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CITY OF SAN BUENAVENTURA

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

SANTA BARBARA CHANNELKEEPER, a
California non-profit corporation,

Petitioner,

v.

STATE WATER RESOURCES CONTROL
BOARD, etc., et al.,

Respondents.

CITY OF SAN BUENAVENTURA, a
California municipal corporation,

Cross-Complainant,

v.

DUNCAN ABBOTT, an individual, et al.,

Cross-Defendants.

EXEMPT FROM FILING FEES PURSUANT
TO GOVERNMENT CODE SECTION 6103

CONFORMED COPY
ORIGINAL FILED
Superior Court of California
County of Los Angeles

MAR 08 2021

Sherri R. Carter, Executive Officer/Clerk of Court

Case No. 19STCP01176

Judge: Hon. William F. Highberger

REQUEST FOR JUDICIAL NOTICE IN
SUPPORT OF BRIEF OF PROPOSING
PARTIES REGARDING THE PHYSICAL
SOLUTION DOCTRINE

*[Concurrently filed with Brief of Proposing
Parties regarding the Physical Solution
Doctrine]*

Action Filed: Sept. 19, 2014
Trial Date: Not Set

REQUEST FOR JUDICIAL NOTICE

Defendant and Cross-Complainant the City of San Buenaventura (City) and Cross-Defendants the Ventura River Water District, Meiners Oaks Water District, the Wood-Claeysens Foundation, and the Rancho Matilija Mutual Water Company (all collectively “Proposing Parties”), through their attorneys of record, respectfully request that the Court take judicial notice pursuant to Evidence Code section 452, subdivision (d) of the judgments in the following California state court matters:

1. *Antelope Valley Groundwater Cases* (Superior Court Santa Clara County, December 23, 2015, No. CV 049053) (including the Physical Solution at Exhibit A, with remaining exhibits omitted) – attached hereto as Exhibit 1.
2. *Orange County Water District v. City of Chino, et al.* (Sup. Ct. County of Orange, April 17, 1969, No. 117628) – attached hereto as Exhibit 2;
3. *Chino Basin Municipal Water District v. City of Chino, et al.* (Sup. Ct. County of San Bernardino, January 27, 1978, No. 51010 [2012 restated version]) (including Exhibits “A” – “K”) – attached hereto as Exhibit 3;
4. *Western Municipal Water District of Riverside County, et al. v. East San Bernardino County Water District, et al.*, (Sup. Ct. County of Riverside, April 17, 1969, No. 78426) (appendices omitted) – attached hereto as Exhibit 4;
5. *Santa Maria Valley Water Conservation District v. City of Santa Maria, et al.* (Sup. Ct. County of Santa Clara, January 25, 2008, No. CV 1-97-770214) (exhibits omitted) – attached hereto as Exhibit 5;

Under Evidence Code section 453, this Request for Judicial Notice is conditionally mandatory and must be granted if sufficient notice is given to an adverse party and if the court is furnished with sufficient information to enable it to take judicial notice of the matter. (*People v. Maxwell* (1978) 78 Cal.App.3d 124, 130.) By this request, the Proposing Parties give the Court and all parties sufficient notice and information to enable the Court to take judicial notice of the documents attached hereto and referred to by their exhibit numbers.

1 Pursuant to Evidence Code section 452, subdivision (d), judicial notice may be taken of
2 "Records of (1) any court of this state [...]" As a result, this Court may take judicial notice of the
3 attached Exhibit Nos. 1-5 as judgments adopting physical solutions that are relevant to this
4 Court's consideration of this Ventura River watershed adjudication. (E.g., *Lockley v. Law Office*
5 *of Cantrell, Green, Pekich, Cruz & McCort* (2001) 91 Cal.App.4th 875 [court may in its
6 discretion take judicial notice of any court record in the United States, including any orders,
7 findings of facts and conclusions of law, and judgments within court records].)

8
9 Dated: March 8, 2021

BEST BEST & KRIEGER LLP

10
11 By: 

12 SHAWN D. HAGERTY
13 CHRISTOPHER MARK PISANO
14 SARAH CHRISTOPHER FOLEY
Attorneys for Respondent and Cross-
Complainant
CITY OF SAN BUENAVENTURA

EXHIBIT 1

Antelope Valley Groundwater Cases
(Superior Court Santa Clara County, Dec. 23, 2015, No. CV 049053)

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES – CENTRAL DISTRICT

ANTELOPE VALLEY GROUNDWATER
CASES

Included Actions:
Los Angeles County Waterworks District No.
40 v. Diamond Farming Co., Superior Court of
California, County of Los Angeles, Case No.
BC 325201;

Los Angeles County Waterworks District No.
40 v. Diamond Farming Co., Superior Court of
California, County of Kern, Case No. S-1500-
CV-254-348;

Wm. Bolthouse Farms, Inc. v. City of
Lancaster, Diamond Farming Co. v. City of
Lancaster, Diamond Farming Co. v. Palmdale
Water Dist., Superior Court of California,
County of Riverside, Case Nos. RIC 353 840,
RIC 344 436, RIC 344 668

RICHARD WOOD, on behalf of himself and
all other similarly situated v. A.V. Materials,
Inc., et al., Superior Court of California,
County of Los Angeles, Case No. BC509546

Judicial Council Coordination Proceeding
No. 4408

CLASS ACTION

Santa Clara Case No. 1-05-CV-049053
Assigned to the Honorable Jack Komar

~~PROPOSED~~ JUDGMENT

1 The matter came on for trial in multiple phases. A large number of parties representing
2 the majority of groundwater production in the Antelope Valley Area of Adjudication ("Basin")
3 entered into a written stipulation to resolve their claims and requested that the Court enter their
4 [Proposed] Judgment and Physical Solution as part of the final judgment. As to all remaining
5 parties, including those who failed to answer or otherwise appear, the Court heard the testimony
6 of witnesses, considered the evidence, and heard the arguments of counsel. Good cause
7 appearing, the Court finds and orders judgment as follows:

8 1. The Second Amended Stipulation For Entry of Judgment and Physical Solution
9 among the stated stipulating parties is accepted and approved by the Court.

10 2. Consistent with the December 23 2015 Statement of Decision ("Decision"), the
11 Court adopts the Proposed Judgment and Physical Solution attached hereto as
12 Exhibit A and incorporated herein by reference, as the Court's own physical
13 solution ("Physical Solution"). The Physical Solution is binding upon all parties.

14 3. In addition to the terms and provisions of the Physical Solution the Court finds as
15 follows:

16 a. Each of the Stipulating Parties to the Physical Solution has the right to
17 pump groundwater from the Antelope Valley Adjudication Area as stated
18 in the Decision and Physical Solution.

19 b. The following entities are awarded prescriptive rights from the native safe
20 yield against the Tapia Parties, defaulted parties identified in Exhibit 1 to
21 the Physical Solution, and parties who did not appear at trial identified in
22 Exhibit B attached hereto, in the following amounts:

23 Los Angeles County Waterworks District No. 40	17,659.07 AFY
24 Palmdale Water District	8,297.91 AFY
25 Littlerock Creek Irrigation District	1,760 AFY
26 Quartz Hill Water District	1,413 AFY
27 Rosamond Community Services District	1,461.7 AFY
28 Palm Ranch Irrigation District	960 AFY

1	Desert Lake Community Services District	318 AFY
2	California Water Service Company	655 AFY
3	North Edwards Water District	111.67 AFY
4	No other parties are subject to these prescriptive rights.	
5	c. Each of the parties referred to in the Decision as Supporting Landowner	
6	Parties has the right to pump groundwater from the Antelope Valley	
7	Adjudication Area as stated in the Decision and in Paragraph 5.1.10 of the	
8	Physical Solution in the following amounts:	
9	i. Desert Breeze MHP, LLC	18.1 AFY
10	ii. Milana VII, LLC dba Rosamond Mobile Home Park	21.7 AFY
11	iii. Reesdale Mutual Water Company	23 AFY
12	iv. Juanita Eyherabide, Eyherabide Land Co., LLC	
13	and Eyherabide Sheep Company, collectively	12 AFY
14	v. Clan Keith Real Estate Investments, LLC.,	
15	dba Leisure Lake Mobile Estates	64 AFY
16	vi. White Fence Farms Mutual Water Co. No. 3	4 AFY
17	vii. LV Ritter Ranch LLC	0 AFY
18	viii. <i>Robert Enterprises, Inc., Hi-Grade Materials Co., and CJR, a</i>	
19	d. Each member of the Small Pumper Class can exercise an overlying right	
20	pursuant to the Physical Solution. The Judgment Approving Small Pumper	
21	Class Action Settlements is attached as Exhibit C ("Small Pumper Class	
22	Judgment") and is incorporated herein by reference.	
23	e. Cross-defendant Charles Tapia, as an individual and as Trustee of Nellie	
24	Tapia Family Trust (collectively, "The Tapia Parties") has no right to pump	
25	groundwater from the Antelope Valley Adjudication Area except under the	
26	terms of the Physical Solution.	
27	f. Phelan Piñon Hills Community Services District ("Phelan") has no right to	
28	pump groundwater from the Antelope Valley Adjudication Area except	
	under the terms of the Physical Solution.	

General Partnership - 200 AFY

1 g. The Willis Class members have an overlying right that is to be exercised in
2 accordance with the Physical Solution.

3 h. All defendants or cross-defendants who failed to appear in any of these
4 coordinated and consolidated cases are bound by the Physical Solution and
5 their overlying rights, if any, are subject to the prescriptive rights of the
6 Public Water Suppliers. A list of the parties who failed to appear is
7 attached hereto as Exhibit D.

8 i. ~~Robar Enterprises, Inc., Hi-Grade Materials Co., and CJR, a general~~
9 ~~partnership (collectively, "Robar") are~~
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14 4. Each party shall designate the name, address and email address, to be used for all
15 subsequent notices and service of process by a designation to be filed within thirty
16 days after entry of this Judgment. The list attached as Exhibit A to the Small
17 Pumper Class Judgment shall be used for notice purposes initially, until updated
18 by the Class members and/or Watermaster. The designation may be changed from
19 time to time by filing a written notice with the Court. Any party desiring to be
20 relieved of receiving notice may file a waiver of notice to be approved by the
21 Court. The Court will maintain a list of parties and their respective addresses to
22 whom notice or service of process is to be sent. If no designation is made as
23 required herein, a party's designee shall be deemed to be the attorney of record or,
24 in the absence of an attorney of record, the party at its specified address.

25 5. All real property owned by the parties within the Başın is subject to this Judgment.
26 It is binding upon all parties, their officers, agents, employees, successors and
27 assigns. Any party, or executor of a deceased party, who transfers real property
28 that is subject to this Judgment shall notify any transferee thereof of this Judgment.

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This Judgment shall not bind the parties that cease to own real property within the Basin, and cease to use groundwater, except to the extent required by the terms of an instrument, contract, or other agreement.

The Clerk shall enter this Judgment.

Dated: Dec 23,, 2015



JUDGE OF THE SUPERIOR COURT

EXHIBIT A

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES - CENTRAL DISTRICT

Coordination Proceeding Special Title
(Rule 1550(b))

**ANTELOPE VALLEY
GROUNDWATER CASES**

Judicial Council Coordination Proceeding No.
4408

Santa Clara Case No.: 1-05-CV-049053

Judge: The Honorable Jack Komar, Dept. 17

[PROPOSED] JUDGMENT AND PHYSICAL
SOLUTION

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INDEX OF EXHIBITS AND APPENDICES

Exhibits:

- Exhibit 1: Listing of Parties Against Which a Default Judgment Has Been Entered.
- Exhibit 2: Map of Area Adjudicated in This Action.
- Exhibit 3: Non-Overlying Production Rights.
- Exhibit 4: Overlying Production Rights
- Exhibit 5: Phase 3 Trial Decision.
- Exhibit 6: Map of boundaries of Edwards Air Force Base.
- Exhibit 7: Map of boundaries of Air Force Plant 42.
- Exhibit 8: Rights to Produce Imported Water Return Flows.
- Exhibit 9: Map of the Watershed of the Basin.
- Exhibit 10: Map of Subareas.

Appendices:

- Appendix A: Non-Pumper Class Judgment.
- Appendix B: Non-Pumper Class Stipulation of Settlement.

1 A number of Parties have agreed and stipulated to entry of a Judgment consistent with the
2 terms of this Judgment and Physical Solution (hereafter “this Judgment”). The stipulations of the
3 Parties are conditioned upon further proceedings that will result in a Judgment binding all Parties
4 to the Action. The Court, having considered the pleadings, the stipulations of the Parties, and the
5 evidence presented, and being fully informed in the matter, approves the Physical Solution¹
6 contained herein. This Judgment is entered as a Judgment binding on all Parties served or
7 appearing in this Action, including without limitation, those Parties which have stipulated to this
8 Judgment, are subject to prior settlement(s) and judgment(s) of this Court, have defaulted or
9 hereafter stipulate to this Judgment.

10 **I. DESCRIPTION OF LITIGATION**

11 **1. PROCEDURAL HISTORY**

12 **1.1 Initiation of Litigation.**

13 On October 29, 1999, Diamond Farming Company (“Diamond Farming”) filed in
14 the Riverside County Superior Court (Case No. RIC 344436) the first complaint in what would
15 become these consolidated complex proceedings known as the Antelope Valley Groundwater
16 Cases. Diamond Farming's complaint names as defendants the City of Lancaster, Palmdale
17 Water District, Antelope Valley Water Company, Palm Ranch Irrigation District, Quartz Hill
18 Water District, Rosamond Community Services District, and Mojave Public Utility District.

19 On February 22, 2000, Diamond Farming filed another complaint in the Riverside
20 County Superior Court (Case No. RIC 344468). The two Diamond Farming actions were
21 subsequently consolidated.

22 On January 25, 2001, Wm. Bolthouse Farms, Inc. (“Bolthouse”) filed a complaint
23 in the same Court against the same entities, as well as Littlerock Creek Irrigation District and Los
24 Angeles Waterworks Districts Nos. 37 and 40 (Case No. RIC 353840).

25 ¹ A “physical solution” describes an agreed upon or judicially imposed resolution of conflicting claims in a manner
26 that advances the constitutional rule of reasonable and beneficial use of the state’s water supply. (*City of Santa Maria*
27 *v. Adam* (2012) 211 Cal. App. 4th 266, 288.) It is defined as “an equitable remedy designed to alleviate overdrafts
28 and the consequential depletion of water resources in a particular area, consistent with the constitutional mandate to
prevent waste and unreasonable water use and to maximize the beneficial use of this state’s limited resource.”
(*California American Water v. City of Seaside* (2010) 183 Cal. App. 4th 471, 480.)

1 The Diamond Farming and Bolthouse complaints variously allege that unregulated
2 pumping by these named public agencies (collectively the Public Water Suppliers) has irreparably
3 harmed Diamond Farming and Bolthouse's rights to produce Groundwater from the Antelope
4 Valley Groundwater Basin, and interfered with their rights to put that Groundwater to reasonable
5 and beneficial uses on property they own or lease. Diamond Farming and Bolthouse's complaints
6 seek a determination of their water rights and to quiet title as to the same.

7 In 2001, the Diamond Farming and Bolthouse actions were consolidated in the
8 Riverside County Superior Court.

9 In August 2002, a Phase 1 trial commenced in the Riverside County Superior
10 Court in the consolidated Diamond Farming/Bolthouse proceedings for the purpose of
11 determining the geographic boundary of the area to be adjudicated. That Phase 1 trial was not
12 concluded and the Court did not determine any issues or make any factual findings at that time.

13 **1.2 General Adjudication Commenced.**

14 In 2004, Los Angeles County Waterworks District No. 40 ("District No. 40")
15 initiated a general Groundwater adjudication for the Antelope Valley Ground Water Basin by
16 filing identical complaints for declaratory and injunctive relief in the Los Angeles and Kern
17 County Superior Courts (Los Angeles County Superior Court Case No. BC 325201 and Kern
18 County Superior Court Case No. S-1500-CV 254348). District No. 40's complaints sought a
19 judicial determination of the respective rights of the Parties to produce Groundwater from the
20 Antelope Valley Groundwater Basin.

21 On December 30, 2004, District No. 40 petitioned the Judicial Council of
22 California for coordination of the above-referenced actions. On June 17, 2005, the Judicial
23 Council of California granted the petition and assigned the "Antelope Valley Groundwater Cases"
24 (Judicial Council Coordination Proceeding No. 4408) to this Court (Santa Clara County Superior
25 Court Case No. 1-05-CV-049053 (Hon. Jack Komar)).

26 For procedural purposes, the Court requested that District No. 40 refile its
27 complaint as a first amended cross-complaint in the now coordinated proceedings. Joined by the
28

1 other Public Water Suppliers, District No. 40 filed a first amended cross-complaint seeking
2 declaratory and injunctive relief and an adjudication of the rights to all Groundwater within the
3 Antelope Valley Groundwater Basin. The Public Water Suppliers' cross-complaint, as currently
4 amended, requests an adjudication to protect the public's water supply, prevent water quality
5 degradation, and stop land subsidence. Some of the Public Water Suppliers allege they have
6 acquired prescriptive and equitable rights to the Groundwater in the Basin. They allege the Basin
7 has been in overdraft for more than five consecutive Years and they have pumped water from the
8 Basin for reasonable and beneficial purposes in an open, notorious, and continuous manner. They
9 allege each non-public cross-defendant had actual or constructive notice of these activities,
10 sufficient to establish prescriptive rights in their favor. In order to alleviate overdraft conditions
11 and protect the Basin, the Public Water Suppliers also request a physical solution.

12 **1.3 Other Actions**

13 In response to the Public Water Suppliers first amended cross-complaint,
14 numerous Parties filed cross-complaints seeking various forms of relief.

15 On August 30, 2006, Antelope Valley-East Kern Water Agency ("AVEK") filed a
16 cross-complaint seeking declaratory and injunctive relief and claiming overlying rights and rights
17 to pump the supplemental yield attributable to return flows from State Water Project water
18 imported to the Basin.

19 On January 11, 2007, Rebecca Lee Willis filed a class action complaint in the Los
20 Angeles County Superior Court (Case No. BC 364553) for herself and on behalf of a class of
21 non-pumping overlying property owners ("Non-Pumper Class"), through which she sought
22 declaratory relief and money damages from various public entities. Following certification, the
23 Non-Pumper Class entered into a settlement agreement with the Public Water Suppliers
24 concerning the matters at issue in the class complaint. On September 22, 2011, the Court
25 approved the settlement through an amended final judgment.

26 On June 2, 2008, Richard A. Wood filed a class action complaint for himself and
27 on behalf of a class of small property owners in this action ("Small Pumper Class"), *Wood v. Los*
28

1 *Angeles Co. Waterworks Dist. 40, et al.*, (Case No.: BC 391869) through which he sought
2 declaratory relief and money damages from various public entities. The Small Pumper Class was
3 certified on September 2, 2008.

4 On February 24, 2010, following various orders of coordination, the Court granted
5 the Public Water Suppliers' motion to transfer and consolidate all complaints and cross-
6 complaints in this matter, with the exception of the complaint in Sheldon R. Blum, etc. v. Wm.
7 Bolthouse Farms, Inc. (Santa Clara County Superior Court Case No. 1-05-CV-049053), which
8 remains related and coordinated.

9 **1.4 McCarran Amendment Issues**

10 The Public Water Suppliers' cross-complaint names Edwards Air Force Base,
11 California and the United States Department of the Air Force as cross-defendants, seeking the
12 same declaratory and injunctive relief as sought against the other cross-defendants. This
13 Judgment, or any other determination in this case regarding rights to water, is contingent on a
14 Judgment satisfying the requirements of the McCarran Amendment, 43 U.S.C. §666. The United
15 States reserves all rights to object or otherwise challenge any interlocutory judgment and reserves
16 all rights to appeal a Judgment that does not satisfy the requirements of the McCarran
17 Amendment.

18 **1.5 Phased Trials**

19 The Court has divided the trial in this matter into multiple phases, four of which
20 have been tried.

21 Through the Phase 1 trial, the Court determined the geographical boundaries of the
22 area adjudicated in this Action which is defined as the Basin. On November 3, 2006, the Court
23 entered an order determining that issue.

24 Through the Phase 2 trial, the Court determined that all areas within the Basin are
25 hydrologically connected and a single aquifer, and that there is sufficient hydraulic connection
26 between the disputed areas and the rest of the Basin such that the Court must include the disputed
27 areas within the adjudication area. The Court further determined that it would be premature to make
28

1 any determinations regarding, *inter alia*, claims that portions of the Basin should be treated as a
2 separate area for management purposes. On November 6, 2008, the Court entered its Order after
3 Phase Two Trial on Hydrologic Nature of Antelope Valley.

4 Through the Phase 3 trial, the Court determined the Basin is in a current state of
5 overdraft and the safe yield is 110,000 acre-feet per Year. The Court found the preponderance of
6 the evidence presented established that setting the safe yield at 110,000 acre-feet per Year will
7 permit management of the Basin in such a way as to preserve the rights of the Parties in
8 accordance with the California Constitution and California law. On July 13, 2011, the Court filed
9 its Statement of Decision.

10 Through the Phase 4 trial, the Court determined the overall Production occurring
11 in the Basin in calendar Years 2011 and 2012.

12 **1.6 Defaults**

13 Numerous Parties have failed to respond timely, or at all, to the Public Water
14 Suppliers' cross-complaint, as amended, and their defaults have been entered. The Court has
15 given the defaulted Parties notice of this Judgment and Physical Solution, together with the
16 opportunity to be heard regarding this Judgment, and hereby enters default judgments against all
17 such Parties and incorporates those default judgments into this Judgment. Pursuant to such
18 default judgments a defaulted Party has no right to Produce Groundwater from the Basin. All
19 Parties against which a default judgment has been entered are identified on Exhibit 1, attached
20 hereto and incorporated herein by reference.

21 **2. GENERAL ADJUDICATION DOES NOT APPLY TO SURFACE WATER.**

22 Pursuant to California law, surface water use since 1914 has been governed by the Water
23 Code. This Judgment does not apply to surface water as defined in the Water Code and is not
24 intended to interfere with any State permitted or licensed surface water rights or pre-1914 surface
25 water right. The impact of any surface water diversion should be considered as part of the State
26 Water Resources Control Board permitting and licensing process and not as part of this Judgment.

1 **II. DECREE**

2 **3. JURISDICTION, PARTIES, DEFINITIONS.**

3 **3.1 Jurisdiction.** This Action is an *inter se* adjudication of all claims to the
4 rights to Produce Groundwater from the Basin alleged between and among all Parties. This Court
5 has jurisdiction over the subject matter and Parties herein to enter a Judgment declaring and
6 adjudicating the rights to reasonable and beneficial use of water by the Parties in the Action
7 pursuant to Article X, section 2 of the California Constitution.

8 **3.2 Parties.** The Court required that all Persons having or claiming any
9 right, title or interest to the Groundwater within the Basin be notified of the Action. Notice has
10 been given pursuant to the Court's order. All Public Water Suppliers, landowners, Non-Pumper
11 Class and Small Pumper Class members and other Persons having or making claims have been or
12 will be included as Parties to the Action. All named Parties who have not been dismissed have
13 appeared or have been given adequate opportunity to appear.

14 **3.3 Factual and Legal Issues.** The complaints and cross-complaints in the
15 Action frame many legal issues. The Action includes over 4,000 Parties, as well as the members
16 of the Non-Pumper Class and the members of the Small Pumper Class. The Basin's entire
17 Groundwater supply and Groundwater rights, extending over approximately 1390 square miles,
18 have been brought to issue. The numerous Groundwater rights at issue in the case include,
19 without limitation, overlying, appropriative, prescriptive, and federal reserved water rights to
20 Groundwater, rights to return flows from Imported Water, rights to recycled water, rights to
21 stored Imported Water subject to the Watermaster rules and regulations, and rights to utilize the
22 storage space within the Basin. After several months of trial, the Court made findings regarding
23 Basin characteristics and determined the Basin's Safe Yield. The Court's rulings and judgments
24 in this case, including the Safe Yield determination, form the basis for this Judgment.

25 **3.4 Need for a Declaration of Rights and Obligations for a Physical**
26 **Solution.** A Physical Solution for the Basin, based on a declaration of water rights and a formula
27 for allocation of rights and obligations, is necessary to implement the mandate of Article X,
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1 section 2 of the California Constitution and to protect the Basin and the Parties' rights to the
2 Basin's water resources. The Physical Solution governs Groundwater, Imported Water and Basin
3 storage space, and is intended to ensure that the Basin can continue to support existing and future
4 reasonable and beneficial uses. A Physical Solution requires determining individual Groundwater
5 rights for the Public Water Suppliers, landowners, Non-Pumper Class and Small Pumper Class
6 members, and other Parties within the Basin. The Physical Solution set forth in this Judgment:
7 (1) is a fair and reasonable allocation of Groundwater rights in the Basin after giving due
8 consideration to water rights priorities and the mandate of Article X, section 2 of the California
9 Constitution; (2) provides for a reasonable sharing of Imported Water costs; (3) furthers the
10 mandates of the State Constitution and State water policy; and (4) is a remedy that gives due
11 consideration to applicable common law rights and priorities to use Basin water and storage space
12 without substantially impairing such rights. Combined with water conservation, water
13 reclamation, water transfers, water banking, and improved conveyance and distribution methods
14 within the Basin, present and future Imported Water sources are sufficient both in quantity and
15 quality to assure implementation of a Physical Solution. This Judgment will facilitate water
16 resource planning and development by the Public Water Suppliers and individual water users.

17 **3.5 Definitions.** As used in this Judgment, the following terms shall have the
18 meanings set forth herein:

19 **3.5.1 Action.** The coordinated and consolidated actions included in the
20 Antelope Valley Groundwater Cases, Judicial Council Coordination Proceeding No. 4408, Santa
21 Clara Superior Court Case No. 1-05-CV-049053.

22 **3.5.2 Adjusted Native Safe Yield.** The Native Safe Yield minus (1) the
23 Production Right allocated to the Small Pumper Class under Paragraph 5.1.3, (2) the Federal
24 Reserved Water Right under Paragraph 5.1.4, and (3) the State of California Production Right
25 under Paragraph 5.1.5. The Adjusted Native Safe Yield as of the date of entry of this Judgment is
26 70,686.6 acre-feet per year.

1 **3.5.3 Administrative Assessment.** The amount charged by the
2 Watermaster for the costs incurred by the Watermaster to administer this Judgment.

3 **3.5.4 Annual Period.** The calendar Year.

4 **3.5.5 Antelope Valley United Mutuals Group.** The members of the
5 Antelope Valley United Mutuals Group are Antelope Park Mutual Water Company, Aqua-J
6 Mutual Water Company, Averydale Mutual Water Company, Baxter Mutual Water Company,
7 Bleich Flat Mutual Water Company, Colorado Mutual Water Co., El Dorado Mutual Water
8 Company, Evergreen Mutual Water Company, Land Projects Mutual Water Co., Landale Mutual
9 Water Co., Shadow Acres Mutual Water Company, Sundale Mutual Water Company, Sunnyside
10 Farms Mutual Water Company, Inc., Tierra Bonita Mutual Water Company, West Side Park
11 Mutual Water Co. and White Fence Farms Mutual Water Co., together with the successor(s)-in-
12 interest to any member thereof. Each of the members of the Antelope Valley United Mutuals
13 Group was formed when the owner(s) of the lands that were being developed incorporated the
14 mutual water company and transferred their water rights to the mutual water company in
15 exchange for shares of common stock. The mutual water company owns, operates and maintains
16 the infrastructure for the production, storage, distribution and delivery of water solely to its
17 shareholders. The shareholders of each of these mutual water companies, who are the owners of
18 the real property that is situated within the mutual water company's service area, have the right to
19 have water delivered to their properties, a right appurtenant to their land. [*See, Erwin v. Gage*
20 *Canal Company* (1964) 226 Cal.App.2d 189].

21 **3.5.6 AVEK.** The Antelope Valley–East Kern Water Agency.

22 **3.5.7 Balance Assessment.** The amount of money charged by the
23 Watermaster on all Production Rights, excluding the United States' actual Production, to pay for
24 the costs, not including infrastructure, to purchase, deliver, produce in lieu, or arrange for
25 alternative pumping sources in the Basin.

26 **3.5.8 Basin.** The area adjudicated in this Action as shown on Exhibit 2,
27 attached hereto and incorporated herein by reference, which lies within the boundaries of the line
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1 labeled "Boundaries of the Adjudicated Area" and described therein. The Basin generally
2 encompasses the Antelope Valley bordered on the West and South by the San Gabriel and
3 Tehachapi Mountains, with the eastern boundary being the Los Angeles-San Bernardino County
4 line, as determined by the Court.

5 **3.5.9 Carry Over.** The right to Produce an unproduced portion of an
6 annual Production Right or a Right to Imported Water Return Flows in a Year subsequent to the
7 Year in which the Production Right or Right to Imported Water Return Flows was originally
8 available.

9 **3.5.10 Conjunctive Use.** A method of operation of a groundwater basin
10 under which Imported Water is used or stored in the Basin in Years when it is available; allowing
11 the Basin to refill, and more Groundwater is Produced in Years when Imported Water is less
12 available.

13 **3.5.11 Defaulting Party.** A Party who failed to file a responsive pleading
14 and against which a default judgment has been entered. A list of Defaulting Parties is attached as
15 Exhibit 1.

16 **3.5.12 Drought Program.** The water management program in effect only
17 during the Rampdown period affecting the operations and Replacement Water Assessments of the
18 participating Public Water Suppliers.

19 **3.5.13 Judgment.** A judgment, consistent with Cal.C.C.P. §§ 577 and
20 1908(a)(1) and 43 U.S.C. § 666, determining all rights to Groundwater in the Basin, establishing
21 a Physical Solution, and resolving all claims in the Action.

22 **3.5.14 Groundwater.** Water beneath the surface of the ground and within
23 the zone of saturation, excluding water flowing through known and definite channels.

24 **3.5.15 Imported Water.** Water brought into the Basin from outside the
25 watershed of the Basin as shown in Exhibit 9.

26 **3.5.16 Imported Water Return Flows.** Imported Water that net
27 augments the Basin Groundwater supply after use.

1 **3.5.17 In Lieu Production.** The amount of Imported Water used by a
2 Producer in a Year instead of Producing an equal amount of that Producer's Production Right.

3 **3.5.18 Material Injury.** Material Injury means impacts to the Basin caused
4 by pumping or storage of Groundwater that:

5 **3.5.18.1** Causes material physical harm to the Basin, any
6 Subarea, or any Producer, Party or Production Right, including, but not limited to, Overdraft,
7 degradation of water quality by introduction of contaminants to the aquifer by a Party and/or
8 transmission of those introduced contaminants through the aquifer, liquefaction, land subsidence and
9 other material physical injury caused by elevated or lowered Groundwater levels. Material physical
10 harm does not include "economic injury" that results from other than direct physical causes, including
11 any adverse effect on water rates, lease rates, or demand for water.

12 **3.5.18.2** If fully mitigated, Material Injury shall no longer be
13 considered to be occurring.

14 **3.5.19 Native Safe Yield.** Naturally occurring Groundwater recharge to
15 the Basin, including "return flows" from pumping naturally occurring recharge, on an average
16 annual basis. Imported Water Return Flows are not included in Native Safe Yield.

17 **3.5.20 New Production.** Any Production of Groundwater from the Basin
18 not of right under this Judgment, as of the date of this Judgment.

19 **3.5.21 Non-Overlying Production Rights.** The rights held by the Parties
20 identified in Exhibit 3, attached hereto and incorporated herein by reference.

21 **3.5.22 Non-Pumper Class.** All private (i.e., non-governmental) Persons
22 and entities that own real property within the Basin, as adjudicated, that are not presently
23 pumping water on their property and did not do so at any time during the five Years preceding
24 January 18, 2006. The Non-Pumper Class includes the successors-in-interest by way of purchase,
25 gift, inheritance, or otherwise of such Non-Pumper Class members' land within the Basin. The
26 Non-Pumper Class excludes (1) all Persons to the extent their properties are connected to a
27 municipal water system, public utility, or mutual water company from which they receive water
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1 service, (2) all properties that are listed as “improved” by the Los Angeles County or Kern
2 County Assessor's offices, unless the owners of such properties declare under penalty of perjury
3 that they do not pump and have never pumped water on those properties, and (3) those who opted
4 out of the Non-Pumper Class. The Non-Pumper Class does not include landowners who have
5 been individually named under the Public Water Suppliers' cross-complaint, unless such a
6 landowner has opted into such class.

7 **3.5.23 Non-Pumper Class Judgment.** The amended final Judgment that
8 settled the Non-Pumper Class claims against the Public Water Suppliers approved by the Court
9 on September 22, 2011.

10 **3.5.24 Non-Stipulating Party.** Any Party who had not executed a
11 Stipulation for Entry of this Judgment prior to the date of approval of this Judgment by the Court.

12 **3.5.25 Overdraft.** Extractions in excess of the Safe Yield of water from
13 an aquifer, which over time will lead to a depletion of the water supply within a groundwater
14 basin as well as other detrimental effects, if the imbalance between pumping and extraction
15 continues.

16 **3.5.26 Overlying Production Rights.** The rights held by the Parties
17 identified in Exhibit 4, attached hereto and incorporated herein by reference.

18 **3.5.27 Party (Parties).** Any Person(s) that has (have) been named and
19 served or otherwise properly joined, or has (have) become subject to this Judgment and any prior
20 judgments of this Court in this Action and all their respective heirs, successors-in-interest and
21 assigns. For purposes of this Judgment, a “Person” includes any natural person, firm, association,
22 organization, joint venture, partnership, business, trust, corporation, or public entity.

23 **3.5.28 Pre-Rampdown Production.** The reasonable and beneficial use of
24 Groundwater, excluding Imported Water Return Flows, at a time prior to this Judgment, or the
25 Production Right, whichever is greater.

26 **3.5.29 Produce(d).** To pump Groundwater for existing and future
27 reasonable beneficial uses.

1 **3.5.30 Producer(s).** A Party who Produces Groundwater.

2 **3.5.31 Production.** Annual amount of Groundwater Produced, stated in
3 acre-feet of water.

4 **3.5.32 Production Right.** The amount of Native Safe Yield that may be
5 Produced each Year free of any Replacement Water Assessment and Replacement Obligation.
6 The total of the Production Rights decreed in this Judgment equals the Native Safe Yield. A
7 Production Right does not include any right to Imported Water Return Flows pursuant to
8 Paragraph 5.2.

9 **3.5.33 Pro-Rata Increase.** The proportionate increase in the amount of a
10 Production Right, as provided in Paragraph 18.5.10, provided the total of all Production Rights
11 does not exceed the Native Safe Yield.

12 **3.5.34 Pro-Rata Reduction.** The proportionate reduction in the amount
13 of a Production Right, as provided in Paragraph 18.5.10, in order that the total of all Production
14 Rights does not exceed the Native Safe Yield.

15 **3.5.35 Public Water Suppliers.** The Public Water Suppliers are Los
16 Angeles County Waterworks District No. 40, Palmdale Water District, Quartz Hill Water District,
17 Littlerock Creek Irrigation District, California Water Service Company, Desert Lake Community
18 Services District, North Edwards Water District, City of Palmdale, City of Lancaster, Palm Ranch
19 Irrigation District, Rosamond Community Services District, and West Valley County Water
20 District.

21 **3.5.36 Purpose of Use.** The broad categories of type of water use
22 including but not limited to municipal, irrigation, agricultural and industrial uses.

23 **3.5.37 Rampdown.** The period of time for Pre-Rampdown Production to
24 be reduced to the Native Safe Yield in the manner described in this Judgment.

25 **3.5.38 Recycled Water.** Water that, as a result of treatment of waste, is
26 suitable for a direct beneficial use or a controlled use that would not otherwise occur and is
27 therefore considered a valuable resource.

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1 **3.5.39 Replacement Obligation.** The obligation of a Producer to pay for
2 Replacement Water for Production of Groundwater from the Basin in any Year in excess of the
3 sum of such Producer's Production Right and Imported Water Return Flows.

4 **3.5.40 Replacement Water.** Water purchased by the Watermaster or
5 otherwise provided to satisfy a Replacement Obligation.

6 **3.5.41 Replacement Water Assessment.** The amount charged by the
7 Watermaster to pay for all costs incurred by the Watermaster related to Replacement Water.

8 **3.5.42 Responsible Party.** The Person designated by a Party as the
9 Person responsible for purposes of filing reports and receiving notices pursuant to the provisions
10 of this Judgment.

11 **3.5.43 Safe Yield.** The amount of annual extractions of water from the
12 Basin over time equal to the amount of water needed to recharge the Groundwater aquifer and
13 maintain it in equilibrium, plus any temporary surplus. [*City of Los Angeles v. City of San*
14 *Fernando* (1975) 14 Cal. 3d 199, 278.]

15 **3.5.44 Small Pumper Class.** All private (i.e., non-governmental)
16 Persons and entities that own real property within the Basin, as adjudicated, and that have been
17 pumping less than 25 acre-feet per Year on their property during any Year from 1946 to the
18 present. The Small Pumper Class excludes the defendants in *Wood v. Los Angeles Co.*
19 *Waterworks Dist. 40, et al.*, any Person, firm, trust, corporation, or other entity in which any such
20 defendants has a controlling interest or which is related to or affiliated with any such defendants,
21 and the representatives, heirs, affiliates, successors-in-interest or assigns of any such excluded
22 party. The Small Pumper Class also excludes all Persons and entities that are shareholders in a
23 mutual water company. The Small Pumper Class does not include those who opted out of the
24 Small Pumper Class.

25 **3.5.45 Small Pumper Class Members.** Individual members of the Small
26 Pumper Class who meet the Small Pumper Class definition, and for purposes of this Judgment
27 and any terms pertaining to water rights, where two or more Small Pumper Class Members reside
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1 in the same household, they shall be treated as a single Small Pumper Class Member for purposes
2 of determining water rights.

3 **3.5.46 State of California.** As used herein, State of California shall mean
4 the State of California acting by and through the following State agencies, departments and
5 associations: (1) The California Department of Water Resources; (2) The California Department
6 of Parks and Recreation; (3) The California Department of Transportation; (4) The California
7 State Lands Commission; (5) The California Department of Corrections and Rehabilitation; (6)
8 The 50th District Agricultural Association; (7) The California Department of Veteran Affairs; (8)
9 The California Highway Patrol; and, (9) The California Department of Military.

10 **3.5.47 State Water Project.** Water storage and conveyance facilities
11 operated by the State of California Department of Water Resources from which it delivers water
12 diverted from the Feather River and the Sacramento-San Joaquin Delta via the California
13 Aqueduct to public agencies it has contracted with.

14 **3.5.48 Stipulating Party.** Any Party who has executed a Stipulation for
15 Entry of this Judgment prior to the date of approval of this Judgment by the Court.

16 **3.5.49 Stored Water.** Water held in storage in the Basin, as a result of
17 direct spreading or other methods, for subsequent withdrawal and use pursuant to agreement with
18 the Watermaster and as provided for in this Judgment. Stored Water does not include Imported
19 Water Return Flows.

20 **3.5.50 Subareas.** Portions of the Basin, as described in this document,
21 divided for management purposes.

22 **3.5.51 Total Safe Yield.** The amount of Groundwater that may be safely
23 pumped from the Basin on a long-term basis. Total Safe Yield is the sum of the Native Safe
24 Yield plus the Imported Water Return Flows.

25 **3.5.52 Watermaster.** The Person(s) appointed by the Court to administer
26 the provisions of this Judgment.

3.5.53 Watermaster Engineer. The engineering or hydrology expert or firm retained by the Watermaster to perform engineering and technical analysis and water administration functions as provided for in this Judgment.

3.5.54 District No. 40. Los Angeles County Waterworks District No. 40.

3.5.55 Year. Calendar year.

4. SAFE YIELD AND OVERDRAFT

4.1 Safe Yield: The Native Safe Yield of the Basin is 82,300 acre-feet per Year. With the addition of Imported Water Return Flows, the Total Safe Yield is approximately 110,000 acre-feet per Year, but will vary annually depending on the volume of Imported Water.

4.2 Overdraft: In its Phase 3 trial decision, the Court held that the Basin, defined by the Court's March 12, 2007 Revised Order After Hearing On Jurisdictional Boundaries, is in a state of overdraft based on estimate of extraction and recharge, corroborated by physical evidence of conditions in the Basin. Reliable estimates of the long-term extractions from the Basin have exceeded reliable estimates of the Basin's recharge by significant margins, and empirical evidence of overdraft in the Basin corroborates that conclusion. Portions of the aquifer have sustained a significant loss of Groundwater storage since 1951. The evidence is persuasive that current extractions exceed recharge and therefore that the Basin is in a state of overdraft. The Court's full Phase 3 trial decision is attached as Exhibit 5 and is incorporated herein by reference.

5. PRODUCTION RIGHTS

5.1 Allocation of Rights to Native Safe Yield. Consistent with the goals of this Judgment and to maximize reasonable and beneficial use of the Groundwater of the Basin pursuant to Article X, section 2 of the California Constitution, all the Production Rights established by this Judgment are of equal priority, except the Federal Reserved Water Right which is addressed in Paragraph 5.1.4, and with the reservation of the Small Pumper Class Members' right to claim a priority under Water Code section 106.

1 **5.1.1 Overlying Production Rights.** The Parties listed in Exhibit 4,
2 attached hereto and incorporated herein by reference, have Overlying Production Rights. Exhibit
3 4 sets forth the following for each Overlying Production Right: (1) the Pre-Rampdown
4 Production; (2) the Production Right; and (3) the percentage of the Production from the Adjusted
5 Native Safe Yield.

6 **5.1.1.1** The Parties listed on Exhibit 4 have the right to Produce
7 Groundwater, on an annual basis, up to their Overlying Production Right set forth in Exhibit 4 for
8 each Party. Each Party's Overlying Production Right is subject to the following conditions and
9 limitations:

10 **5.1.1.2** Pursuant to the terms of this Judgment, the Parties listed on
11 Exhibit 4 have the right to Produce their Overlying Production Right for use on land they own or
12 lease and without the need for Watermaster approval.

13 **5.1.1.3** Overlying Production Rights may be transferred pursuant to
14 the provisions of Paragraph 16 of this Judgment.

15 **5.1.1.4** Overlying Production Rights are subject to Pro-Rata
16 Reduction or Increase only pursuant to Paragraph 18.5.10.

17 **5.1.2 Non-Pumper Class Rights.** The Non-Pumper Class members
18 claim the right to Produce Groundwater from the Native Safe Yield for reasonable and beneficial
19 uses on their overlying land as provided for in this Judgment. On September 22, 2011, the Court
20 approved the Non-Pumper Class Stipulation of Settlement through an amended final judgment
21 that settled the Non-Pumper Class' claims against the Public Water Suppliers ("Non-Pumper
22 Class Judgment"). A copy of the Non-Pumper Class Judgment and the Non-Pumper Class
23 Stipulation of Settlement are attached for reference only as Appendices A and B. This Judgment
24 is consistent with the Non-Pumper Class Stipulation of Settlement and Judgment. Future
25 Production by a member of the Non-Pumper Class is addressed in the Physical Solution.

26 **5.1.2.1** The Non-Pumper Class members shall have no right to
27 transfer water pursuant to this Judgment.

1 **5.1.3 Small Pumper Class Production Rights.** Subject only to the
2 closure of the Small Pumper Class membership, the Small Pumper Class's aggregate Production
3 Right is 3806.4 acre-feet per Year. Allocation of water to the Small Pumper Class is set at an
4 average Small Pumper Class Member amount of 1.2 acre-feet per existing household or parcel
5 based upon the 3172 known Small Pumper Class Member parcels at the time of this Judgment.
6 Any Small Pumper Class Member may Produce up to and including 3 acre-feet per Year per
7 existing household for reasonable and beneficial use on their overlying land, and such Production
8 will not be subject to Replacement Water Assessment. Production by any Small Pumper Class
9 Member above 3 acre-feet per Year per household or parcel will be subject to Replacement Water
10 Assessment, as set forth in this Judgment. Administrative Assessments for unmetered Production
11 by Small Pumper Class Members shall be set based upon the allocation of 1.2 acre-feet per Year
12 per household or parcel, whichever is the case; metered Production shall be assessed in accord
13 with the actual Production. A Small Pumper Class Member who is lawfully, by permit, operating
14 a shared well with an adjoining Small Pumper Class Member, shall have all of the same rights
15 and obligations under this Judgment without regard to the location of the shared well, and such
16 shared use is not considered a prohibited transfer of a pumping right under Paragraph 5.1.3.3.

17 **5.1.3.1** The Production of Small Pumper Class Members of up to 3
18 acre-feet per Year of Groundwater per household or per parcel for reasonable and beneficial use
19 shall only be subject to reduction if: (1) the reduction is based upon a statistically credible study
20 and analysis of the Small Pumper Class' actual Native Safe Yield Production, as well as the
21 nature of the use of such Native Safe Yield, over at least a three Year period; and (2) the
22 reduction is mandated by Court order after notice to the Small Pumper Class Members affording a
23 reasonable opportunity for the Court to hear any Small Pumper Class Member objections to such
24 reduction, including a determination that Water Code section 106 may apply so as to prevent a
25 reduction.

26 **5.1.3.2** The primary means for monitoring the Small Pumper Class
27 Members' Groundwater use under the Physical Solution will be based on physical inspection by
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1 the Watermaster, including the use of aerial photographs and satellite imagery. All Small Pumper
2 Class Members agree to permit the Watermaster to subpoena the electrical meter records
3 associated with their Groundwater wells on an annual basis. Should the Watermaster develop a
4 reasonable belief that a Small Pumper Class Member household is using in excess of 3 acre-feet
5 per Year, the Watermaster may cause to be installed a meter on such Small Pumper Class
6 Member's well at the Small Pumper Class Member's expense.

7 **5.1.3.3** The pumping rights of Small Pumper Class Members are
8 not transferable separately from the parcel of property on which the water is pumped, provided
9 however a Small Pumper Class Member may move their water right to another parcel owned by
10 that Small Pumper Class Member with approval of the Court. If a Small Pumper Class Member
11 parcel is sold, absent a written contract stating otherwise and subject to the provisions of this
12 Judgment, the water right for that Small Pumper Class Member parcel shall transfer to the new
13 owners of that Small Pumper Class Member parcel. The pumping rights of Small Pumper Class
14 Members may not be aggregated for use by a purchaser of more than one Small Pumper Class
15 Member's property.

16 **5.1.3.4** Defaults or default judgments entered against any Small
17 Pumper Class Member who did not opt out of the Small Pumper Class are hereby deemed non-
18 operative and vacated *nunc pro tunc*, but only with respect to their ownership of real property
19 meeting the Small Pumper Class definition.

20 **5.1.3.5** The Small Pumper Class shall be permanently closed to new
21 membership upon issuance by the Court of its order granting final approval of the Small Pumper
22 Class Settlement (the "Class Closure Date"), after the provision of notice to the Class of the Class
23 Closure Date. Any Person or entity that does not meet the Small Pumper Class definition prior to
24 the Class Closure Date is not a Member of the Small Pumper Class. Similarly, any additional
25 household constructed on a Small Pumper Class Member parcel after the Class Closure Date is
26 not entitled to a Production Right as set forth in Paragraphs 5.1.3 and 5.1.3.1.

1 **5.1.3.6** Unknown Small Pumper Class Members are defined as: (1)
2 those Persons or entities that are not identified on the list of known Small Pumper Class Members
3 maintained by class counsel and supervised and controlled by the Court as of the Class Closure
4 Date; and (2) any unidentified households existing on a Small Pumper Class Member parcel prior
5 to the Class Closure Date. Within ten (10) Court days of the Class Closure Date, class counsel
6 for the Small Pumper Class shall publish to the Court website and file with the Court a list of the
7 known Small Pumper Class Members.

8 **5.1.3.7** Given the limited number of additions to the Small Pumper
9 Class during the more than five Years since the initial notice was provided to the Class, the Court
10 finds that the number of potentially unknown Small Pumper Class Members and their associated
11 water use is likely very low, and any Production by unknown Small Pumper Class Members is
12 hereby deemed to be *de minimis* in the context of this Physical Solution and shall not alter the
13 Production Rights decreed in this Judgment. However, whenever the identity of any unknown
14 Small Pumper Class Member becomes known, that Small Pumper Class Member shall be bound
15 by all provisions of this Judgment, including without limitation, the assessment obligations
16 applicable to Small Pumper Class Members.

17 **5.1.3.8** In recognition of his service as class representative, Richard
18 Wood has a Production Right of up to five 5 acre-feet per Year for reasonable and beneficial use
19 on his parcel free of Replacement Water Assessment. This Production Right shall not be
20 transferable and is otherwise subject to the provisions of this Judgment.

21 **5.1.4 Federal Reserved Water Right.** The United States has a right to
22 Produce 7,600 acre-feet per Year from the Native Safe Yield as a Federal Reserved Water Right
23 for use for military purposes at Edwards Air Force Base and Air Force Plant 42. *See Cappaert v.*
24 *United States*, 426 U.S. 128, 138 (1976); *United States v. New Mexico*, 438 U.S. 696, 700 (1978).
25 Maps of the boundaries of Edwards Air Force Base and Plant 42 are attached hereto as Exhibits 6
26 and 7. The United States may Produce any or all of this water at any time for uses consistent with
27 the purposes of its Federal Reserved Water Right. Water uses at Edwards Air Force Base and
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1 Plant 42 as of the date of this Judgment are consistent with the military purposes of the facilities.
2 The Federal Reserved Water Right to Produce 7,600 acre-feet per Year is not subject to
3 Rampdown or any reduction including Pro-Rata Reduction due to Overdraft.

4 **5.1.4.1** In the event the United States does not Produce its
5 entire 7,600 acre-feet in any given Year, the unused amount in any Year will be allocated to the
6 Non-Overlying Production Rights holders, except for Boron Community Services District and
7 West Valley County Water District, in the following Year, in proportion to Production Rights set
8 forth in Exhibit 3. This Production of unused Federal Reserved Water Right Production does not
9 increase any Non-Overlying Production Right holder's decreed Non-Overlying Production Right
10 amount or percentage, and does not affect the United States' ability to fully Produce its Federal
11 Reserved Water Right as provided in Paragraph 5.1.4 in any subsequent Year. Upon entry of a
12 judgment confirming its Federal Reserved Water Rights consistent with this Judgment, the United
13 States waives any rights under State law to a correlative share of the Groundwater in the Basin
14 underlying Edwards Air Force Base and Air Force Plant 42.

15 **5.1.4.2** The United States is not precluded from acquiring State law
16 based Production Rights in excess of its Federal Reserved Water Right through the acquisition of
17 Production Rights in the Basin.

18 **5.1.5 State of California Production Rights.** The State of California
19 shall have a Production Right of 207 acre-feet per Year from the Native Safe Yield and shall have
20 the additional right to Produce Native Safe Yield as set forth in Paragraphs 5.1.5.3 and 5.1.5.4
21 below. This Production of Native Safe Yield shall not be subject to Pro-Rata Reduction. Any
22 Production by the State of California above 207 acre-feet per Year that is not Produced pursuant
23 to Paragraphs 5.1.5.3 and 5.1.5.4 below shall be subject to Replacement Assessments. All
24 Production by the State of California shall also be subject to the Administrative Assessment and
25 the Balance Assessment except in emergency situations as provided in Paragraph 5.1.5.4.3 below.
26 Any Production of Native Safe Yield pursuant to Paragraphs 5.1.5.3 and 5.1.5.4 below shall not
27 reduce any other Party's Production Rights pursuant to this Judgment.

1 **5.1.5.1** The State of California's Production Right in the amount of
2 207 acre-feet per Year is allocated separately to each of the State agencies, departments, and
3 associations as listed below in Paragraph 5.1.5.2. Notwithstanding the separate allocations, any
4 Production Right, or portion thereof, of one of the State agencies, departments, and associations
5 may be transferred or used by the other State agencies, departments, and associations on parcels
6 within the Basin. This transfer shall be done by agreement between the State agencies,
7 departments, or associations without a Replacement Water Assessment and without the need for
8 Watermaster approval. Prior to the transfer of another State agency, department, or association's
9 Production Right, the State agency, department, or association receiving the ability to use the
10 Production Right shall obtain written consent from the transferor. Further, the State agency,
11 department, or association receiving the Production Right shall notify the Watermaster of the
12 transfer.

13 **5.1.5.2** The Production Rights are allocated as follows and may be
14 exercised by the following nine (9) State agencies:

15 **5.1.5.2.1** The California Department of Water Resources-104
16 acre- feet per Year.

17 **5.1.5.2.2** The California Department of Parks and Recreation-
18 9 acre-feet per Year.

19 **5.1.5.2.3** The California Department of Transportation -47
20 acre-feet per Year.

21 **5.1.5.2.4** The California State Lands Commission-3 acre-feet
22 per Year

23 **5.1.5.2.5** The California Department of Corrections and
24 Rehabilitation-3 acre-feet per Year.

25 **5.1.5.2.6** The 50th District Agricultural Association-32 acre-
26 feet per Year.

1 **5.1.5.2.7** The California Department of Veteran Affairs-3
2 acre-feet per Year.

3 **5.1.5.2.8** The California Highway Patrol -3 acre- feet per
4 Year.

5 **5.1.5.2.9** The California Department of Military-3 acre-feet
6 per Year.

7 **5.1.5.3** If at any time, the amount of water supplied to the State of
8 California by District No. 40, AVEK, or Rosamond Community Service District is no longer
9 available or no longer available at reasonable rates to the State of California, the State of
10 California shall have the additional right to Produce Native Safe Yield to meet its reasonable and
11 beneficial needs up to 787 acre-feet per Year, the amount provided by District No. 40, AVEK and
12 Rosamond Community Services District to the State of California in the Year 2013.

13 **5.1.5.4** The following provisions will also apply to each specific
14 agency listed below:

15 **5.1.5.4.1** California Department of Corrections &
16 Rehabilitation (CDCR). In addition to its Production Right pursuant to Paragraphs 5.1.5.2.5 and
17 5.1.5.3, CDCR may also pump Groundwater: (1) to the extent necessary to conduct periodic
18 maintenance of its well pumping equipment; and (2) as a supplementary source of drinking water
19 or as an emergency back-up supply as set forth in Water Code section 55338.

20 **5.1.5.4.2** California Department of Water Resources (DWR).
21 In addition to its Production pursuant to Paragraphs 5.1.5.2.1 and 5.1.5.3 above, DWR may also
22 pump Native Safe Yield from the area adjacent to and beneath the California Aqueduct and
23 related facilities at a time and in an amount it determines is reasonably necessary to protect the
24 physical integrity of the California Aqueduct and related facilities from high Groundwater.
25 Further, notwithstanding provisions of this Judgment prohibiting the export of Native Safe Yield
26 from the Basin, DWR may place the Native Safe Yield that it pumps for the protection of the
27 California Aqueduct into the California Aqueduct, whether or not such Native Safe Yield is

1 ultimately returned to the Basin. However, DWR and AVEK shall use their best efforts to enter
2 into an agreement allowing AVEK to recapture the Native Safe Yield DWR puts into the
3 California Aqueduct and return it to the Basin.

4 **5.1.5.4.3** Department of Military. The Department of Military
5 may Produce additional Groundwater in an amount necessary to protect and promote public
6 health and safety during an event deemed to be an emergency by the Department of Military
7 pursuant to California Government Code sections 8567 and 8571, and California Military and
8 Veterans Code sections 143 and 146. Such Production shall be free from any assessment,
9 including any Administrative, Balance, or Replacement Water Assessment.

10 **5.1.5.4.4** The California Department of Veterans Affairs. The
11 California Department of Veteran Affairs has begun the expansion and increased occupancy
12 project of the Veterans Home of California – Lancaster facility owned by the State of California
13 by and on behalf of the California Department of Veterans Affairs. The California Department of
14 Veterans Affairs fully expects that it will be able to purchase up to an additional 40 acre-feet per
15 Year for use at this facility from District No. 40.

16 **5.1.6 Non-Overlying Production Rights.** The Parties listed in Exhibit 3
17 have Production Rights in the amounts listed in Exhibit 3. Exhibit 3 is attached hereto, and
18 incorporated herein by reference. Non-Overlying Production Rights are subject to Pro-Rata
19 Reduction or Increase only pursuant to Paragraph 18.5.10.

20 **5.1.7 City of Lancaster.** The City of Lancaster ("Lancaster") can
21 Produce up to 500 acre-feet of Groundwater for reasonable and beneficial uses at its National
22 Soccer Complex. Such production shall only be subject to Administrative Assessment and no
23 other assessments. Lancaster will stop Producing Groundwater and will use Recycled Water
24 supplied from District No. 40, when it becomes available, to meet the reasonable and beneficial
25 water uses of the National Soccer Complex. Lancaster may continue to Produce up to 500 acre-
26 feet of Groundwater until Recycled Water becomes available to serve the reasonable and
27 beneficial water uses of the National Soccer Complex. Nothing in this paragraph shall be

1 construed as requiring Lancaster to have any responsibility for constructing, or in any way
2 contributing to the cost of, any infrastructure necessary to deliver Recycled Water to the National
3 Soccer Complex.

4 **5.1.8 Antelope Valley Joint Union High School District.** Antelope
5 Valley Joint Union High School District is a public school entity duly organized and existing
6 under the laws of the State of California. In addition to the amounts allocated to Antelope Valley
7 Joint Union High School District (“AVJUHSD”) and pursuant to Exhibit 4, AVJUHSD can
8 additionally produce up to 29 acre-feet of Groundwater for reasonable and beneficial uses on its
9 athletic fields and other public spaces. When recycled water becomes available to Quartz Hill
10 High School (located at 6040 West Avenue L, Quartz Hill, CA 93535) which is a site that is part
11 of AVJUHSD, at a price equal to or less than the lowest cost of any of the following:

12 Replacement Obligation, Replacement Water, or other water that is delivered to AVJUHSD at
13 Quartz Hill High School, AVJUHSD will stop producing the 29 acre-feet of Groundwater
14 allocated to it and use recycled water as a replacement to its 29 acre-feet production. AVJUHSD
15 retains its production rights and allocation pursuant to Exhibit 4 of this Judgment.

16 **5.1.9 Construction of Solar Power Facilities.** Any Party may Produce
17 Groundwater in excess of its Production Right allocated to it in Exhibit 4 for the purpose of
18 constructing a facility located on land overlying the Basin that will generate, distribute or store
19 solar power through and including December 31, 2016 and shall not be charged a Replacement
20 Water Assessment or incur a Replacement Obligation for such Production in excess of its
21 Production Rights. Any amount of such production in excess of the Production Right through
22 and including December 31, 2016 shall be reasonable to accomplish such construction but shall
23 not exceed 500 acre-feet per Year for all Parties using such water.

24 **5.1.10 Production Rights Claimed by Non-Stipulating Parties.** Any
25 claim to a right to Produce Groundwater from the Basin by a Non-Stipulating Party shall be
26 subject to procedural or legal objection by any Stipulating Party. Should the Court, after taking
27 evidence, rule that a Non-Stipulating Party has a Production Right, the Non-Stipulating Party
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1 shall be subject to all provisions of this Judgment, including reduction in Production necessary to
2 implement the Physical Solution and the requirements to pay assessments, but shall not be
3 entitled to benefits provided by Stipulation, including but not limited to Carry Over pursuant to
4 Paragraph 15 and Transfers pursuant to Paragraph 16. If the total Production by Non-Stipulating
5 Parties is less than seven percent (7%) of the Native Safe Yield, such Production will be
6 addressed when Native Safe Yield is reviewed pursuant to Paragraph 18.5.9. If the total
7 Production by Non-Stipulating Parties is greater than seven percent (7%) of the Native Safe
8 Yield, the Watermaster shall determine whether Production by Non-Stipulating Parties would
9 cause Material Injury, in which case the Watermaster shall take action to mitigate the Material
10 Injury, including, but not limited to, imposing a Balance Assessment, provided however, that the
11 Watermaster shall not recommend any changes to the allocations under Exhibits 3 and 4 prior to
12 the redetermination of Native Safe Yield pursuant to Paragraph 18.5.9. In all cases, however,
13 whenever the Watermaster re-determines the Native Safe Yield pursuant to Paragraph 18.5.9, the
14 Watermaster shall take action to prevent Native Safe Yield Production from exceeding the Native
15 Safe Yield on a long-term basis.

16 **5.2 Rights to Imported Water Return Flows.**

17 **5.2.1 Rights to Imported Water Return Flows.** Return Flows from
18 Imported Water used within the Basin which net augment the Basin Groundwater supply are not a
19 part of the Native Safe Yield. Subject to review pursuant to Paragraph 18.5.11, Imported Water
20 Return Flows from Agricultural Imported Water use are 34% and Imported Water Return Flows
21 from Municipal and Industrial Imported Water use are 39% of the amount of Imported Water
22 used.

23 **5.2.2 Water Imported Through AVEK.** The right to Produce Imported
24 Water Return Flows from water imported through AVEK belongs exclusively to the Parties
25 identified on Exhibit 8, attached hereto, and incorporated herein by reference. Each Party shown
26 on Exhibit 8 shall have a right to Produce an amount of Imported Water Return Flows in any
27 Year equal to the applicable percentage multiplied by the average amount of Imported Water used
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1 by that Party within the Basin in the preceding five Year period (not including Imported Stored
2 Water in the Basin). Any Party that uses Imported Water on lands outside the Basin but within the
3 watershed of the Basin shall be entitled to Produce Imported Water Return Flows to the extent
4 such Party establishes to the satisfaction of the Watermaster the amount that its Imported Water
5 Return Flows augment the Basin Groundwater supply. This right shall be in addition to that
6 Party's Overlying or Non-Overlying Production Right. Production of Imported Water Return
7 Flows is not subject to the Replacement Water Assessment. All Imported Water Return Flows
8 from water imported through AVEK and not allocated to Parties identified in Exhibit 8 belong
9 exclusively to AVEK, unless otherwise agreed by AVEK. Notwithstanding the foregoing, Boron
10 Community Services District shall have the right to Produce Imported Water Return Flows, up to
11 78 acre-feet annually, based on the applicable percentage multiplied by the average amount of
12 Imported Water used by Boron Community Services District outside the Basin, but within its
13 service area in the preceding five Year period (not including Imported Stored Water in the Basin)
14 without having to establish that the Imported Water Return Flows augment the Basin
15 Groundwater supply.

16 **5.2.3 Water Not Imported Through AVEK.** After entry of this
17 Judgment, a Party other than AVEK that brings Imported Water into the Basin from a source
18 other than AVEK shall notify the Watermaster each Year quantifying the amount and uses of the
19 Imported Water in the prior Year. The Party bringing such Imported Water into the Basin shall
20 have a right to Produce an amount of Imported Water Return Flows in any Year equal to the
21 applicable percentage set forth above multiplied by the average annual amount of Imported Water
22 used by that Party within the Basin in the preceding five Year period (not including Imported
23 Stored Water in the Basin).

24 **5.3 Rights to Recycled Water.** The owner of a waste water treatment plant
25 operated for the purpose of treating wastes from a sanitary sewer system shall hold the exclusive
26 right to the Recycled Water as against anyone who has supplied the water discharged into the
27 waste water collection and treatment system. At the time of this Judgment those Parties that
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1 produce Recycled Water are Los Angeles County Sanitation Districts No. 14 and No. 20,
2 Rosamond Community Services District, and Edwards Air Force Base. Nothing in this Judgment
3 affects or impairs this ownership or any existing or future agreements for the use of Recycled
4 Water within the Basin.

5 **6. INJUNCTION**

6 **6.1 Injunction Against Unauthorized Production.** Each and every Party, its
7 officers, directors, agents, employees, successors, and assigns, except for the United States, is
8 ENJOINED AND RESTRAINED from Producing Groundwater from the Basin except pursuant
9 to this Judgment. Without waiving or foreclosing any arguments or defenses it might have, the
10 United States agrees that nothing herein prevents or precludes the Watermaster or any Party from
11 seeking to enjoin the United States from Producing water in excess of its 7,600 acre-foot per Year
12 Reserved Water Right if and to the extent the United States has not paid the Replacement
13 Assessments for such excess Production or entered into written consent to the imposition of
14 Replacement Assessments as described in Paragraph 9.2.

15 **6.2 Injunction Re Change in Purpose of Use Without Notice to The**
16 **Watermaster.** Each and every Party, its officers, directors, agents, employees, successors, and
17 assigns, is ENJOINED AND RESTRAINED from changing its Purpose of Use of Groundwater at
18 any time without notifying the Watermaster.

19 **6.3 Injunction Against Unauthorized Capture of Stored Water.** Each and
20 every Party, its officers, directors, agents, employees, successors and assigns, is ENJOINED
21 AND RESTRAINED from claiming any right to Produce the Stored Water that has been
22 recharged in the Basin, except pursuant to a Storage Agreement with the Watermaster, and as
23 allowed by this Judgment, or pursuant to water banking operations in existence and operating at
24 the time of this Judgment as identified in Paragraph 14. This Paragraph does not prohibit Parties
25 from importing water into the Basin for direct use, or from Producing or using Imported Water
26 Return Flows owned by such Parties pursuant to Paragraph 5.2.

1 **6.4 Injunction Against Transportation From Basin.** Except upon further
2 order of the Court, each and every Party, its officers, agents, employees, successors and assigns,
3 is ENJOINED AND RESTRAINED from transporting Groundwater hereafter Produced from the
4 Basin to areas outside the Basin except as provided for by the following. The United States may
5 transport water Produced pursuant to its Federal Reserved Water Right to any portion of Edwards
6 Air Force Base, whether or not the location of use is within the Basin. This injunction does not
7 prevent Saint Andrew's Abbey, Inc., U.S. Borax and Tejon Ranchcorp/Tejon Ranch Company
8 from conducting business operations on lands both inside and outside the Basin boundary, and
9 transporting Groundwater Produced consistent with this Judgment for those operations and for
10 use on those lands outside the Basin and within the watershed of the Basin as shown in Exhibit 9.
11 This injunction also does not apply to any California Aqueduct protection dewatering Produced
12 by the California Department of Water Resources. This injunction does not apply to the recovery
13 and use of stored Imported Water by any Party that stores Imported Water in the Basin pursuant
14 to Paragraph 14 of this Judgment.

15 **6.4.1 Export by Boron and Phelan Piñon Hills Community Services**
16 **Districts.**

17 **6.4.1.1** The injunction does not prevent Boron Community Services
18 District from transporting Groundwater Produced consistent with this Judgment for use outside
19 the Basin, provided such water is delivered within its service area.

20 **6.4.1.2** The injunction does not apply to any Groundwater Produced
21 within the Basin by Phelan Piñon Hills Community Services District and delivered to its service
22 areas, so long as the total Production does not exceed 1,200 acre-feet per Year, such water is
23 available for Production without causing Material Injury, and the District pays a Replacement
24 Water Assessment pursuant to Paragraph 9.2, together with any other costs deemed necessary to
25 protect Production Rights decreed herein, on all water Produced and exported in this manner.

26 **6.5 Continuing Jurisdiction.** The Court retains and reserves full jurisdiction,
27 power and authority for the purpose of enabling the Court, upon a motion of a Party or Parties
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1 noticed in accordance with the notice procedures of Paragraph 20.6 hereof, to make such further
2 or supplemental order or directions as may be necessary or appropriate to interpret, enforce,
3 administer or carry out this Judgment and to provide for such other matters as are not
4 contemplated by this Judgment and which might occur in the future, and which if not provided for
5 would defeat the purpose of this Judgment.

6 **III. PHYSICAL SOLUTION**

7 **7. GENERAL**

8 **7.1 Purpose and Objective.** The Court finds that the Physical Solution
9 incorporated as part of this Judgment: (1) is a fair and equitable basis for satisfaction of all water
10 rights in the Basin; (2) is in furtherance of the State Constitution mandate and the State water
11 policy; and (3) takes into account water rights priorities, applicable public trust interests and the
12 Federal Reserved Water Right. The Court finds that the Physical Solution establishes a legal and
13 practical means for making the maximum reasonable and beneficial use of the waters of the Basin
14 by providing for the long-term Conjunctive Use of all available water in order to meet the
15 reasonable and beneficial use requirements of water users in the Basin. Therefore, the Court
16 adopts, and orders the Parties to comply with this Physical Solution.

17 **7.2 Need For Flexibility.** This Physical Solution must provide flexibility and
18 adaptability to allow the Court to use existing and future technological, social, institutional, and
19 economic options in order to maximize reasonable and beneficial water use in the Basin.

20 **7.3 General Pattern of Operations.** A fundamental premise of the Physical
21 Solution is that all Parties may Produce sufficient water to meet their reasonable and beneficial
22 use requirements in accordance with the terms of this Judgment. To the extent that Production by
23 a Producer exceeds such Producer's right to Produce a portion of the Total Safe Yield as provided
24 in this Judgment, the Producer will pay a Replacement Water Assessment to the Watermaster and
25 the Watermaster will provide Replacement Water to replace such excess production according to
26 the methods set forth in this Judgment.

1 **7.4 Water Rights.** A Physical Solution for the Basin based upon a declaration
2 of water rights and a formula for allocation of rights and obligations is necessary to implement
3 the mandate of Article X, section 2 of the California Constitution. The Physical Solution requires
4 quantifying the Producers' rights within the Basin in a manner which will reasonably allocate the
5 Native Safe Yield and Imported Water Return Flows and which will provide for sharing Imported
6 Water costs. Imported Water sources are or will be available in amounts which, when combined
7 with water conservation, water reclamation, water transfers, and improved conveyance and
8 distribution methods within the Basin, will be sufficient in quantity and quality to assure
9 implementation of the Physical Solution. Sufficient information and data exists to allocate
10 existing water supplies, taking into account water rights priorities, within the Basin and as among
11 the water users. The Physical Solution provides for delivery and equitable distribution of
12 Imported Water to the Basin.

13 **8. RAMPDOWN**

14 **8.1 Installation of Meters.** Within two (2) Years from the entry of this
15 Judgment all Parties other than the Small Pumper Class shall install meters on their wells for
16 monitoring Production. Each Party shall bear the cost of installing its meter(s). Monitoring or
17 metering of Production by the Small Pumper Class shall be at the discretion of the Watermaster,
18 subject to the provisions of Paragraph 5.1.3.2.

19 **8.2 Rampdown Period.** The "Rampdown Period" is seven Years beginning
20 on the January 1 following entry of this Judgment and continuing for the following seven (7)
21 Years.

22 **8.3 Reduction of Production During Rampdown.** During the first two Years
23 of the Rampdown Period no Producer will be subject to a Replacement Water Assessment.
24 During Years three through seven of the Rampdown Period, the amount that each Party may
25 Produce from the Native Safe Yield will be progressively reduced, as necessary, in equal annual
26 increments, from its Pre-Rampdown Production to its Production Right. Except as is determined
27 to be exempt during the Rampdown period pursuant to the Drought Program provided for in
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1 Paragraph 8.4, any amount Produced over the required reduction shall be subject to Replacement
2 Water Assessment. The Federal Reserved Water Right is not subject to Rampdown.

3 **8.4 Drought Program During Rampdown for Participating Public Water**

4 **Suppliers.** During the Rampdown period a drought water management program (“Drought
5 Program”) will be implemented by District No. 40, Quartz Hill Water District, Littlerock Creek
6 Irrigation District, California Water Service Company, Desert Lake Community Services District,
7 North Edwards Water District, City of Palmdale, and Palm Ranch Irrigation District,
8 (collectively, "Drought Program Participants"), as follows:

9 **8.4.1** During the Rampdown period, District No. 40 agrees to purchase
10 from AVEK each Year at an amount equal to 70 percent of District No. 40's total annual demand
11 if that amount is available from AVEK at no more than the then current AVEK treated water rate.
12 If that amount is not available from AVEK, District No. 40 will purchase as much water as
13 AVEK makes available to District No. 40 at no more than the then current AVEK treated water
14 rate. Under no circumstances will District No. 40 be obligated to purchase more than 50,000
15 acre-feet of water annually from AVEK. Nothing in this Paragraph affects AVEK’s water
16 allocation procedures as established by its Board of Directors and AVEK’s Act.

17 **8.4.2** During the Rampdown period, the Drought Program Participants
18 each agree that, in order to minimize the amount of excess Groundwater Production in the Basin,
19 they will use all water made available by AVEK at no more than the then current AVEK treated
20 water rate in any Year in which they Produce Groundwater in excess of their respective rights to
21 Produce Groundwater under this Judgment. During the Rampdown period, no Production by a
22 Drought Program Participant shall be considered excess Groundwater Production exempt from a
23 Replacement Water Assessment under this Drought Program unless a Drought Program
24 Participant has utilized all water supplies available to it including its Production Right to Native
25 Safe Yield, Return Flow rights, unused Production allocation of the Federal Reserved Water
26 Rights, Imported Water, and Production rights previously transferred from another party.
27 Likewise, no Production by a Drought Program Participant will be considered excess
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1 Groundwater Production exempt from a Replacement Water Assessment under this Drought
2 Program in any Year in which the Drought Program Participant has placed water from such
3 sources described in this Paragraph 8.4.2 into storage or has transferred such water to another
4 Person or entity.

5 **8.4.3** During the Rampdown period, the Drought Program Participants
6 will be exempt from the requirement to pay a Replacement Water Assessment for Groundwater
7 Production in excess of their respective rights to Produce Groundwater under this Judgment up to
8 a total of 40,000 acre-feet over the Rampdown Period with a maximum of 20,000 acre-feet in any
9 single Year for District No. 40 and a total of 5,000 acre-feet over the Rampdown Period for all
10 other Drought Program Participants combined. During any Year that excess Groundwater is
11 produced under this Drought Program, all Groundwater Production by the Drought Program
12 Participants will be for the purpose of a direct delivery to customers served within their respective
13 service areas and will not be transferred to other users within the Basin.

14 **8.4.4** Notwithstanding the foregoing, the Drought Program Participants
15 remain subject to the Material Injury limitation as provided in this Judgment.

16 **8.4.5** Notwithstanding the foregoing, the Drought Program Participants
17 remain subject to a Balance Assessment as provided in Paragraph 9.3 of this Judgment.

18 **9. ASSESSMENTS.**

19 **9.1 Administrative Assessment.** Administrative Assessments to fund the
20 Administrative Budget adopted by the Watermaster shall be levied uniformly on an annual basis
21 against (1) each acre foot of a Party's Production Right as described in Paragraph 5.1, (2) each
22 acre foot of a Party's right to Produce Imported Water Return Flows as determined pursuant to
23 Paragraph 5.2, (3) each acre foot of a Party's Production for which a Replacement Water
24 Assessment has been imposed pursuant to Paragraph 9.2, and (4) during the Rampdown, each
25 acre foot of a Party's Production in excess of (1)-(3), above, excluding Production from Stored
26 Water and/or Carry Over water, except that the United States shall be subject to the
27 Administrative Assessment only on the actual Production of the United States. During the
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1 Rampdown the Administrative Assessment shall be no more than five (5) dollars per acre foot, or
2 as ordered by the Court upon petition of the Watermaster. Non-Overlying Production Rights
3 holders using the unused Production allocation of the Federal Reserved Water Right shall be
4 subject to Administrative Assessments on water the Non-Overlying Production Rights holders
5 Produce pursuant to Paragraph 5.1.4.1.

6 **9.2 Replacement Water Assessment.** In order to ensure that each Party may
7 fully exercise its Production Right, there will be a Replacement Water Assessment. Except as is
8 determined to be exempt during the Rampdown period pursuant to the Drought Program provided
9 for in Paragraph 8.4, the Watermaster shall impose the Replacement Water Assessment on any
10 Producer whose Production of Groundwater from the Basin in any Year is in excess of the sum of
11 such Producer's Production Right and Imported Water Return Flow available in that Year,
12 provided that no Replacement Water Assessment shall be imposed on the United States except
13 upon the United States' written consent to such imposition based on the appropriation by
14 Congress, and the apportionment by the Office of Management and Budget, of funds that are
15 available for the purpose of, and sufficient for, paying the United States' Replacement Water
16 Assessment. The Replacement Water Assessment shall not be imposed on the Production of
17 Stored Water, In-Lieu Production or Production of Imported Water Return Flows. The amount of
18 the Replacement Water Assessment shall be the amount of such excess Production multiplied by
19 the cost to the Watermaster of Replacement Water, including any Watermaster spreading costs.
20 All Replacement Water Assessments collected by the Watermaster shall be used to acquire
21 Imported Water from AVEK, Littlerock Creek Irrigation District, Palmdale Water District, or
22 other entities. AVEK shall use its best efforts to acquire as much Imported Water as possible in a
23 timely manner. If the Watermaster encounters delays in acquiring Imported Water which, due to
24 cost increases, results in collected assessment proceeds being insufficient to purchase all Imported
25 Water for which the Assessments were made, the Watermaster shall purchase as much water as
26 the proceeds will allow when the water becomes available. If available Imported Water is
27 insufficient to fully meet the Replacement Water obligations under contracts, the Watermaster

1 shall allocate the Imported Water for delivery to areas on an equitable and practicable basis
2 pursuant to the Watermaster rules and regulations.

3 **9.2.1** The Non-Pumper Class Stipulation of Settlement, executed by its
4 signatories and approved by the Court in the Non-Pumper Class Judgment, specifically provides
5 for imposition of a Replacement Water Assessment on Non-Pumper Class members. This
6 Judgment is consistent with the Non-Pumper Class Stipulation of Settlement and Judgment. The
7 Non-Pumper Class members specifically agreed to pay a replacement assessment if that member
8 produced “more than its annual share” of the Native Safe Yield less the amount of the Federal
9 Reserved Right. (See Appendix B at paragraph V., section D. Replacement Water.) In approving
10 the Non-Pumper Class Stipulation of Settlement this Court specifically held in its Order after
11 Hearing dated November 18, 2010, that “the court determination of physical solution cannot be
12 limited by the Class Settlement.” The Court also held that the Non-Pumper Class Stipulation of
13 Settlement “may not affect parties who are not parties to the settlement.”

14 **9.2.2** Evidence presented to the Court demonstrates that Production by
15 one or more Public Water Suppliers satisfies the elements of prescription and that Production by
16 overlying landowners during portion(s) of the prescriptive period exceeded the Native Safe Yield.
17 At the time of this Judgment the entire Native Safe Yield is being applied to reasonable and
18 beneficial uses in the Basin. Members of the Non-Pumper Class do not and have never Produced
19 Groundwater for reasonable beneficial use as of the date of this Judgment. Pursuant to *Pasadena*
20 *v. Alhambra* (1949) 33 Cal 2d 908, 931-32 and other applicable law, the failure of the Non-
21 Pumper Class members to Produce any Groundwater under the facts here modifies their rights to
22 Produce Groundwater except as provided in this Judgment. Because this is a comprehensive
23 adjudication pursuant to the McCarran Amendment, consistent with the California Supreme Court
24 decisions, including *In Re Waters of Long Valley Creek Stream System* (1979) 25 Cal. 3d 339,
25 this Court makes the following findings: (1) certainty fosters reasonable and beneficial use of
26 water and is called for by the mandate of Article X, section 2; (2) because of this mandate for
27 certainty and in furtherance of the Physical Solution, any New Production, including that by a
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1 member of the Non-Pumper Class must comply with the New Production Application Procedure
2 specified in Paragraph 18.5.13; (3) as of this Judgment no member of the Non-Pumper Class has
3 established a Production Right to the reasonable and beneficial use of Groundwater based on their
4 unexercised claim of right to Produce Groundwater; (4) if in the future a member of the Non-
5 Pumper Class proposes to Produce Groundwater for reasonable and beneficial use, the
6 Watermaster as part of the New Production Application Procedure, has the authority to determine
7 whether such a member has established that the proposed New Production is a reasonable and
8 beneficial use in the context of other existing uses of Groundwater and then-current Basin
9 conditions; and (5) the Watermaster's determinations as to the approval, scope, nature and priority
10 of any New Production is reasonably necessary to the promotion of the State's interest in fostering
11 the most reasonable and beneficial use of its scarce water resources. All provisions of this
12 Judgment regarding the administration, use and enforcement of the Replacement Water
13 Assessment shall apply to each Non-Pumper Class member that Produces Groundwater. Prior to
14 the commencement of Production, each Producing Non-Pumper Class member shall install a
15 meter and report Production to the Watermaster. The Court finds that this Judgment is consistent
16 with the Non-Pumper Stipulation of Settlement and Judgment.

17 **9.3 Balance Assessment.** In order to ensure that after Rampdown each Party
18 may fully exercise its Production Right, there may be a Balance Assessment imposed by the
19 Watermaster. The Balance Assessment shall be assessed on all Production Rights, excluding the
20 United States' actual Production, but including that portion of the Federal Reserved Right
21 Produced by other Parties, in an amount determined by the Watermaster. A Balance Assessment
22 may not be imposed until after the end of the Rampdown. In determining whether to adopt a
23 Balance Assessment, and in what amount, the Watermaster Engineer shall consider current Basin
24 conditions as well as then-current pumping existing after Rampdown exclusive of any
25 consideration of an effect on then-current Basin conditions relating to Production of Groundwater
26 pursuant to the Drought Program which occurred during the Rampdown, and shall only assess a
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Balance Assessment or curtail a Party's Production under section 9.3.4 below, to avoid or mitigate Material Injury that is caused by Production after the completion of the Rampdown.

9.3.1 Any proceeds of the Balance Assessment will be used to purchase, deliver, produce in lieu, or arrange for alternative pumping sources of water in the Basin, but shall not include infrastructure costs.

9.3.2 The Watermaster Engineer shall determine and collect from any Party receiving direct benefit of the Balance Assessment proceeds an amount equal to that Party's avoided Production costs.

9.3.3 The Balance Assessment shall not be used to benefit the United States unless the United States participates in paying the Balance Assessment.

9.3.4 The Watermaster Engineer may curtail the exercise of a Party's Production Right under this Judgment, except the United States' Production, if it is determined necessary to avoid or mitigate a Material Injury to the Basin and provided that the Watermaster provides an equivalent quantity of water to such Party as a substitute water supply, with such water paid for from the Balance Assessment proceeds.

10. SUBAREAS. Subject to modification by the Watermaster the following Subareas are recognized:

10.1 Central Antelope Valley Subarea. The Central Antelope Valley Subarea is the largest of the five Subareas and underlies Rosamond, Quartz Hill, Lancaster, Edwards AFB and much of Palmdale. This Subarea also contains the largest amount of remaining agricultural land use in the Basin. The distinctive geological features of the Central Antelope Valley Subarea are the presence of surficial playa and pluvial lake deposits; the widespread occurrence of thick, older pluvial lake bed deposits; and alluvial deposits from which Groundwater is produced above and below the lake bed deposits. The Central Antelope Valley Subarea is defined to be east of the largely buried ridge of older granitic and tertiary rocks exposed at Antelope Buttes and extending beyond Little Buttes and Tropico Hill. The Central Subarea is defined to be southwest and

1 northeast of the extension of the Buttes Fault, and northwest of an unnamed fault historically
2 identified from Groundwater level differences, as shown on Exhibit 10.

3 **10.2 West Antelope Valley Subarea.** The West Antelope Valley Subarea is
4 the second largest subarea. The area is characterized by a lack of surficial lake bed deposits, and
5 little evidence of widespread subsurface lake beds, and thick alluvial deposits. The Western
6 Antelope Valley Subarea is defined to be south of the Willow Springs-Cottonwood Fault and
7 west of a largely buried ridge of older granitic and tertiary rocks that are exposed at Antelope
8 Buttes and Little Buttes, and continue to Tropico Hill, as shown on Exhibit 10.

9 **10.3 South East Subarea.** The South East Subarea is characterized by granitic
10 buttes to the north, shallow granitic rocks in the southwest, and a lack of lake bed deposits. The
11 South East Subarea is defined to encompass the remainder of the Basin from the unnamed fault
12 between the Central and South East subareas, to the county-line boundary of the Basin. Notably,
13 this area contains Littlerock and Big Rock creeks that emanate from the mountains to the south
14 and discharge onto the valley floor.

15 **10.4 Willow Springs Subarea.** The Willow Springs Subarea is separated from
16 the West Antelope Subarea primarily because the Willow Springs fault shows some signs of
17 recent movement and there is substantial Groundwater hydraulic separation between the two
18 adjacent areas, suggesting that the fault significantly impedes Groundwater flow from the Willow
19 Springs to the lower West Antelope Subarea. Otherwise, the Willow Springs Subarea is
20 comparable in land use to the West Antelope Subarea, with some limited agricultural land use and
21 no municipal development, as shown on Exhibit 10.

22 **10.5 Rogers Lake Subarea.** The Rogers Lake Subarea is characterized by
23 surficial pluvial Lake Thompson and playa deposits, and a narrow, fault-bound, central trough
24 filled with alluvial deposits. The area is divided into north and south subareas on opposite sides
25 of a buried ridge of granite rock in the north lake, as shown on Exhibit 10.

26 **11. INCREASE IN PRODUCTION BY THE UNITED STATES.**
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1 **11.1 Notice of Increase of Production Under Federal Reserved Water**

2 **Right.** After the date of entry of this Judgment, the United States shall provide the Watermaster
3 with at least ninety (90) days advanced notice if Production by the United States is reasonably
4 anticipated to increase more than 200 acre-feet per Year in a following 12 month period.

5 **11.2 Water Substitution to Reduce Production by United States.** The United

6 States agrees that maximizing Imported Water is essential to improving the Basin's health and
7 agrees that its increased demand can be met by either increasing its Production or by accepting
8 deliveries of Imported Water of sufficient quality to meet the purpose of its Federal Reserved
9 Water Right under the conditions provided for herein. Any Party may propose a water
10 substitution or replacement to the United States to secure a reduction in Groundwater Production
11 by the United States. Such an arrangement would be at the United States' sole discretion and
12 subject to applicable federal law, regulations and other requirements. If such a substitution or
13 replacement arrangement is agreed upon, the United States shall reduce Production by the amount
14 of Replacement Water provided to it, and the Party providing such substitution or replacement of
15 water to the United States may Produce a corresponding amount of Native Safe Yield free from
16 Replacement Water Assessment in addition to their Production Right.

17 **12. MOVEMENT OF PUBLIC WATER SUPPLIERS PRODUCTION**

18 **FACILITIES.**

19 **12.1 No Requirement to Move Public Water Suppliers' Production Wells.**

20 One or more of the Public Water Suppliers intend to seek Federal or State legislation to pay for
21 all costs related to moving the Public Water Suppliers Production wells to areas that will reduce
22 the impact of Public Water Supplier Production on the United States' current Production wells.
23 The Public Water Suppliers shall have no responsibility to move any Production wells until
24 Federal or State legislation fully funding the costs of moving the wells is effective or until
25 required to do so by order of this Court which order shall not be considered or made by this Court
26 until the seventeenth (17th) Year after entry of this Judgment. The Court may only make such an
27 order if it finds that the Public Water Supplier Production from those wells is causing Material
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1 Injury. The Court shall not impose the cost of moving the Public Water Supplier Production
2 Facilities on any non-Public Water Supplier Party to this Judgment.

3 **13. FEDERAL APPROVAL.** This Judgment is contingent on final approval by the
4 Department of Justice. Such approval will be sought upon final agreement of the terms of this
5 Judgment by the settling Parties. Nothing in this Judgment shall be interpreted or construed as a
6 commitment or requirement that the United States obligate or pay funds in contravention of the
7 Anti-Deficiency Act, 31 U.S.C. § 1341, or any other applicable provision of law. Nothing in this
8 Judgment, specifically including Paragraphs 9.1, 9.2 and 9.3, shall be construed to deprive any
9 federal official of the authority to revise, amend, or promulgate regulations. Nothing in this
10 Judgment shall be deemed to limit the authority of the executive branch to make
11 recommendations to Congress on any particular piece of legislation. Nothing in this Judgment
12 shall be construed to commit a federal official to expend federal funds not appropriated by
13 Congress. To the extent that the expenditure or advance of any money or the performance of any
14 obligation of the United States under this Judgment is to be funded by appropriation of funds by
15 Congress, the expenditure, advance, or performance shall be contingent upon the appropriation of
16 funds by Congress that are available for this purpose and the apportionment of such funds by the
17 Office of Management and Budget and certification by the appropriate Air Force official that
18 funding is available for this purpose, and an affirmative obligation of the funds for payment made
19 by the appropriate Air Force official. No breach of this Judgment shall result and no liability
20 shall accrue to the United States in the event such funds are not appropriated or apportioned.

21 **14. STORAGE.** All Parties shall have the right to store water in the Basin pursuant to
22 a Storage Agreement with the Watermaster. If Littlerock Creek Irrigation District or Palmdale
23 Water District stores Imported Water in the Basin it shall not export from its service area that
24 Stored Water. AVEK, Littlerock Creek Irrigation District or Palmdale Water District may enter
25 into exchanges of their State Water Project "Table A" Amounts. Nothing in this Judgment limits
26 or modifies operation of preexisting banking projects (including AVEK, District No. 40, Antelope
27 Valley Water Storage LLC, Tejon Ranchcorp and Tejon Ranch Company, Sheep Creek Water
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Co., Rosamond Community Services District and Palmdale Water District) or performance of preexisting exchange agreements of the Parties. The Watermaster shall promptly enter into Storage Agreements with the Parties at their request. The Watermaster shall not enter into Storage Agreements with non-Parties unless such non-Parties become expressly subject to the provisions of this Judgment and the jurisdiction of the Court. Storage Agreements shall expressly preclude operations which will cause a Material Injury on any Producer. If, pursuant to a Storage Agreement, a Party has provided for pre-delivery or post-delivery of Replacement Water for the Party's use, the Watermaster shall credit such water to the Party's Replacement Water Obligation at the Party's request. Any Stored Water that originated as State Water Project water imported by AVEK, Palmdale Water District or Littlerock Creek Irrigation District may be exported from the Basin for use in a portion of the service area of any city or public agency, including State Water Project Contractors, that are Parties to this action at the time of this Judgment and whose service area includes land outside the Basin. AVEK may export any of its Stored State Project Water to any area outside its jurisdictional boundaries and the Basin provided that all water demands within AVEK's jurisdictional boundaries are met. Any Stored Water that originated as other Imported Water may be exported from the Basin, subject to a requirement that the Watermaster make a technical determination of the percentage of the Stored Water that is unrecoverable and that such unrecoverable Stored Water is dedicated to the Basin.

15. CARRY OVER

15.1 In Lieu Production Right Carry Over. Any Producer identified in Paragraph 5.1.1, 5.1.5 and 5.1.6 can utilize In Lieu Production by purchasing Imported Water and foregoing Production of a corresponding amount of the annual Production of Native Safe Yield provided for in Paragraph 5 herein. In Lieu Production must result in a net reduction of annual Production from the Native Safe Yield in order to be entitled to the corresponding Carry Over benefits under this paragraph. In Lieu Production does not make additional water from the Native Safe Yield available to any other Producer. If a Producer foregoes pumping and uses Imported Water In Lieu of Production, the Producer may Carry Over its right to the unproduced portion of

1 its Production Right for up to ten (10) Years. A Producer must Produce its full current Year's
2 Production Right before any Carry Over water is Produced. Carry Over water will be Produced
3 on a first-in, first-out basis. At the end of the Carry Over period, the Producer may enter into a
4 Storage Agreement with the Watermaster to store unproduced portions, subject to terms and
5 conditions in the Watermaster's discretion. Any such Storage Agreements shall expressly
6 preclude operations, including the rate and amount of extraction, which will cause a Material
7 Injury to another Producer or Party, any subarea or the Basin. If not converted to a Storage
8 Agreement, Carry Over water not Produced by the end of the tenth Year reverts to the benefit of
9 the Basin and the Producer no longer has a right to the Carry Over water. The Producer may
10 transfer any Carry Over water or Carry Over water stored pursuant to a Storage Agreement.

11 **15.2 Imported Water Return Flow Carry Over.** If a Producer identified in
12 Paragraph 5.1.1, 5.1.5 and 5.1.6 fails to Produce its full amount of Imported Water Return Flows
13 in the Year following the Year in which the Imported Water was brought into the Basin, the
14 Producer may Carry Over its right to the unproduced portion of its Imported Water Return Flows
15 for up to ten (10) Years. A Producer must Produce its full Production Right before any Carry
16 Over water, or any other water, is Produced. Carry Over water will be Produced on a first-in,
17 first-out basis. At the end of the Carry Over period, the Producer may enter into a Storage
18 Agreement with the Watermaster to store unproduced portions, subject to terms and conditions in
19 the Watermaster's discretion. Any such Storage Agreements shall expressly preclude operations,
20 including the rate and amount of extraction, which will cause a Material Injury to another
21 Producer or Party, any subarea or the Basin. If not converted to a Storage Agreement, Carry Over
22 water not Produced by the end of the tenth Year reverts to the benefit of the Basin and the
23 Producer no longer has a right to the Carry Over water. The Producer may transfer any Carry
24 Over water or Carry Over water stored pursuant to a Storage Agreement.

25 **15.3 Production Right Carry Over.** If a Producer identified in Paragraph
26 5.1.1, 5.1.5 and 5.1.6 fails to Produce its full Production Right in any Year, the Producer may
27 Carry Over its right to the unproduced portion of its Production Right for up to ten (10) Years. A
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1 Producer must Produce its full Production Right before any Carry Over water, or any other water,
2 is Produced. Carry Over water will be Produced on a first-in, first-out basis. At the end of the
3 Carry Over period, the Producer may enter into a Storage Agreement with the Watermaster to
4 store unproduced portions, subject to terms and conditions in the Watermaster's discretion. Any
5 such Storage Agreements shall expressly preclude operations, including the rate and amount of
6 extraction, which will cause a Material Injury to another Producer or Party, any subarea or the
7 Basin. If not converted to a Storage Agreement, Carry Over water not Produced by the end of the
8 tenth Year reverts to the benefit of the Basin and the Producer no longer has a right to the Carry
9 Over water. The Producer may transfer any Carry Over water or Carry Over water stored
10 pursuant to a Storage Agreement.

11 **16. TRANSFERS.**

12 **16.1 When Transfers are Permitted.** Pursuant to terms and conditions to be
13 set forth in the Watermaster rules and regulations, and except as otherwise provided in this
14 Judgment, Parties may transfer all or any portion of their Production Right to another Party so
15 long as such transfer does not cause Material Injury. All transfers are subject to hydrologic
16 review by the Watermaster Engineer.

17 **16.2 Transfers to Non-Overlying Production Right Holders.** Overlying
18 Production Rights that are transferred to Non-Overlying Production Right holders shall remain on
19 Exhibit 4 and be subject to adjustment as provided in Paragraph 18.5.10, but may be used
20 anywhere in the transferee's service area.

21 **16.3 Limitation on Transfers of Water by Antelope Valley United Mutuals**
22 **Group.** After the date of this Judgment, any Overlying Production Rights pursuant to Paragraph
23 5.1.1, rights to Imported Water Return Flows pursuant to Paragraph 5.2, rights to Recycled Water
24 pursuant to Paragraph 5.3 and Carry Over water pursuant to Paragraph 15 (including any water
25 banked pursuant to a Storage Agreement with the Watermaster) that are at any time held by any
26 member of the Antelope Valley United Mutuals Group may only be transferred to or amongst
27 other members of the Antelope Valley United Mutuals Group, except as provided in Paragraph
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1 16.3.1. Transfers amongst members of the Antelope Valley United Mutuals Group shall be
2 separately reported in the Annual Report of the Watermaster pursuant to Paragraphs 18.4.8 and
3 18.5.17. Transfers amongst members of the Antelope Valley United Mutuals Group shall not be
4 deemed to constitute an abandonment of any member's non-transferred rights.

5 **16.3.1** Nothing in Paragraph 16.3 shall prevent Antelope Valley United
6 Mutuals Group members from transferring Overlying Production Rights to Public Water
7 Suppliers who assume service of an Antelope Valley United Mutuals Group member's
8 shareholders.

9 **16.4** Notwithstanding section 16.1, the Production Right of Boron Community
10 Services District shall not be transferable. If and when Boron Community Services District
11 permanently ceases all Production of Groundwater from the Basin, its Production Right shall be
12 allocated to the other holders of Non-Overlying Production Rights, except for West Valley
13 County Water District, in proportion to those rights.

14 **17. CHANGES IN POINT OF EXTRACTION AND NEW WELLS.** Parties may
15 change the point of extraction for any Production Right to another point of extraction so long as
16 such change of the point of extraction does not cause Material Injury. A replacement well for an
17 existing point of extraction which is located within 300 feet of a Party's existing well shall not be
18 considered a change in point of extraction.

19 **17.1 Notice of New Well.** Any Party seeking to construct a new well in order to
20 change the point of extraction for any Production Right to another point of extraction shall notify
21 the Watermaster at least 90 days in advance of drilling any well of the location of the new point
22 of extraction and the intended place of use of the water Produced.

23 **17.2 Change in Point of Extraction by the United States.** The point(s) of
24 extraction for the Federal Reserved Water Right may be changed, at the sole discretion of the
25 United States, and not subject to the preceding limitation on Material Injury, to any point or
26 points within the boundaries of Edwards Air Force Base or Plant 42. The point(s) of extraction
27 for the Federal Reserved Water Right may be changed to points outside the boundaries of
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1 Edwards Air Force Base or Plant 42, provided such change in the point of extraction does not
2 cause Material Injury. In exercising its discretion under this Paragraph 17.2, the United States
3 shall consider information in its possession regarding the effect of Production from the intended
4 new point of extraction on the Basin, and on other Producers. Any such change in point(s) of
5 extraction shall be at the expense of the United States. Nothing in this Paragraph is intended to
6 waive any monetary claim(s) another Party may have against the United States in federal court
7 based upon any change in point of extraction by the United States.

8 **18. WATERMASTER**

9 **18.1 Appointment of Initial Watermaster.**

10 **18.1.1** Appointment and Composition: The Court hereby appoints a
11 Watermaster. The Watermaster shall be a five (5) member board composed of one representative
12 each from AVEK and District No. 40, a second Public Water Supplier representative selected by
13 District No. 40, Palmdale Water District, Quartz Hill Water District, Littlerock Creek Irrigation
14 District, California Water Service Company, Desert Lake Community Services District, North
15 Edwards Water District, City of Palmdale, City of Lancaster, Palm Ranch Irrigation District, and
16 Rosamond Community Services District, and two (2) landowner Parties, exclusive of public
17 agencies and members of the Non-Pumper and Small Pumper Classes, selected by majority vote
18 of the landowners identified on Exhibit 4 (or their successors in interest) based on their
19 proportionate share of the total Production Rights identified in Exhibit 4. The United States may
20 also appoint a non-voting Department of Defense (DoD) Liaison to the Watermaster committee to
21 represent DoD interests. Participation by the DoD Liaison shall be governed by Joint Ethics
22 Regulation 3-201. The opinions or actions of the DoD liaison in participating in or contributing
23 to Watermaster proceedings cannot bind DoD or any of its components.

24 **18.1.2** Voting Protocol for Watermaster Actions:

25 **18.1.2.1** The Watermaster shall make decisions by unanimous vote
26 for the purpose of selecting or dismissing the Watermaster Engineer.
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1 **18.1.2.2** The Watermaster shall determine by unanimous vote, after
2 consultation with the Watermaster Engineer, the types of decisions that shall require unanimous
3 vote and those that shall require only a simple majority vote.

4 **18.1.2.3** All decisions of the Watermaster, other than those
5 specifically designated as being subject to a simple majority vote, shall be by a unanimous vote.

6 **18.1.2.4** All board members must be present to make any decision
7 requiring a unanimous vote.

8 **18.1.3** In carrying out this appointment, the Watermaster shall segregate
9 and separately exercise in all respects the Watermaster powers delegated by the Court under this
10 Judgment. All funds received, held, and disbursed by the Watermaster shall be by way of
11 separate Watermaster accounts, subject to separate accounting and auditing. Meetings and
12 hearings held by the Watermaster shall be noticed and conducted separately.

13 **18.1.4** Pursuant to duly adopted Watermaster rules, Watermaster staff and
14 administrative functions may be accomplished by AVEK, subject to strict time and cost
15 accounting principles so that this Judgment does not subsidize, and is not subsidized by AVEK.

16 **18.2** **Standard of Performance.** The Watermaster shall carry out its duties,
17 powers and responsibilities in an impartial manner without favor or prejudice to any Subarea,
18 Producer, Party, or Purpose of Use.

19 **18.3** **Removal of Watermaster.** The Court retains and reserves full
20 jurisdiction, power, and authority to remove any Watermaster for good cause and substitute a new
21 Watermaster in its place, upon its own motion or upon motion of any Party in accordance with the
22 notice and hearing procedures set forth in Paragraph 20.6. The Court shall find good cause for
23 the removal of a Watermaster upon a showing that the Watermaster has: (1) failed to exercise its
24 powers or perform its duties; (2) performed its powers in a biased manner; or (3) otherwise failed
25 to act in the manner consistent with the provisions set forth in this Judgment or subsequent order
26 of the Court.

1 **18.4 Powers and Duties of the Watermaster.** Subject to the continuing
2 supervision and control of the Court, the Watermaster shall have and may exercise the following
3 express powers and duties, together with any specific powers and duties set forth elsewhere in
4 this Judgment or ordered by the Court:

5 **18.4.1 Selection of the Watermaster Engineer.** The Watermaster shall
6 select the Watermaster Engineer with the advice of the Advisory Committee described in
7 Paragraph 19.

8 **18.4.2 Adoption of Rules and Regulations.** The Court may adopt
9 appropriate rules and regulations prepared by the Watermaster Engineer and proposed by the
10 Watermaster for conduct pursuant to this Judgment. Before proposing rules and regulations, the
11 Watermaster shall hold a public hearing. Thirty (30) days prior to the date of the hearing, the
12 Watermaster shall send to all Parties notice of the hearing and a copy of the proposed rules and
13 regulations or amendments thereto. All Watermaster rules and regulations, and any amendments
14 to the Watermaster rules and regulations, shall be consistent with this Judgment and are subject to
15 approval by the Court, for cause shown, after consideration of the objections of any Party.

16 **18.4.3 Employment of Experts and Agents.** The Watermaster may
17 employ such administrative personnel, engineering, legal, accounting, or other specialty services,
18 and consulting assistants as appropriate in carrying out the terms of this Judgment.

19 **18.4.4 Notice List.** The Watermaster shall maintain a current list of
20 Parties to receive notice. The Parties have an affirmative obligation to provide the Watermaster
21 with their current contact information. For Small Pumper Class Members, the Watermaster shall
22 initially use the contact information contained in the list of Small Pumper Class members filed
23 with the Court by class counsel.

24 **18.4.5 Annual Administrative Budget.** The Watermaster shall prepare a
25 proposed administrative budget for each Year. The Watermaster shall hold a public hearing
26 regarding the proposed administrative budget and adopt an administrative budget. The
27 administrative budget shall set forth budgeted items and Administrative Assessments in sufficient
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1 detail to show the allocation of the expense among the Producers. Following the adoption of the
2 budget, the Watermaster may make expenditures within budgeted items in the exercise of powers
3 herein granted, as a matter of course.

4 **18.4.6 Investment of Funds.** The Watermaster may hold and invest any
5 funds in investments authorized from time to time for public agencies in the State of California.
6 All funds shall be held in separate accounts and not comingled with the Watermaster's personal
7 funds.

8 **18.4.7 Borrowing.** The Watermaster may borrow in anticipation of
9 receipt of proceeds from any assessments authorized in Paragraph 9 in an amount not to exceed
10 the annual amount of assessments.

11 **18.4.8 Transfers.** On an annual basis, the Watermaster shall prepare and
12 maintain a report or record of any transfer of Production Rights among Parties. Upon reasonable
13 request, the Watermaster shall make such report or record available for inspection by any Party.
14 A report or records of transfer of Production Rights under this Paragraph shall be considered a
15 ministerial act.

16 **18.4.9 New Production Applications.** The Watermaster shall consider
17 and determine whether to approve applications for New Production after consideration of the
18 recommendation of the Watermaster Engineer.

19 **18.4.10 Unauthorized Actions.** The Watermaster shall bring such action
20 or motion as is necessary to enjoin any conduct prohibited by this Judgment.

21 **18.4.11 Meetings and Records.** Watermaster shall provide notice of and
22 conduct all meetings and hearings in a manner consistent with the standards and timetables set
23 forth in the Ralph M. Brown Act, Government Code sections 54950, et seq. Watermaster shall
24 make its files and records available to any Person consistent with the standards and timetables set
25 forth in the Public Records Act, Government Code sections 6200, et seq.

26 **18.4.12 Assessment Procedure.** Each Party hereto is ordered to pay the
27 assessments authorized in Paragraph 9 of this Judgment, which shall be levied and collected in
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accordance with the procedures and schedules determined by the Watermaster. Any assessment which becomes delinquent, as defined by rules and regulations promulgated by the Watermaster shall bear interest at the then current real property tax delinquency rate for the county in which the property of the delinquent Party is located. The United States shall not be subject to payment of interest absent congressional waiver of immunity for the imposition of such interest. This interest rate shall apply to any said delinquent assessment from the due date thereof until paid. The delinquent assessment, together with interest thereon, costs of suit, attorneys fees and reasonable costs of collection, may be collected pursuant to (1) motion by the Watermaster giving notice to the delinquent Party only; (2) Order to Show Cause proceeding, or (3) such other lawful proceeding as may be instituted by the Watermaster or the Court. The United States shall not be subject to costs and fees absent congressional waiver of immunity for such costs and fees. The delinquent assessment shall constitute a lien on the property of the Party as of the same time and in the same manner as does the tax lien securing county property taxes. The property of the United States shall not be subject to any lien. The Watermaster shall annually certify a list of all such unpaid delinquent assessments. The Watermaster shall include the names of those Parties and the amounts of the liens in its list to the County Assessor's Office in the same manner and at the same time as it does its Administrative Assessments. Watermaster shall account for receipt of all collections of assessments collected pursuant to this Judgment, and shall pay such amounts collected pursuant to this Judgment to the Watermaster. The Watermaster shall also have the ability to seek to enjoin Production of those Parties, other than the United States, who do not pay assessments pursuant to this Judgment.

18.5 Watermaster Engineer. The Watermaster Engineer shall have the following duties:

18.5.1 Monitoring of Safe Yield. The Watermaster Engineer shall monitor all the Safe Yield components and include them in the annual report for Court approval. The annual report shall include all relevant data for the Basin.

1 **18.5.2 Reduction in Groundwater Production.** The Watermaster
2 Engineer shall ensure that reductions of Groundwater Production to the Native Safe Yield
3 (Rampdown) take place pursuant to the terms of this Judgment and any orders by the Court.

4 **18.5.3 Determination of Replacement Obligations.** The Watermaster
5 Engineer shall determine Replacement Obligations for each Producer, pursuant to the terms of
6 this Judgment.

7 **18.5.4 Balance Obligations.** The Watermaster Engineer shall determine
8 Balance Assessment obligations for each Producer pursuant to the terms of this Judgment. In
9 addition, the Watermaster Engineer shall determine the amount of water derived from the Balance
10 Assessment that shall be allocated to any Producer to enable that Producer to fully exercise its
11 Production Right.

12 **18.5.5 Measuring Devices, Etc.** The Watermaster Engineer shall
13 propose, and the Watermaster shall adopt and maintain, rules and regulations regarding
14 determination of Production amounts and installation of individual water meters. The rules and
15 regulations shall set forth approved devices or methods to measure or estimate Production.
16 Producers who meter Production on the date of entry of this Judgment shall continue to meter
17 Production. The Watermaster rules and regulations shall require Producers who do not meter
18 Production on the effective date of entry of this Judgment, except the Small Pumper Class, to
19 install water meters within two Years.

20 **18.5.6 Hydrologic Data Collection.** The Watermaster Engineer shall (1)
21 operate, and maintain such wells, measuring devices, and/or meters necessary to monitor stream
22 flow, precipitation, Groundwater levels, and Basin Subareas, and (2) to obtain such other data as
23 may be necessary to carry out this Judgment.

24 **18.5.7 Purchases of and Recharge with Replacement Water.** To the
25 extent Imported Water is available, the Watermaster Engineer shall use Replacement Water
26 Assessment proceeds to purchase Replacement Water, and deliver such water to the area deemed
27 most appropriate as soon as practicable. The Watermaster Engineer may pre-purchase
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1 Replacement Water and apply subsequent assessments towards the costs of such pre-purchases.
2 The Watermaster Engineer shall reasonably and equitably actively manage the Basin to protect
3 and enhance the health of the Basin.

4 **18.5.8 Water Quality.** The Watermaster Engineer shall take all
5 reasonable steps to assist and encourage appropriate regulatory agencies to enforce reasonable
6 water quality regulations affecting the Basin, including regulation of solid and liquid waste
7 disposal, and establishing Memorandums of Understanding with Kern and Los Angeles Counties
8 regarding well drilling ordinances and reporting.

9 **18.5.9 Native Safe Yield.** Ten (10) Years following the end of the seven
10 Year Rampdown period, in the seventeenth (17th) Year, or any time thereafter, the Watermaster
11 Engineer may recommend to the Court an increase or reduction of the Native Safe Yield. The
12 Watermaster Engineer shall initiate no recommendation to change Native Safe Yield prior to the
13 end of the seventeenth (17th) Year. In the event the Watermaster Engineer recommends in its
14 report to the Court that the Native Safe Yield be revised based on the best available science, the
15 Court shall conduct a hearing regarding the recommendations and may order a change in Native
16 Safe Yield. Watermaster shall give notice of the hearing pursuant to Paragraph 20.3.2. The most
17 recent Native Safe Yield shall remain in effect until revised by Court order according to this
18 paragraph. If the Court approves a reduction in the Native Safe Yield, it shall impose a Pro-Rata
19 Reduction as set forth herein, such reduction to be implemented over a seven (7) Year period. If
20 the Court approves an increase in the Native Safe Yield, it shall impose a Pro-Rata Increase as set
21 forth herein, such increase to be implemented immediately. Only the Court can change the
22 Native Safe Yield.

23 **18.5.10 Change in Production Rights in Response to Change in Native**
24 **Safe Yield.** In the event the Court changes the Native Safe Yield pursuant to Paragraph 18.5.9,
25 the increase or decrease will be allocated among the Producers in the agreed percentages listed in
26 Exhibits 3 and 4, except that the Federal Reserved Water Right of the United States is not subject
27 to any increase or decrease.

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18.5.11 Review of Calculation of Imported Water Return Flow

Percentages. Ten (10) Years following the end of the Rampdown, in the seventeenth (17th) Year, or any time thereafter, the Watermaster Engineer may recommend to the Court an increase or decrease of Imported Water Return Flow percentages. The Watermaster Engineer shall initiate no recommendation to change Imported Water Return Flow percentages prior to end of the seventeenth (17th) Year. In the event the Watermaster Engineer recommends in its report to the Court that Imported Water Return Flow percentages for the Basin may need to be revised based on the best available science, the Court shall conduct a hearing regarding the recommendations and may order a change in Imported Water Return Flow percentages. Watermaster shall give notice of the hearing pursuant to Paragraph 20.6. The Imported Water Return Flow percentages set forth in Paragraph 5.2 shall remain in effect unless revised by Court order according to this Paragraph. If the Court approves a reduction in the Imported Water Return Flow percentages, such reduction shall be implemented over a seven (7) Year period. Only the Court can change the Imported Water Return Flow percentages.

18.5.12 Production Reports. The Watermaster Engineer shall require each

Producer, other than unmetered Small Pumper Class Members, to file an annual Production report with the Watermaster. Producers shall prepare the Production reports in a form prescribed by the rules and regulations. The Production reports shall state the total Production for the reporting Party, including Production per well, rounded off to the nearest tenth of an acre foot for each reporting period. The Production reports shall include such additional information and supporting documentation as the rules and regulations may reasonably require.

18.5.13 New Production Application Procedure. The Watermaster

Engineer shall determine whether a Party or Person seeking to commence New Production has established the reasonableness of the New Production in the context of all other uses of Groundwater in the Basin at the time of the application, including whether all of the Native Safe Yield is then currently being used reasonably and beneficially. Considering common law water rights and priorities, the mandate of certainty in Article X, section 2, and all other relevant

1 factors, the Watermaster Engineer has authority to recommend that the application for New
2 Production be denied, or approved on condition of payment of a Replacement Water Assessment.
3 The Watermaster Engineer shall consider, investigate and recommend to the Watermaster
4 whether an application to commence New Production of Groundwater may be approved as
5 follows:

6 **18.5.13.1** All Parties or Person(s) seeking approval from the
7 Watermaster to commence New Production of Groundwater shall submit a written application to
8 the Watermaster Engineer which shall include the following:

9 **18.5.13.1.1** Payment of an application fee sufficient to recover
10 all costs of application review, field investigation, reporting, and hearing, and other associated
11 costs, incurred by the Watermaster and Watermaster Engineer in processing the application for
12 New Production;

13 **18.5.13.1.2** Written summary describing the proposed quantity,
14 sources of supply, season of use, Purpose of Use, place of use, manner of delivery, and other
15 pertinent information regarding the New Production;

16 **18.5.13.1.3** Maps identifying the location of the proposed New
17 Production, including Basin Subarea;

18 **18.5.13.1.4** Copy of any water well permits, specifications and
19 well-log reports, pump specifications and testing results, and water meter specifications
20 associated with the New Production;

21 **18.5.13.1.5** Written confirmation that the applicant has obtained
22 all applicable Federal, State, County, and local land use entitlements and other permits necessary
23 to commence the New Production;

24 **18.5.13.1.6** Written confirmation that the applicant has complied
25 with all applicable Federal, State, County, and local laws, rules and regulations, including but not
26 limited to, the California Environmental Quality Act (Public Resources Code §§ 21000, et. seq.);
27

18.5.13.1.7 Preparation of a water conservation plan, approved and stamped by a California licensed and registered professional civil engineer, demonstrating that the New Production will be designed, constructed and implemented consistent with California best water management practices.

18.5.13.1.8 Preparation of an analysis of the economic impact of the New Production on the Basin and other Producers in the Subarea of the Basin;

18.5.13.1.9 Preparation of an analysis of the physical impact of the New Production on the Basin and other Producers in the Subarea of the Basin;

18.5.13.1.10 A written statement, signed by a California licensed and registered professional civil engineer, determining that the New Production will not cause Material Injury;

18.5.13.1.11 Written confirmation that the applicant agrees to pay the applicable Replacement Water Assessment for any New Production.

18.5.13.1.12 Other pertinent information which the Watermaster Engineer may require.

18.5.13.2 Finding of No Material Injury. The Watermaster Engineer shall not make recommendation for approval of an application to commence New Production of Groundwater unless the Watermaster Engineer finds, after considering all the facts and circumstances including any requirement that the applicant pay a Replacement Water Assessment required by this Judgment or determined by the Watermaster Engineer to be required under the circumstances, that such New Production will not cause Material Injury. If the New Production is limited to domestic use for one single-family household, the Watermaster Engineer has the authority to determine the New Production to be *de minimis* and waive payment of a Replacement Water Assessment; *provided*, the right to Produce such *de minimis* Groundwater is not transferable, and shall not alter the Production Rights decreed in this Judgment.

1 **18.5.13.3 New Production.** No Party or Person shall commence New
2 Production of Groundwater from the Basin absent recommendation by the Watermaster Engineer
3 and approval by the Watermaster.

4 **18.5.13.4 Court Review.** Court review of a Watermaster decision on
5 a New Production application shall be pursuant to Paragraph 20.3.

6 **18.5.14 Storage Agreements.** The Watermaster shall adopt uniformly
7 applicable rules for Storage Agreements. The Watermaster Engineer shall calculate additions,
8 extractions and losses of water stored under Storage Agreements and maintain an Annual account
9 of all such water. Accounting done by the Watermaster Engineer under this Paragraph shall be
10 considered ministerial.

11 **18.5.15 Diversion of Storm Flow.** No Party may undertake or cause the
12 construction of any project within the Watershed of the Basin that will reduce the amount of
13 storm flows that would otherwise enter the Basin and contribute to the Native Safe Yield, without
14 prior notification to the Watermaster Engineer. The Watermaster Engineer may seek an
15 injunction or to otherwise impose restrictions or limitations on such project in order to prevent
16 reduction to Native Safe Yield. The Party sought to be enjoined or otherwise restricted or limited
17 is entitled to notice and an opportunity for the Party to respond prior to the imposition of any
18 restriction or limitation. Any Person may take emergency action as may be necessary to protect
19 the physical safety of its residents and personnel and its structures from flooding. Any such
20 action shall be done in a manner that will minimize any reduction in the quantity of Storm Flows.

21 **18.5.16 Data, Estimates and Procedures.** The Watermaster Engineer
22 shall rely on and use the best available science, records and data to support the implementation of
23 this Judgment. Where actual records of data are not available, the Watermaster Engineer shall
24 rely on and use sound scientific and engineering estimates. The Watermaster Engineer may use
25 preliminary records of measurements, and, if revisions are subsequently made, may reflect such
26 revisions in subsequent accounting.

1 **18.5.17 Filing of Annual Report.** The Watermaster Engineer shall prepare
2 an Annual Report for filing with the Court not later than April 1 of each Year, beginning April 1
3 following the first full Year after entry of this Judgment. Prior to filing the Annual Report with
4 the Court, Watermaster shall notify all Parties that a draft of the Annual Report is available for
5 review by the Parties. Watermaster shall provide notice to all Parties of a public hearing to
6 receive comments and recommendations for changes in the Annual Report. The public hearing
7 shall be conducted pursuant to rules and regulations promulgated by the Watermaster. The notice
8 of public hearing may include such summary of the draft Annual Report as Watermaster may
9 deem appropriate. Watermaster shall distribute the Annual Report to any Parties requesting
10 copies.

11 **18.5.18 Annual Report to Court.** The Annual Report shall include an
12 Annual fiscal report of the preceding Year's operation; details regarding the operation of each of
13 the Subareas; an audit of all Assessments and expenditures; and a review of Watermaster
14 activities. The Annual Report shall include a compilation of at least the following:

- 15 **18.5.18.1 Replacement Obligations;**
- 16 **18.5.18.2 Hydrologic Data Collection;**
- 17 **18.5.18.3 Purchase and Recharge of Imported Water;**
- 18 **18.5.18.4 Notice List;**
- 19 **18.5.18.5 New Production Applications**
- 20 **18.5.18.6 Rules and Regulations;**
- 21 **18.5.18.7 Measuring Devices, etc;**
- 22 **18.5.18.8 Storage Agreements;**
- 23 **18.5.18.9 Annual Administrative Budget;**
- 24 **18.5.18.10 Transfers;**
- 25 **18.5.18.11 Production Reports;**
- 26 **18.5.18.12 Prior Year Report;**
- 27 **18.5.18.13 Amount of Stored Water owned by each Party;**

- 1 **18.5.18.14** Amount of Stored Imported Water owned by each Party;
2 **18.5.18.15** Amount of unused Imported Water Return Flows owned by
3 each Party;
4 **18.5.18.16** Amount of Carry Over Water owned by each Party;
5 **18.5.18.17** All changes in use.

6 **18.6 Recommendations of the Watermaster Engineer.** Unless otherwise
7 determined pursuant to Paragraph 18.1.2.2, all recommendations of the Watermaster Engineer
8 must be approved by unanimous vote of all members of the Watermaster. If there is not
9 unanimous vote among Watermaster members, Watermaster Engineer recommendations must be
10 presented to the Court for action and implementation.

11 **18.7 Interim Approvals by the Court.** Until the Court approves rules and
12 regulations proposed by the Watermaster, the Court, upon noticed motion, may take or approve
13 any actions that the Watermaster or the Watermaster Engineer otherwise would be authorized to
14 take or approve under this Judgment.

15 **19. ADVISORY COMMITTEE**

16 **19.1 Authorization.** The Producers are authorized and directed to cause a
17 committee of Producer representatives to be organized and to act as an Advisory Committee.

18 **19.2 Compensation.** The Advisory Committee members shall serve without
19 compensation.

20 **19.3 Powers and Functions.** The Advisory Committee shall act in an advisory
21 capacity only and shall have the duty to study, review, and make recommendations on all
22 discretionary determinations by Watermaster. Parties shall only provide input to the Watermaster
23 through the Advisory Committee.

24 **19.4 Advisory Committee Meetings.** The Advisory Committee shall 1) meet
25 on a regular basis; 2) review Watermaster's activities pursuant to this Judgment on at least a
26 semi-annual basis; and 3) receive and make advisory recommendations to Watermaster.

27 Advisory Committee Meetings shall be open to all members of the public. Edwards Air Force
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1 Base and the State of California shall be ex officio members of the committee. The United States
2 may also appoint a DoD Liaison to the Watermaster pursuant to Joint Ethics Regulation 3-201.

3 **19.5 Subarea Advisory Management Committees.** Subarea Advisory
4 Management Committees will meet on a regular basis and at least semi-annually with the
5 Watermaster Engineer to review Watermaster activities pursuant to this Judgment and to submit
6 advisory recommendations.

7 **19.5.1 Authorization.** The Producers in each of the five Management
8 Subareas are hereby authorized and directed to cause committees of Producer representatives to
9 be organized and to act as Subarea Management Advisory Committees.

10 **19.5.2 Composition and Election.** Each Management Subarea
11 Management Advisory Committee shall consist of five (5) Persons who shall be called
12 Management Advisors. In the election of Management Advisors, every Party shall be entitled to
13 one vote for every acre-foot of Production Right for that Party in that particular subarea. Parties
14 may cumulate their votes and give one candidate a number of votes equal to the number of
15 advisors to be elected, multiplied by the number of votes to which the Party is normally entitled,
16 or distribute the Party's votes on the same principle among as many candidates as the Party thinks
17 fit. In any election of advisors, the candidates receiving the highest number of affirmative votes
18 of the Parties are elected. Elections shall be held upon entry of this Judgment and thereafter
19 every third Year. In the event a vacancy arises, a temporary advisor shall be appointed by
20 unanimous decision of the other four advisors to continue in office until the next scheduled
21 election. Rules and regulations regarding organization, meetings and other activities shall be at
22 the discretion of the individual Subarea Advisory Committees, except that all meetings of the
23 committees shall be open to the public.

24 **19.5.3 Compensation.** The Subarea Management Advisory
25 Committee shall serve without compensation.

26 **19.5.4 Powers and Functions.** The Subarea Management Advisory
27 Committee for each subarea shall act in an advisory capacity only and shall have the duty to
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1 study, review and make recommendations on all discretionary determinations made or to be made
2 hereunder by Watermaster Engineer which may affect that subarea.

3 **20. MISCELLANEOUS PROVISIONS.**

4 **20.1 Water Quality.** Nothing in this Judgment shall be interpreted as relieving
5 any Party of its responsibilities to comply with State or Federal laws for the protection of water
6 quality or the provisions of any permits, standards, requirements, or orders promulgated
7 thereunder.

8 **20.2 Actions Not Subject to CEQA Regulation.** Nothing in this Judgment or
9 the Physical Solution, or in the implementation thereof, or the decisions of the Watermaster
10 acting under the authority of this Judgment shall be deemed a "project" subject to the California
11 Environmental Quality Act (CEQA). See e.g., *California American Water v. City of Seaside*
12 (2010) 183 Cal.App.4th 471, and *Hillside Memorial Park & Mortuary v. Golden State Water Co.*
13 (2011) 205 Cal.App.4th 534. Neither the Watermaster, the Watermaster Engineer, the Advisory
14 Committee, any Subarea Management Committee, nor any other Board or committee formed
15 pursuant to the Physical Solution and under the authority of this Judgment shall be deemed a
16 "public agency" subject to CEQA. (See Public Resources Code section 21063.)

17 **20.3 Court Review of Watermaster Actions.** Any action, decision, rule,
18 regulation, or procedure of Watermaster or the Watermaster Engineer pursuant to this Judgment
19 shall be subject to review by the Court on its own motion or on timely motion by any Party as
20 follows:

21 **20.3.1 Effective Date of Watermaster Action.** Any order, decision or
22 action of Watermaster or Watermaster Engineer pursuant to this Judgment on noticed specific
23 agenda items shall be deemed to have occurred on the date of the order, decision or action.

24 **20.3.2 Notice of Motion.** Any Party may move the Court for review of an
25 action or decision pursuant to this Judgment by way of a noticed motion. The motion shall be
26 served pursuant to Paragraph 20.7 of this Judgment. The moving Party shall ensure that the
27 Watermaster is served with the motion under that Paragraph 20.7 or, if electronic service of the
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1 Watermaster is not possible, by overnight mail with prepaid next-day delivery. Unless ordered by
2 the Court, any such petition shall not operate to stay the effect of any action or decision which is
3 challenged.

4 **20.3.3 Time for Motion.** A Party shall file a motion to review any action
5 or decision within ninety (90) days after such action or decision, except that motions to review
6 assessments hereunder shall be filed within thirty (30) days of Watermaster mailing notice of the
7 assessment.

8 **20.3.4 De Novo Nature of Proceeding.** Upon filing of a motion to review
9 a decision or action, the Watermaster shall notify the Parties of a date for a hearing at which time
10 the Court shall take evidence and hear argument. The Court's review shall be *de novo* and the
11 Watermaster's decision or action shall have no evidentiary weight in such proceeding.

12 **20.3.5 Decision.** The decision of the Court in such proceeding shall be an
13 appealable supplemental order in this case. When the Court's decision is final, it shall be binding
14 upon Watermaster and the Parties.

15 **20.4 Multiple Production Rights.** A Party simultaneously may be a member
16 of the Small Pumper Class and hold an Overlying Production Right by virtue of owning land
17 other than the parcel(s) meeting the Small Pumper Class definition. The Small Pumper Class
18 definition shall be construed in accordance with Paragraph 3.5.44 and 3.5.45.

19 **20.5 Payment of Assessments.** Payment of assessments levied by Watermaster
20 hereunder shall be made pursuant to the time schedule developed by the Watermaster,
21 notwithstanding any motion for review of Watermaster actions, decisions, rules or procedures,
22 including review of assessments implemented by the Watermaster.

23 **20.6 Designation of Address for Notice and Service.** Each Party shall
24 designate a name and address to be used for purposes of all subsequent notices and service herein,
25 either by its endorsement on this Judgment or by a separate designation to be filed within thirty
26 (30) days after judgment has been entered. A Party may change its designation by filing a written
27 notice of such change with Watermaster. A Party that desires to be relieved of receiving notices
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1 of Watermaster activity may file a waiver of notice in a form to be provided by Watermaster. At
2 all times, Watermaster shall maintain a current list of Parties to whom notices are to be sent and
3 their addresses for purpose of service. Watermaster shall also maintain a full current list of said
4 names and addresses of all Parties or their successors, as filed herein. Watermaster shall make
5 copies of such lists available to any requesting Person. If no designation is made, a Party's
6 designee shall be deemed to be, in order of priority: (1) the Party's attorney of record; (2) if the
7 Party does not have an attorney of record, the Party itself at the address on the Watermaster list;
8 (3) for Small Pumper Class Members, after this Judgment is final, the individual Small Pumper
9 Class Members at the service address maintained by the Watermaster.

10 **20.7 Service of Documents.** Unless otherwise ordered by the Court, delivery to
11 or service to any Party by the Court or any Party of any document required to be served upon or
12 delivered to a Party pursuant to this Judgment shall be deemed made if made by e-filing on the
13 Court's website at www.scefiling.org. All Parties agree to waive service by mail if they receive
14 notifications via electronic filing at the above identified website.

15 **20.8 No Abandonment of Rights.** In the interest of the Basin and its water
16 supply, and the principle of reasonable and beneficial use, no Party shall be encouraged to
17 Produce and use more water in any Year than is reasonably required. Failure to Produce all of the
18 Groundwater to which a Party is entitled shall not, in and of itself, be deemed or constitute an
19 abandonment of such Party's right, in whole or in part, except as specified in Paragraph 15.

20 **20.9 Intervention After Judgment.** Any Person who is not a Party or
21 successor to a Party and who proposes to Produce Groundwater from the Basin, to store water in
22 the Basin, to acquire a Production Right or to otherwise take actions that may affect the Basin's
23 Groundwater is required to seek to become a Party subject to this Judgment through a noticed
24 motion to intervene in this Judgment prior to commencing Production. Prior to filing such a
25 motion, a proposed intervenor shall consult with the Watermaster Engineer and seek the
26 Watermaster's stipulation to the proposed intervention. A proposed intervenor's failure to consult
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with the Watermaster Engineer may be grounds for denying the intervention motion. Thereafter, if approved by the Court, such intervenor shall be a Party bound by this Judgment.

20.10 Judgment Binding on Successors, etc. Subject to specific provisions hereinbefore contained, this Judgment applies to and is binding upon, and inures to the benefit of the Parties to this Action and all their respective heirs, successors-in-interest and assigns.

20.11 Costs. Except subject to any existing court orders, each Party shall bear its own costs and attorneys fees arising from the Action.

20.12 Headings; Paragraph References. Captions and headings appearing in this Judgment are inserted solely as reference aids for ease and convenience; they shall not be deemed to define or limit the scope or substance of the provisions they introduce, nor shall they be used in construing the intent or effect of such provisions.

20.13 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation of the Parties.

20.14 Severability. Except as specifically provided herein, the provisions of this Judgment are not severable.

20.15 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Judgment.

20.16 Exhibits and Other Writings. Any and all exhibits, documents, instruments, certificates or other writings attached hereto or required or provided for by this Judgment, if any, shall be part of this Judgment and shall be considered set forth in full at each reference thereto in this Judgment.

Dated: _____

JUDGE OF THE SUPERIOR COURT

EXHIBIT 2

Orange County Water District v. City of Chino, et al.
(Sup. Ct. County of Orange, April 17, 1969, No. 117628)

FILED
APR 17 1969

W. E. ST JOHN, County Clerk
CB
Clerk of the Superior Court of Orange County, California

ENTERED IN
JUDGMENT BOOK

No. 262 Page 303
Date APR 17 1969

SUPERIOR COURT FOR THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

ORANGE COUNTY WATER DISTRICT,

Plaintiff,

v.

CITY OF CHINO, et al.,

Defendants.

CITY OF CHINO, et al.,

Cross-Complainants,

v.

CITY OF ANAHEIM, et al.,

Cross-Defendants.

CORONA FOOTHILL LEMON COMPANY, et al.,

Cross-Complainants,

v.

CITY OF ANAHEIM, et al.,

Cross-Defendants.

CITY OF POMONA, a municipal corporation,

Cross-Complainant,

v.

CITY OF ANAHEIM, et al.,

Cross-Defendants.

No. 117628

JUDGMENT

1 CITY OF RIVERSIDE, et al.,)
2 Cross-Complainants,)
3 v.)
4 CITY OF ANAHEIM, et al.,)
5 Cross-Defendants.)
6)
7 BEAR VALLEY MUTUAL WATER COMPANY, et al.,)
8 Cross-Complainants,)
9 v.)
10 CITY OF ANAHEIM, et al.,)
11 Cross-Defendants.)
12)
13 SAN BERNARDINO VALLEY MUNICIPAL WATER)
14 DISTRICT, a municipal water district,)
15 Cross-Complainant,)
16 v.)
17 CITY OF ANAHEIM, et al.,)
18 Cross-Defendants.)
19)
20 EAST SAN BERNARDINO COUNTY WATER)
21 DISTRICT, a county water district,)
22 Cross-Complainant,)
23 v.)
24 CITY OF ANAHEIM, et al.,)
25 Cross-Defendants.)
26)
27 CITY OF SAN BERNARDINO, a municipal)
28 corporation,)
29 Cross-Complainant,)
30 v.)
31 CITY OF ANAHEIM, et al.,)
32 Cross-Defendants.)

1 CITY OF REDLANDS, a municipal corporation,)
2 Cross-Complainant,)
3 v.)
4 CITY OF ANAHEIM, et al.,)
5 Cross-Defendants.)
6 _____)
7 CITY OF COLTON, a municipal corporation,)
8 Cross-Complainant,)
9 v.)
10 CITY OF ANAHEIM, et al.,)
11 Cross-Defendants.)
12 _____)
13 SAN BERNARDINO VALLEY WATER CONSERVATION)
14 DISTRICT, a water conservation district,)
15 Cross-Complainant,)
16 v.)
17 CITY OF ANAHEIM, et al.,)
18 Cross-Defendants.)
19 _____)
20 CITY OF RIALTO, a municipal corporation,)
21 Cross-Complainant,)
22 v.)
23 CITY OF ANAHEIM, et al.,)
24 Cross-Defendants.)
25 _____)
26 BIG BEAR MUNICIPAL WATER DISTRICT, a)
27 municipal water district,)
28 Cross-Complainant,)
29 v.)
30 CITY OF ANAHEIM, et al.,)
31 Cross-Defendants.)
32 _____)

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RECITALS

1
2 a. Complaint. The complaint herein was filed on
3 October 18, 1963, seeking an adjudication of water rights against
4 substantially all water users in the area tributary to Prado Dam
5 in the Santa Ana River Watershed.

6 b. Cross-Complaints. Thirteen cross-complaints were sub-
7 sequently filed in the period of February 22 to March 22, 1968, by
8 which said adjudication of rights was extended to substantially
9 all water users within the Santa Ana River Watershed downstream
10 from Prado Dam.

11 c. Physical and Legal Complexities. The physical and
12 legal complexities of the case as framed by the complaint and
13 cross-complaints are unprecedented. In excess of 4,000 individual
14 parties have been served and the water supply and water rights of
15 an entire stream system extending over 2,000 square miles and into
16 four counties have been brought into issue. Every type and nature
17 of water rights known to California law, excepting only Pueblo
18 rights, is in issue in the case. Engineering studies by the
19 parties jointly and severally leading toward adjudication of these
20 rights or, in the alternative, to a physical solution, have re-
21 quired the expenditure of over four years' time and many hundreds
22 of thousands of dollars.

23 d. Need for Physical Solution. It is apparent to the
24 parties and to the Court that development of a physical solution
25 based upon a formula for inter-basin allocation of obligations and
26 rights is in the best interests of all the parties and is in fur-
27 therance of the water policy of the State. For purposes of such a
28 physical solution, it is neither necessary nor helpful to define
29 individual rights of all claimants within the watershed. Nontribu-
30 tary supplemental sources of water are or will be available to the
31 parties in quantities sufficient to assure implementation of a
32 solution involving inter-basin allocation of the natural water

1 supply of the Santa Ana River system. Sufficient information and
2 data of a general nature are known to formulate a reasonable and
3 just allocation as between the major hydrologic sub-areas within
4 the watershed, and such a physical solution will allow the public
5 agencies and water users within each such major hydrologic sub-
6 area to proceed with orderly water resource planning and develop-
7 ment.

8 e. Parties. Orange County Water District, Chino Basin
9 Municipal Water District, Western Municipal Water District of
10 Riverside County and San Bernardino Valley Municipal Water District
11 are public districts overlying, in the aggregate, substantially all
12 of the major areas of water use within the watershed. Said dis-
13 tricts have the statutory power and financial resources to imple-
14 ment a physical solution. Accordingly, dismissals have been entered
15 as to all defendants and cross-defendants other than said four pub-
16 lic districts.

17 f. Cooperation by Dismissed Parties. As a condition of
18 dismissal of said defendants and cross-defendants, certain of said
19 parties have stipulated to cooperate and support the inter-basin
20 water quality and water management objectives of the physical solu-
21 tion and this Judgment.

22 DECREE

23 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

24 1. Jurisdiction. The Court has jurisdiction of the subject
25 matter of this action and of the parties herein.

26 2. Exhibits. The following exhibits are attached to this
27 Judgment and made a part hereof.

28 (a) Exhibit A -- map entitled "Santa Ana River
29 Watershed", showing boundaries and other relevant
30 features of the area subject to this Judgment.

31 (b) Exhibit B -- Engineering Appendix.

32 3. Definitions. As used in this Judgment, the following

1 terms shall have the meanings herein set forth:

2 (a) OCWD -- Orange County Water District,
3 appearing and acting individually and in a represen-
4 tative capacity for and on behalf of all riparian,
5 overlying and other landowners, water users and in-
6 habitants within said District pursuant to Subdivision
7 of Section 2 of the Orange County Water District Act,
8 as amended.

9 (b) CBMWD -- Chino Basin Municipal Water District,
10 appearing and acting pursuant to Section 71751 of the
11 California Water Code.

12 (c) WMWD -- Western Municipal Water District of
13 Riverside County, appearing and acting pursuant to
14 said Section 71751.

15 (d) SBVMWD -- San Bernardino Valley Municipal Water
16 District, appearing and acting pursuant to said Section
17 71751.

18 (e) Upper Districts -- CBMWD, WMWD and SBVMWD.

19 (f) Upper Area -- The area on Exhibit A which lies
20 upstream from Prado.

21 (g) Lower Area -- The area on Exhibit A which lies
22 downstream from Prado.

23 (h) Prado -- Said term shall be synonymous with
24 Prado Dam, a facility constructed and maintained by the
25 United States Corps of Engineers, as shown on Exhibit A.

26 (i) Riverside Narrows -- That bedrock narrows
27 in the Santa Ana River indicated as such on Exhibit A.

28 (j) Storm Flow -- That portion of the total sur-
29 face flow passing a point of measurement, which orig-
30 inates from precipitation and runoff without having
31 first percolated to ground water storage in the zone
32 of saturation, calculated in accordance with procedures

referred to in Exhibit B.

(k) Base Flow -- That portion of the total surface flow passing a point of measurement, which remains after deduction of Storm Flow, and modified as follows:

(1) At Prado. Base Flow shall:

(i) include any water caused to be delivered by CBMWD or WMWD directly to OCWD, pursuant to its direction and control and not measured at the gages at Prado;

(ii) exclude any nontributary water or reclaimed sewage water purchased by OCWD and delivered into the river upstream and which subsequently passes Prado, and

(iii) exclude water salvaged from evapo-transpiration losses by OCWD on lands presently owned by it above Prado.

(2) At Riverside Narrows. Base Flow shall:

(i) include any water caused to be delivered by SBVMWD directly to CBMWD or WMWD pursuant to their direction and control, or directly to OCWD with the consent of CBMWD and WMWD and pursuant to the direction and control of OCWD, and not measured at the gage at Riverside Narrows;

(ii) exclude any nontributary water purchased by CBMWD, WMWD or OCWD and delivered into the river upstream and which subsequently passes Riverside Narrows; and

(iii) exclude any effluent discharged from the City of Riverside sewage treatment plant.

1 (1) TDS -- Total dissolved solids determined as
2 set forth in Exhibit B.

3 (m) Water Year -- The period from October 1 to
4 the following September 30. Where reference is made
5 herein to "year" or "annual", such terms shall be con-
6 strued as referring to Water Year, unless the context
7 indicates otherwise.

8 (n) Adjusted Base Flow -- Actual Base Flow in
9 each year adjusted for quality as provided herein-
10 below. Compliance with the respective obligations
11 under Paragraph 5 shall be measured by the Adjusted
12 Base Flow.

13 4. Declaration of Rights. Substantially all of the parties
14 to this action, whether situate in Upper Area or Lower Area have or
15 claim rights to the use of a portion of the water supply of the
16 Santa Ana River system. In the aggregate, water users and other
17 entities in Lower Area have rights, as against all Upper Area
18 claimants, to receive an average annual supply of 42,000 acre feet
19 of Base Flow at Prado, together with the right to all Storm Flow
20 reaching Prado Reservoir. Water users and other entities in Upper
21 Area have rights in the aggregate, as against all Lower Area claim-
22 ants, to divert, pump, extract, conserve, store and use all surface
23 and ground water supplies originating within Upper Area without
24 interference or restraint by Lower Area claimants, so long as Lower
25 Area receives the water to which it is entitled under this Judgment
26 and there is compliance with all of its provisions.

27 5. Physical Solution. The Court hereby declares the
28 following physical solution to be a fair and equitable basis for
29 satisfaction of all said rights in the aggregate between Lower Area
30 and Upper Area. The parties are hereby ordered and directed to
31 comply with this Physical Solution and such compliance shall con-
32 stitute full and complete satisfaction of the rights declared in

1 Paragraph 4 hereof.

2 (a) General Format. In general outline, SBVMWD
3 shall be responsible for the delivery of an average
4 annual amount of Base Flow at Riverside Narrows.
5 CBMWD and WMWD shall jointly be responsible for an
6 average annual amount of Base Flow at Prado. Inso-
7 far as Lower Area claimants are concerned, Upper Area
8 water users and other entities may engage in unlimited
9 water conservation activities, including spreading,
10 impounding and other methods, in the area above Prado
11 Reservoir, so long as Lower Area receives the water
12 to which it is entitled under the Judgment and there
13 is compliance with all of its provisions. Lower Area
14 water users and other entities may make full conser-
15 vation use of Prado Dam and reservoir, subject only
16 to flood control use.

17 (b) Obligation of SBVMWD. SBVMWD shall be re-
18 sponsible for an average annual Adjusted Base Flow
19 of 15,250 acre feet at Riverside Narrows. A contin-
20 uing account, as described in Exhibit B, shall be
21 maintained of actual Base Flow at Riverside Narrows,
22 with all adjustments thereof and any cumulative debit
23 or credit. Each year the obligation to provide Base
24 Flow shall be subject to the following:

25 (1) Minimum Annual Quantities. Without
26 regard to any cumulative credits, or any
27 adjustment for quality for the current Water
28 Year under subparagraph (2) hereof, SBVMWD
29 each year shall be responsible at Riverside
30 Narrows for not less than 13,420 acre feet of
31 Base Flow plus one-third of any cumulative
32 debit; provided, however, that for any year

commencing on or after October 1, 1986, when there is no cumulative debit, or for any year prior to 1986 whenever the cumulative credit exceeds 10,000 acre feet, said minimum shall be 12,420 acre feet.

(2) Adjustment for Quality. The amount of Base Flow at Riverside Narrows received during any year shall be subject to adjustment based upon the weighted average annual TDS in such Base Flow, as follows:

If the Weighted Average TDS in Base Flow at Riverside Narrows is:	Then the Adjusted Base Flow shall be determined by the formula:
Greater than 700 ppm	$Q - \frac{11}{15,250} Q \text{ (TDS-700)}$
600 ppm - 700 ppm	Q
Less than 600 ppm	$Q + \frac{11}{15,250} Q \text{ (600-TDS)}$

Where: Q = Base Flow actually received.

(3) Periodic Reduction of Cumulative Debit.

At least once in any ten (10) consecutive years subsequent to October 1, 1976, SBVMWD shall provide sufficient quantities of Base Flow at Riverside Narrows to discharge completely any cumulative debits. Any cumulative credits shall remain on the books of account until used to offset any subsequent debits, or until otherwise disposed of by SBVMWD.

(c) Obligation of CBMWD and WMWD. CBMWD and WMWD shall be responsible for an average annual Adjusted Base Flow of 42,000 acre feet at Prado. A continuing account, as described in Exhibit B, shall

be maintained of actual Base Flow at Prado, with all adjustments thereof and any cumulative debit or credit. Each year the obligation to provide Base Flow shall be subject to the following:

(1) Minimum Annual Quantities. Without regard to any cumulative credits, or any adjustments for quality for the current Water Year under subparagraph (2) hereof, CBMWD and WMWD each year shall be responsible for not less than 37,000 acre feet of Base Flow at Prado, plus one-third of any cumulative debit; provided, however, that for any year commencing on or after October 1, 1986, when there is no cumulative debit, or for any year prior to 1986 whenever the cumulative credit exceeds 30,000 acre feet, said minimum shall be 34,000 acre feet.

(2) Adjustment for Quality. The amount of Base Flow at Prado received during any year shall be subject to adjustment based upon the weighted average annual TDS in Base Flow and Storm Flow at Prado as follows:

If the Weighted Average TDS in Base Flow and Storm Flow at Prado is:	Then the Adjusted Base Flow shall be determined by the formula:
Greater than 800 ppm	$Q - \frac{35}{42,000} Q (TDS-800)$
700 ppm - 800 ppm	Q
Less than 700 ppm	$Q + \frac{35}{42,000} Q (700-TDS)$

Where: Q = Base Flow actually received.

(3) Periodic Reduction of Cumulative Debit. At least once in ten (10) consecutive years subsequent to October 1, 1976, CBMWD and WMWD shall

1 provide sufficient quantities of Base Flow at
2 Prado to discharge completely any cumulative
3 debits. Any cumulative credits shall remain
4 on the books of account until used to offset
5 any subsequent debits, or until otherwise dis-
6 posed of by CBMWD and WMWD.

7 (d) Inter-basin Export. Upper Districts are
8 hereby restrained and enjoined from exporting water
9 from Lower Area to Upper Area, directly or indirectly.
10 OCWD is enjoined and restrained from pumping, produc-
11 ing and exporting or directly or indirectly causing
12 water to flow from Upper to Lower Area, except as to
13 salvage of evapo-transpiration losses, as follows:
14 OCWD owns certain lands within and above Prado Reser-
15 voir on which it has or claims certain rights to sal-
16 vage evapo-transpiration losses by pumping or otherwise.
17 Pumping for said salvage purposes shall not exceed
18 5,000 acre feet of ground water in any water year.
19 Only the actual net salvage, as determined by the
20 Watermaster, shall be excluded from Base Flow.

21 (e) Inter-basin Acquisition of Rights. The
22 acquisition by Upper Districts or other Upper Area
23 entities of Lower Area water rights shall in no way
24 affect or reduce Lower Area's entitlement; and the
25 acquisition of Upper Area water rights by OCWD or
26 other Lower Area entities shall be deemed to be in-
27 cluded within the aggregate entitlement of Lower Area
28 and shall not increase said entitlement.

29 (f) Effective Date. Obligations under this
30 physical solution shall accrue from and after
31 October 1, 1970.

32 6. Prior Adjudications. So long as SBVMWD is in

1 compliance with the terms of the physical solution herein, OCWD is
2 enjoined and restrained from enforcing the judgments listed below
3 against SBVMWD or any entities within or partially within SBVMWD
4 which have stipulated to accept and adopt such physical solution.
5 So long as WMWD and CBMWD are in compliance with the terms of the
6 physical solution, OCWD is enjoined and restrained from enforcing
7 the judgments listed below against WMWD and CBMWD or any entities
8 within or partially within WMWD or CBMWD which have stipulated to
9 accept and adopt such physical solution.

10 (a) The Irvine Company, plaintiff, Orange County
11 Water District, intervenor, vs. San Bernardino Valley
12 Water Conservation District, et al., defendants,
13 U. S. Dist. Ct., S.D. Cal. Civ. No. Y-36-M, judgments
14 entered September 11, 1942 (Judgment Book 11 page 134),
15 and recorded Book 1540 page 251 and Book 1541 page 85,
16 Official Records of San Bernardino County.

17 (b) Orange County Water District vs. City of
18 Riverside, et al., San Bernardino Superior Court
19 No. 84671.

20 7. Watermaster. The Watermaster, when appointed by the
21 Court, shall administer and enforce the provisions of this Judg-
22 ment and the instructions and subsequent orders of this Court.

23 (a) Composition, Nomination and Appointment.
24 The Watermaster shall consist of a committee com-
25 posed of five (5) persons. CBMWD, WMWD and SBVMWD
26 shall each have the right to nominate one represen-
27 tative and OCWD shall have the right to nominate
28 two (2) representatives to the Watermaster committee.
29 Each such nomination shall be made in writing, served
30 upon the other parties to the Stipulation for this
31 Judgment and filed with the Court. Said Watermaster
32 representatives shall be appointed by and serve at

1 the pleasure of and until further order of this Court.

2 (b) Watermaster Determinations. Each and every
3 finding and determination of the Watermaster shall be
4 made in writing certified to be by unanimous action
5 of all members of the Watermaster Committee. In the
6 event of failure or inability of said Watermaster
7 Committee to reach unanimous agreement, the fact,
8 issue, or determination in question shall forthwith
9 be certified to this Court by the Watermaster, and
10 after due notice to the parties and opportunity for
11 hearing, said matter shall be determined by order of
12 this Court.

13 (c) Annual Report. The Watermaster shall report
14 to the Court and to each party in writing not more
15 than five (5) months after the end of each Water
16 Year, each of the items required by Paragraph 4 of
17 the Engineering Appendix, Exhibit B hereto, and such
18 other items as the parties may mutually request or
19 the Watermaster may deem to be appropriate. All of
20 the books and records of the Watermaster which are
21 used in the preparation of, or are relevant to, such
22 reported data, determinations and reports shall be
23 open to inspection by the parties to the Stipulation
24 for Judgment herein.

25 (d) Watermaster Service Expenses. The fees,
26 compensation and expenses of each representative
27 on the Watermaster shall be borne by the district
28 which nominated such person. All other Watermaster
29 service costs and expenses shall be borne by the
30 parties in the following proportions:

31 OCWD - 40%

32 CBMWD - 20%

1 SBVMWD - 20%

2 WMWD - 20%

3 The Watermaster may from time to time in its discre-
4 tion require advances of operating capital from the
5 parties in said proportions.

6 8. Continuing Jurisdiction of the Court. Full jurisdic-
7 tion, power and authority are retained and reserved by the Court
8 for the purpose of enabling the Court, upon application of any
9 party or of the Watermaster by motion and upon at least 30 days'
10 notice thereof, and after hearing thereon:

11 (a) To make such further or supplemental orders
12 or directions as may be necessary or appropriate for
13 the construction, enforcement or carrying out of
14 this Judgment, and

15 (b) To modify, amend or amplify any of the pro-
16 visions of this Judgment whenever substantial changes
17 or developments affecting the physical, hydrological
18 or other conditions dealt with herein may, in the
19 Court's opinion, justify or require such modification,
20 amendment or amplification; provided, however, that
21 no such modification, amendment or amplification shall
22 change or alter (1) the average annual obligation of
23 CBMWD and WMWD for delivery of 42,000 acre feet of
24 Base Flow per year at Prado, (2) the average annual
25 obligation of SBVMWD for delivery of 15,250 acre feet
26 of Base Flow per year at Riverside Narrows, (3) the
27 respective minimum Base Flows at Riverside Narrows and
28 Prado, nor (4) the right of the parties to this Judg-
29 ment or of those who stipulate to accept and adopt the
30 physical solution herein to conserve or store flows.

31 9. Notices. All notices, requests, objections, reports
32 and other papers permitted or required by the terms of this

1 Judgment shall be given or made by written document and shall be
2 served by mail on each party and its attorney entitled to notice
3 and where required or appropriate, on the Watermaster. For all
4 purposes of this paragraph, the mailing address of each party and
5 attorney entitled to notice shall be that set forth below its sig-
6 nature in the Stipulation for Judgment, until changed as provided
7 below. If any party or attorney for a party desires to change its
8 designation of mailing address, it shall file a written notice of
9 such change with the Clerk of this Court and shall serve a copy
10 thereof by mail on the Watermaster. Upon receipt of any such
11 notice, the Watermaster shall promptly give written notice there-
12 of. Watermaster addresses for notice purposes shall be as speci-
13 fied in the orders appointing each representative on the Water-
14 master.

15 10. Successors. No party shall dissolve, nor shall it
16 abandon or transfer all or substantially all of its powers or
17 property, without first providing for its obligations under this
18 Judgment to be assumed by a successor public agency, with the
19 powers and resources to perform hereunder. Any such successor
20 shall be approved by the Court after notice to all parties and an
21 opportunity for hearing.

22 11. Future Actions. In the event that any Lower Area
23 claimant shall in the future obtain from any court of competent
24 jurisdiction a decree awarding to such claimant a right to receive
25 a stated amount of water from the Upper Area for use in the Lower
26 Area, any water delivered pursuant to such decree shall be consid-
27 ered as part of Base Flow. In the event that the relief obtained
28 by any such claimant is in the form of a restriction imposed upon
29 production and the use of water in Upper Area, rather than a right
30 to receive a stated amount of water, then notwithstanding the
31 proviso in Paragraph 8, any Upper District may apply to the Court
32 to modify the physical solution herein.

12. Costs. None of the parties shall recover any costs from any other party.

Dated: April 17, 1969

John P. Sanderson
Judge

EXHIBIT 3

Chino Basin Municipal Water District v. City of Chino, et al.
(Sup. Ct. County of San Bernardino,
Jan. 27, 1978, No. 51010 [2012 restated version])

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

CHINO BASIN MUNICIPAL WATER
DISTRICT,

Plaintiff,

No. RCV 51010¹

v.

CITY OF CHINO, et al.

Defendants

RESTATED JUDGMENT

¹ Original Judgment signed January 27, 1978, Case # 164327 by Judge Howard B. Weiner. File transferred August 1989, by order of the Court and assigned new case number RCV 51010.

**JUDGMENT
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10

11 CHINO BASIN MUNICIPAL WATER
12 DISTRICT,

13 Plaintiff,

No. RCV 51010²

14
15 v.

CITY OF CHINO, et al.

16 Defendants

JUDGMENT

17
18
19 I. INTRODUCTION

20 1. Pleadings, Parties and Jurisdiction. The complaint herein was filed on January 2, 1975,
21 seeking an adjudication of water rights, injunctive relief and the imposition of a physical solution. A first
22 amended complaint was filed on July 16, 1976. The defaults of certain defendants have been entered,
23 and certain other defendants dismissed. Other than defendants who have been dismissed or whose
24 defaults have been entered, all defendants have appeared herein. By answers and order of this Court,
25

26
27 ² Original Judgment signed January 27, 1978, Case # 164327 by Judge Howard B. Weiner. File transferred August 1989, by order
of the Court and assigned new case number RCV 51010.

1 the issues have been made those of a full inter se adjudication between the parties. This Court has
2 jurisdiction of the subject matter of this action and of the parties herein.

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

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

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

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

12 (b) Annual or Year — A fiscal year, July 1 through June 30, following, unless the
13 context shall clearly indicate a contrary meaning.

14 (c) Appropriative Right — The annual production right of a producer from the Chino
15 Basin other than pursuant to an overlying right.

16 (d) Basin Water — Ground water within Chino Basin which is part of the Safe Yield,
17 Operating Safe Yield, or replenishment water in the Basin as a result of operations under the
18 Physical Solution decreed herein. Said term does not include Stored Water.

19 (e) CBMWD — Plaintiff Chino Basin Municipal Water District.

20 (f) Chino Basin or Basin — The ground water basin underlying the area shown as
21 such on Exhibit "B" and within the boundaries described in Exhibit "K".

22 (g) Chino Basin Watershed — The surface drainage area tributary to and overlying
23 Chino Basin.

24 (h) Ground Water — Water beneath the surface of the ground and within the zone of
25 saturation, i.e., below the existing water table.
26
27
28

1 (i) Ground Water Basin — An area underlain by one or more permeable formations
2 capable of furnishing substantial water storage.

3 (j) Minimal Producer — Any producer whose production does not exceed ten acre-
4 feet per year.³

5 (k) MWD — The Metropolitan Water District of Southern California.

6 (l) Operating Safe Yield — The annual amount of ground water which Watermaster
7 shall determine, pursuant to criteria specified in Exhibit "I", can be produced from Chino Basin by
8 the Appropriative Pool parties free of replenishment obligation under the Physical Solution herein.

9 (m) Overdraft — A condition wherein the total annual production from the Basin
10 exceeds the Safe Yield thereof.

11 (n) Overlying Right — The appurtenant right of an owner of lands overlying Chino
12 Basin to produce water from the Basin for overlying beneficial use on such lands.

13 (o) Person. -- Any individual, partnership, association, corporation, governmental
14 entity or agency, or other organization.

15 (p) PVMWD — Defendant Pomona Valley Municipal Water District.

16 (q) Produce or Produced — To pump or extract ground water from Chino Basin.

17 (r) Producer — Any person who produces water from Chino Basin.

18 (s) Production — Annual quantity, stated in acre feet, of water produced.

19 (t) Public Hearing — A hearing after notice to all parties and to any other person
20 legally entitled to notice.

21 (u) Reclaimed Water — Water which, as a result of processing of waste water, is
22 suitable for a controlled use.

23 (v) Replenishment Water — Supplemental water used to recharge the Basin
24 pursuant to the Physical Solution, either directly by percolating the water into the Basin or
25

26
27 ³ Order dated September 27, 2001.
28

1 indirectly by delivering the water for use in lieu of production and use of safe yield or Operating
2 Safe Yield.

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

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

10 (y) SBVMWD — San Bernardino Valley Municipal Water District.

11 (z) State Water — Supplemental Water imported through the State Water Resources
12 Development System, pursuant to Chapter 8, Division 6, Part 6 of the Water Code.

13 (aa) Stored Water — Supplemental water held in storage, as a result of direct
14 spreading, in lieu delivery, or otherwise, for subsequent withdrawal and use pursuant to
15 agreement with Watermaster.

16 (bb) Supplemental Water — Includes both water imported to Chino Basin from outside
17 Chino Basin Watershed, and reclaimed water.

18 (cc) WMWD — Defendant Western Municipal Water District of Riverside County.

19 5. List of Exhibits. The following exhibits are attached to this Judgment and made a part
20 hereof:
21

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

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

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

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

27 "E" -- Table Showing Appropriators and Their Rights.
28

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

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

3 "H" -- Appropriative Pool Pooling Plan.

4 "I" -- Engineering Appendix.

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

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

7
8 II. DECLARATION OF RIGHTS

9
10 A. HYDROLOGY

11
12 6. Safe Yield. The Safe Yield of Chino Basin is 140,000 acre feet per year.

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

19 B. WATER RIGHTS IN SAFE YIELD

20
21 8. Overlying Rights. The parties listed in Exhibits "C" and "D", are the owners or in
22 possession of lands which overlie Chino Basin. As such, said parties have exercised overlying water
23 rights in Chino Basin. All overlying rights owned or exercised by parties listed in Exhibits "C" and "D",
24 have, in the aggregate, been limited by prescription except to the extent such rights have been preserved
25 by self-help by said parties. Aggregate preserved overlying rights in the Safe Yield for agricultural pool
26 use, including the rights of the State of California, total 82,800 acre feet per year. Overlying rights for
27 non-agricultural pool use total 7,366 acre feet per year and are individually decreed for each affected
28

1 party in Exhibit "D". No portion of the Safe Yield of Chino Basin exists to satisfy unexercised overlying
2 rights, and such rights have all been lost by prescription. However, uses may be made of Basin Water on
3 overlying lands which have no preserved overlying rights pursuant to the Physical Solution herein. All
4 overlying rights are appurtenant to the land and cannot be assigned or conveyed separate or apart
5 therefrom ***for the term of the Peace Agreement except that the members of the Overlying (Non-***
6 ***Agricultural) Pool shall have the right to Transfer or lease their quantified Production rights (i)***
7 ***within the Overlying (Non-Agricultural) Pool; (ii) to Watermaster in conformance with the***
8 ***procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000;***
9 ***or (iii) in accordance with the Overlying (Non-Agricultural) Pool Pooling Plan set forth in Exhibit***
10 ***"G."***⁴

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

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

21 (b) Nature and Quantity. All rights listed in Exhibit "E" are appropriative and
22 prescriptive in nature. By reason of the status of the parties, and the provisions of Section 1007
23 of the Civil Code, said rights are immune from reduction or limitation by prescription.
24
25
26

27 ⁴ Order dated September 28, 2000 and Order dated April 19, 2001 further modified by Order dated December 21, 2007.
28

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

9
10 C. RIGHTS TO AVAILABLE GROUND WATER STORAGE CAPACITY

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

18
19 12. Utilization of Available Ground Water Capacity. Any person or public entity, whether a
20 party to this action or not, may make reasonable beneficial use of the available ground water storage
21 capacity of Chino Basin for storage of supplemental water; provided that no such use shall be made
22 except pursuant to written agreement with Watermaster, as authorized by Paragraph 28. In the allocation
23 of such storage capacity, the needs and requirements of lands overlying Chino Basin and the owners of
24 rights in the Safe Yield or Operating Safe Yield of the Basin shall have priority and preference over
25 storage for export.

1 III. INJUNCTION

2 13. Injunction Against Unauthorized Production of Basin Water. Each party in each of the
3 respective pools is enjoined, as follows:
4

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

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

15 (c) Appropriative Pool. Each party in the Appropriative Pool, its officers, agents,
16 employees, successors and assigns, is and they are each ENJOINED AND RESTRAINED from
17 producing ground water of Chino Basin in any year hereafter in excess of such party's decreed
18 share of Operating Safe Yield, except pursuant to the provisions of the Physical Solution or a
19 storage water agreement.

20 14. Injunction Against Unauthorized Storage or Withdrawal of Stored Water. Each party, its
21 officers, agents, employees, successors and assigns is and they each are ENJOINED AND
22 RESTRAINED from storing supplemental water in Chino Basin for withdrawal, or causing withdrawal of,
23 water stored by that party, except pursuant to the terms of a written agreement with Watermaster and in
24 accordance with Watermaster regulations. Any supplemental water stored or recharged in the Basin,
25 except pursuant to such a Watermaster agreement, shall be deemed abandoned and not classified as
26 Stored Water. This paragraph has no application, as such, to supplemental water spread or provided in
27 lieu by Watermaster pursuant to the Physical Solution.
28

1 IV. CONTINUING JURISDICTION

2 15. Continuing Jurisdiction. Full jurisdiction, power and authority are retained and reserved
3 to the Court as to all matters contained in this judgment, except:
4

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

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

9 (c) The determination of specific quantitative rights and shares in the declared Safe
10 Yield or Operating Safe Yield herein declared in Exhibits "D" and "E"; and
11

12 (d) The amendment or modification of Paragraphs 7 (a) and (b) of Exhibit "H", during
13 the first ten (10) years of operation of the Physical Solution, and thereafter only upon affirmative
14 recommendation of at least 67% of the voting power (determined pursuant to the formula
15 described in Paragraph 3 of Exhibit "H"), but not less than one-third of the members of the
16 Appropriative Pool Committee representatives of parties who produce water within IEUA or
17 WMWD; after said tenth year the formula set forth in said Paragraph 7 (a) and 7 (b) of Exhibit "H"
18 for payment of the costs of replenishment water may be changed to 100% gross or net, or any
19 percentage split thereof, but only in response to recommendation to the Court by affirmative vote
20 of at least 67% of said voting power of the Appropriative Pool representatives of parties who
21 produce ground water within IEUA or WMWD, but not less than one-third of their number. In
22 such event, the Court shall act in conformance with such recommendation unless there are
23 compelling reasons to the contrary; and provided, further, that the fact that the allocation of Safe
24 Yield or Operating Safe Yield shares may be rendered moot by a recommended change in the
25 formula for replenishment assessments shall not be deemed to be such a "compelling reason."
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27
28

1 Said continuing jurisdiction is provided for the purpose of enabling the Court, upon application of any
2 party, the Watermaster, the Advisory Committee or any Pool Committee, by motion and, upon at least 30
3 days' notice thereof, and after hearing thereon, to make such further or supplemental orders or directions
4 as may be necessary or appropriate for interpretation, enforcement or carrying out of this Judgment, and
5 to modify, amend or amplify any of the provisions of this Judgment.

6 V. WATERMASTER

7 A. APPOINTMENT

8
9
10 16. Watermaster Appointment. CBMWD, acting by and through a majority of its board of
11 directors, is hereby appointed Watermaster, to administer and enforce the provisions of this Judgment
12 and any subsequent instructions or orders of the Court hereunder. The term of appointment of
13 Watermaster shall be for five (5) years. The Court will by subsequent orders provide for successive terms
14 or for a successor Watermaster. Watermaster may be changed at any time by subsequent order of the
15 Court, on its own motion, or on the motion of any party after notice and hearing. Unless there are
16 compelling reasons to the contrary, the Court shall act in conformance with a motion requesting the
17 Watermaster be changed if such motion is supported by a majority of the voting power of the Advisory
18 Committee.

19 B. POWERS AND DUTIES

20
21 17. Powers and Duties. Subject to the continuing supervision and control of the Court,
22 Watermaster shall have and may exercise the express powers, and shall perform the duties, as provided
23 in this Judgment or hereafter ordered or authorized by the Court in the exercise of the Court's continuing
24 jurisdiction.

18. Rules and Regulations.⁵

(a) Upon recommendation by the Advisory Committee, Watermaster shall make and adopt, after public hearing, appropriate rules and regulations for conduct of Watermaster affairs, including, meeting schedules and procedures, and compensation of members of Watermaster. Thereafter, Watermaster may amend the rules from time to time upon recommendation, or with approval of the Advisory Committee after hearing noticed to active parties, except that compensation of Watermaster members shall be subject to Court Approval. A copy of the rules and regulations, and of amendments, shall be mailed to each active party.

(b) Under the rules, Watermaster members shall be paid up to \$125 for each day's attendance at meetings at the direction of the board, not to exceed eight meetings in each month. Compensation shall not be paid for junkets or attendance at conferences, seminars, or retreats at locations other than Watermaster headquarters. Members shall not be compensated for more than one meeting each day.

(c) Under the rules, Watermaster members may be reimbursed for reasonable and necessary travel, meals, lodging and registration expenses incurred on Watermaster business. Mileage shall not be paid for travel to or from Watermaster meetings unless the individual must travel more than 50 miles per month. The Watermaster's budget shall include an appropriation for expense reimbursement. The Watermaster shall file a report on the expense reimbursement with the court as part of the Annual Report. The Report shall disclose total expense reimbursements and single expenditures for items of \$125.00 or more.

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

⁵ Order dated March 31, 1999.

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

7 21. Measuring Devices. Watermaster shall cause parties, pursuant to uniform rules, to install
8 and maintain in good operating condition, at the cost of each party, such necessary measuring devices or
9 meters as Watermaster may deem appropriate. Such measuring devices shall be inspected and tested
10 as deemed necessary by Watermaster, and the cost thereof shall constitute an expense of Watermaster.
11

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

14 23. Investment of Funds. Watermaster may hold and invest any and all Watermaster funds
15 in investments authorized from time to time for public agencies of the State of California.
16

17 24. Borrowing. Watermaster may borrow from time to time amounts not exceeding the
18 annual anticipated receipts of Watermaster during such year.
19

20 25. Contracts. Watermaster may enter into contracts for the performance of any powers
21 herein granted; provided, however, that Watermaster may not contract with or purchase materials,
22 supplies or services from IEUA, except upon the prior recommendation and approval of the Advisory
23 Committee and pursuant to written order of the Court.

24 26. Cooperation With Other Agencies. Subject to prior recommendation or approval of the
25 Advisory Committee, Watermaster may act jointly or cooperate with agencies of the United States and the
26 State of California or any political subdivisions, municipalities or districts or any person to the end that the
27 purpose of the Physical Solution may be fully and economically carried out.
28

1 27. Studies. Watermaster may, with concurrence of the Advisory Committee or affected Pool
2 Committee and in accordance with Paragraph 54 (b), undertake relevant studies of hydrologic conditions,
3 both quantitative and qualitative, and operating aspects of implementation of the management program
4 for Chino Basin.

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

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

15 30. Annual Administrative Budget. Watermaster shall submit to Advisory Committee an
16 administrative budget and recommendation for each fiscal year on or before March 1. The Advisory
17 Committee shall review and submit said budget and their recommendations to Watermaster on or before
18 April 1, following. Watermaster shall hold a public hearing on said budget at its April quarterly meeting
19 and adopt the annual administrative budget which shall include the administrative items for each pool
20 committee. The administrative budget shall set forth budgeted items in sufficient detail as necessary to
21 make a proper allocation of the expense among the several pools, together with Watermaster's proposed
22 allocation. The budget shall contain such additional comparative information or explanation as the
23 Advisory Committee may recommend from time to time. Expenditures within budgeted items may
24 thereafter be made by Watermaster in the exercise of powers herein granted, as a matter of course. Any
25 budget transfer in excess of 20% of a budget category during any budget year or modification of such
26 administrative budget during any year shall be first submitted to the Advisory Committee for review and
27 recommendation.
28

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

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

8 (b) Noticed Motion. Any party, the Watermaster (as to any mandated action), the
9 Advisory Committee, or any Pool Committee may, by a regularly noticed motion, apply to the
10 Court for review of any Watermaster's action, decision or rule. Notice of such motion shall be
11 served personally or mailed to Watermaster and to all active parties. Unless otherwise ordered
12 by the Court, such motion shall not operate to stay the effect of such Watermaster action,
13 decision or rule.

14 (c) Time for Motion. Notice of motion to review any Watermaster action, decision or
15 rule shall be served and filed within ninety (90) days after such Watermaster action, decision or
16 rule, except for budget actions, in which event said notice period shall be sixty (60) days.

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

23 (e) Decision. The decision of the Court in such proceeding shall be an appealable
24 supplemental order in this case. When the same is final, it shall be binding upon the
25 Watermaster and all parties.
26
27
28

1
2
3 C. ADVISORY AND POOL COMMITTEES

4 32. Authorization. Watermaster is authorized and directed to cause committees of producer
5 representatives to be organized to act as Pool Committees for each of the several pools created under
6 the Physical solution. Said Pool Committees shall, in turn, jointly form an Advisory Committee to assist
7 Watermaster in performance of its functions under this judgment. Pool Committees shall be composed as
8 specified in the respective pooling plans, and the Advisory Committee shall be composed of ten (10)
9 voting representatives from each pool, as designated by the respective Pool Committee⁶ **in accordance**
10 **with each pool's pooling plan. WMWD, Three Valleys Municipal Water District (Successor to**
11 **PVMWD)** and SBVMWD shall each be entitled to one non-voting representative on said Advisory
12 Committee.

13
14 33. Term and Vacancies. Members of any Pool Committee, shall serve for the term, and
15 vacancies shall be filled, as specified in the respective pooling plan. Members of the Advisory Committee
16 shall serve at the will of their respective Pool Committee.

17 34. Voting Power. The voting power on each Pool Committee shall be allocated as provided
18 in the respective pooling plan. The voting power on the Advisory Committee shall be one hundred (100)
19 votes allocated among the three pools in proportion to the total assessments paid to Watermaster during
20 the preceding year; provided, that the minimum voting power of each pool shall be

- 21
22 (a) Overlying Agricultural Pool 20,
23 (b) Overlying Non-Agricultural Pool 5, and
24 (c) Appropriative Pool 20.

25
26
27 ⁶ Order dated September 18, 1996.
28

1 In the event any pool is reduced to its said minimum vote, the remaining votes shall be allocated between
2 the remaining pools on said basis of assessments paid to Watermaster by each such remaining pool
3 during the preceding year. The method of exercise of each pool's voting power on the Advisory
4 Committee shall be as determined by the respective pool committees.

5 35. Quorum. A majority of the voting power of the Advisory Committee or any Pool
6 Committee shall constitute a quorum for the transaction of affairs of such Advisory or Pool Committee;
7 provided, that at least one representative of each Pool Committee shall be required to constitute a
8 quorum of the Advisory Committee. No Pool Committee representative may purposely absent himself or
9 herself, without good cause, from an Advisory Committee meeting to deprive it of a quorum. Action by
10 affirmative vote of a majority of the entire voting power of any Pool Committee or the Advisory Committee
11 shall constitute action by such committee. Any action or recommendation of a Pool Committee or the
12 Advisory Committee shall be transmitted to Watermaster in writing, together with a report of any
13 dissenting vote or opinion.

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

24
25 37. Organization.

26 (a) Organizational Meeting. At its first meeting in each year, each Pool Committee
27 and the Advisory Committee shall elect a chairperson and a vice chairperson from its
28

1 membership. It shall also select a secretary, a treasurer and such assistant secretaries and
2 treasurers as may be appropriate, any of whom may, but need not, be members of such Pool or
3 Advisory Committee.

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

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

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

22 (e) Adjournments. Any meeting of any Pool or Advisory Committee may be
23 adjourned to a time and place specified in the order of adjournment. Less than a quorum may so
24 adjourn from time to time. A copy of the order or notice of adjournment shall be conspicuously
25 posted forthwith on or near the door of the place where the meeting was held.

26 38. Powers and Functions. The powers and functions of the respective Pool Committees
27 and the Advisory Committee shall be as follows:
28

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

9
10 (b) Advisory Committee. The Advisory Committee shall have the duty to study, and
11 the power to recommend, review and act upon all discretionary determinations made or to be
12 made hereunder by Watermaster.

13 [1] Committee Initiative. When any recommendation or advice of the
14 Advisory Committee is received by Watermaster, action consistent therewith may be
15 taken by Watermaster; provided, that any recommendation approved by 80 votes or more
16 in the Advisory Committee shall constitute a mandate for action by Watermaster
17 consistent therewith. If Watermaster is unwilling or unable to act pursuant to
18 recommendation or advice from the Advisory Committee (other than such mandatory
19 recommendations), Watermaster shall hold a public hearing, which shall be followed by
20 written findings and decision. Thereafter, Watermaster may act in accordance with said
21 decision, whether consistent with or contrary to said Advisory Committee
22 recommendation. Such action shall be subject to review by the Court, as in the case of
23 all other Watermaster determinations.

24
25 [2] Committee Review. In the event Watermaster proposes to take
26 discretionary action, other than approval or disapproval of a Pool Committee action or
27 recommendation properly transmitted, or execute any agreement not theretofore within
28 the scope of an Advisory Committee recommendation, notice of such intended action

1 shall be served on the Advisory Committee and its members at least thirty (30) days
2 before the Watermaster meeting at which such action is finally authorized.

3 (c) Review of Watermaster Actions. Watermaster (as to mandated action), the
4 Advisory Committee or any Pool Committee shall be entitled to employ counsel and expert
5 assistance in the event Watermaster or such Pool or Advisory Committee seeks Court review of
6 any Watermaster action or failure to act. The cost of such counsel and expert assistance shall be
7 Watermaster expense to be allocated to the affected pool or pools.
8

9 VI. PHYSICAL SOLUTION

10 A. GENERAL

11
12 39. Purpose and Objective. Pursuant to the mandate of Section 2 of Article X of the
13 California Constitution, the Court hereby adopts and orders the parties to comply with a Physical Solution.
14 The purpose of these provisions is to establish a legal and practical means for making the maximum
15 reasonable beneficial use of the waters of Chino Basin by providing the optimum economic, long-term,
16 conjunctive utilization of surface waters, ground waters and supplemental water, to meet the
17 requirements of water users having rights in or dependent upon Chino Basin.
18

19 40. Need for Flexibility. It is essential that this Physical solution provide maximum flexibility
20 and adaptability in order that Watermaster and the Court may be free to use existing and future
21 technological, social, institutional and economic options, in order to maximize beneficial use of the waters
22 of Chino Basin. To that end, the Court's retained jurisdiction will be utilized, where appropriate, to
23 supplement the discretion herein granted to the Watermaster.

24 41. Watermaster Control. Watermaster, with the advice of the Advisory and Pool
25 Committees, is granted discretionary powers in order to develop an optimum basin management program
26 for Chino Basin, including both water quantity and quality considerations. Withdrawals and supplemental
27 water replenishment of Basin Water, and the full utilization of the water resources of Chino Basin, must
28

be subject to procedures established by and administered through Watermaster with the advice and assistance of the Advisory and Pool Committees composed of the affected producers. Both the quantity and quality of said water resources may thereby be preserved and the beneficial utilization of the Basin maximized.

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

B. POOLING

43. Multiple Pools Established. There are hereby established three (3) pools for Watermaster administration of, and for the allocation of responsibility for, and payment of, costs of replenishment water and other aspects of this Physical Solution.

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

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

(c) Appropriative Pool. A third and separate pool shall consist of owners of appropriative rights. The initial members of the pool are listed in Exhibit "E".

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

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

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

13 The foregoing acre foot allocations to the overlying pools are fixed. Any subsequent change in
14 the Safe Yield shall be debited or credited to the Appropriative Pool. Basin Water available to the
15 Appropriative Pool without replenishment obligation may vary from year to year as the Operating Safe
16 Yield is determined by Watermaster pursuant to the criteria set forth in Exhibit "I".

17 45. Annual Replenishment. Watermaster shall levy and collect assessments in each year,
18 pursuant to the respective pooling plans, in amounts sufficient to purchase replenishment water to
19 replace production by any pool during the preceding year which exceeds that pool's allocated share of
20 Safe Yield in the case of the overlying pools, or Operating Safe Yield in the case of the Appropriative
21 Pool. It is anticipated that supplemental water for replenishment of Chino Basin may be available at
22 different rates to the various pools to meet their replenishment obligations. If such is the case, each pool
23 will be assessed only that amount necessary for the cost of replenishment water to that pool, at the rate
24 available to the pool, to meet its replenishment obligation.
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1 46. Initial Pooling Plans. The initial pooling plans, which are hereby adopted, are set forth in
2 Exhibits "F", "G" and "H", respectively. Unless and until modified by amendment of the judgment pursuant
3 to the Court's continuing jurisdiction, each such plan shall control operation of the subject pool.

4
5 C. REPORTS AND ACCOUNTING

6 47. Production Reports. Each party or responsible party shall file periodically with
7 Watermaster, pursuant to Watermaster rules, a report on a form to be prescribed by Watermaster
8 showing the total production of such party during the preceding reportage period, and such additional
9 information as Watermaster may require, including any information specified by the affected Pool
10 Committee.

11
12 48. Watermaster Report and Accounting. **Watermaster's Annual Report shall be filed by**
13 **January 31 of each year. The Report shall apply to the preceding fiscal years' operation. The**
14 **Report shall contain details as to operation of the Pools. A certified audit of assessments and**
15 **expenditures pursuant to this Physical Solution, and a review of Watermaster activity.⁷**

16 D. REPLENISHMENT

17
18 49. Sources of Supplemental Water. Supplemental water may be obtained by Watermaster
19 from any available source. Watermaster shall seek to obtain the best available quality of supplemental
20 water at the most reasonable cost for recharge in the Basin. To the extent that costs of replenishment
21 water may vary between pools, each pool shall be liable only for the costs attributable to its required
22 replenishment. Available sources may include, but are not limited to:

23 (a) Reclaimed Water. There exist a series of agreements generally denominated the
24 Regional Waste Water Agreements between IEUA and owners of the major municipal sewer
25

26
27 ⁷ Order dated March 31, 1999.
28

1 systems within the basin. Under those agreements, which are recognized hereby but shall be
2 unaffected and unimpaired by this judgment, substantial quantities of reclaimed water may be
3 made available for replenishment purposes. There are additional sources of reclaimed water
4 which are, or may become, available to Watermaster for said purposes. Maximum beneficial use
5 of reclaimed water shall be given high priority by Watermaster.

6 (b) State Water. State water constitutes a major available supply of supplemental
7 water. In the case of State Water, Watermaster purchases shall comply with the water service
8 provisions of the State's water service contracts. More specifically, Watermaster shall purchase
9 State Water from MWD for replenishment of excess production within IEUA, WMWD and
10 TVMWD, and from SBVMWD to replenish excess production within SBVMWD's boundaries in
11 Chino Basin, except to the extent that MWD and SBVMWD give their consent as required by
12 such State water service contracts.

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

15 (d) Colorado River Supplies. MWD has water supplies available from its Colorado
16 River Aqueduct.

17 50. Methods of Replenishment. Watermaster may accomplish replenishment of
18 overproduction from the Basin by any reasonable method, including:
19

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

22 (b) In Lieu Procedures. Watermaster may make, or cause to be made, deliveries of
23 water for direct surface use, in lieu of ground water production.
24

25 E. REVENUES 26 27 28

1 51. Production Assessment. Production assessments, on whatever basis, may be levied by
2 Watermaster pursuant to the pooling plan adopted for the applicable pool.

3 52. Minimal Producers. Minimal Producers shall be exempted from payment of production
4 assessments, upon filing of production reports as provided in Paragraph 47 of this Judgment, and
5 payment of an annual five dollar (\$5.00) administrative fee as specified by Watermaster rules.
6

7 53. Assessment Proceeds — Purposes. Watermaster shall have the power to levy
8 assessments against the parties (other than minimal pumpers) based upon production during the
9 preceding period of assessable production, whether quarterly, semi-annually or annually, as may be
10 determined most practical by Watermaster or the affected Pool Committee.

11 54. Administrative Expenses. The expenses of administration of this Physical Solution shall
12 be categorized as either (a) general Watermaster administrative expense, or (b) special project expense.
13

14 (a) General Watermaster Administrative Expense shall include office rental, general
15 personnel expense, supplies and office equipment, and related incidental expense and general
16 overhead.
17

18 (b) Special Project Expense shall consist of special engineering, economic or other
19 studies, litigation expense, meter testing or other major operating expenses. Each such project
20 shall be assigned a Task Order number and shall be separately budgeted and accounted for.
21 General Watermaster administrative expense shall be allocated and assessed against the
22 respective pools based upon allocations made by the Watermaster, who shall make such
23 allocations based upon generally accepted cost accounting methods. Special Project Expense
24 shall be allocated to a specific pool, or any portion thereof, only upon the basis of prior express
25 assent and finding of benefit by the Pool Committee, or pursuant to written order of the Court.
26

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

1 (a) Notice of Assessment. Watermaster shall give written notice of all applicable
2 assessments to each party on or before ninety (90) days after the end of the production period to
3 which such assessment is applicable.

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

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

13 56. Accumulation of Replenishment Water Assessment Proceeds. In order to minimize
14 fluctuation in assessment and to give Watermaster flexibility in purchase and spreading of replenishment
15 water, Watermaster may make reasonable accumulations of replenishment water assessment proceeds.
16 Interest earned on such retained funds shall be added to the account of the pool from which the funds
17 were collected and shall be applied only to the purchase of replenishment water.

18 57. Effective Date. The effective date for accounting and operation under this Physical
19 Solution shall be July 1, 1977, and the first production assessments hereunder shall be due after July 1,
20 1978. Watermaster shall, however, require installation of meters or measuring devices and establish
21 operating procedures immediately, and the cost of such Watermaster activity (not including the cost of
22 such meters and measuring devices) may be recovered in the first administrative assessment in 1978.

VII. MISCELLANEOUS PROVISIONS

58. Designation of Address for Notice and Service. Each party shall designate the name and address to be used for purposes of all subsequent notices and service herein, either by its endorsement on the Stipulation for Judgment or by a separate designation to be filed within thirty (30) days after Judgment has been served. Said designation may be changed from time to time by filing a written notice of such change with the Watermaster. Any party desiring to be relieved of receiving notices of Watermaster or committee activity may file a waiver of notice on a form to be provided by Watermaster. Thereafter such party shall be removed from the Active Party list. Watermaster shall maintain at all times a current list of all active parties and their addresses for purposes of service. Watermaster shall also maintain a full current list of names and addresses of all parties or their successors, as filed herein. Copies of such lists shall be available, without cost, to any party, the Advisory Committee or any Pool Committee upon written request therefor.

59. Service of Documents. Delivery to or service upon any party or active party by the Watermaster, by any other party, or by the Court, of any item required to be served upon or delivered to such party or active party under or pursuant to the Judgment shall be made personally or by deposit in the United States mail, first class, postage prepaid, addressed to the designee and at the address in the latest designation filed by such party or active party.

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

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

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

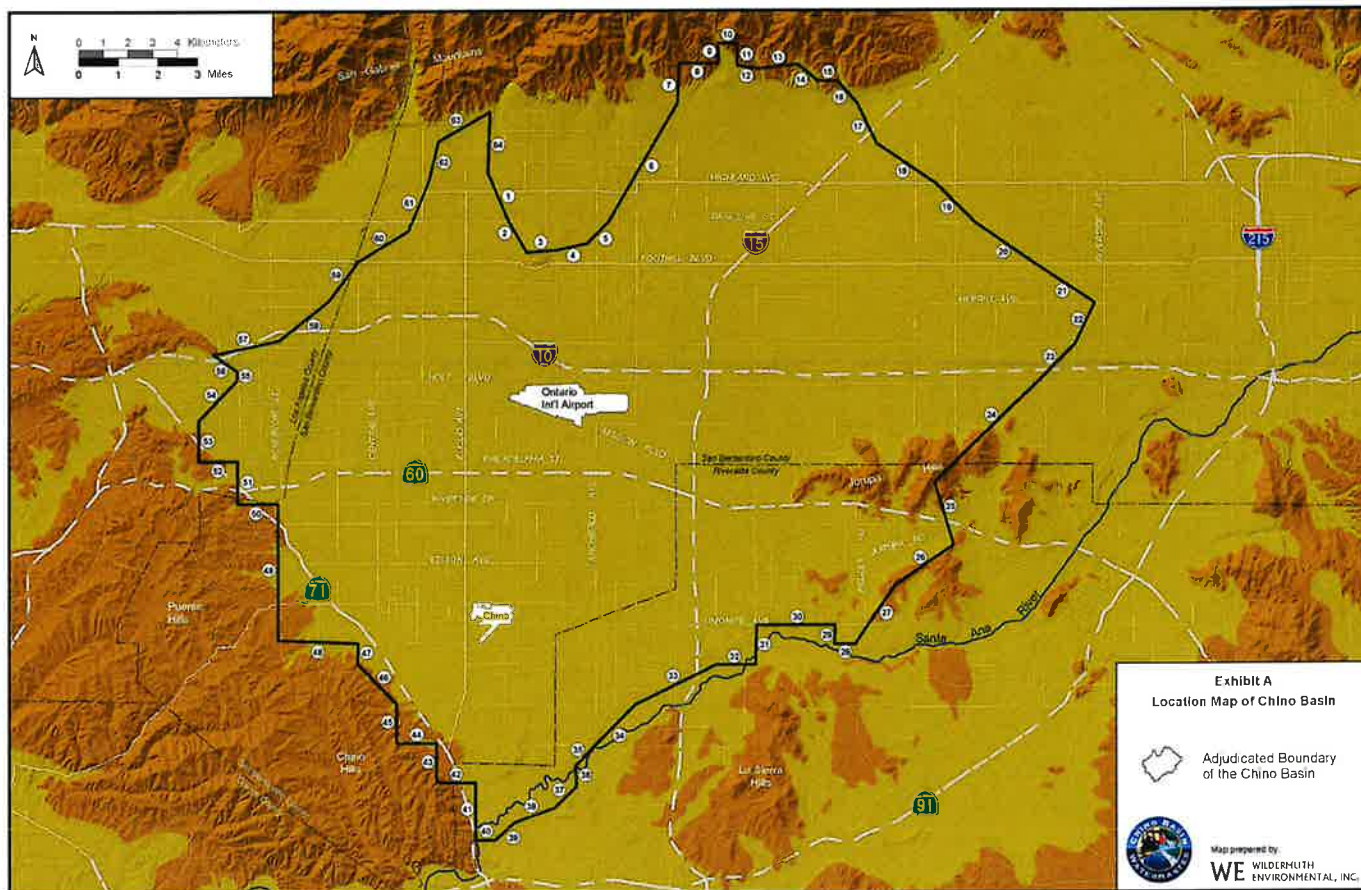
63. Judgment Binding on Successors. This Judgment and all provisions thereof are applicable to and binding upon not only the parties to this action, but also upon their respective heirs, executors, administrators, successors, assigns, lessees and licensees and upon the agents, employees and attorneys in fact of all such persons.

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

Dated: January 1, 1978

Howard B. Weiner

Howard B. Weiner



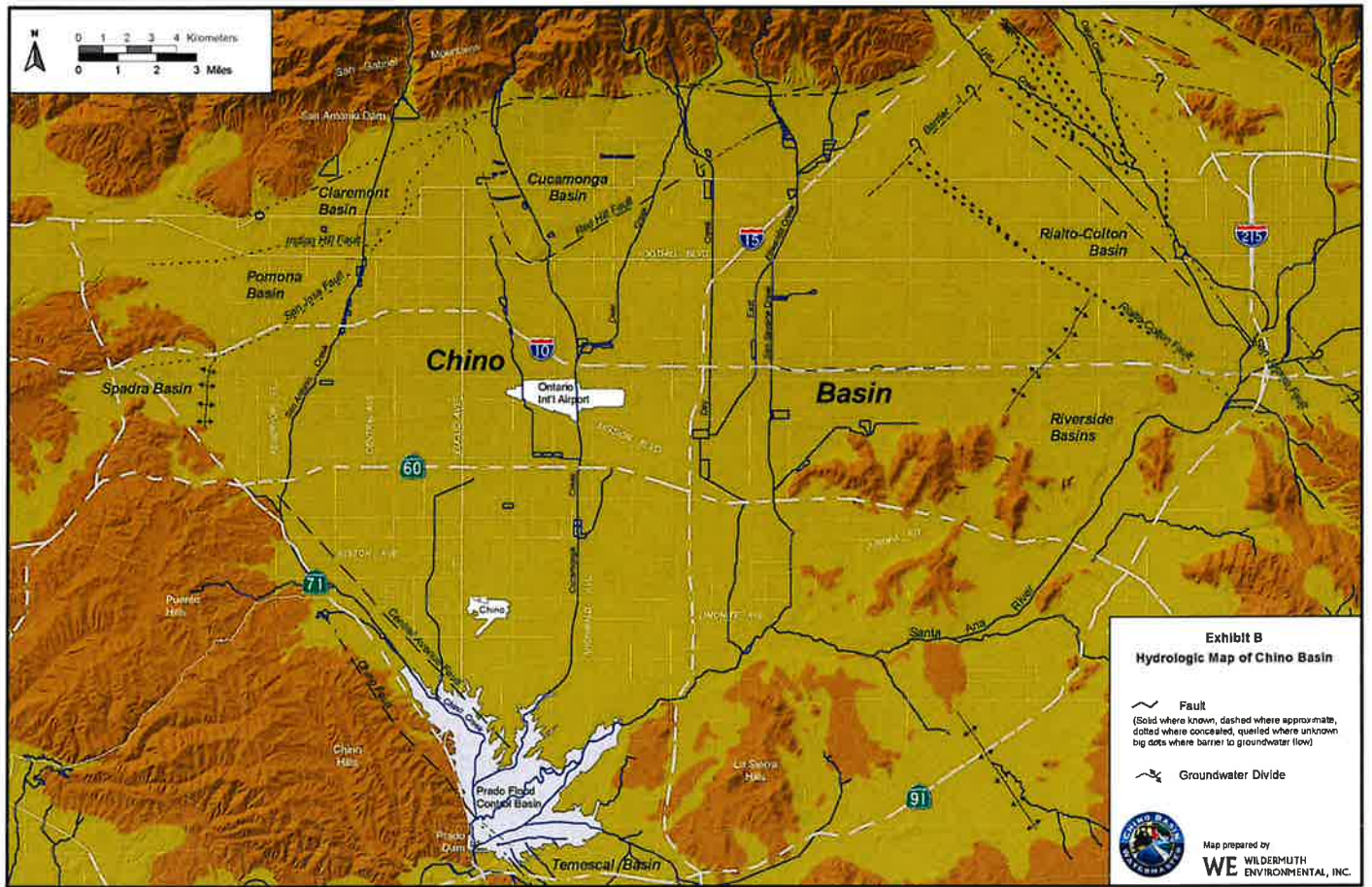


EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

STATE OF CALIFORNIA	Aphesssetche, Xavier
COUNTY OF SAN BERNARDINO	Arena Mutual Water Assn.
Abacherli, Dairy, Inc.	Armstrong Nurseries, Inc.
Abacherli, Frank	Arretche, Frank
Abacherli, Shirley	Arretche, Jean Pierre
Abbona, Anna	Arvidson, Clarence F.
Abbona, James	Arvidson, Florence
Abbona, Jim	Ashley, George W.
Abbona, Mary	Ashley, Pearl E.
Agliani, Amelia H.	Atlas Farms
Agman, Inc.	Atlas Ornamental Iron Works, Inc.
Aguerre, Louis B.	Aukeman, Carol
Ahmanson Trust Co.	Aukeman, Lewis
Akiyama, Shizuye	Ayers, Kenneth C., aka
Akiyama, Tomoo	Kelley Ayers
Akkerman, Dave	Bachoc, Raymond
Albers, J.N.	Baldwin, Edgar A.
Albers, Nellie	Baldwin, Lester
Alewyn, Jake J.	Banbury, Carolyn
Alewyn, Normalee	Bangma Dairy
Alger, Mary D.	Bangma, Arthur
Alger, Raymond	Bangma, Ida
Allen, Ben F.	Bangma, Martin
Allen, Jane F.	Bangma, Sam
Alta-Dena Dairy	Barba, Anthony B.
Anderson Farms	Barba, Frank
Anguiano, Sarah L.S.	Barcellos, Joseph
Anker, Gus	Barnhill, Maurine W.
Barnhill, Paul	Boersma, Angie

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"**STIPULATING OVERLYING AGRICULTURAL PRODUCERS**

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

De Soete, Agnes	Dirkse, Charles C.
De Soete, Andre	Dixon, Charles E.
De Vries, Abraham	Dixon, Geraldine A.
De Vries, Case	Doesberg, Hendrica
De Vries, Dick	Doesburg, Theodorus, P.
De Vries, Evelyn	Dolan, Marion
De Vries, Henry, Estate of	Dolan, Michael H.
De Vries, Hermina	Dominguez, Helen
De Vries, Jack H.	Dominguez, Manual
De Vries, Jane	Donkers, Henry A.
De Vries, Janice	Donkers, Nellie G.
De Vries, John	Dotta Bros.
De Vries, John J.	Douma Brothers Dairy
De Vries, Neil	Douma, Betty A.
De Vries, Ruth	Douma, Fred A.
De Vries, Theresa	Douma, Hendrika
De Wit, Gladys	Douma, Herman G.
De Wit, Peter S.	Douma, Narleen J.
De Wyn, Evert	Douma, Phillip M.
De Zoete, Hattie V.	Dow Chemical Co.
Do Zoete, Leo A.	Dragt, Rheta
Decker, Hallie	Dragt, William
Decker, Henry A.	Driftwood Dairy Farm
Demmer, Ernest	Droogh, Case
Di Carlo, Marie	Duhalde, Marian
Di Carlo, Victor	Duhalde, Lauren
Di Tommaso, Frank	Duits, Henrietta
Duits, John	Excelsior Farms F.D.I.C.

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

Dunlap, Edna Kraemer,	Fagundes, Frank M.
Estate of	Fagundes, Mary
Durrington, Glen	Fernandes, Joseph Jr.
Durrington, William F.	Fernandes, Velma C.
Dusi, John Sr.	Ferraro, Ann
Dykstra, Dick	Ferreira, Frank J.
Dykstra, John	Ferreira, Joe C. Jr.
Dykstra, John & Sons	Ferreira, Narcie
Dykstra, Wilma	Fillippi, J. Vintage Co.
Dyt, Cor	Filippi, Joseph
Dyt, Johanna	Filippi, Joseph A.
E and S Grape Growers	Filippi, Mary E.
Eaton, Thomas, Estate of	Fitzgerald, John R.
Echeverria, Juan	Flameling Dairy Inc.
Echeverria, Carlos	Flamingo Dairy
Echeverria, Pablo	Foss, Douglas E.
Eilers, E. Myrle	Foss, Gerald R.
Eilers, Henry W.	Foss, Russel
El Prado Golf Course	Fred & John Troost No. 1 Inc.
Ellsworth, Rex C.	Fred & Maynard Troost No. 2 Inc.
Engelsma, Jake	Freitas, Beatriz
Engelsma, Susan	Freitas, Tony T.
Escojeda, Henry	Gakle, Louis L.
Etiwanda Grape Products Co.	Galleano Winery, Inc.
Euclid Ave. Investment One	Galleano, Bernard D.
Euclid Ave. Investment Four	Galleano, D.
Euclid Ave. Three Investment	Galleano, Mary M.
Garcia, Pete	Hansen, Raymond F.

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

Hicks, Kenneth I.	Hohberg, Harold W.
Hicks, Minnie M.	Holder, Arthur B.
Higgins Brick Co.	Holder, Dorothy F.
Highstreet, Alfred V.	Holmes, A. Lee
Highstreet, Evada V.	Holmes, Frances P.
Hilarides, Bertha as Trustee	Hoogeboom, Gertrude
Hilarides, Frank	Hoogeboom, Pete
Hilarides, John as Trustee	Hoogendam, John
Hindelang, Tillie	Hoogendam, Tena
Hindelang, William	Houssels, J. K. Thoroughbred
Hobbs, Bonnie C.	Farm
Hobbs, Charles W.	Hunt Industries
Hobbs, Hazel I.	Idsinga, Ann
Hobbs, Orlo M.	Idsinga, William W.
Hoekstra, Edward	Imbach Ranch, Inc.
Hoekstra, George	Imbach, Kenneth E.
Hoekstra, Grace	Imbach, Leonard K.
Hoekstra, Louie	Imbach, Oscar K.
Hofer, Paul B.	Imbach, Ruth M.
Hofer, Phillip F.	Indaburu, Jean
Hofstra, Marie	Indaburu, Marceline
Hogeboom, Jo Ann M.	Iseli, Kurt H.
Hogeboom, Maurice D.	Ito, Kow
Hogg, David V.	J & B Dairy Inc.
Hogg, Gene P.	Jaques, Johnny C. Jr.
Hogg, Warren G.	Jaques, Mary
Hohberg, Edith J.	Jaques, Mary Lou
Jay Em Bee Farms	Knevelbaard, John

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

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

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

NON-PRODUCER WATER DISTRICTS

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

DEFAULTING OVERLYING AGRICULTURAL PRODUCERS

Cheryl L. Bain	Roy W. Lantis
Warren Bain	Sharon I. Lantis
John M. Barcelona	Frank Lorenz
Letty Bassler	Dagney H. MacDonald
John Brazil	Frank E. Martin
John S. Briano	Ruth C. Martin
Lupe Briano	Connie S. Mello
Paul A. Briano	Naldiro J. Mello
Tillie Briano	Felice Miller
Arnie B. Carlson	Ted Miller
John Henry Fikse	Masao Nerio
Phyllis S. Fikse	Tom K. Nerio
Lewellyn Flory	Toyo Nerio
Mary I. Flory	Yuriko Nerio
L. H. Glazer	Harold L. Rees
Dorothy Goodman	Alden G. Rose
Sidney D. Goodman	Claude Rouleau, Jr.
Frank Grossi	Patricia M. Rouleau
Harada Brothers	Schultz Enterprises
Ellen Hettinga	Albert Shaw

EXHIBIT "C"

STIPULATING OVERLYING AGRICULTURAL PRODUCERS

1	Hein Hettinga	Lila Shaw
2	Dick Hofstra, Jr.	Cathy M. Stewart
3	Benjamin M. Hughey	Marvin C. Stewart
4	Frieda L. Hughey	Betty Ann Stone
5	Guillaume Indart	John B. Stone
6	Ellwood B. Johnston, Trustee	Vantoll Cattle Co., Inc.
7	Perry Kruckenberg, Jr.	Catherine Verburg
8	Martin Verburg	
9	Donna Vincent	
10	Larry Vincent	
11	Cliff Wolfe & Associates	
12	Ada M. Woll	
13	Zarubica Co.	

EXHIBIT "D"

OVERLYING NON-AGRICULTURAL RIGHTS

<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 (Airport)	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 Growers, Inc.	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>0.000</u>
Totals	9,409	7,366.000

EXHIBIT "E"

<u>APPROPRIATIVE RIGHTS</u>			
<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 Services 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
Feldspar Gardens Mutual Water Company	68.3	47.549	0.087
Fontana Union Water Company	9,188.3	6,396.736	11.666
Marygold Mutual Water Company	941.3	655.317	1.195
Mira Loma Water Company	1,116.0	776.940	1.417
Monte Vista Irrigation Company	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 Company	3,106.3	2,162.553	3.944
San Antonio Water Company	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	55,834.000	100.000

EXHIBIT "F"
OVERLYING (AGRICULTURAL) POOL
POOLING PLAN

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

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

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

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

5. Advisory Committee Representatives. The number of representatives of the Pool Committee on the Advisory Committee shall be as provided in the rules of the pool from time to time but not exceeding ten (10). The voting power of the pool on the Advisory Committee shall be apportioned and exercised as determined from time to time by the Pool Committee.

6. Replenishment Obligation. The pool shall provide funds for replenishment of any production by persons other than members of the Overlying Non-Agricultural Pool or Appropriator Pool,

in excess of the pool's share of Safe Yield. During the first five (5) years of operations of the Physical Solution, reasonable efforts shall be made by the Pool Committee to equalize annual assessments.

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

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

(b) Producer Petition. - At any time after the fifth full year of operation under the Physical Solution, a petition by ten percent (10%) of the voting power or membership of the Pool shall compel the holding of a noticed meeting to consider revision of said formula of assessment for replenishment water.

In either event, a majority action of the voting power in attendance at such pool members' meeting shall be binding on the Pool Committee.

8. Rules. - The Pool Committee shall adopt rules for conducting meetings and affairs of the committee and for administering its program and in amplification of the provisions, but not inconsistent with, this pooling plan.

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

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

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

The volume voting power on the Pool Committee shall be 1,484 votes. Of these, 742 votes shall be allocated on the basis of one vote for each ten (10) acre feet or fraction thereof of decreed shares in Safe Yield. (See Exhibit "D"). The remaining 742 votes shall be allocated proportionally on the basis of assessments paid to Watermaster during the preceding year.⁸

Affirmative action of the Committee shall require a majority of the voting power of the members in attendance, provided that it includes concurrence by at least one-third of its total members.⁹

3. **Advisory Committee Representatives.** At least three (3) members of the Pool Committee shall be designated by said committee to serve on the Advisory Committee. The exact number of such representatives at any time shall be as determined by the Pool Committee. The voting power of the pool shall be exercised in the Advisory Committee as a unit, based upon the vote of a majority of said representatives.

⁸ 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.

⁹ Order dated October 8, 2010.

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

5. Assessments.¹⁰

(a) Replenishment Assessments. Each member of this pool shall pay an assessment equal to the cost of replenishment water times the number of acre feet of production by such producer during the preceding year in excess of (a) his decreed share of the Safe Yield, plus (b) any carry-over credit under Paragraph 7 hereof.

(b) Administrative Assessments. In addition, the cost of the allocated share of Watermaster administration expense shall be recovered on an equal assessment against each acre foot of production in the pool during such preceding fiscal year or calendar quarter; and in the case of Pool members who take substitute ground water as set forth in Paragraph 8 hereof, such producer shall be liable for its share of administration assessment, as if the water so taken were produced, up to the limit of its decreed share of Safe Yield.

(c) Special Project OBMP Assessment. Each year, every member of this Pool will dedicate ten (10) percent of their annual share of Operating Safe Yield to Watermaster or in lieu thereof Watermaster will levy a Special Project OBMP Assessment in an amount equal to ten percent of the Pool member's respective share of Safe Yield times the then-prevailing MWD Replenishment Rate.

6. Assignment. Rights herein decreed are appurtenant to *that* land and are only assignable with the land for overlying use thereon; provided, however, (a) that any appropriator who may, directly or indirectly, undertake to provide water service to such overlying lands may, by an appropriate agency agreement on a form approved by Watermaster, exercise said overlying right to the extent, but only to the extent necessary to provide water service to said overlying lands, and (b) *the members of the pool shall have the right to Transfer or lease their quantified production rights within the pool or to*

¹⁰ Order dated December 21, 2007.

Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000 for the term of the Peace Agreement.¹¹

7. Carry-over. Any member of the pool who produces less than its assigned water share of Safe Yield may carry such unexercised right forward for exercise in subsequent years. The first water produced during any such subsequent year shall be deemed to be an exercise of such carry-over right. In the event the aggregate carry-over by any pool member exceeds its share of Safe Yield, such member shall, as a condition of preserving such surplus carryover, execute a storage agreement with Watermaster.

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

9. Physical Solution Transfers. All overlying rights are appurtenant to the land and cannot be assigned or conveyed separate or apart therefrom except that for the term of the Peace Agreement the members of the Overlying (Non-Agricultural) Pool shall have the discretionary right to Transfer or lease their quantified Production rights and carry-over water held in storage accounts in quantities that each member may from time to time individually determine as Transfers in furtherance of the Physical Solution: (i) within the Overlying (Non-Agricultural) Pool; (ii) to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000; (iii) in conformance with the procedures described in Paragraph I of the Purchase and Sale Agreement for the Purchase of Water by Watermaster from Overlying (Non-Agricultural Pool dated June 30, 2007; or (iv) to Watermaster and thence to members of the Appropriative Pool in accordance with the following guidelines and those procedures Watermaster may further provide in Watermaster's Rules and Regulations:

¹¹ Order dated September 28, 2000 and Order dated April 19, 2001.

(a) By December 31 of each year, the members of the Overlying (Non-Agricultural) Pool shall notify Watermaster of the amount of water each member shall make available in their individual discretion for purchase by the Appropriators. By January 31 of each year, Watermaster shall provide a Notice of Availability of each Appropriator's pro-rata share of such water;

(b) Except as they may be limited by paragraph 9(e) below, each member of the Appropriative Pool will have, in their discretion, a right to purchase its pro-rata share of the supply made available from the Overlying (Non-Agricultural) Pool at the price established in 9(d) below. Each Appropriative Pool member's pro-rata share of the available supply will be based on each Producer's combined total share of Operating Safe Yield and the previous year's actual Production by each party;

(c) If any member of the Appropriative Pool fails to irrevocably commit to their allocated share by March 1 of each year, its share of the Overlying (Non-Agricultural) Pool water will be made available to all other members of the Appropriative Pool according to the same proportions as described in 9(b) above and at the price established in Paragraph 9(d) below. Each member of the Appropriative Pool shall complete its payment for its share of water made available by June 30 of each year.

(d) Commensurate with the cumulative commitments by members of the Appropriative Pool pursuant to (b) and (c) above, Watermaster will purchase the surplus water made available by the Overlying (Non-Agricultural) Pool water on behalf of the members of the Appropriative Pool on an annual basis at 92% of the then-prevailing "MWD Replenishment Rate" and each member of the Appropriative Pool shall complete its payment for its determined share of water made available by June 30 of each year.

(e) Any surplus water cumulatively made available by all members of the Overlying (Non-Agricultural) Pool that is not purchased by Watermaster after completion of the process set forth herein will be pro-rated among the members of the Pool in proportion to the total quantity offered for transfer in accordance with this provision and may be retained by the

Overlying (Non-Agricultural) Pool member without prejudice to the rights of the members of the Pool to make further beneficial use or transfer of the available surplus.

(f) Each Appropriator shall only be eligible to purchase their pro-rata share under this procedure if the party is: (i) current on all their assessments; and (ii) in compliance with the OBMP.

(g) The right of any member of the Overlying (Non-Agricultural) Pool to transfer water in accordance with this Paragraph 9(a)-(c) in any year is dependent upon Watermaster making a finding that the member of the Overlying (Non-Agricultural) Pool is using recycled water where it is both physically available and appropriate for the designated end use in lieu of pumping groundwater.

(h) Nothing herein shall be construed to affect or limit the rights of any Party to offer or accept an assignment as authorized by the Judgment Exhibit "G" paragraph 6 above, or to affect the rights of any Party under a valid assignment.

910. Rules. The Pool Committee shall adopt rules for administering its program and in amplification of the provisions, but not inconsistent with, this pooling plan.

EXHIBIT "H"
APPROPRIATIVE POOL
POOLING PLAN

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

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

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

4. Advisory Committee Representatives. **Members of the Pool Committee shall be designated to represent this pool on the Advisory Committee *on the following basis:* Each major appropriator, i.e., the owner of an adjudicated appropriative right in excess of 3,000 acre feet, or *each appropriator that produces in excess of 3,000 acre feet based upon the prior year's production*, shall be entitled to one representative. *Two additional representatives of the* Appropriative Pool on the Advisory Committee shall be elected at large by the remaining members of the pool. The voting power of the Appropriative Pool on the Advisory Committee shall be apportioned between the major appropriator representatives in proportion to their respective voting power in the Pool Committee. The two representatives of the remaining appropriators shall exercise equally the voting power proportional to the Pool Committee voting power of said**

remaining appropriators; provided, however, that if any representative fails to attend an Advisory Committee meeting, the voting power of that representative shall be allocated among the representatives of the Appropriative Pool in attendance in the same proportion as their respective voting powers.¹²

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

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

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

(a) For production, other than for increased export,

within CBMWD or WMWD:

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

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

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

¹² Order dated September 18, 1996.

(c) For production within SBVMWD or PVMWD:

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

8. Socio-Economic Impact Review. The parties have conducted certain preliminary socio-economic impact studies. Further and more detailed socio-economic impact studies of the assessment formula and its possible modification shall be undertaken for the Appropriator Pool by Watermaster no later than ten (10) years from the effective date of this Physical Solution, or whenever total production by this pool has increased by 30% or more over the decreed appropriative rights, whichever is first.

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

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

(b) Study and Report. - At the request of the Pool Committee, Watermaster shall undertake a survey study of the utilization of alternate supplemental supplies by

members of the Appropriative Pool which would not otherwise be utilized and shall prepare a report setting forth the amount of such alternative supplies being currently utilized, the amount of such supplies which could be generated by activity within the pool, and the level of cost required to increase such uses and to optimize the total supplies available to the basin. Said report shall contain an analysis and recommendation for the levy of a necessary Facilities Equity Assessment to accomplish said purpose.

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

(d) Operation of Assessment. - If Watermaster determines that it is appropriate that a Facilities Equity Assessment be levied in a particular year, the amount of additional supplemental supplies which should be generated by such assessment shall be estimated. The cost of obtaining such supplies, taking into consideration the investment in necessary facilities shall then be determined and spread equitably among the producers within the pool in a manner so that those producers not providing such additional lower cost supplemental water, and to whom a financial benefit will result, may bear a proportionate share of said costs, not exceeding said benefit; provided that any producer furnishing such supplemental water shall not thereby have its average cost of water in such year reduced below such producer's average cost of pumping from the Basin. In so doing, Watermaster shall establish a percentage of the total production by each party which may be produced without imposition of a Facilities Equity Assessment. Any member of the pool producing more water than said percentage shall pay such Facilities Equity Assessment on any such excess production. Watermaster is authorized to transmit and pay the proceeds of such Facilities Equity Assessment to those producers who take less than their share of Basin water by reason of furnishing a higher percentage of their requirements through use of supplemental water.

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

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

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

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

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

(b) Conversion Claims.¹³ The following procedures may be utilized by any appropriator:

1) Record of Unconverted Agricultural Acreage. *Watermaster shall maintain on an ongoing basis a record with appropriate related maps of all agricultural acreage within the Chino Basin subject to being converted to appropriative water use pursuant to the provisions of this subparagraph. An initial identification of such acreage as of June 30, 1995 is attached hereto as Appendix 1.*

(2) Record of Water Service Conversion. Any appropriator who undertakes to permanently provide water service to lands *subject to conversion* may report such intent to change water service to Watermaster. Watermaster *should* thereupon verify such change in water service and shall maintain a record and account for each appropriator of the total acreage involved. *Should, at any time, converted acreage return to water service from the Overlying (Agricultural) Pool, Watermaster shall return such acreage to unconverted status*

¹³ Order dated November 17, 1995.

and correspondingly reduce or eliminate any allocation accorded to the appropriator involved.

(3) Allocation of Safe Yield Rights

(i) For the term of the Peace Agreement in any year in which sufficient unallocated Safe Yield from the Overlying (Agricultural) Pool is available for such conversion claims, Watermaster shall allocate to each appropriator with a conversion claim 2.0 acre feet of unallocated Safe Yield water for each converted acre for which conversion has been approved and recorded by the Watermaster.¹⁴

(ii) In any year in which the unallocated Safe Yield water from the Overlying (Agricultural) Pool is not sufficient to satisfy all outstanding conversion claims pursuant to subparagraph (i) herein above, Watermaster shall establish allocation percentages for each appropriator with conversion claims. The percentages shall be based upon the ratio of the total of such converted acreage approved and recorded for each appropriators's account in comparison to the total of converted acreage approved and recorded for all appropriators. Watermaster shall apply such allocation percentage for each appropriator to the total unallocated Safe Yield water available for conversion claims to derive the amount allocable to each appropriator.

(4) Notice and Allocation. Notice of the special allocation of Safe Yield water pursuant to conversion claims shall be given to each appropriator and shall be treated for purposes of this Physical Solution as an addition to such appropriator's share of the Operating Safe Yield for the particular year only.

¹⁴ Order dated September 28, 2000 and Order dated April 19, 2001.

(5) Administrative Costs. Any costs of Watermaster attributable to the administration of such special allocations and conversion claims shall be assessed against the appropriators participating in such reporting, apportioned in accordance with the total amount of converted acreage held by each appropriator participating in the conversion program.

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

(a) Method of Operation. - An appropriator producing water within such designated in lieu area who is willing to abstain for any reason from producing any portion of such producer's share of Operating Safe Yield in any year may offer such unpumped water to Watermaster. In such event, Watermaster shall purchase said water in place, in lieu of spreading replenishment water, which is otherwise required to make up for over production. The purchase price for in lieu water shall be the lesser of:

- (1) Watermaster's current cost of replenishment water, whether or not replenishment water is currently then obtainable, plus the cost of spreading; or
- (2) The cost of supplemental surface supplies to the appropriator, less
 - a. said appropriator's average cost of ground water production, and
 - b. the applicable production assessment were the water produced.

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

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

(b) Designation of In Lieu Areas. - The first in lieu area is designated as the "In Lieu Area No. 1" and consists of an area wherein nitrate levels in the ground water generally exceed 45 mg/l, and is shown on Exhibit "J" hereto. Other in lieu areas may be designated by subsequent order of Watermaster upon recommendation or approval by Advisory Committee. Said in lieu areas may be enlarged, reduced or eliminated by subsequent orders; provided, however, that designation of In Lieu Areas shall be for a minimum fixed term sufficient to justify necessary capital investment. In Lieu Area No. 1 may be enlarged, reduced or eliminated in the same manner, except that any reduction of its original size or elimination thereof shall require the prior order of Court.

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

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

14. Rules. The Pool Committee shall adopt rules for administering its program and in amplification of the provisions, but not inconsistent with, this pooling plan.

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EXHIBIT "I"

ENGINEERING APPENDIX

1. **Basin Management Parameters.** In the process of implementing the physical solution for Chino Basin, Watermaster shall consider the following parameters:

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

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

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

2. **Hydraulic Control and Re-Operation.** In accordance with the purpose and objective of the Physical Solution to "establish a legal and practical means for making the maximum reasonable beneficial use of the waters of the Chino Basin" (paragraph 39) including but not limited to the use and recapture of reclaimed water (paragraph 49(a)) and the identified Basin Management Parameters set forth above, Watermaster will manage the Basin to secure and maintain Hydraulic Control through controlled overdraft.

(a) **Hydraulic Control.** "Hydraulic Control" means the reduction of groundwater discharge from the Chino North Management Zone to the Santa Ana River to de minimus quantities. The Chino North Management Zone is more fully described and set forth in Attachment I-1 to this Engineering Appendix. By obtaining Hydraulic Control, Watermaster will ensure that the water management activities in the Chino North Management Zone do not cause

materially adverse impacts to the beneficial uses of the Santa Ana River downstream of Prado Dam.

(b) **Re-Operation.** “Re-Operation” means the controlled overdraft of the Basin by the managed withdrawal of groundwater for the Desalters and the potential increase in the cumulative un-replenished Production from 200,000 acre-feet authorized by paragraph 3 below, to 600,000 acre feet for the express purpose of securing and maintaining Hydraulic Control as a component of the Physical Solution.

[1] The increase in the controlled overdraft herein is separate from and in addition to the 200,000 acre-feet of accumulated overdraft authorized in paragraph 3(a) and 3(b) below over the period of 1978 through 2017.

[2] “Desalters” means the Chino I Desalter, the Chino I Expansion, the Chino II Desalter and Future Desalters, consisting of all the capital facilities and processes that remove salt from Basin water, including extraction wells and transmission facilities for delivery of groundwater to the Desalter. Desalter treatment and delivery facilities for the desalted water include pumping and storage facilities and treatment and disposal capacity in the Santa Ana Regional Interceptor.

[3] The groundwater Produced through controlled overdraft pursuant to Re-Operation does not constitute New Yield or Operating Safe Yield and it is made available under the Physical Solution for the express purpose of satisfying some or all of the groundwater Production by the Desalters until December 31, 2030. (“Period of Re-Operation”).

[4] The operation of the Desalters, the Production of groundwater for the Desalters and the use of water produced by the Desalters pursuant to Re-Operation are

subject to the limitations that may be set forth in Watermaster Rules and Regulations for the Desalters.

(5) Watermaster will update its Recharge Master Plan and obtain Court approval of its update, to address how the Basin will be contemporaneously managed to secure and maintain Hydraulic Control and operated at a new equilibrium at the conclusion of the period of Re-Operation. The Recharge Master Plan shall contain recharge projections and summaries of the projected water supply availability as well as the physical means to accomplish recharge projections. The Recharge Master Plan may be amended from time to time with Court approval.

(6) Re-Operation and Watermaster's apportionment of controlled overdraft in accordance with the Physical Solution will not be suspended in the event that Hydraulic Control is secured in any year before the full 400,000 acre-feet has been Produced without Replenishment, so long as: (i) Watermaster has prepared, adopted and the Court has approved a contingency plan that establishes conditions and protective measures that will avoid unreasonable and unmitigated material physical harm to a party or to the Basin and that equitably distributes the cost of any mitigation attributable to the identified contingencies; and (ii) Watermaster is in substantial compliance with a Court approved Recharge Master Plan.¹⁵

3. Operating Safe Yield. Operating Safe Yield in any year shall consist of the Appropriate Pool's share of Safe Yield of the Basin, plus any controlled overdraft of the Basin which Watermaster may authorize. In adopting the Operating Safe Yield for any year, Watermaster shall be limited as follows:

(a) Accumulated Overdraft. - During the operation of this Judgment and Physical Solution, the overdraft accumulated from and after the effective date of the Physical Solution and

¹⁵ Order dated December 21, 2007.

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

(b) Quantitative Limits. - In no event shall Operating Safe Yield in any year be less than the Appropriative Pool's share of Safe Yield, nor shall it exceed such share of Safe Yield by more than 10,000 acre feet. The initial Operating Safe Yield is hereby set at 54,834 acre feet per year. Operating Safe Yield shall not be changed upon less than five (5) years' notice by Watermaster. Nothing contained in this paragraph shall be deemed to authorize, directly or indirectly, any modification of the allocation of shares in Safe Yield to the overlying pools, as set forth in Paragraph 44 of the Judgment.

4. Ground Water Storage Agreements. Any agreements authorized by Watermaster for storage of supplemental water in the available ground water storage capacity of Chino Basin shall include, but not be limited to:

- (a) The quantities and term of the storage right.
- (b) A statement of the priority or relation of said right, as against overlying or Safe Yield uses, and other storage rights.
- (c) The procedure for establishing delivery rates, schedules and procedures which may include:
 - [1] spreading or injection, or
 - [2] in lieu deliveries of supplemental water for direct use.
- (d) The procedures for calculation of losses and annual accounting for water in storage by Watermaster.
- (e) The procedures for establishment and administration of withdrawal schedules, locations and methods.

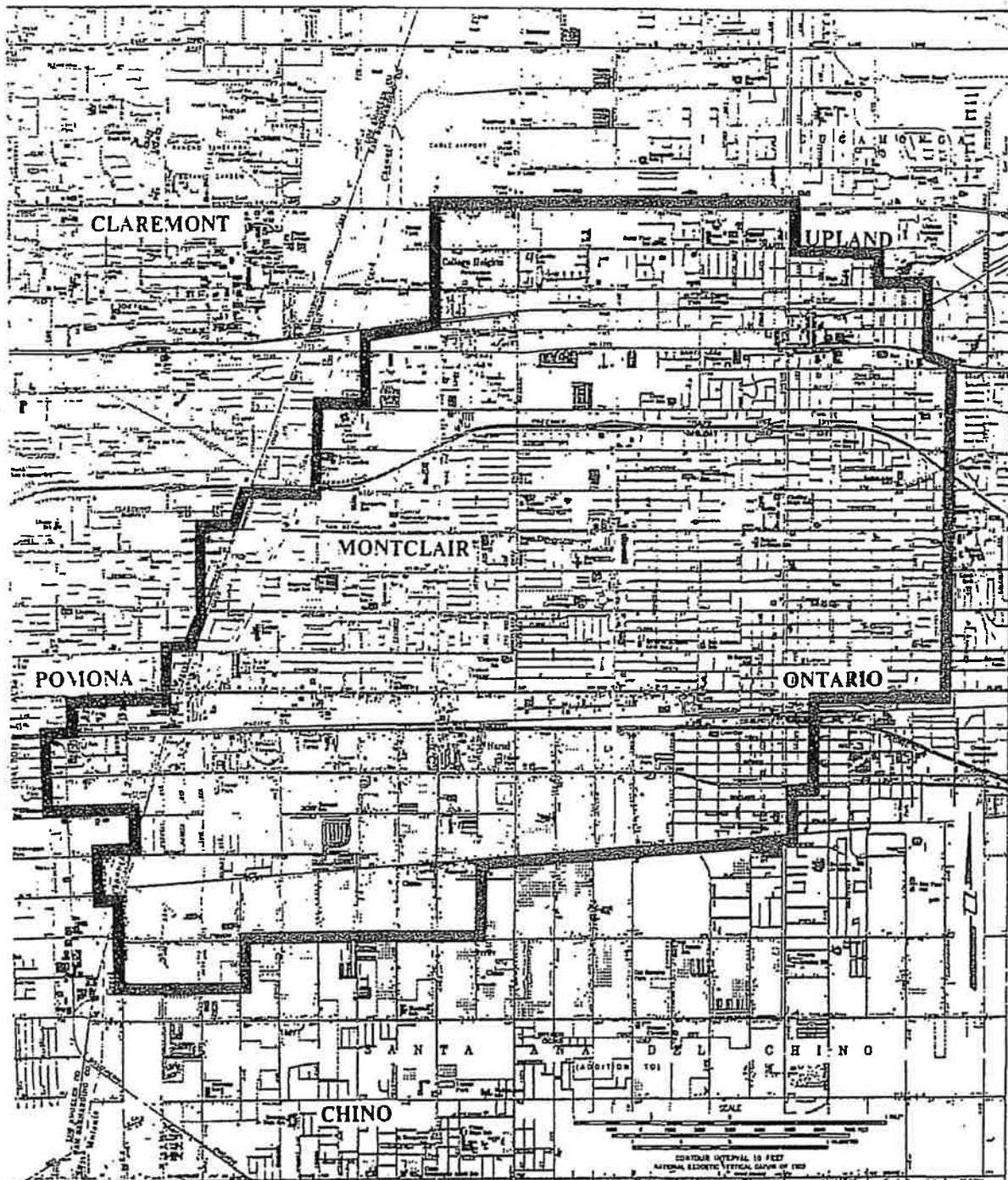
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**CHINO BASIN
IN LIEU AREA NO. 1**

EXHIBIT "J"

EXHIBIT "K"
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:

EXHIBIT "K"

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;

EXHIBIT "K"

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;

EXHIBIT "K"

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, T2S, R7W;
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;

EXHIBIT "K"

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;

EXHIBIT "K"

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
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T3S, R7W - Sections: 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 16, 17 and 20

T3S, R8W - Sections: 1.

SB 565248 v1:038350.0001

EXHIBIT 4

*Western Municipal Water District of Riverside County, et al. v.
East San Bernardino County Water District, et al.,
(Sup. Ct. County of Riverside, April 17, 1969, No. 78426)*

FILED
RIVERSIDE COUNTY

APR 17 1969

DONALD D. MILLER, Clerk
By [Signature] Deputy

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

78426
No. 784726
J. B. M.
4/17/69

JUDGMENT

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APPENDIX A -- Map showing San Bernardino Basin Area, Colton Basin Area, and Riverside Basin Area situated within San Bernardino County; Riverside Basin Area within Riverside County; Bunker Hill Dike; Riverside Narrows; and

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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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1 therefor,

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

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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.

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
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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 (1) 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 VI

25 SAN BERNARDINO BASIN AREA RIGHTS AND REPLENISHMENT

26
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
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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

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
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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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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.

(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

1 extractions over such 20 percent peaking allowance.

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

26 (d) Extractions from the Colton Basin Area and that
27 portion of the Riverside Basin Area within San Bernardino County,
28 for use within San Bernardino Valley, shall not be limited.
29 However, except for any required replenishment by Western,
30 San Bernardino Valley shall provide the water to maintain the
31 static water levels in the area, as determined by wells numbered
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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
32

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
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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 EXTRACTATIONS 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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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
32

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
31

1 treatment plants within Riverside County which are
2 tributary to Riverside Narrows, and which results
3 from the use of imported water.

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

24 (c) The replenishment obligations of Western under
25 this Judgment shall not apply during such times as amounts of
26 base flow at Riverside Narrows and the amounts of water stored
27 in the ground water resources below Bunker Hill Dike and
28 tributary to the maintenance of such flow are found by Order of
29 the Court to be sufficient to satisfy any obligation which
30 San Bernardino Valley may have under this Judgment, or under the
31

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
32

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

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

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

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

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

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

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

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

XV
SAVING CLAUSES

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

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

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

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

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 XVI

10 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

17 COSTS

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 ENTERED

25 APR 17 1969

26 *[Signature]*
JUDGE OF THE SUPERIOR COURT

27 JUDGMENT BOOK *124* PG *42*
28
29
30
31
32

EXHIBIT 5

Santa Maria Valley Water Conservation District v. City of Santa Maria, et al.
(Sup. Ct. County of Santa Clara, Jan. 25, 2008, No. CV 1-97-770214)

UCS 5784

FILED

JAN 25 2008

KIRI TORRE
Chief Executive Officer/Clerk
Superior Court of California, County of Santa Clara
BY [Signature] DEPUTY
HOWENA A. WALKER

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA CLARA**

SANTA MARIA VALLEY WATER
CONSERVATION DISTRICT,

Plaintiff,

vs.

CITY OF SANTA MARIA, ET AL.,

Defendants.

**SANTA MARIA GROUNDWATER
LITIGATION**
Lead Case No. 1-97-CV-770214

(CONSOLIDATED FOR ALL
PURPOSES)

[Consolidated With Case Numbers:
CV 784900; CV 785509; CV 785522;
CV 787150; CV 784921; CV 785511;
CV 785936; CV 787151; CV 784926;
CV 785515; CV 786791; CV 787152;
1-05-CV-036410]

San Luis Obispo County Superior
Court Case Nos. 990738 and 990739

JUDGMENT AFTER TRIAL

**AND RELATED CROSS-ACTIONS AND
ACTIONS CONSOLIDATED FOR ALL
PURPOSES**

This matter came on for trial in five separate phases. Following the third phase of trial, a large number of parties entered into a written stipulation dated June 30, 2005 to resolve their differences and requested that the court approve the settlement and make its terms binding on them as a part of any final judgment entered in this case. Subsequent to the execution of the stipulation by the original settling parties, a number of additional parties have agreed to be bound by the stipulation – their signatures are included in the attachments to this judgment.

1 The June 30, 2005 Stipulation is attached as Exhibit "1;" and all exhibits to the
2 Stipulation are separately attached as Exhibits "1A" through "1H". The Stipulating Parties are
3 identified on Exhibit "1A." The court approves the Stipulation, orders the Stipulating Parties
4 only to comply with each and every term thereof, and incorporates the same herein as though
5 set forth in full. No non-stipulating party is bound in any way by the stipulation except as the
6 court may otherwise independently adopt as its independent judgment a term or terms that are
7 the same or similar to such term or provision of the stipulation.

8 As to all remaining parties, including those who failed to answer or otherwise appear,
9 the court heard the testimony of witnesses, considered the evidence found to be admissible by
10 the court, and heard the arguments of counsel. Good cause appearing, the court finds and
11 orders judgment as follows.

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

13 Basin – The groundwater basin described in the Phase I and II orders of the court, as
14 modified, with attachments and presented in Exhibit "1B".

15 Defaulting Parties – All persons or entities listed on Exhibit "3".

16 Imported Water – Water within the Basin received from the State Water Project,
17 originating outside the Basin, that absent human intervention would not recharge or be used in
18 the Basin.

19 LOG Parties – All persons or entities listed on Exhibit "2," listed under the subheading
20 "LOG Parties".

21 Non-Stipulating Parties – All Parties who did not sign the Stipulation, including the
22 Defaulting Parties and the LOG and Wineman Parties.

23 Parties – All parties to the above-referenced action, including Stipulating Parties, Non-
24 Stipulating Parties, and Defaulting Parties.

25 Public Water Producers – City of Santa Maria, Golden State Water Company, Rural
26 Water Company, the "Northern Cities" (collectively the Cities of Arroyo Grande, Pismo
27 Beach, and Grover Beach, and Oceano Community Services District), and the Nipomo
28 Community Services District.

1 Return Flows – All water which recharges the Basin after initial use, through the use of
2 percolation ponds and others means, derived from the use and recharge of imported water
3 delivered through State Water Project facilities.

4 Stipulating Parties – All Parties who are signatories to the Stipulation.

5 Stipulation – The Stipulation dated June 30, 2005 and incorporated herein as Exhibit
6 “1,” with each of its Exhibits separately identified and incorporated herein as Exhibits “1A”
7 through “1H”.

8 Storage Space – The portion of the Basin capable of holding water for subsequent
9 reasonable and beneficial uses.

10 Wineman Parties – All persons or entities listed on Exhibit “2,” under the subheading
11 “Wineman Parties”.

12 The following Exhibits are attached to this Judgment:

13 1. Exhibit “1,” June 30, 2005 Stipulation and the following exhibits thereto:

14 a. Exhibit “1A,” list identifying the Stipulating Parties and the parcels of
15 land bound by the Stipulation.

16 b. Exhibit “1B,” Phase I and II Orders, as modified, with attachments.

17 c. Exhibit “1C,” map of the Basin and boundaries of the three
18 Management Areas.

19 d. Exhibit “1D,” map identifying those lands as of January 1, 2005: 1)
20 within the boundaries of a municipality or its sphere of influence; or within the process of
21 inclusion in its sphere of influence; or 2) within the certificated service area of a publicly
22 regulated utility; and a list of selected parcels that are nearby these boundaries which are
23 excluded from within these areas.

24 e. Exhibit “1E,” 2002 Settlement Agreement between the Northern Cities
25 and Northern Landowners.

26 f. Exhibit “1F,” the agreement among Santa Maria, Golden State and
27 Guadalupe regarding Twitchell Project and the Twitchell Management Authority.

28 g. Exhibit “1G,” the court’s Order Concerning Electronic Service of

1 Pleadings and Electronic Posting of Discovery Documents dated June 27, 2000.

2 h. *Exhibit "1H,"* the form of memorandum of agreement to be recorded.

3 2. *Exhibit "2,"* List of Non-Stipulating LOG and Wineman Parties and recorded
4 deed numbers of property they owned at the time of trial.

5 3. *Exhibit "3,"* List of Defaulting parties.

6 **A declaratory judgment and physical solution are hereby adjudged and decreed**
7 **as follows:**

8 1. As of the time of trial, LOG and Wineman Parties owned the real property,
9 listed by assessor's parcel numbers, as presented in Exhibit 2.

10 2. The City of Santa Maria and Golden State Water Company are awarded
11 prescriptive rights to ground water against the non-stipulating parties, which rights shall be
12 measured and enforced as described below.

13 3. The City of Santa Maria and Golden State Water Company have a right to use
14 the Basin for temporary storage and subsequent recapture of the Return Flows generated from
15 their importation of State Water Project water, to the extent that such water adds to the supply
16 of water in the aquifer and if there is storage space in the aquifer for such return flows,
17 including all other native sources of water in the aquifer. The City of Santa Maria's Return
18 Flows represent 65 percent of the amount of imported water used by the City. Golden State
19 Water Company's Return Flows represent 45 percent of the amount of imported water used by
20 Golden State in the basin.

21 4. (a) The Northern Cities have a prior and paramount right to produce 7,300 acre-
22 feet of water per year from the Northern Cities Area of the Basin; and (b) the Non-Stipulating
23 Parties have no overlying, appropriative, or other right to produce any water supplies in the
24 Northern Cities Area of the Basin.

25 5. The Groundwater Monitoring Provisions and Management Area Monitoring
26 Programs contained in the Stipulation, including Sections IV(D) (All Management Areas);
27 V(B) (Santa Maria Management Area), VI(C) (Nipomo Mesa Management Area), and VII (1)
28 (Northern Cities Management Area), inclusive, are independently adopted by the court as

1 necessary to manage water production in the basin and are incorporated herein and made terms
2 of this Judgment. The Non-Stipulating Parties shall participate in, and be bound by, the
3 applicable Management Area Monitoring Program. Each Non-Stipulating Party also shall
4 monitor their water production, maintain records thereof, and make the data available to the
5 court or its designee as may be required by subsequent order of the court.

6 6. No Party established a pre-Stipulation priority right to any portion of that
7 increment of augmented groundwater supply within the Basin that derives from the Twitchell
8 Project's operation.

9 7. The court determines that there is a reasonable likelihood that drought and
10 overdraft conditions will occur in the Basin in the foreseeable future that will require the
11 exercise of the court's equity powers. The court therefore retains jurisdiction to make orders
12 enforcing the rights of the parties hereto in accordance with the terms of this judgment.

13 a. Groundwater

14 i. The overlying rights of the LOG and Wineman Parties shall be
15 adjusted by amounts lost to the City of Santa Maria and Golden State Water Company by
16 prescription. The prescriptive rights of the City of Santa Maria and Golden State Water
17 Company must be measured against the rights of all overlying water producers pumping in the
18 aquifer as a whole and not just against the LOG and Wineman Parties because adverse
19 pumping by the said water producers was from the aquifer as a whole and not just against the
20 non-stipulating parties. The City of Santa Maria established total adverse appropriation of
21 5100 acre feet per year and Golden State Water Company established adverse appropriation of
22 1900 acre feet a year, measured against all usufructuary rights within the Santa Maria Basin.
23 The City of Santa Maria and Golden State Water Company having waived the right to seek
24 prescription against the other stipulating parties, may only assert such rights against the non
25 stipulating parties in a proportionate quantity. To demonstrate the limited right acquired by
26 the City of Santa Maria and Golden State Water Company, by way of example, if the
27 cumulative usufructuary rights of the LOG and Wineman Parties were 1,000 acre-feet and the
28 cumulative usufructuary rights of all other overlying groundwater right holders within the

1 Basin were 100,000 acre-feet, the City of Santa Maria and Golden State Water Company
2 would each be entitled to enforce 1% of their total prescriptive right against the LOG and
3 Wineman Parties. That is, Golden State Water Company could assert a prescriptive right of
4 19 annual acre-feet, and the City of Santa Maria 51 annual acre-feet, cumulatively against the
5 LOG and Wineman Parties, each on a proportionate basis as to each LOG and Wineman
6 Party's individual use.

7 ii. The Defaulting Parties failed to appear at trial and prove any
8 usufructuary water rights. The rights of the Defaulting Parties, if any, are subject to the
9 prescriptive rights of the City of Santa Maria and Golden State Water Company, as well as the
10 other rights of said parties as established herein.

11 b. Imported Water

12 The City of Santa Maria and Golden State Water Company shall have rights to Return
13 Flows in the amount provided above.

14 c. Northern Cities

15 The rights of all Parties in the Northern Cities Management Area shall be governed as
16 described above on page 4, lines 21 to 24.

17 8. The LOG and Wineman Parties have failed to sustain the burden of proof in
18 their action to quiet title to the quantity of their ground water rights as overlying owners. All
19 other LOG and Wineman party causes of action having been dismissed, judgment is hereby
20 entered in favor of the Public Water Producers as to the quiet title causes of action brought by
21 the LOG and the Wineman Parties. Legal title to said real property is vested in the Log and
22 Wineman Parties and was not in dispute in this action.

23 9. Each and every Party, their officers, agents, employees, successors and assigns,
24 are enjoined and restrained from exercising the rights and obligations provided through this
25 Judgment in a manner inconsistent with the express provisions of this Judgment.

26 10. Except upon further order of the court, each and every Party and its officers,
27 agents, employees, successors and assigns, is enjoined and restrained from transporting
28 groundwater to areas outside the Basin, except for those uses in existence as of the date of this

1 Judgment; provided, however, that groundwater may be delivered for use outside the Basin as
2 long as the wastewater generated by that use of water is discharged within the Basin, or
3 agricultural return flows resulting from that use return to the Basin.

4 11. Jurisdiction, power and authority over the Stipulating Parties as between one
5 another are governed exclusively by the Stipulation. The court retains and reserves
6 jurisdiction as set forth in this Paragraph over all parties hereto. The court shall make such
7 further or supplemental orders as may be necessary or appropriate regarding interpretation and
8 enforcement of all aspects of this Judgment, as well as clarifications or amendments to the
9 Judgment consistent with the law.

10 12. Any party that seeks the court's exercise of reserved jurisdiction shall file a
11 noticed motion with the court. Any noticed motion shall be made pursuant to the court's
12 Order Concerning Electronic Service of Pleadings and Electronic Posting of Discovery
13 Documents dated June 27, 2000.

14 13. The court shall exercise *de novo* review in all proceedings. The actions or
15 decisions of any Party, the Monitoring Parties, the TMA, or the Management Area Engineer
16 shall have no heightened evidentiary weight in any proceedings before the court.

17 14. As long as the court's electronic filing system remains available, all court
18 filings shall be made pursuant to court's Order Concerning Electronic Service of Pleadings
19 and Electronic Posting of Discovery Documents dated June 27, 2000, or any subsequent
20 superseding order. If the court's electronic filing system is eliminated and not replaced, the
21 Parties shall promptly establish a substitute electronic filing system and abide by the same
22 rules as contained in the court's Order.

23 15. Nothing in this Judgment shall be interpreted as relieving any Party of its
24 responsibilities to comply with state or federal laws for the protection of water quality or the
25 provisions of any permits, standards, requirements, or order promulgated thereunder.

26 16. Each Party shall designate the name, address and e-mail address, if any, to be
27 used for purposes of all subsequent notices and service by a designation to be filed within
28 thirty days after entry of this Judgment. This designation may be changed from time to time

1 by filing a written notice with the court. Any Party desiring to be relieved of receiving notices
2 may file a waiver of notice on a form approved by the court. The court shall maintain at all
3 times a current list of Parties to whom notices are to be sent and their addresses for purposes
4 of service. The court shall also maintain a full current list of names, addresses, and e-mail
5 addresses of all Parties or their successors, as filed herein. Copies of such lists shall be
6 available to any Person. If no designation is made, a Party's designee shall be deemed to be, in
7 order of priority: i) the Party's attorney of record; ii) if the Party does not have an attorney of
8 record, the Party itself at the address specified.

9 17. All real property owned by the Parties within the Basin is subject to this
10 Judgment. The Judgment will be binding upon and inure to the benefit of each Party and their
11 respective heirs, executors, administrators, trustees, successors, assigns, and agents. Any
12 party, or executor of a deceased party, who transfers property that is subject to this judgment
13 shall notify any transferee thereof of this judgment and shall ensure that the judgment is
14 recorded in the line of title of said property. This Judgment shall not bind the Parties that
15 cease to own property within the Basin, and cease to use groundwater. Within sixty days
16 following entry of this Judgment, the City of Santa Maria, in cooperation with the San Luis
17 Obispo entities and Golden State, shall record in the Office of the County Reporter in Santa
18 Barbara and San Luis Obispo Counties, a notice of entry of Judgment.

19 The Clerk shall enter this Judgment.

20
21 SO ORDERED, ADJUDGED, AND DECREED.

22
23 Dated: January 25, 2008


Judge of the Superior Court

JACK KOMAR