor


Attest:

Approved as to form:

Barbara McGee
City Clerk

Jimmy Gutierrez
City Attorney

RIVERSIDE HIGHLAND WATER COMPANY


William McKeever, President
Board of Directors

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

C. Patrick Milligan
President, Board of Directors

WEST VALLEY WATER DISTRICT

Attest:

Earl Tillman, Jr., President
Board of Directors

Peggy Asche
Secretary of the Board of Directors

CITY OF RIALTO

Grace Vargas
Mayor

Attest:

Approved as to form:


Barbara McGee
City Clerk

Jimmy Gutierrez
City Attorney

RIVERSIDE HIGHLAND WATER COMPANY

William McKeever, President
Board of Directors

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT



C. Patrick Milligan
President, Board of Directors

WEST VALLEY WATER DISTRICT

Attest:

Earl Tillman, Jr., President
Board of Directors

Peggy Asche
Secretary of the Board of Directors

CITY OF RIALTO

Grace Vargas
Mayor

Attest:

Approved as to form:

Barbara McGee
City Clerk

Jimmy Gutierrez
City Attorney

RIVERSIDE HIGHLAND WATER COMPANY

William McKeever, President
Board of Directors

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

C. Patrick Milligan
President, Board of Directors

WEST VALLEY WATER DISTRICT

Earl Tillman, Jr., President
Board of Directors

Attest:

Peggy Asche
Secretary of the Board of Directors

EXHIBIT "A"

CONTRACT BETWEEN THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT AND WEST SAN BERNARDINO COUNTY WATER DISTRICT FOR A WATER SUPPLY FROM FACILITIES TO BE CONSTRUCTED KNOWN AS THE "BASELINE FEEDER"

This agreement is made by and between the San Bernardino Valley Municipal Water District, a municipal water district organized and existing under the Municipal Water District Law of 1911, hereinafter "SBVMWD," and West San Bernardino County Water District, a county water district organized and existing under the County Water District Law, hereinafter "West District," on the date written at the end hereof.

RECITALS

The SBVMWD proposes to construct water facilities known as the "Baseline Feeder" consisting of a pipeline and associated facilities to convey water from the southern and central part of the San Bernardino Basin to users on the west side of the SBVMWD. It is anticipated that the SBVMWD will finance the cost of such facilities through arrangements with a lender or lenders. The parties desire to provide assurance through this agreement and related agreements that the additional water supply required by West District will be available to it, and that the cost of the facilities to be constructed pursuant to this agreement will be

amortized by the parties contracting for such supply.

NOW THEREFORE, IT IS AGREED as follows:

1. The SBVMWD shall construct the Baseline Feeder facilities for delivery of water into West District's distribution system as shown on Plate 1. In performing such construction the wells shall be drilled and tested prior to construction of the other facilities. Upon completion of the facilities SBVMWD shall deliver water to West District's system in quantities as required to meet the delivery schedule of West District arranged pursuant to this agreement. Except as otherwise specifically agreed by SBVMWD, the facilities constructed by the SBVMWD shall be its property, and it shall be responsible for their operation, maintenance and replacement.

2. West District shall be entitled to delivery of water from the Baseline Feeder in the flow rates and amounts and upon the schedule attached hereto as Exhibit "A". During the period this agreement is in effect or any extension thereof, SBVMWD shall reserve capacity in the Baseline Feeder facilities to make such deliveries to West District. West District shall periodically submit a schedule of actual deliveries desired so that reasonable operation requirements for such deliveries may be met. The water delivered shall comply with public health standards for domestic use. Deliveries shall be made in accordance with the SBVMWD Rules and Regulations for the Sale and Delivery of Water as they may from time to time be in effect.

3. West District shall pay for its rights to the delivery of water provided herein in accordance with the schedule set forth on Exhibit "B" attached hereto. Failure or refusal to accept delivery of project water to which it is entitled shall in no way relieve it of its obligation to make payments to the SBVMWD as provided for herein. West District shall make such payments as they become due, notwithstanding any individual default by its customers or users, or any change in its requirements.

4. The water made available for delivery hereunder shall be delivered for use only within the boundaries of the SBVMWD, and West District agrees that neither such water nor any other water available to West District which may be surplus to its needs as a result of the supply available from the Baseline Feeder, shall be delivered or exchanged for use outside the SBVMWD.

5. This agreement shall be in effect for a period of 20 years commencing January 1, 1990 and ending December 31, 2009; provided that it shall not terminate until the debt incurred by the SBVMWD for the Baseline Feeder Facilities is paid in full. At any time during the last year (2009) if West District is not then in default under the terms herein, West District may extend this agreement for an additional 10 years by written notice given to SBVMWD. West District shall have options to extend this agreement for two additional 10 year periods, each to be exercisable during the last year to which this agreement has theretofore been extended, if West District is not then in

default.

6. This agreement shall be contingent upon the occurrence of all the following events on or before February 1, 1990.

a. Execution of sufficient purchase agreements with the City of Rialto and other users for the Baseline Feeder project to guarantee the SBVMWD that it will receive payments sufficient to cover the capital cost of the facilities.

b. Execution of an agreement with the City of San Bernardino providing for the right of way for the pipeline.

c. Execution of an agreement with the San Bernardino County Flood Control District providing for the Baseline Feeder to cross San Bernardino County Flood Control District property and facilities.

On or about said date, SBVMWD shall notify West District whether or not such contingencies have occurred. If such contingencies have not occurred, this agreement shall be of no further force and effect; if such contingencies have occurred the parties hereto shall proceed with the fulfillment of the terms hereof.

7. West District shall have access to all the accounting records and meter readings taken by SBVMWD upon reasonable notice to SBVMWD.

8. Neither this Agreement nor any duties or obligations hereunder shall be assigned by West District without the prior written consent of the SBVMWD, and any such assignment without the consent of the SBVMWD shall at its option be void. Subject to the foregoing, this agreement and all of its provisions shall apply to and bind the successors and assigns of the parties.

9. Each party to this Agreement agrees to execute and deliver all documents and perform all further acts that may be reasonably necessary to carry out the provisions of this Agreement.

10. This Agreement may be amended in writing by unanimous action of the Parties.

11. If a dispute arises as to the interpretation or implementation of any provision of this Agreement, the issue or issues in dispute or matter requiring action shall be submitted to binding arbitration. For such purposes, an arbitrator shall be selected by agreement of the Parties. The agreed-upon arbitrator shall proceed to arbitrate the matter in accordance with the provisions of Title 9, Part 3, of the California Code of Civil Procedure (Section 1280 et seq.).

12. In the event of legal action or arbitration to enforce or interpret this Agreement or any of its provisions, the prevailing Party shall be entitled, in addition to any other form of relief, to recover its reasonable attorney's fees and costs of suit.

13. The SBVMWD may temporarily discontinue or reduce the delivery of water to the West District hereunder for the purposes of necessary investigation, inspection, maintenance, repair, or replacement of any facilities necessary for the delivery of water to West District. The SBVMWD shall notify West District as far in advance as possible of any such discontinuance or reduction, except in cases of emergency, in which case advance notice need not be given. As nearly as possible any discontinuance or reduction in service shall be scheduled between October 1 and May 1. No such temporary discontinuance or reduction in deliveries shall excuse payment of the minimum monthly installment as set forth in Exhibit "B".

14. (a) Neither SBVMWD nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of Baseline Feeder project water supplied to West District after such water has been delivered into West District facilities; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal or distribution of such water beyond said point; and West District shall indemnify and hold harmless SBVMWD and its officers, agents, and employees from any such damages or claims of damages.

(b) Neither West District nor any of its officers, agents, or employees shall be liable for the control, carriage,

handling, use, disposal, or distribution of Baseline Feeder project water before such water has passed out of the facilities constructed and owned by SBVMWD; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water before it has passed beyond said point; and the SBVMWD shall indemnify and hold harmless West District and its officers, agents, and employees from any such damages or claims of damages.

15. It is recognized that from time to time additional facilities, pipelines, wells and/or booster stations may be constructed in addition to the Baseline Feeder facilities. West District and SBVMWD agree to negotiate in good faith additional capacity, terms of operation, and costs for these new facilities and to reach agreement upon the costs and operating criteria for these new facilities before changing the then current operating and payment provisions for the Baseline Feeder facilities as provided in this agreement.

16. West District and SBVMWD foresee the desirability of providing for potential future participation in the Baseline Feeder Facilities for agencies which do not currently need a supply of water therefrom. Any agreement made by SBVMWD reserving capacity for future use shall require payment of a proportionate share of the capital cost component of the pricing formula, including provisions for any prior capital costs.

17. Except as may be otherwise agreed by the parties

hereto, after West District has commenced making payments under this contract and until the debt incurred to finance the Baseline Feeder facilities has been paid off, any contract entered into by the SBVMWD with any other entity which entitles such entity to delivery of water from the Baseline Feeder facilities and reserves capacity in the Baseline Feeder facilities to make such deliveries shall require such entity to make payment at not less than the terms and rates specified in this contract, including provision for prior capital costs.

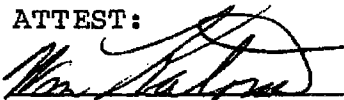
18. SBVMWD may, at its option, waive satisfaction of the contingencies specified in section 6.

Dated: November 29, 1989

San Bernardino Valley
Municipal Water District

by 
President

ATTEST:


Secretary

Dated: December 7, 1989

West San Bernardino County
Water District

by 
President

ATTEST:


Secretary

EXHIBIT "A"

Schedule of Deliveries Available

	<u>Maximum Flow Rate</u>
First Year	2,000 gpm
Subsequent Years	4,000 gpm

EXHIBIT "B"

Payment Schedule

Price per acre foot

Price per acre foot shall be determined as follows:

<u>Fiscal Year</u>	<u>Pricing formula</u>
1st	\$80.00
2nd through 20th	The higher of (a) \$80.00; or (b) \$30.00 capital recovery charge (adjusted as provided below), plus actual pumping and maintenance cost, plus actual treatment cost, if any, as determined by the SBVMWD board.
after 20th	As set by the SBVMWD board

The first fiscal year shall commence the first day of the first month in which deliveries are made, or the first day of the sixth month prior to the first month in which SBVMWD has an obligation to make payments on principal or interest of debt incurred to construct the Baseline Feeder Facilities, whichever is earlier. The \$30 capital recovery charge shall be adjusted annually to reflect the actual capital payments for the Baseline Feeder facilities.

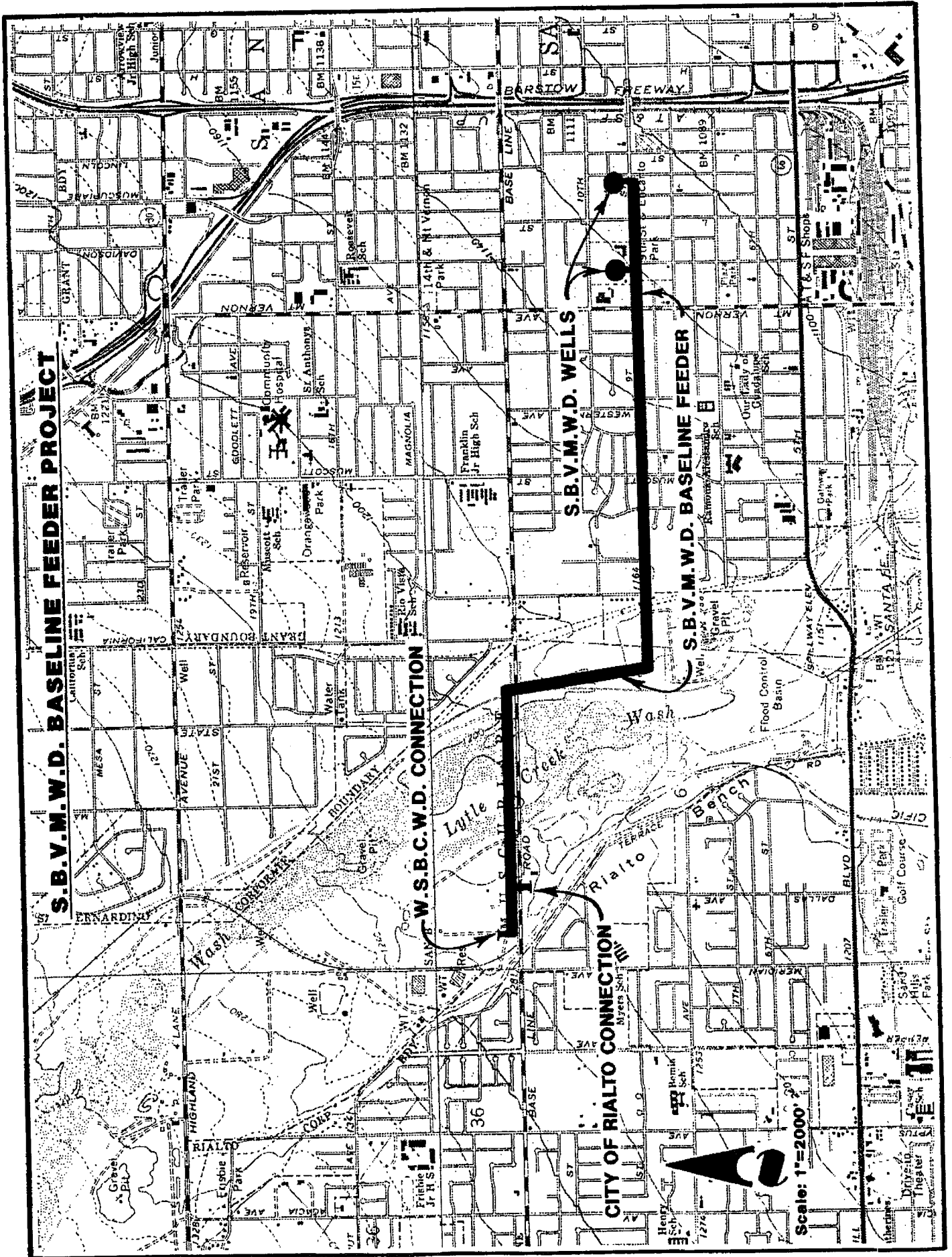
Minimum Annual Payment

The minimum annual payment shall be an amount computed at the above price per acre foot for 2,500 acre feet for the first year and for 5,000 acre feet for subsequent years.

Payment Schedule

The minimum annual payment shall be made in 12 equal monthly installments ("minimum monthly installment") due on the first day

of each month. Payment for quantities delivered in excess of the quantity covered by the minimum monthly installment shall be made by the 15th day of the following month, and may be deducted from the minimum monthly installment in any subsequent month in such fiscal year in which the minimum monthly installment exceeds a charge based on the price per acre foot, to the extent of such excess.



S.B.V.M.W.D. BASELINE FEEDER PROJECT

W.S.B.C.W.D. CONNECTION

S.B.V.M.W.D. WELLS

S.B.V.M.W.D. BASELINE FEEDER

CITY OF RIALTO CONNECTION

Scale: 1"=2000'

EXHIBIT "B"

CONTRACT BETWEEN THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT AND CITY OF RIALTO FOR A WATER SUPPLY FROM FACILITIES TO BE CONSTRUCTED KNOWN AS THE "BASELINE FEEDER"

This agreement is made by and between the San Bernardino Valley Municipal Water District, a municipal water district organized and existing under the Municipal Water District Law of 1911, hereinafter "SBVMWD," and City of Rialto, hereinafter "Rialto," on the date written at the end hereof.

RECITALS

The SBVMWD proposes to construct water facilities known as the "Baseline Feeder" consisting of a pipeline and associated facilities to convey water from the southern and central part of the San Bernardino Basin to users on the west side of the SBVMWD. It is anticipated that the SBVMWD will finance the cost of such facilities through arrangements with a lender or lenders. The parties desire to provide assurance through this agreement and related agreements that the additional water supply required by Rialto will be available to it, and that the cost of the facilities to be constructed pursuant to this agreement will be amortized by the parties contracting for such supply.

NOW THEREFORE, IT IS AGREED as follows:

1. The SBVMWD shall construct the Baseline Feeder

facilities for delivery of water into Rialto's distribution system as shown on Plate 1. In performing such construction the wells shall be drilled and tested prior to construction of the other facilities. Upon completion of the facilities SBVMWD shall deliver water to Rialto's system in quantities as required to meet the delivery schedule of Rialto arranged pursuant to this agreement. Except as otherwise specifically agreed by SBVMWD, the facilities constructed by the SBVMWD shall be its property, and it shall be responsible for their operation, maintenance and replacement.

2. Rialto shall be entitled to delivery of water from the Baseline Feeder in the flow rates and amounts and upon the schedule attached hereto as Exhibit "A". During the period this agreement is in effect or any extension thereof, SBVMWD shall reserve capacity in the Baseline Feeder facilities to make such deliveries to Rialto. Rialto shall periodically submit a schedule of actual deliveries desired so that reasonable operation requirements for such deliveries may be met. The water delivered shall comply with public health standards for domestic use. Deliveries shall be made in accordance with the SBVMWD Rules and Regulations for the Sale and Delivery of Water as they may from time to time be in effect.

3. Rialto shall pay for its rights to the delivery of water provided herein in accordance with the schedule set forth on Exhibit "B" attached hereto. Failure or refusal to accept delivery of project water to which it is entitled shall in no way

relieve it of its obligation to make payments to the SBVMWD as provided for herein. Rialto shall make such payments as they become due, notwithstanding any individual default by its customers or users, or any change in its requirements.

4. The water made available for delivery hereunder shall be delivered for use only within the boundaries of the SBVMWD, and Rialto agrees that neither such water nor any other water available to Rialto which may be surplus to its needs as a result of the supply available from the Baseline Feeder, shall be delivered or exchanged for use outside the SBVMWD.

5. This agreement shall be in effect for a period of 20 years commencing January 1, 1990 and ending December 31, 2009; provided that it shall not terminate until the debt incurred by the SBVMWD for the Baseline Feeder Facilities is paid in full. At any time during the last year (2009) if Rialto is not then in default under the terms herein, Rialto may extend this agreement for an additional 10 years by written notice given to SBVMWD. Rialto shall have options to extend this agreement for two additional 10 year periods, each to be exercisable during the last year to which this agreement has theretofore been extended, if Rialto is not then in default.

6. This agreement shall be contingent upon the occurrence of all the following events on or before February 1, 1990.

a. Execution of sufficient purchase agreements with the West San Bernardino County Water District and other users for the

Baseline Feeder project to guarantee the SBVMWD that it will receive payments sufficient to cover the capital cost of the facilities.

b. Execution of an agreement with the City of San Bernardino providing for the right of way for the pipeline.

c. Execution of an agreement with the San Bernardino County Flood Control District providing for the Baseline Feeder to cross San Bernardino County Flood Control District property and facilities.

On or about said date, SBVMWD shall notify Rialto whether or not such contingencies have occurred. If such contingencies have not occurred, this agreement shall be of no further force and effect; if such contingencies have occurred the parties hereto shall proceed with the fulfillment of the terms hereof.

7. Rialto shall have access to all the accounting records and meter readings taken by SBVMWD upon reasonable notice to SBVMWD.

8. Neither this Agreement nor any duties or obligations hereunder shall be assigned by Rialto without the prior written consent of the SBVMWD, and any such assignment without the consent of the SBVMWD shall at its option be void. Subject to the foregoing, this agreement and all of its provisions shall apply to and bind the successors and assigns of the parties.

9. Each party to this Agreement agrees to execute and deliver all documents and perform all further acts that may be reasonably necessary to carry out the provisions of this Agreement.

10. This Agreement may be amended in writing by unanimous action of the Parties.

11. If a dispute arises as to the interpretation or implementation of any provision of this Agreement, the issue or issues in dispute or matter requiring action shall be submitted to binding arbitration. For such purposes, an arbitrator shall be selected by agreement of the Parties. The agreed-upon arbitrator shall proceed to arbitrate the matter in accordance with the provisions of Title 9, Part 3, of the California Code of Civil Procedure (Section 1280 et seq.).

12. In the event of legal action or arbitration to enforce or interpret this Agreement or any of its provisions, the prevailing Party shall be entitled, in addition to any other form of relief, to recover its reasonable attorney's fees and costs of suit.

13. The SBVMWD may temporarily discontinue or reduce the delivery of water to the Rialto hereunder for the purposes of necessary investigation, inspection, maintenance, repair, or replacement of any facilities necessary for the delivery of water to Rialto. The SBVMWD shall notify Rialto as far in advance as

possible of any such discontinuance or reduction, except in cases of emergency, in which case advance notice need not be given. As nearly as possible any discontinuance or reduction in service shall be scheduled between October 1 and May 1. No such temporary discontinuance or reduction in deliveries shall excuse payment of the minimum monthly installment as set forth in Exhibit "B".

14. (a) Neither SBVMWD nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of Baseline Feeder project water supplied to Rialto after such water has been delivered into Rialto facilities; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal or distribution of such water beyond said point; and Rialto shall indemnify and hold harmless SBVMWD and its officers, agents, and employees from any such damages or claims of damages.

(b) Neither Rialto nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of Baseline Feeder project water before such water has passed out of the facilities constructed and owned by SBVMWD; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of

such water before it has passed beyond said point; and the SBVMWD shall indemnify and hold harmless Rialto and its officers, agents, and employees from any such damages or claims of damages.

15. It is recognized that from time to time additional facilities, pipelines, wells and/or booster stations may be constructed in addition to the Baseline Feeder facilities. Rialto and SBVMWD agree to negotiate in good faith additional capacity, terms of operation, and costs for these new facilities and to reach agreement upon the costs and operating criteria for these new facilities before changing the then current operating and payment provisions for the Baseline Feeder facilities as provided in this agreement.

16. Rialto and SBVMWD foresee the desirability of providing for potential future participation in the Baseline Feeder Facilities for agencies which do not currently need a supply of water therefrom. Any agreement made by SBVMWD reserving capacity for future use shall require payment of a proportionate share of the capital cost component of the pricing formula, including provisions for any prior capital costs.

17. Except as may be otherwise agreed by the parties hereto, after Rialto has commenced making payments under this contract and until the debt incurred to finance the Baseline Feeder facilities has been paid off, any contract entered into by the SBVMWD with any other entity which entitles such entity to delivery of water from the Baseline Feeder facilities and reserves capacity in the Baseline Feeder facilities to make such

deliveries shall require such entity to make payment at not less than the terms and rates specified in this contract, including provision for prior capital costs.

18. SBVMWD may, at its option, waive satisfaction of the contingencies specified in section 6.

Dated: November 29, 1989

San Bernardino Valley
Municipal Water District

by 
President

ATTEST:


Secretary

Dated: December 11, 1989

City of Rialto

by 
Mayor John Longville

ATTEST:

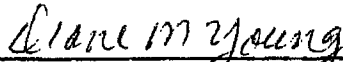

Deputy City Clerk Diane Young

EXHIBIT "A"

Schedule of Deliveries Available

	<u>Maximum Flow Rate</u>
First Year	2,000 gpm
Subsequent Years	4,000 gpm

EXHIBIT "B"

Payment Schedule

Price per acre foot

Price per acre foot shall be determined as follows:

<u>Fiscal Year</u>	<u>Pricing formula</u>
1st	\$80.00
2nd through 20th	The higher of (a) \$80.00; or (b) \$30.00 capital recovery charge (adjusted as provided below), plus actual pumping and maintenance cost, plus actual treatment cost, if any, as determined by the SBVMWD board.
after 20th	As set by the SBVMWD board

The first fiscal year shall commence the first day of the first month in which deliveries are made, or the first day of the sixth month prior to the first month in which SBVMWD has an obligation to make payments on principal or interest of debt incurred to construct the Baseline Feeder Facilities, whichever is earlier. The \$30 capital recovery charge shall be adjusted annually to reflect the actual capital payments for the Baseline Feeder facilities.

Minimum Annual Payment

The minimum annual payment shall be an amount computed at the above price per acre foot for 2,500 acre feet for the first year and for 2,500 acre feet for subsequent years.

Payment Schedule

The minimum annual payment shall be made in 12 equal monthly installments ("minimum monthly installment") due on the first day

of each month. Payment for quantities delivered in excess of the quantity covered by the minimum monthly installment shall be made by the 15th day of the following month, and may be deducted from the minimum monthly installment in any subsequent month in such fiscal year in which the minimum monthly installment exceeds a charge based on the price per acre foot, to the extent of such excess.

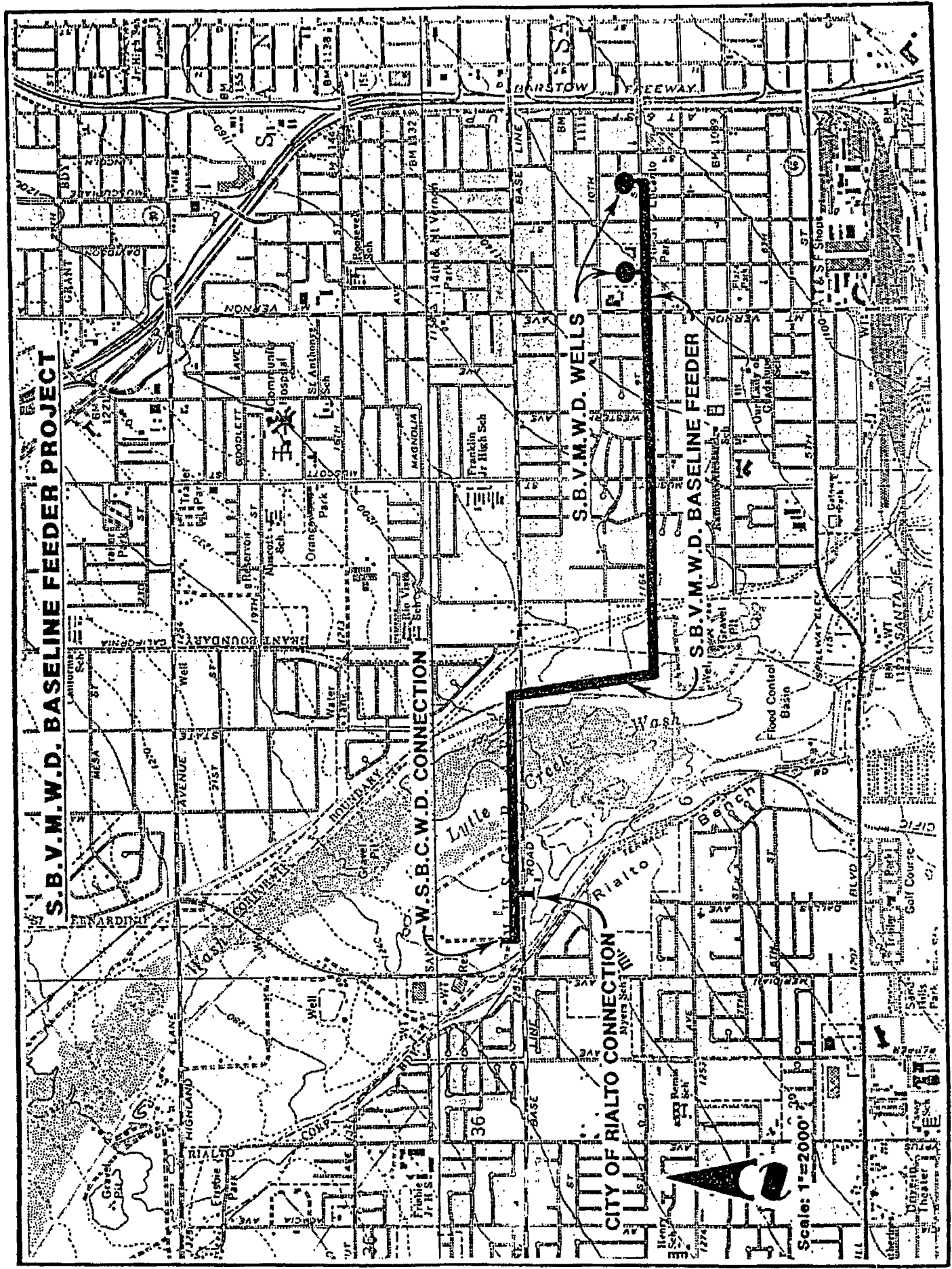


EXHIBIT "C"

CONTRACT BETWEEN THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT AND RIVERSIDE HIGHLAND WATER COMPANY FOR A WATER SUPPLY FROM FACILITIES TO BE CONSTRUCTED KNOWN AS THE "BASELINE FEEDER"

This agreement is made by and between the San Bernardino Valley Municipal Water District, a municipal water district organized and existing under the Municipal Water District Law of 1911, hereinafter "SBVMWD," and Riverside Highland Water Company, a mutual water company organized and existing under the laws of the State of California, hereinafter "RHWC," on the date written at the end hereof.

RECITALS

The SBVMWD proposes to construct water facilities known as the "Baseline Feeder" consisting of a pipeline and associated facilities to convey water from the southern and central part of the San Bernardino Basin to users on the west side of the SBVMWD. It is anticipated that the SBVMWD will finance the cost of such facilities through arrangements with a lender or lenders. The parties desire to provide assurance through this agreement and related agreements that the additional water supply required by RHWC will be available to it, and that the cost of the facilities to be constructed pursuant to this agreement will be amortized by the parties contracting for such supply.

NOW THEREFORE, IT IS AGREED as follows:

1. The SBVMWD shall construct the Baseline Feeder

facilities for delivery of water into RHWC's distribution system as shown on Plate 1. In performing such construction the wells shall be drilled and tested prior to construction of the other facilities. Upon completion of the facilities SBVMWD shall deliver water to RHWC's system in quantities as required to meet the delivery schedule of RHWC arranged pursuant to this agreement. Except as otherwise specifically agreed by SBVMWD, the facilities constructed by the SBVMWD shall be its property, and it shall be responsible for their operation, maintenance and replacement.

2. RHWC shall be entitled to delivery of water from the Baseline Feeder in the flow rates and amounts and upon the schedule attached hereto as Exhibit "A". During the period this agreement is in effect or any extension thereof, SBVMWD shall reserve capacity in the Baseline Feeder facilities to make such deliveries to RHWC. RHWC shall periodically submit a schedule of actual deliveries desired so that reasonable operation requirements for such deliveries may be met. The water delivered shall comply with public health standards for domestic use. Deliveries shall be made in accordance with the SBVMWD Rules and Regulations for the Sale and Delivery of Water as they may from time to time be in effect.

3. RHWC shall pay for its rights to the delivery of water provided herein in accordance with the schedule set forth on Exhibit "B" attached hereto. Failure or refusal to accept delivery of water to which it is entitled shall in no way

relieve it of its obligation to make payments to the SBVMWD as provided for herein. RHWC shall make such payments as they become due, notwithstanding any individual default by its customers or users, or any change in its requirements.

4. The water made available for delivery hereunder is an extraction by RHWC under the definitions and provisions of the stipulated judgment entered in the case of Western Municipal Water District , et al., v. East San Bernardino County Water District ,et al., Riverside Superior Court No. 78426 (hereinafter "Western Judgment.") RHWC is limited by the Western Judgment in the total extractions which it may make from the San Bernardino Basin Area; such limitation is currently 4,294 acre-feet per year. Further, RHWC is limited in the amount of water it can export from the San Bernardino Basin Area to areas outside SBVMWD; such limitation is currently 1,845 acre-feet per year. Nothing in this agreement alters those amounts.

Paragraph VI (b) 6 of the Western Judgment allows SBVMWD and Western Municipal Water District to make an agreement which would enable RHWC to exceed the 4,294 acre-feet per year limit provided that the excess water is imported or supplemental water supplied by SBVMWD. SBVMWD agrees to pursue making such an agreement with Western. RHWC agrees that water produced in excess of their Western Judgment rights pursuant to such an agreement between SBVMWD and Western is only for use within the SBVMWD and shall not be exported outside SBVMWD.

Nothing in this agreement shall be construed to restrict

RHWC from participating (or to authorize participation) in agreements or court proceedings to allow temporary additional extractions from the San Bernardino Basin Area under the Western Judgment for export outside the boundaries of the SBVMWD.

5. This agreement shall be in effect for a period of 20 years commencing January 1, 1990 and ending December 31, 2009; provided that it shall not terminate until the debt incurred by the SBVMWD for the Baseline Feeder Facilities is paid in full. At any time during the last year (2009) if RHWC is not then in default under the terms herein, RHWC may extend this agreement for an additional 10 years by written notice given to SBVMWD. RHWC shall have options to extend this agreement for two additional 10 year periods, each to be exercisable during the last year to which this agreement has theretofore been extended, if RHWC is not then in default.

6. This agreement shall be contingent upon the occurrence of all the following events on or before February 1, 1990.

a. Execution of sufficient purchase agreements with the West San Bernardino County Water District, the City of Rialto and other users for the Baseline Feeder project to guarantee the SBVMWD that it will receive payments sufficient to cover the capital cost of the facilities.

b. Execution of an agreement with the City of San Bernardino providing for the right of way for the pipeline.

c. Execution of an agreement with the San Bernardino County Flood Control District providing for the Baseline Feeder to cross San Bernardino County Flood Control District property and facilities.

On or about said date, SBVMWD shall notify RHWC whether or not such contingencies have occurred. If such contingencies have not occurred, this agreement shall be of no further force and effect; if such contingencies have occurred the parties hereto shall proceed with the fulfillment of the terms hereof.

7. RHWC shall have access to all the accounting records and meter readings taken by SBVMWD upon reasonable notice to SBVMWD.

8. Neither this Agreement nor any duties or obligations hereunder shall be assigned by RHWC without the prior written consent of the SBVMWD, which consent shall not be withheld without good cause, and any such assignment without the consent of the SBVMWD shall at its option be void. Subject to the foregoing, this agreement and all of its provisions shall apply to and bind the successors and assigns of the parties.

9. Each party to this Agreement agrees to execute and deliver all documents and perform all further acts that may be reasonably necessary to carry out the provisions of this Agreement.

10. (This paragraph not used so as to retain numbering consistent with other similar agreements.)

11. If a dispute arises as to the interpretation or implementation of any provision of this Agreement, the issue or issues in dispute or matter requiring action may be submitted to arbitration. For such purposes, an arbitrator shall be selected by agreement of the Parties. The agreed-upon arbitrator shall proceed to arbitrate the matter in accordance with the provisions of Title 9, Part 3, of the California Code of Civil Procedure (Section 1280 et seq.).

12. In the event of legal action or arbitration to enforce or interpret this Agreement or any of its provisions, the prevailing Party shall be entitled, in addition to any other form of relief, to recover its reasonable attorney's fees and costs of suit.

13. The SBVMWD may temporarily discontinue or reduce the delivery of water to the RHWC hereunder for the purposes of necessary investigation, inspection, maintenance, repair, or replacement of any facilities necessary for the delivery of water to RHWC. The SBVMWD shall notify RHWC as far in advance as possible of any such discontinuance or reduction, except in cases of emergency, in which case advance notice need not be given. As nearly as possible any discontinuance or reduction in service shall be scheduled between October 1 and May 1. No such temporary discontinuance or reduction in deliveries shall excuse payment of the minimum monthly installment as set forth in Exhibit "B".

14. (a) Neither SBVMWD nor any of its officers, agents,

or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of Baseline Feeder project water supplied to RHWC after such water has been delivered into RHWC facilities; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal or distribution of such water beyond said point; and RHWC shall indemnify and hold harmless SBVMWD and its officers, agents, and employees from any such damages or claims of damages.

(b) Neither RHWC nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of Baseline Feeder project water before such water has passed out of the facilities constructed and owned by SBVMWD; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water before it has passed beyond said point; and the SBVMWD shall indemnify and hold harmless RHWC and its officers, agents, and employees from any such damages or claims of damages.

15. It is recognized that from time to time additional facilities, pipelines, wells and/or booster stations may be constructed in addition to the Baseline Feeder facilities. RHWC and SBVMWD agree to negotiate in good faith additional capacity, terms of operation, and costs for these new facilities and to

reach agreement upon the costs and operating criteria for these new facilities before changing the then current operating and payment provisions for the Baseline Feeder facilities as provided in this agreement.

16. (This paragraph not used so as to retain numbering consistent with other similar agreements).

17. Except as may be otherwise agreed by the parties hereto, after RHWC has commenced making payments under this contract and until the debt incurred to finance the Baseline Feeder facilities has been paid off, any contract entered into by the SBVMWD with any other entity which entitles such entity to delivery of water from the Baseline Feeder facilities and reserves capacity in the Baseline Feeder facilities to make such deliveries shall require such entity to make payment at not less than the terms and rates specified in this contract, including provision for prior capital costs.

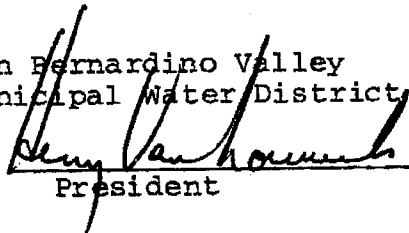
18. SBVMWD may, at its option, waive satisfaction of the contingencies specified in section 6.

19. RHWC desires to implement this agreement upon only a stand-by basis at this time and does not expect to take any water deliveries at the time of initial operation. During such period prior to receipt of actual deliveries RHWC shall pay only the capital cost component as specified in Exhibit B. At such future time as actual deliveries are made to RHWC, RHWC will pay

the full price based on the procedures specified in Exhibit B.

Dated: January 8, 1990

San Bernardino Valley
Municipal Water District

by 
President

ATTEST:


Secretary

Dated: January 18, 1990

RIVERSIDE HIGHLAND WATER
COMPANY

by 
President

ATTEST:



Secretary

EXHIBIT "A"

Schedule of Deliveries Available

	<u>Maximum Flow Rate</u>
First Year	1,000 gpm
Subsequent Years	1,000 gpm

EXHIBIT "B"

Payment Schedule

Price per acre foot

Price per acre foot shall be determined as follows:

<u>Fiscal Year</u>	<u>Pricing formula</u>
1st	\$30.00
2nd through 20th (until RHWC first takes delivery of water)	The higher of (a) \$30.00; or (b) \$30.00 capital recovery charge (adjusted as provided below).
2nd through 20th (after RHWC has taken its first water deliveries)	The higher of (a) \$30.00; or (b) \$30.00 capital recovery charge (adjusted as provided below), plus actual pumping and maintenance cost, plus actual treatment cost, if any, as determined by the SBVMWD board.
after 20th	As set by the SBVMWD board

The first fiscal year shall commence the first day of the first month in which deliveries are made, or the first day of the sixth month prior to the first month in which SBVMWD has an obligation to make payments on principal or interest of debt incurred to construct the Baseline Feeder Facilities, whichever is earlier. The \$30 capital recovery charge shall be adjusted annually to reflect the actual capital payments for the Baseline Feeder facilities.

Minimum Annual Payment

The minimum annual payment shall be an amount computed at the above price per acre foot for 1,000 acre feet for the first year and for 1,000 acre feet for subsequent years.

Payment Schedule

The minimum annual payment shall be made in 12 equal monthly installments ("minimum monthly installment") due on the first day of each month. Payment for quantities delivered in excess of the quantity covered by the minimum monthly installment shall be made by the 15th day of the following month, and may be deducted from the minimum monthly installment in any subsequent month in such fiscal year in which the minimum monthly installment exceeds a charge based on the price per acre foot, to the extent of such excess.

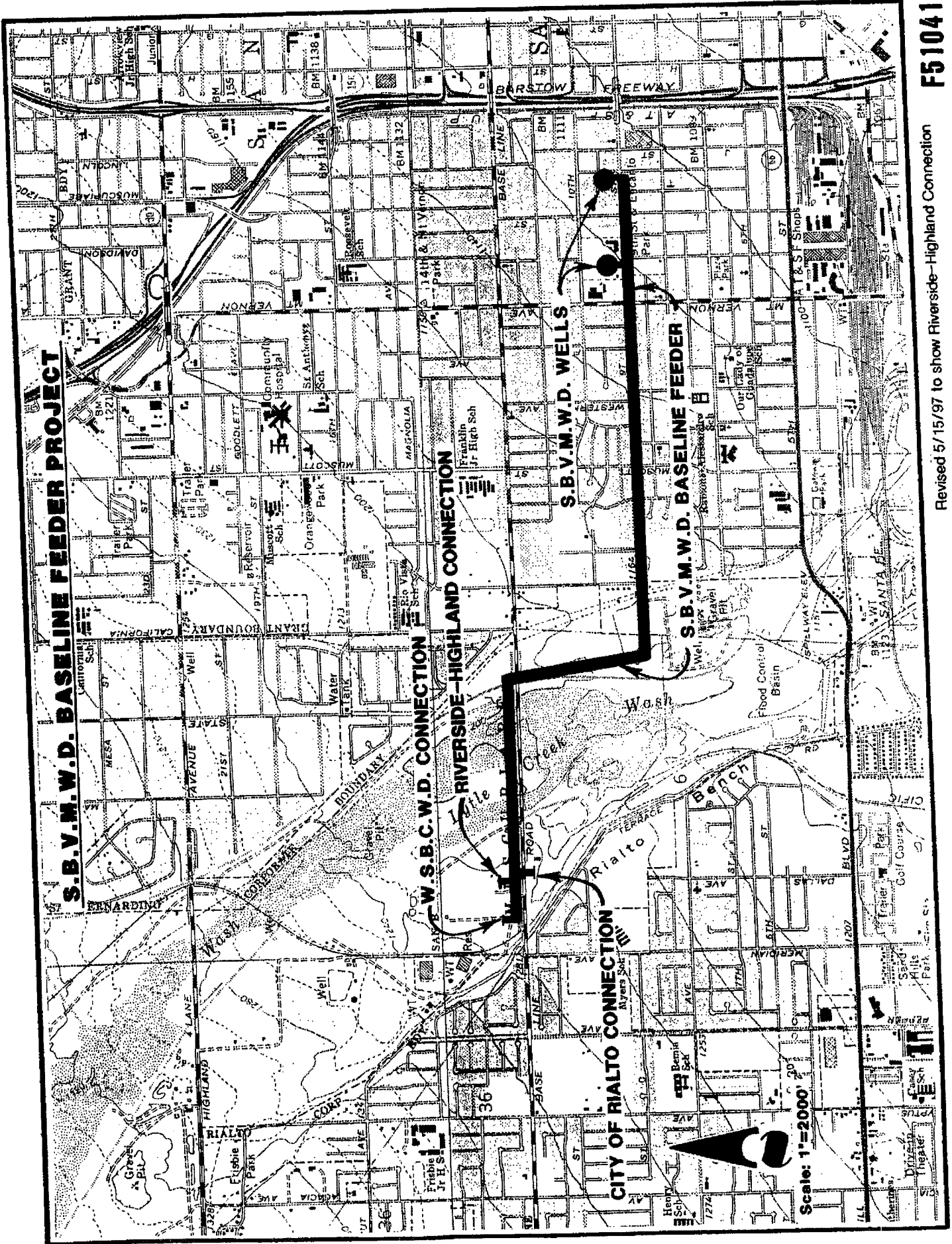


EXHIBIT "D"

**AGREEMENT AMONG THE SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT, THE CITY OF RIALTO
AND THE WEST SAN BERNARDINO COUNTY WATER DISTRICT
FOR THE CONSTRUCTION, OPERATION, AND MAINTENANCE
OF PHASE 3 AND 4 OF THE BASELINE FEEDER**

This Agreement is made by and among the **SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**, a Municipal Water District organized and existing under the Municipal Water District Law of 1911, hereinafter "SBVMWD". The **CITY OF RIALTO**, hereinafter "City", and the **WEST SAN BERNARDINO COUNTY WATER DISTRICT**, a County Water District organized and existing under the County Water District Law, hereinafter "District".

RECITALS

The SBVMWD has constructed, through agreement with various water purveyors, a project known as the Baseline Feeder 1 and 2 which terminates in the vicinity of the intersection of Base Line Road and Meredian Avenue, City of San Bernardino, California. It is to the mutual benefit of SBVMWD, City and District, hereinafter collectively called "Parties", that the Baseline Feeder be extended through construction of Phase 3 and 4 ("facilities" consisting of a pipeline and associated facilities as shown on Plate 1 attached hereto) to the District's Baseline reservoir in the vicinity of Base Line Road and Cactus Avenue, City of Rialto, California.

NOW, THEREFORE, it is agreed as follows:

1. District, acting as lead agency, shall construct the facilities. It shall be the responsibility of the District to acquire right-of-way and permits (if required), employ engineers, let contracts for the construction of the facilities, provide construction inspection and contract administration, and generally to be responsible for the design and construction of the facilities, provided that District shall consult with the other parties and give them reasonable opportunity to review plans, specifications, costs and procedures and to make comments in regard to all matters of concern to them. The constructed facilities shall be owned by

District subject to the contractual right of each of the parties to the use of one-third of the capacity of the facilities.

2. All construction contracts and change orders shall be approved by each party prior to award or approval.

3. After receipt of bids, approval by all of the parties, and upon award of contract, the parties agree to deposit their proportionate share of construction costs plus estimated engineering and contingency fees, as shown in Exhibit "A", (i.e., one-third each) in a construction account known as the Baseline Feeder Account. Any interest accruing from time to time on the funds in the said account shall be credited to the said account and added to the principal thereof. From said Account, District shall make progressive construction, engineering and inspection payments on billings received and approved by the District to the contractor and engineer. If any additional funds are required to complete the project due to approved change orders or other factors affecting the project approved by the parties, the parties agree to deposit their proportionate share of the required additional funds in the Construction Account within thirty (30) days of request by District. Any funds remaining in the Construction Account upon completion of the project shall be proportionately refunded to the parties.

District and City have previously expended funds for the design of the facilities, which are itemized in Exhibit "A" attached hereto. These charges shall be divided equally among the Parties.

4. After completion of the project, District shall operate and maintain the facilities. All operation and maintenance costs shall be paid in proportion to the use of the facilities by the parties in accordance with a budget prepared by District and approved by all parties. Said budget shall be presented for approval by June 1st of each year and shall cover the period from July 1st of each year through June 30th of the following year. Said budget shall estimate the use of the facilities by each of the parties for the succeeding fiscal year based on information supplied

by the parties and shall be adjusted periodically during the year based upon actual use. At the end of the fiscal year District shall refund any excess charge and bill any party for any amount it has been under charged, based upon the actual use of the facilities by the parties. All charges shall be paid within ten (10) days of presentation of a bill from District.

5. Any party shall have the right to use another party's capacity in the facilities if such capacity is available and approved by all parties and subject to an agreement between the affected parties.

6. All water to be transported through the facilities shall comply with public health standards for domestic use.

7. Operation of the facilities shall be conducted in coordination with the operation by SBVMWD of the Baseline Feeder Phases 1 and 2 and in a manner to carry out the agreements of the parties that the Baseline Feeder shall be used as a base load for the Rialto and District water systems when requested by SBVMWD.

8. Each party to this Agreement agrees to execute and deliver all documents and perform all further acts that may be reasonably necessary to carry out the provisions of this Agreement.

9. This Agreement may be amended in writing by unanimous action of the Parties.

10. If a dispute arises as to the interpretation or implementation of any provision of this Agreement, the issue or issues in dispute or matter requiring action shall be submitted to binding arbitration. For such purposes, an arbitrator shall be selected by agreement of the Parties. This agreed-upon-arbitrator shall proceed to arbitrate the matter in accordance with the provisions of Title 9, Part 3, of the California Code of Civil Procedure (Section 1280, et seq.).

11. The water made available for delivery hereunder shall be delivered for use only within the boundaries of the SBVMWD, and/or District boundaries as they exist as of the date of this contract, and each of the parties agrees that neither such water or any other water available to it which may be surplus to its needs as a result of the supply available from the facilities, shall be sold, delivered or exchanged for use outside the SBVMWD.

12. Neither this Agreement nor any duties or obligations hereunder shall be assigned by any party without the prior written consent of the other two parties, and any such assignment without the consent of the other two parties shall be void at the option of the party or parties having not consented in writing. Subject to the foregoing, this Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties.

13. In the event of legal action or arbitration to enforce or interpret this Agreement or any of its provisions, the prevailing Party shall be entitled, in addition to any other form of relief, to recover its reasonable attorney's fees and costs of suit.

14. Neither SBVMWD nor Rialto nor any of their officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of Baseline Feeder Phases 3 or 4 water supplied to District after such water has been delivered into the Phases 3 or 4 facilities; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal or distribution of such water beyond said point; and District shall indemnify and hold harmless SBVMWD, Rialto, and their officers, agents, and employees from any such damages or claims of damages.

Neither District nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of Baseline Feeder Phases 3 or 4 water after such water has passed out of the Phases 3 and 4 facilities

and into facilities of one of the other parties hereto or into facilities of others upon the directions of one of the other parties hereto; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water after it has passed beyond said point; and the party hereto to which or upon the direction of which such delivery is made shall indemnify and hold harmless District and its officers, agents and employees from any such damages or claims of damages.

Dated: October 19, 1990

San Bernardino Valley
Municipal Water District

by 
President

ATTEST:

by 
Secretary

Dated: OCT 16 1990

City of Rialto

by 
Mayor John Longville

ATTEST:

by 
City Clerk Joseph H. Sampson

Dated: OCT. 4, 1990

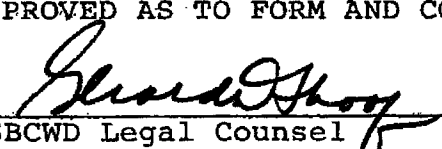
West San Bernardino County
Water District

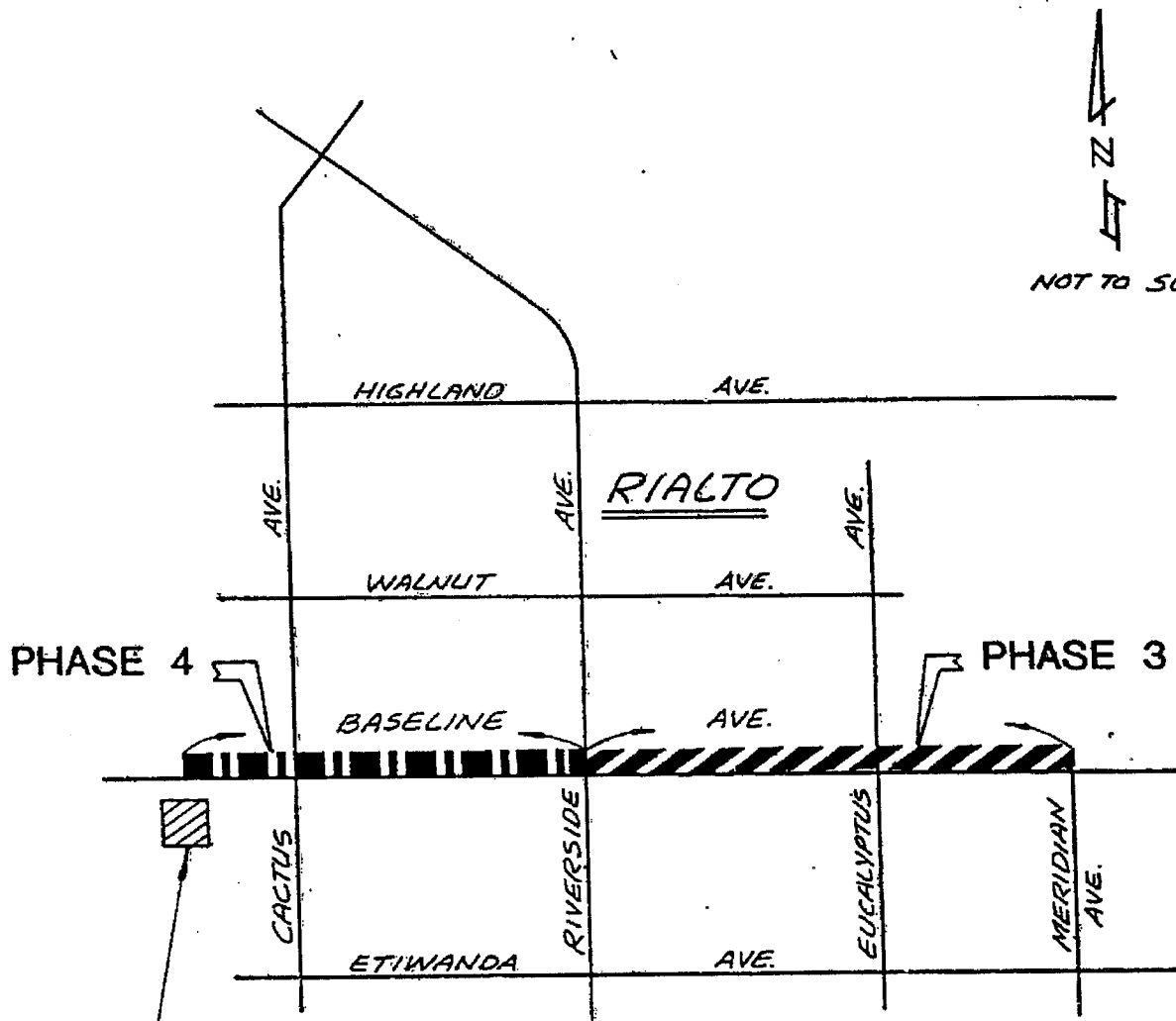
by 
President

ATTEST:

by 
Secretary

APPROVED AS TO FORM AND CONTENT


WSBCWD Legal Counsel



WEST SAN BERNARDINO COUNTY
 WATER DISTRICT'S BASELINE RESERVOIR

PLATE 1
 MAP SHOWING LOCATION
 OF
BASELINE FEEDER
PHASE 3 AND 4

48" WATER TRANSMISSION LINE

EXHIBIT "A"

**EXPENDED FUNDS FOR ENGINEERING BY DISTRICT
AND CITY THROUGH SEPTEMBER, 1990**

DISTRICT - NBS/LOWRY	\$37,689.66	
CITY - J.F. DAVIDSON, ASSOC.	<u>\$61,960.00</u>	
TOTAL TO DATE		\$99,649.66

CONSTRUCTION COST

KERSHAW CONSTRUCTION CO. (BID)		\$1,949,602.50
CONTINGENCIES (8%)		\$155,970.00

CONSTRUCTION PHASE ENGINEERING

INCLUDES OFFICE SUPERVISION DURING CONSTRUCTION, CONSTRUCTION STAKING INSPECTION & RECORD DRAWINGS ESTIMATED @ 6%		<u>\$116,980.00</u>
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TOTAL ESTIMATED COST		\$2,322,202.16
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EXHIBIT "E"

PROJECT DESCRIPTION FOR BASELINE FEEDER WELL REPLACEMENT AND IMPROVEMENT PROJECT

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT IN COOPERATION WITH WEST VALLEY WATER DISTRICT, CITY OF RIALTO, AND RIVERSIDE HIGHLAND WATER COMPANY

The Baseline Feeder Well Replacement and Improvement Project consists of construction of two (2) groundwater extraction wells and other appurtenant facilities at the site located at 1811 W. Ninth Street, San Bernardino and rehabilitation work and other wellhead improvements for the Perris Street Well site located at 1038 W. Ninth Street, San Bernardino. The detailed specifications and plans for the improvement work are documented in the San Bernardino Valley Municipal Water District Specifications 11-01 and are summarized below:

1. Work at the 9th Street Complex includes
 - a. Installation of two (2) groundwater extraction wells;
 - b. Equipping the wells with vertical turbine pumps;
 - c. Construction of a 350,000-gallon aboveground steel tank reservoir;
 - d. Construction of a booster station building with vertical can booster pumps;
 - e. Installation of bulk sodium hypochlorite disinfection systems;
 - f. Site work including yard piping, valving, energy dissipator, foundation preparation, and fencing;
 - g. Installation of miscellaneous electrical components, control panels, and telemetry;
 - h. Integration of the WVWD's existing supervisory control and data acquisition (SCADA) system;
 - i. 9th Street right-of-way improvements including connection to the existing Baseline Feeder; and
 - j. Start-up testing.

2. Work at the existing Perris Street well site includes
 - a. Well rehabilitation work including pre- and post- well video;
 - b. Well cleaning and redevelopment;
 - c. Pump test, wellhead structural and mechanical improvements;
 - d. Electrical equipment demolition and/or salvage and mechanical piping demolition;
 - e. Well equipping work including furnishing new pumping equipment;
 - f. Full noise enclosure with ventilation fan equipment, piping, valving;
 - g. Electrical, control panels, telemetry to incorporate the WVWD's existing SCADA system; and
 - h. Start-up testing.

SPECIFICATION NUMBER 11-01

For construction of

**BASELINE FEEDER WELL REPLACEMENT
AND IMPROVEMENT PROJECT**



BID SET

SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT
May 2011

EXHIBIT "G"

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement") is made this 1st day of May, 2012 ("Effective Date") for identification purposes only, by and between WEST VALLEY WATER DISTRICT, a public agency of the State of California ("West Valley") and SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, a public agency of the State of California ("Valley District").

RECITALS:

A. On or about May 1, 2012 Valley District, West Valley, the City of Rialto, a municipal corporation and Riverside Highland Water Company, a California corporation executed that certain Restated and Amended Agreement for the Construction, Operation and Maintenance of the New Baseline Feeder ("Restated Agreement"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Restated Agreement.

B. West Valley owns certain real property located in the County of San Bernardino, California and described and/or depicted on Exhibit "A" attached hereto and by this reference incorporated herein ("Premises").

C. The parties to the Restated Agreement contemplate constructing two (2) wells and associated appurtenances thereto on the Premises. In furtherance thereof, Section 5.2.a of the Restated Agreement contemplates Valley District leasing the Premises from West Valley for a period that is identical to the term of the Restated Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS HEREIN, AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

ARTICLE I

TERM

1.01 Term. This Agreement shall commence on the Effective Date ("Commencement Date") and end on the expiration or termination of the Restated Agreement.

ARTICLE II

PAYMENTS; TAXES; UTILITIES

2.01 Annual Payment.

(a) Valley District shall pay to West Valley an annual payment of One Dollar (\$1.00). The payment of the first year's rent shall be payable on the execution of this Agreement by Valley District. Rent thereafter, shall be paid in advance, annually, beginning one (1) year after the Commencement Date.

(b) The annual payment shall be increased on the second (2nd) anniversary of the Commencement Date of this Agreement and on each successive anniversary thereafter by an amount equal to four percent (4%) over the annual rent in effect immediately preceding the increase.

2.02 Taxes. The parties hereby agree that Valley District shall pay all property taxes, assessments or other charges of every description levied on or assessed against the Premises, improvements, including Improvements (as defined below) located on the Premises by Valley District, personal property located on or in the Premises by Valley District, the leasehold estate, or any subleasehold estate, to the full extent of the installments falling due during the term; although neither West Valley nor Valley District believe that any taxes should be due since both are public agencies. All tax payments shall be made directly to the charging authority by Valley District before delinquency and before any fine, interest, or penalty shall become due or be imposed by operation of law for their nonpayment. If, however, the law expressly permits the payment of all or any of the above taxes in installments (whether or not interest accrues on the unpaid balance), Valley District may utilize the permitted installment method, but shall pay each installment with any interest before delinquency.

ARTICLE III

USE

3.01 Purposes. Valley District shall have the right to use the Premises during the term of this Agreement for the construction, operation, maintenance, repair and replacement of two (2) wells and appurtenances ("Improvements"). Valley District shall not use the Premises for any other purpose without the express written consent of West Valley.

3.02 Permits/Compliance with Regulations. Valley District shall, at its own cost and expense, apply for and obtain all necessary consents, approvals, zoning changes or variances, permits, authority, licenses, or entitlements, if any, from all appropriate governmental authorities to use the Premises for the purposes necessary to implement Section 3.01.

Valley District shall comply with and conform to all laws and all requirements and orders of any municipal, state, or federal board or authority, present and future, in any way relating to the use of the Premises by Valley District throughout the entire term of this Agreement.

3.03 Building Restrictions.

(a) Valley District and West Valley have agreed that Valley District may not construct any buildings or any other permanent or semi-permanent structures or improvements on the Premises except for the Improvements, during the term of the Agreement without the prior written consent of West Valley.

(b) Valley District shall pay or cause to be paid, the total cost and expense of all works of improvement, including the Improvements. Valley District shall not suffer or permit to be enforced against the Premises, or any part of it, any mechanic's, materialmen's, contractor's or subcontractor's lien arising from any work or improvement, or the Improvements, however it may arise.

3.04 Condition of Premises. The use of the Premises shall be granted to Valley District "as is" and with all faults. Valley District hereby covenants and agrees: (1) there are no representations or warranties of any kind whatsoever, expressed or implied, made by West Valley, except as set forth in this Agreement, including, without limitation, the land, land use controls, building restrictions, the purposes for which the Premises are suited, access to public roads or the availability of requisite governmental permits and/or approval; (2) Valley District is entering into the Agreement relying entirely on its own investigations of the Premises; and (3) Valley District further acknowledges that at the beginning of the term of this Agreement, it shall be aware of all regulations, other governmental requirements, site and physical conditions, and other matters affecting the use and condition of the Premises, and Valley District agrees to accept the use of the Premises in the condition that it is in at the start of the Agreement.

ARTICLE IV

MAINTENANCE; REPAIRS; ALTERATIONS; RECONSTRUCTION

4.01 Maintenance of Premises. Valley District shall, at Valley District's sole cost and expense, keep the Premises, including the Improvements located on the Premises in good order, repair and condition at all times during the term of this Agreement.

ARTICLE V

ASSIGNMENT AND SUBLETTING

5.01 Assignment. Valley District shall have no right to assign, sublet, encumber or otherwise transfer this Agreement, either voluntarily or by operation of law, in whole or in part, nor to otherwise permit use of the Premises by any party other than Valley District of all or any part of the Premises without the prior written consent of West Valley in each instance, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the parties understand, acknowledge and agree that Valley District may assign the right to operate, maintain, repair and replace the Improvements to West Valley, which assignment is hereby approved.

ARTICLE VI

INDEMNITY

6.03 Indemnity. To the extent permitted by California law, Valley District shall assume the defense of, indemnify and hold harmless West Valley from and against all liabilities, claims, losses, actions, demands, expenses and costs (including reasonable attorneys' fees) (collectively, "Costs") arising out of or in any way connected with the use of the Premises by Valley District and its agents, employees, contractors, subcontractors, representatives, lessees, successors, invitees and guests, save and except the foregoing indemnity shall not apply to the extent that any such Costs have been caused by the negligence, intentional acts or willful misconduct of West Valley, provided that West Valley shall be solely liable for any Costs arising, in whole or in part, prior to the effective date of this Lease.

ARTICLE VII

DEFAULT AND REMEDIES

7.01 Default. Valley District shall be deemed to be in default under the terms of this Agreement as follows:

(a) If Valley District shall fail to pay any installment of consideration payable pursuant to Section 2.01 or other sum within fifteen (15) days of the due date; or

(b) If Valley District shall fail to promptly perform or observe any covenant, condition or agreement to be performed by Valley District under this Agreement within thirty (30) days after written notice from West Valley.

(c) If Valley District shall abandon the Premises and such vacation or abandonment shall continue for thirty (30) days after written notice.

7.02 West Valley shall be deemed to be in default under the terms of this Agreement if any condition arises, during the term of this Agreement, the materially interferes with Valley District's authorized activities under this Agreement and West Valley does not cure said interference within 60 days of receiving written notice of such interference from Valley District.

7.03 Remedies. In the event of a default by either party, the other party, without further notice, shall have any remedy provided by law or equity.

ARTICLE VIII

GENERAL PROVISIONS

8.01. Notices. Any communication, notice or demand of any kind whatsoever which any party may be required or may desire to give to or serve upon the other shall be in writing and delivered by personal service (including express or courier service), by electronic communication, whether by e-mail, telex, telegram or telecopying (if confirmed in writing sent by registered or certified mail, postage prepaid, return receipt requested), or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

Valley District: San Bernardino Valley Municipal Water District
380 E. Vanderbilt Way
San Bernardino, California 92408
Attn: General Manager
Telephone: (909) 387-9200
Facsimile: (909) 387-9247

West Valley: West Valley Water District
P O Box 920
855 West Base Line
Rialto CA 92377-0920
Attn: General Manager
Telephone: 909-875-1804
Facsimile: 909-875-7284

Any party may change its address for notice by written notice given to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been duly given or served on the date personally served, if by personal service, one (1) day after the date of confirmed dispatch if by electronic communication, or three (3) days after being placed in the U.S. mail, if mailed.

8.02 Entire Agreement. It is agreed and understood that this Agreement contains all agreements, promises and understandings between West Valley and Valley District, and no verbal or oral agreements, promises or understandings shall or will be binding upon either West Valley or Valley District, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing and signed by the parties hereto.

8.03 Successors. Subject to the provisions of this Agreement on assignment and subletting, each and all of the covenants and conditions of this Agreement shall be binding on and shall inure to the benefit of the heirs, successors, executors, administrators, assigns, and personal representatives of the respective parties.

8.04 Attorneys' Fees. In the event that either party becomes involved in litigation arising out of this Agreement or the performance thereof, the Court in such litigation, or in a separate suit, shall award attorneys' fees and costs to the justly entitled party.

8.05 Severability. Should any part, clause, provision, or condition of this Agreement be held void, invalid, or inoperative, such invalidity shall not affect any other provision hereof, which shall be effective as though such invalid provisions had not been made.

8.06 Further Assurances. Either party, at any time upon reasonable request of the other, will at requesting party's cost and expense, execute, acknowledge and deliver all such additional documents and instruments and all such further assurances, and will do or cause to be done all further acts and things, in each case, as may be proper or reasonably necessary to carry out the purposes hereof.

8.07 Governing Law. This Agreement and performance hereof shall be governed, interpreted, construed and regulated by the laws of the State of California.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

WEST VALLEY:

WEST VALLEY WATER DISTRICT,
a public agency of the State of California

By 

Its: General Manager

VALLEY DISTRICT:

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT,
a public agency of the State of California

By 

Its: Board President

EXHIBIT "A"

TO

LEASE AGREEMENT

DESCRIPTION OF PREMISES

Tax Collector » Property Information For Parcel 0139-341-12-0000

Type of Property: UNKNOWN

Address Information

Situs Address	Protected per CA Govt. Code Sect. 6254.21
Billing Address	Protected per CA Govt. Code Sect. 6254.21
As Of	2/18/1999

Legal Description

Tract Number	Lot Number	Block/Unit	Roll Value As of Jan 1, 2011
R S B E 2 AC	LOT 19	BLK 22	\$0.00

Present Owner Information

Name	Percent Ownership	Relationship	Document Number	Recording Date	Acquire Date	Roll Year
WEST SAN BERNARDINO COUNTY WATER DIS	100%	SOLE OWNER	9842749900000	10/07/1998		

Map of:
1811 W 9th St
San Bernardino, CA 92411-2005



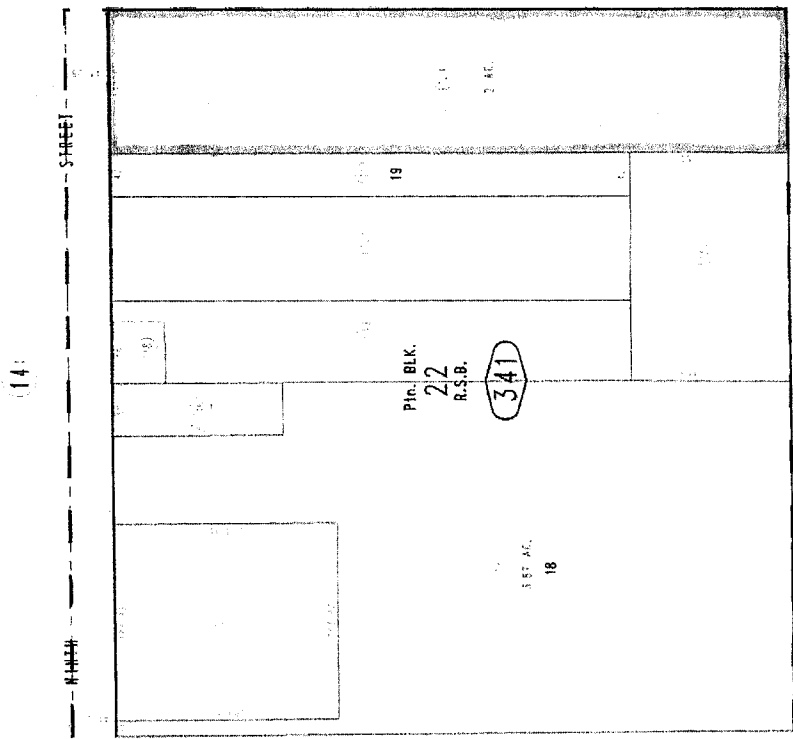
©2011 MapQuest, Inc. Use of directions and maps is subject to the MapQuest Terms of Use. We make no guarantee of the accuracy of their content, road conditions or route usability. You assume all risk of use.

Aerial View of Subject Property
APN: 0139-341-12
2.0-Ac. Vacant Land
Zoned for Single Family Residential Use

Ptn. Rancho San Bernardino

City of San Bernardino 0139 - 34
Tax Rate Area
7117

THIS MAP IS FOR THE PURPOSE
OF AS VALUING TAXATION ONLY.



0269
26

← SUBJECT
PROPERTY

Assessor's Map
Book 0139 Page 34
San Bernardino County

REVISED

February 2005

EXHIBIT "H"

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("**Agreement**") is dated as of May 1, 2012 ("**Effective Date**") and is entered into by and between SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, a public agency of the State of California ("**Valley District**") and WEST VALLEY WATER DISTRICT, a public agency of the State of California ("**West Valley**"). Valley District and West Valley are sometimes hereinafter referred to individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. On or about May 1, 2012, Valley District, West Valley, the City of Rialto, a municipal corporation ("**Rialto**") and Riverside Highland Water Company, a California corporation ("**RHWC**") executed that certain Restated and Amended Agreement for the Construction, Operation and Maintenance of the New Baseline Feeder ("**Restated Agreement**"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Restated Agreement.

B. Section 2.c of the Restated Agreement provides that Valley District shall be responsible for the operation and maintenance of the Project which includes the repair and replacement thereof.

C. Section 5.c of the Restated Agreement provides that Valley District shall be responsible for the operation and maintenance of the 9th St. Well Site (including the surge chamber) and the Baseline Feeder Phase I, Baseline Feeder Phase II and the wasteline pipeline which includes the repair and replacement thereof.

D. Valley District's operation and maintenance obligations set forth in Recitals B and C shall be collectively referred to herein as the "**O & M Obligations**" and shall include the obligation to respond to emergency situations such as, but not limited to, an earthquake, flood, fire, or civil unrest. The 9th St. Well Site (including the surge chamber), the Baseline Feeder Phase I, Baseline Feeder Phase II and the wasteline pipeline shall be collectively referred to herein as the "**Improvements.**"

E. The Restated Agreement contemplates that Valley District may assign the O & M Obligations with respect to the Improvements to West Valley. In furtherance thereof, Valley District desires to assign to West Valley and West Valley desires to accept the assignment of all of Valley District's O & M Obligations under the Restated Agreement with respect to the Improvements on the terms and conditions set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Valley District hereby transfers and assigns to West Valley all of Valley District's O & M Obligations under the Restated Agreement with respect to the Improvements.

2. West Valley hereby accepts such transfer and assignment and assumes and agrees to perform all of Valley District's O & M Obligations under the Restated Agreement with respect to the Improvements.

3. West Valley shall operate the Project in a commercially reasonable manner as to aid Valley District in meeting the delivery schedules established pursuant to the Restated Agreement.

4. To the extent permitted by California law, West Valley shall assume the defense of, indemnify and hold harmless Valley District from and against all liabilities, claims, losses, actions, demands, expenses and costs (including reasonable attorneys' fees) (collectively, "Costs") arising out of or in any way connected with the O & M Obligations performed by West Valley, save and except the foregoing indemnity shall not apply to the extent that any such Costs have been caused by the negligence, intentional acts or willful misconduct of Valley District.

5. This Agreement may be executed in counterparts, each of which when so executed shall be deemed an original, and all of which, when taken together, shall constitute but one and the same instrument.

6. Each person executing this Agreement on behalf of West Valley or Valley District hereby represents and warrants (a) his/her authority to do so, (b) that such authority has been duly and validly conferred by that entity's governing body and (c) that said entity has the full right and authority to enter into this Agreement.

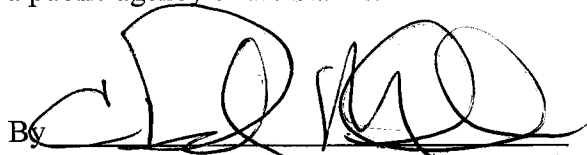
7. West Valley may not assign or otherwise transfer any of the O & M Obligations under the Restated Agreement without obtaining the prior written consent of Valley District, Rialto and RHWC, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, West Valley may, without the prior written consent of Rialto and RHWC, assign the O & M Obligations under the Restated Agreement back to Valley District.

8. In the event that any Party to the Restated Agreement believes that West Valley has failed to perform any of the O & M Obligations under the Restated Agreement, the Parties shall attempt to resolve the dispute through the process described in paragraph 10(b) of the Restated Agreement, *provided* that West Valley need not complete the cure within sixty days from the date of the written statement from Valley District as long as West Valley has commenced the cure and is diligently prosecuting the cure.

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

VALLEY DISTRICT:

San Bernardino Valley Municipal Water District,
a public agency of the State of California

By 
Name: C. Patrick Milligan
Its: Board President

WEST VALLEY:

West Valley Water District,
a public agency of the State of California


By 
Name: Anthony Arata
Its: General Manager

EXHIBIT "I"

SAMPLE PROCEDURES FOR CALCULATING PAYMENTS

Assumptions: a) Unit Cost for Cooperative Recharge Program (CRP): \$80/AF;

1st year: Estimate at beginning of the year: \$90/AF; actual cost at the end of the year: \$95/AF

b) O&M cost:

2nd year: Estimate at beginning of the year: \$95/AF; actual cost at the end of the year: \$95/AF

1. Scenario A.: RHWC does not take any delivery for the 1st year

Participant	Beginning of Year "Estimate"						End of Year "True-Up"								
	Delivery Allocation (AF)	Est. Capital Payment	O&M Payment	Rechg Pmt	Back-Charges (Rialto)	Total Yrly Pmt	Mnly Pmt	"True up" Mnly Adj	Actual Delivery (AF)	Act. Capital Cost	Act. O&M Cost	Act. Rechg Cost	Back-Charges (Rialto)	Total Cost	"True up" Adj. for next yr
WVWD	5,000	\$321,529	\$450,000 [\$90/AF x 5,000 AF]	\$100,000	\$0	\$871,529	\$72,627	\$0	4,500	\$321,529 [Mm "take-or-pay" charge]	\$427,500 [\$95/AF x 4,500 AF]	\$90,000	\$0	\$639,029	\$32,500 Over-charge
Rialto	2,500	\$160,764	\$225,000 [\$90/AF x 2,500 AF]	\$50,000	\$12,159	\$447,923	\$37,327	\$0	3,000	\$160,764 [Mm "take-or-pay" charge]	\$285,000 [\$95/AF x 3,000 AF]	\$60,000	\$12,159	\$517,923	(\$70,000) Under-charge
RHWC	Stand-by	\$12,000	\$0	\$0	\$0	\$12,000	\$1,000	\$0	0	\$12,000	\$0	\$0	\$0	\$12,000	\$0

2. Scenario B.: RHWC takes 900 AF delivery in mid-year during the 2nd year

Participant	Beginning of Year "Estimate"						End of Year "True-Up"								
	Delivery Allocation (AF)	Est. Capital Payment	O&M Payment	Rechg Pmt	Back-Charges (Rialto)	Total Yrly Pmt	Mnly Pmt	"True up" Mnly Adj	Actual Delivery (AF)	Act. Capital Cost	Act. O&M Cost	Act. Rechg Cost	Back-Charges (Rialto)	Total Cost	"True up" Adj. for next yr
WVWD	5,000	\$321,529	\$475,000	\$100,000	\$0	\$896,529	\$74,711	(\$2,709) Credit	3,500	\$297,119 [\$506k-\$61k]x (2/3)	\$332,500 [\$95/AF x 3,500 AF]	\$70,000	\$0	\$699,619	\$196,910 Over-charge
Rialto	2,500	\$160,764	\$237,500	\$50,000	\$12,159	\$460,423	\$36,369	\$5,833 Add. Pmt	3,100	\$148,559 [\$506k-\$61k]x (1/3)	\$294,500 [\$95/AF x 3,100 AF]	\$62,000	\$12,159	\$517,218	(\$56,795) Under-charge
RHWC	Stand-by	\$12,000	\$0	\$0	\$0	\$12,000	\$1,000	\$0	900	\$60,774 [\$506,452/ 7,500 AF x 900 AF]	\$85,500 [\$95/AF x 900 AF]	\$18,000	\$0	\$164,274	(\$152,274) Under-charge

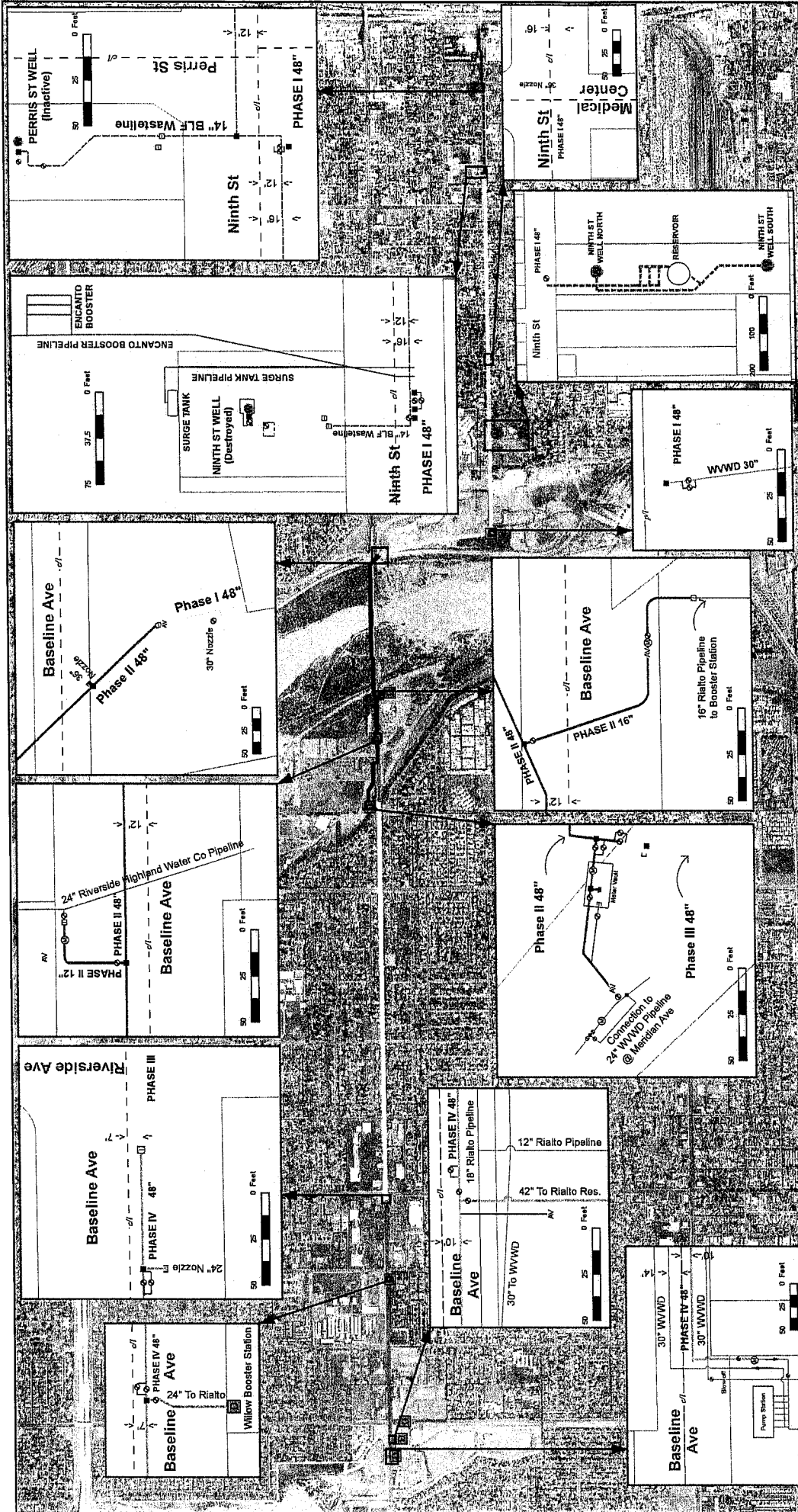
EXHIBIT 'J'

**Debt Service Schedule
San Bernardino Valley Municipal Water District
Revenue Certificates of Participation, Series 2011A
(Baseline Feeder Project)**

Item	Sum	Percentage
Rialto's Back-Charge:	\$205,629	97.60%
Net Bond Issuance Cost:	\$0	2.40%
Capital Cost:	\$8,359,371	
Net Bond Issuance Cost:	\$0	97.60%
Total Bond Issuance:	\$8,565,000	100.00%

Allocation of Bond Proceeds		
Capital Cost	8,359,371	97.60%
Rialto Back-Charge	205,629	2.40%
	<u>8,565,000</u>	<u>100.00%</u>

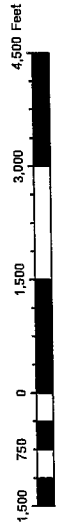
Pmt Due	Annual D/S	Annual Equal Collection	Annual Payment			Monthly Payment			
			WVWWD	Rialto	Rialto Back Charge	RHWC	WVWWD	Rialto	RHWC
7/1/2012	\$497,228.03	\$506,452.20	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2013	\$504,743.76	\$506,452.20	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2014	\$501,443.76	\$506,452.20	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2015	\$501,493.76	\$506,452.20	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2016	\$506,393.76	\$506,452.20	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2017	\$505,993.76	\$506,452.20	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2018	\$505,443.76	\$506,452.20	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2019	\$502,843.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2020	\$505,043.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2021	\$506,843.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2022	\$508,243.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2023	\$504,243.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2024	\$505,043.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2025	\$505,443.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2026	\$505,443.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2027	\$505,043.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2028	\$509,243.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2029	\$507,843.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2030	\$506,043.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2031	\$508,843.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2032	\$505,643.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2033	\$506,618.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2034	\$506,956.26	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2035	\$506,656.26	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2036	\$510,718.76	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2037	\$508,437.50	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2038	\$510,500.00	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2039	\$511,687.50	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2040	\$512,000.00	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
7/1/2041	\$511,437.50	\$506,452.19	\$321,528.84	\$160,764.42	\$12,158.93	\$12,000.00	\$26,794.07	\$14,410.28	\$1,000.00
Total D/S	\$15,193,565.77	\$15,193,565.77	\$9,645,865.20	\$4,822,932.60	\$364,767.98	\$360,000.00			



Date: 3/27/2012



EXHIBIT "K"



BASELINE FEEDER SYSTEM

- Legend**
- Baseline Feeder Phase I ~ BLF Wasteline
 - Baseline Feeder Phase II ● BLF Well
 - Baseline Feeder Phase III ☒ DeliveryPoint
 - Baseline Feeder Phase IV ~

File: C:\water\gis\mapserver\101073_BaselineFeeder\MapServer\101073\Project\PhaseI.mxd

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