DRAFT

Water Supply Assessment

Apple Valley Logistics Center Project San Bernadino County, California

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Acronyms and Abbreviations

Acronym/Abbreviation	Definition
AF	acre-feet
AFY	acre-feet per year
AVLC	Apple Valley Logistics Center
APN	Assessor's Parcel Number
BAP	Base Annual Production
CEQA	California Environmental Quality Act
CWC	California Water Code
DWR	California Department of Water Resources
gpd	gallons per day
gpm	gallons per minute
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
mg/L	milligrams per liter
PSY	Production Safe Yield
PWS	public water system
SB	Senate Bill
SGMA	Sustainable Groundwater Management Act
USGS	United States Geological Survey
VVWRA	Victor Valley Wastewater Reclamation Authority
Watermaster	Mojave Basin Area Watermaster
WSA	Water Supply Assessment

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1 Introduction

1.1 Purpose of Document

Senate Bills (SB) 610 and 221 were enacted in 2002, amending the California Water Code (CWC) to require detailed analysis of water supply availability for certain types of development projects. The primary purpose of the Bills is to improve the linkage between water and land use planning by ensuring greater communication between water providers and local planning agencies and ensuring that land use decisions for certain large development projects are fully informed as to whether a sufficient water supply is available to meet project demands. SB 610 requires preparation of a Water Supply Assessment (WSA) for a project that is subject to the California Environmental Quality Act (CEQA) and meets certain requirements.

The Apple Valley Logistics Center Project (Project) has been determined to be subject to CEQA by the Town of Apple Valley (Town) acting as the CEQA lead agency. The Project qualifies as a "Project" per California Water Code Section 10912(a) because it is a proposed industrial, manufacturing, or processing plant, or industrial park that occupies more than 40 acres of land, and has more than 650,000 square-feet of floor space. The lead agency will make an independent determination as to whether there is adequate water supply for the proposed Project, having considered the entire administrative record. In compliance with SB 610, this WSA examines the availability of the identified water supply under normal-year, single-dry-year, and multiple-dry-year conditions over a 20-year projection. This WSA also accounts for the projected water demand of the Project plus other existing and planned future uses of the identified water supply.

1.2 Project Location and Description

The Project site is located in the northeastern part of the town of Apple Valley, which is within the Victor Valley Region of San Bernardino County (Figure 1). The Project site borders the eastern edge of the Apple Valley Airport and is bounded by Gustine Street to the north, Central Road to the east, and Corwin road to the south. The Project includes the construction and operation of three industrial/warehouse buildings totaling approximately 3,480,736 square feet on approximately 156 acres (Appendix A). The Project's associated improvements would include loading docks, truck and vehicle parking, and landscaped areas.

The Project site is identified under the Specific Plan land use designation in the Town of Apple Valley General Plan (Town of Apple Valley 2015, 2022) and is also within the North Apple Valley Industrial Specific Plan, which designates the site under the Specific Plan Industrial land use (Town of Apple Valley 2012).

1.3 Water Supply Assessment Applicability

SB 610 amended CWC Sections 10910 and added Sections 66455.3 and 66473.7 to the Government Code with the intention of creating a direct relationship between water supply and land use and to connect developers, planners, and local water agencies at the early stage in the planning process through WSA's.

SB 610 establishes the legal framework for assessing the sufficiency of water supply for new development which qualify as a "Project". Per California Water Code Section 10912(a), a "Project" means any of the following:

- Proposed residential development of more than 500 dwelling units.

- Proposed shopping center or business establishment employing more than 1,000 persons, or having more than 500,000 square-feet of floor space.
- Proposed commercial office building employing more than 1,000 persons or having more than 250,000 square-feet of floor space.
- Proposed hotel or motel or both, having more than 500 rooms.
- Proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square-feet of floor area.
- Proposed mixed-use project that includes one or more of the above components.
- Proposed project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500 dwelling unit project. (Water Code Section 10912(a)).

The Project qualifies as a "Project" per California Water Code Section 10912(a) because it is a proposed industrial, manufacturing, or processing plant, or industrial park that occupies more than 40 acres of land, and has more than 650,000 square-feet of floor space.

The CWC, as amended by SB 610, requires that a WSA address the following questions:

- Is there a public water system that will service the project?
- Is there a current Urban Water Management Plan (UWMP) that accounts for the project demand?
- Is groundwater a component of the supplies for the project?
- Are there sufficient supplies to serve the project over the next 20 years?

The primary question to be answered in a WSA per the requirements of SB 610 is: *Will the total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection meet the projected water demand of the proposed project, in addition to existing and planned future uses of the identified water supplies, including agricultural and manufacturing uses?*

The response to this question also informs and assists the lead agency in responding to the CEQA Guidelines Utilities and Service Systems question: *Would the Project have sufficient water supplies available to serve the Project and reasonably foreseeable future development during normal, dry, and multiple dry years?*

1.3.1 Is There a Public Water System that Will Service the Project?

Section 10912 of the CWC defines a "public water system" as a system that has 3,000 or more service connections and provides piped water to the public for human consumption. The Project is located adjacent to the water service area established for Liberty Utilities (Apple Valley Ranchos Water) (also referred to as Liberty Utilities). The service area for Liberty Utilities runs through the Project area (Figure 2) and it is assumed the Project will be supplied by Liberty Utilities – Apple Valley via Liberty Utilities 12" existing mains and proposed 12" and 14" main extensions. Liberty Utilities is an investor-owned public utility, meeting the definition of a Public Water System. Liberty Utilities provides water service primarily within the Town of Apple Valley. As of 2020, Liberty Utilities provides approximately 21,000 municipal connections (Liberty Utilities, 2021).

Under SB 610, WSA reports must be prepared and furnished to local governments by the water utility serving that community for inclusion in any environmental documentation for projects meeting the specified requirements under Section 10912 (a) of the CWC and subject to CEQA. According to CWC Section 10910 (g)(1), "[…] the governing body of each public water system, or the city or county if either is required to comply with this act […] shall approve the assessment prepared pursuant to this section at a regular or special meeting." According to SB 610, the public water system serving the project area is required to prepare the WSA report.

1.3.2 Urban Water Management Plan Coverage

Urban Water Management Plans (UWMPs) are prepared by California's urban water suppliers to support long-term resource planning and ensure adequate water supplies. UWMPs must be updated and submitted to the California Department of Water Resources (DWR) every 5 years for review and approval. The DWR has identified the UWMP as a foundational document in the preparation of a WSA, noting that a thorough UWMP can provide the required information to fulfill the standards set forth by SB 610. Every urban water supplier that either delivers more than 3,000 AF per year (AFY) of water annually or serves more than 3,000 connections is required to assess the reliability of its water sources over a 20-year period under normal-year, dry-year, and multiple dry-year scenarios; these are the same requirements of a WSA, as specified by SB 610. A WSA may also rely on additional water supply data beyond the information in the UWMP.

An UWMP was created and submitted to DWR to satisfy 2020 requirements by Liberty Utilities. The 2020 UWMP for Liberty Utilities contains detailed information about the urban water supplier's water supply and demand estimates. The 2020 UWMP serves as an update to Liberty Utilities water resource needs, water use efficiency programs, water reliability assessment and strategies to mitigate water shortage conditions and builds upon the last UWMP that was submitted in 2015 (Liberty Utilities, 2021). The water demand for the Project is not specifically accounted for in the UWMP, however, the site is included in the General Plan which shows the existing general plan designation and zoning for the site.

1.3.3 Is Groundwater a Component of the Supplies for the Project?

Groundwater is the only source of water supply for the Liberty Utilities' distribution system and the only source proposed for the Project. Liberty Utilities provides domestic water from potable supply wells within its service area and provides water for agricultural purposes from groundwater wells which are separate from Liberty Utilities' potable water system.

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2 Project Water Demand

Construction of the Project is anticipated to commence in August 2024 (if the Project is approved) and be completed by August 2025. Construction activities would include pre-watering, site clearing and grading, trenching for utilities, building construction, paving, and landscaping.

Water will be supplied by Liberty Utilities for all phases of the Project. During construction, pre-watering will be conducted with sprinklers. During operation, water would be supplied to the Project through existing and proposed water mains within the Liberty Utilities service area (Appendix B). Due to the unknown plans of future tenants, water demand from three different commercial warehouse businesses within Liberty Utilities service area was used to estimate potential annual water volumes for operation and maintenance. Table 2.1 shows the water use for the example warehouse developments provided by Liberty Utilities.

Table 2.1. Water Usage for Example Warehouses

Business	Size (sf)	Gallons per day	Acre feet per year	Gal/day per sq. foot
Big Lots	1,360,875	673	0.75	0.0005
Fresenius Medical Blue	150,000	378	0.42	0.003
WalMart Distribution Center	1,080,000	29,920	33.51	0.03

Source: G. Miles, personal communication, June 20, 2022.
Notes: sf = square feet

Table 2.2 shows the three different water use rates applied to the Project footprint. Each scenario has been converted to AFY. According to Liberty Utilities, these water usage estimates account for both operational and irrigation water demand for each warehouse (G. Miles, personal communication, August 30, 2023) and assumes any new Project will utilize low water use plantings and efficient drip irrigation.

Table 2.2. Estimated Project Water Usage for Operation and Landscape Irrigation

Business	Size (sf)	Water Demand (gpd per sf)[1]	Water Demand (gpd)	Water Demand (AFY)[2]	Water Demand Average (AFY)
IENLCAV Project	3,480,736	0.0005	1,740	1.95	44
		0.003	10,442	11.70	
		0.03	104,422	116.97	

Notes: sf=square feet; gpd=gallons per day; AFY = acre-feet per year; 1 acre-foot = 325,851 gallons.
1 Representative similar distribution center project demands. See Table 2.1.
2 Average of similar distribution center projects demands applied to the Project footprint.

In addition to operation water demand, the Project applicant provided construction water demand estimates. During the pre-watering phase of the Project, a total of approximately 228 AF are expected to be used over a three-week duration for all three buildings. The following phase, mass grading, is expected to use approximately 147 AF total for all three building sites. In total for 2025, an additional 375 AF were added to the total demand for construction activities listed above. Water demand is expected to remain consistent for all years once construction is completed (Table 2.3).

Table 2.3. Projected Water Demand of Project over 20-year period

Supply/Demand	Projected (AF)				
	2025[1]	2030	2035	2040	2045
Total Water Demand (AFY)	419	44	44	44	44

Notes: AF = acre-feet, 1 acre-foot = 325,851 gallons.
[1] Construction water demand is anticipated only in 2024-2025.

3 Water Resources Plans and Programs

3.1 Sustainable Groundwater Management Act

The Sustainable Groundwater Management Act (SGMA) is a package of three bills (Assembly Bill 1739, SB 1168, and SB 1319) and provides local agencies with a framework for managing groundwater basins in a sustainable manner. The SGMA establishes minimum standards for sustainable groundwater management, roles and responsibilities for local agencies that manage groundwater resources, priorities, and timelines to achieve sustainable groundwater management within 20 years of adoption of a Groundwater Sustainability Plan (GSP). The SGMA also requires all high and medium priority basins be sustainably managed. The Mojave Basin Area is considered an adjudicated and very low priority[1] basin in DWR's 2019 SGMA Basin Prioritization and thus is exempt from the requirements of developing a GSP (DWR, 2019). Instead, the basin is managed by a court-appointed water master, as discussed in Section 4.

3.2 Urban Water Management Planning Act

The Urban Water Management Planning Act (CWC Sections 10610–10657) requires urban water suppliers to prepare a UWMP every 5 years and to submit it to the DWR, the California State Library, and any city or county within which the supplier provides water supplies. All urban water suppliers, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet (AF) annually are required to prepare a UWMP (CWC Section 10617).

The Urban Water Management Planning Act was enacted in 1983. Over the years, it has been amended in response to water resource challenges and planning imperatives confronting California. A significant amendment was made in 2009 as a result of the governor's call for a statewide 20% reduction in urban water use by 2020, referred to as "20x2020," the Water Conservation Act of 2009, and "SB X7-7." This amendment required urban retail water suppliers to establish water use targets for 2015 and 2020 that would result in statewide water savings of 20% by 2020. Beginning in 2016, urban retail water suppliers were required to comply with the water conservation requirements in SB X7-7 in order to be eligible for state water grants or loans.

A subsequent substantial revision to the Urban Water Management Planning Act was made in 2018 through a pair of bills (i.e., Assembly Bill 1668 and SB 606), described below in Section 3.3, Water Use Efficiency Standards. These changes include, among other things, additional requirements for Water Shortage Contingency Plans, expansion of dry-year supply reliability assessments to a 5-year drought period, establishment of annual drought risk assessment procedures and reporting, and new conservation targets referred to as "annual water use objectives," which will require retailers to continue to reduce water use beyond the 2020 SB X7-7 targets. The Urban Water Management Planning Act contains numerous other requirements that a UWMP must satisfy.

[1] Under the 2019 Basin Prioritization, all adjudicated basins were automatically assigned a very low priority because they are excluded from SGMA. A "very low" priority in this case does not suggest that a basin does not have problems with respect to groundwater.

3.3 Water Use Efficiency Standards

The Water Conservation legislation of 2018 (SB 606 and Assembly Bill 1668)— referred to as "Making Water Conservation a California Way of Life" or the "2018 Water Conservation Legislation"— established a new foundation for long-term improvements in urban water supplier conservation and drought planning in order to adapt to climate change and the longer more intense droughts in California. Together, Assembly Bill 1668 and SB 606 lay out a new long-term water conservation framework for California. This new framework is far-reaching for both the urban and agricultural sectors of California and represents a major shift in focus. Programs and initiatives are organized around four primary goals:

1. Use water more wisely
2. Eliminate water waste
3. Strengthen local drought resilience
4. Improve agricultural water use efficiency and drought planning

Collectively, this legislation provides a road map for all Californians to work together to ensure that we will have enough water now and, in the years, ahead. One of the major outcomes of the legislation is the adoption of long-term standards for the efficient use of water and performance measures for commercial, industrial, and institutional water use on or before June 30, 2022. The bill establishes a standard for indoor water use of 55 gallons per capita daily to be reached by 2025, 52.5 gallons per capita daily beginning in 2025, decreasing to 50 gallons per capita daily beginning in 2030, or an alternative to this standard as determined jointly by DWR and State Water Resources Control Board in accordance with necessary studies and investigations.

On July 8, 2021, the Governor signed Executive Order N-10-21 which asks Californians to voluntarily reduce water use by 15% from 2020 levels. The Executive Order was in direct response to California experiencing the second driest year on record and the ongoing drought.

On January 4, 2022, the State Water Resources Control Board adopted an emergency regulation that prohibits certain wasteful water use practices statewide and encourages Californians to monitor their water use more closely while building habits to use water wisely.

3.4 Water Shortage Contingency Plan

Liberty Utilities includes a water shortage contingency plan within their UWMP that presents how the water supplier will respond in the event of an actual water shortage contingency. The main points are summarized below:

1. Beginning in 2022, Liberty Utilities will be required to submit an Annual Assessment reviewing unconstrainted water demands for the current year and the potential upcoming single dry year.
2. Liberty Utilities will incorporate multiple standard water shortage levels into their management plans ranging from 10 percent to greater than 50 percent.
3. Customers will be required to reduce their consumption levels by the percentage specified in the plan.
4. Increased tracking of customer water usage and outdoor usage restrictions.
5. Emergency Response Plan

4 Water Resources Inventory

4.1 Local Surface Water

Liberty Utilities does not use surface water to meet its water demands, although the Project site is just under 2 miles northeast of the Mojave River. The Mojave River is an important resource in the area and accounts for nearly 80 percent of total basin natural recharge (Liberty Utilities, 2021).

4.2 Groundwater

Liberty Utilities has historically pumped groundwater directly from the Mojave Basin Area and the Project will rely solely on groundwater. Liberty Utilities' historical water supply can be found in Table 4.1.

Table 4.1. Historical Water Supply for Liberty Utilities

Calendar Year	System Water Supply Sources (AF)		Total (AF)
	Mojave Basin Area Groundwater (Potable Use)	Mojave Basin Area Groundwater (Ag. Irrigation)	
2011	12,479	5,751	18,230
2012	12,475	4,314	16,788
2013	12,255	4,869	17,124
2014	12,275	4,211	16,486
2015	9,582	3,933	13,515
2016	9,257	4,467	13,724
2017	9,470	4,637	14,106
2018	9,541	4, 765	14,307
2019	9,367	4,172	13,539
2020	10,067	4,912	14,979

Source: Liberty Utilities, 2021
Notes: AF = acre-feet; 1 acre-foot = 325,851 gallons.

The Basin Area is subdivided into five smaller areas (Oeste, Alto, Este, Centro, and Baja) and the Project will be built within the Alto Subbasin. Groundwater movement occurs between each of the subbasins.

4.2.1 Groundwater Basin Description

The Project is to be located within the Upper Mojave River Valley Groundwater Basin (DWR Basin No. 6-042) as mapped by the California Department of Water Resources (Figure 2) as well as the Mojave Basin (Alto Subarea) as designated by the Mojave Basin Area Watermaster. The Basin is an adjudicated groundwater basin and is exempt from the requirements of developing a GSP as it is designated as a very-low priority basin. Because the Project is within an adjudicated area, it is not subject to the requirements of California's Sustainable Groundwater Management Act, but instead is subject to groundwater pumping allocations under the court adjudication set up to mitigate long-term overdraft, to keep subareas in balance, and to meet biological resource mitigation obligations (Mojave Basin Area Watermaster, 2023).

Final Judgement was entered in 1996 (Appendix C) in an effort to preserve the limited resources typical of arid regions by regulating groundwater allocations. The adjudication was initiated by a 1990 lawsuit filed by the City of Barstow and Southern California Water Company, claiming excessive water use in the Upper Mojave River Basin, thus reducing the amount of surface and groundwater available to the central Basin. Additional cross-complaints were filed and several parties joined the lawsuit. For more than 18 months, water producers of all types who were reliant upon the Mojave River Basin commenced negotiations which eventually produced the "Final Judgment" on how the groundwater supply could be fairly distributed (Water Education Foundation, 2022). The purpose of the Judgment was to create incentives to conserve local water, guarantee that downstream producers will not be adversely affected by upstream producers, and assess producers to obtain funding for the purchase of imported water. To carry out the Mojave Basin Judgment, the Mojave Water Agency assigned Base Annual Production amounts to each producer using 10-acre feet per year or more.

Mojave Water Agency is the current Court-appointed Watermaster for the Mojave Basin Area Judgment. The Watermaster's main responsibilities are to monitor and verify water production, collect required assessment, conduct studies, and prepare an annual report. The adjudication is primarily concerned with maintaining groundwater levels to help maintain a specified level of groundwater pumping in the area (Mojave Water Agency, 2023). The Watermaster does not have a specific obligation towards maintaining water quality; however, it is noted that continued pumping in depleted areas may result in long- term local negative impacts such as water quality problems due to migration of lesser quality water. The Watermaster is currently responsible for reporting the following types of data in the Mojave Basin Area:

- Verification of reported groundwater production
- Mojave River Flows
- Precipitation Page 6-4 Salt and Nutrient Management Plan, Mojave Water Agency
- Wastewater Discharges
- Subsurface Inflow
- State Water Project and wastewater imports
- Groundwater levels
- Ungauged surface water inflows

The groundwater basin is bounded on the north from basement rock outcrops near Helendale to those in the Shadow Mountains. The southern boundary is the contact between Quaternary sedimentary deposits and unconsolidated basement rocks of the San Bernardino Mountains (Figure 3). The basin is bounded on the southeast by the Helendale fault and on the east by basement exposures of the mountains surrounding Apple Valley. In the west, the boundary is marked by a surface drainage divide between this basin and El Mirage Valley Basin, and a contact between alluvium and basement rocks that form the Shadow Mountains (DWR, 2004). It is important to note that the definition of the Upper Mojave River Valley Groundwater Basin and the Mojave Basin Area are distinctly separate from each other with the Mojave Basin area being smaller in size and more closely following the shape of the Mojave River.

4.2.2 On-Site Well Inventory and Groundwater Levels

The Mojave Basin Area Watermaster monitors groundwater levels that represent conditions throughout the Alto Subarea in three areas: 1) the Western portion located generally west of the Mojave River (the river is included in the western portion); 2) the Eastern portion located generally east of the Mojave River; and 3) the Alto Transition Zone. The Alto Subarea has the largest water supply in the Mojave Basin (Town of Apple Valley, 2009). Alto water levels near the river exhibit seasonal variation, rising in winter and falling in summer. The Mojave Basin Area Watermaster notes that variability showing lower lows and lower highs is an indication of extractions exceeding recharge over time. Water levels in the western portion of Alto in the regional aquifer exhibit declines consistent with locally heavy pumping and limited local recharge. Water levels in the eastern portion of Alto indicate similar trends although to a lesser extent, most likely due to limited pumping in the regional aquifer east of the river. Continued pumping in depleted areas of the regional system may result in long-term local negative impacts such as declining yields and water quality problems. Water levels in wells near the river, particularly in the south part of Alto, experienced a trend of decline for 7 years consistent with limited recharge due to drier than average conditions. Water supply conditions for the past 10 years have been dry (43.3% of Base Period average). The Mojave Basin Area Watermaster has determined that continuation of dry conditions will result in further water level declines (Mojave Basin Area Watermaster, 2023).

According to the SGMA Data Viewer, there is one groundwater well (USGS Site No. 343341117101601) with recent and long-term data that is located approximately 0.7 miles south of the Project area. Groundwater levels were last measured in this well on May 10, 2023 when the depth to groundwater was 243.57 feet below the ground surface. This is approximately 10 feet greater than the measurements in 2022, however, the depth to groundwater had been steadily decreasing from 2007 to 2022.

From 1960 to 1995, the groundwater level in the Alto Subarea declined approximately 60 feet from an elevation of 2815 feet to approximately 2,755 feet (Town of Apple Valley, 2009). Since the Final Judgement, however, wells near the Transition zone that are responsible for tracking the recharge of the Alto Subarea have seen water level stability indicating the positive influence of the Mojave Basin Area Watermaster (Mojave Basin Area Watermaster, 2023).

4.2.3 Groundwater Quality

Bulletin 118 as presented by DWR (2004) presents the following information on water quality for the Upper Mojave River Valley Groundwater Basin.

> Calcium bicarbonate character waters are found near the San Bernardino Mountains and near the Mojave River channel. Sodium bicarbonate waters are found near Victorville. Sodium bicarbonate-sulfate waters are found near Adelanto. Sodium-calcium sulfate waters occur west of Victorville. Sodium chloride waters are found in Apple Valley. High nitrate concentrations occur in the southern portion of the basin and high iron and manganese concentrations are found near Oro Grande. Groundwater has been contaminated with trichloroethane (TCE) at the former George Air Force Base, now a federal Superfund site. Leaking underground storage tanks in and around Victorville have introduced fuel additives benzene, toluene, ethlybenzene, xylene, and methyl tertiary butyl ether into groundwater.

However, there are no groundwater quality issues present in groundwater delivered for potable use. The UWMP provides the following information regarding groundwater quality served by Liberty Utilities (2021):

> Liberty Utilities currently obtains potable groundwater supplies from 20 active wells in the Mojave Basin Area. According to Liberty Utilities' annual Consumer Confidence Reports, potable groundwater quality within Liberty Utilities' service area currently meets all the regulatory requirements. There have been no contaminants detected that exceed any federal or state drinking water standards. Hundreds of samples analyzed every month and thousands every year by Liberty Utilities contract certified laboratories assure that all primary (health related) and secondary (aesthetic) drinking water standards are met. [...] Currently, water quality does not affect water supply reliability in the Liberty Utilities service area. Therefore, no anticipated change in reliability or supply due to water quality is anticipated based on the present data.

4.3 Imported Water and Wastewater/Recycled Water

Liberty Utilities does not purchase imported water supplies to meet its current water demands, however, it does pay a replacement water fee to the Mojave Basin Area Watermaster for any supply it uses in excess of its pumping limits. Base Annual Production limits are discussed in detail in Section 5. The Watermaster also manages the transfer of surplus water between producers in the Basin. Surplus and deficits between the producers are calculated annually.

Liberty Utilities also does not rely on any recycled water at the current time. According to the 2020 UWMP, the Victor Valley Wastewater Reclamation Authority (VVWRA), which provides wastewater collection and treatment services to Liberty Utilities, has constructed facilities to serve recycled water within Liberty Utilities' service area, if needed in the future.

4.4 Climate

The Town of Apple Valley is classified as a semi-arid climate with low humidity, relatively low and irregular precipitation, and high evapotranspiration. Apple Valley averages approximately 5.4 inches of precipitation annually based upon the data collected from 1917 to 2015 (Liberty Utilities, 2021), with the majority of the precipitation occurring between December and March. The Mojave Region Integrated Regional Water Management Plan projects a temperature increate of up to 4.0 °F by 2050, and states the following:

> Increased temperatures will lead to less snowfall at lower elevations and decreased snowpack. By midcentury it is predicted that Sierra Nevada snowpack will reduce by 25 percent to 40 percent of historical average. Decreased snowpack is projected to be greater in the northern Sierra Nevada, closer to the origin of SWP water, than in the southern Sierra Nevada. Furthermore, an increase in "rain on snow" events may lead to earlier runoff. Given these changes water shortages worse than the 1977 drought could occur one out of every six to eight years by the middle of the 21st century and one out of every two to four years by the end of 21st century. Increased demand combined with declining flows will likely lead to decreased carryover storage from year to year.

The Mojave Water Agency and DWR are working to implement statewide restrictions, efficiency, and guidance for how to manage water supply and demand into the future. It will be important for public water systems to implement strategies to achieve long-term sustainability.

5 Reliability of Water Supplies

5.1 Apple Valley Water Demand and Supplies

It is assumed Liberty Utilities will be the sole water provider for the Project. Actual and projected water supplies for the Town of Apple Valley are included in Table 5.1 and Table 5.2. These projections were taken from the 2020 UWMP for the Liberty Utilities – Apple Valley and show the actual and projected supply and demand estimates for a normal water year in 5-year increments. Table 5.3 and Table 5.4 show the estimates for a single dry year and multiple dry years, respectively. The supply and demand differences are zero as Liberty Utilities only pumps the amount of water necessary to serve the demand in any given year.

Table 5.1. Current and Projected Water Demand for Normal Year

	Actual (AF)	Projected (AF)				
Water Sources	2020	2025	2030	2035	2040	2045
Demand						
Single Family	6,486	7,107	7,579	8,077	8,602	9,156
Industrial	2	2	2	2	2	2
Commercial	1,736	1,837	1,909	1,984	2,064	2,149
Institutional/Government	517	547	568	591	615	640
Landscape	588	622	646	672	699	727
Agricultural Irrigation	4,912	4,950	4,950	4,950	4,950	4,950
Losses	710	751	781	812	844	879
Other	28	30	31	32	34	35
Total	**14,979**	**15,846**	**16,466**	**17,120**	**17,810**	**18,538**

Source: Liberty Utilities, 2021
Notes: AF = acre-feet; 1 acre-foot = 325,851 gallons.

Table 5.2. Projected Water Supply and Demand Comparison for Normal Year

	Projected (AF)				
Supply/Demand	2025	2030	2035	2040	2045
Total Water Demand	15,846	16,466	17,120	17,810	18,538
Total Potable Supply	15,846	16,466	17,120	17,810	18,538
Difference	**0**	**0**	**0**	**0**	**0**

Source: Liberty Utilities, 2021
Notes: AF = acre-feet; 1 acre-foot = 325,851 gallons.

Table 5.3. Projected Water Supply and Demand Comparison for Single Dry Year

	Projected (AF)				
Supply/Demand	2025	2030	2035	2040	2045
Total Water Demand	14,922	15,506	16,122	16,772	17,458

Table 5.3. Projected Water Supply and Demand Comparison for Single Dry Year

Supply/Demand	Projected (AF)				
	2025	2030	2035	2040	2045
Total Potable Supply	14,922	15,506	16,122	16,772	17,458
Difference	0	0	0	0	0

Source: Liberty Utilities, 2021
Notes: AF = acre-feet; 1 acre-foot = 325,851 gallons.

Table 5.4. Projected Water Supply and Demand Comparison for Multiple Dry Years

	Projected (AF)					
		2025	2030	2035	2040	2045
First Year	Supply Totals	19,285	20,039	20,835	21,675	22,561
	Demand Totals	19,285	20,039	20,835	21,675	22,561
	Difference	0	0	0	0	0
Second Year	Supply Totals	17,760	18,454	19,188	19,961	20,777
	Demand Totals	17,760	18,454	19,188	19,961	20,777
	Difference	0	0	0	0	0
Third Year	Supply Totals	18,114	18,823	19,571	20,360	21,192
	Demand Totals	18,114	18,823	19,571	20,360	21,192
	Difference	0	0	0	0	0
Fourth Year	Supply Totals	17,440	18,122	18,842	19,602	20,403
	Demand Totals	17,440	18,122	18,842	19,602	20,403
	Difference	0	0	0	0	0
Fifth Year	Supply Totals	14,296	14,856	15,446	16,069	16,726
	Demand Totals	14,296	14,856	15,446	16,069	16,726
	Difference	0	0	0	0	0

Source: Liberty Utilities, 2021
Notes: AF = acre-feet; 1 acre-foot = 325,851 gallons.

The UWMP states the following with regard to limits on groundwater production (Liberty Utilities, 2021):

> The Mojave Basin Area Judgment assigned Base Annual Production rights to producers which historically used 10 AFY or more, based on historical production. BAP is defined as the producer's highest annual use verified for the five-year base period from 1986 to 1990. Parties to the Judgment are assigned a variable Free Production Allowance (FPA) by the Watermaster, which is a percentage of BAP set for each Subarea for each year. The allocated FPA represents each producer's share of the water supply available for that subarea. [Liberty Utilities'] current FPA for the Alto Subarea is 55 percent of BAP for municipal and industrial and 70 percent of BAP for agriculture.
>
> Production Safe Yield (PSY) is determined for each Subarea within the Mojave Basin Area. The PSY in each Subarea is assumed to equal the average net natural water supply plus the expected return flow from the previous year's water production. Exhibit H of the Judgment requires that in the event

> the FPA exceeds the estimated PSY by five percent or more of BAP, the Watermaster recommends a reduction in FPA equal to, but not more than, a full five percent of the aggregate Subarea BAP. […] If Liberty Utilities pumps more than its FPA, then it must pay the Watermaster to purchase SWP replacement water equal to the amount of production in excess of the FPA. Alternatively, Liberty Utilities may meet its obligation by transferring unused FPA from another party within the Subarea.

Liberty Utilities' BAP to the Mojave Basin Area – Alto Subarea was 13,610 AFY and its FPA was 7,940 AF for FY 2021-22 with 7,486 AF being the Base Free Production Allowance (55% of the total BAP), and 454 AF added from a carryover from the previous year (Mojave Area Basin Watermaster, 2023). The BAP for Liberty Utilities has increased approximately 280 AF since FY 2011-2012 as a result of acquiring additional water rights. While water suppliers are allowed to exceed their FPA limits, they are responsible for paying a fee for any water needed in surplus of the FPA. For FY 2021-2022 Liberty Utilities had a replacement water obligation of 792 AF, which the Watermaster was responsible for acquiring. According to the Watermaster 2021-2022 Annual Report:

> Producers in each Subarea are allowed to produce as much water as they need annually to meet their requirements, subject only to compliance with the Physical Solution set forth in the Judgment. An underlying assumption of the Judgment is that sufficient water will be made available to meet the needs of the Basin in the future from a combination of natural supply, imported water, water conservation, water reuse and transfers of FPA among parties.

A comparison of Liberty Utilities' FPA and Verified Production from 2017 to 2022 is shown in Table 5.5. In years where Liberty Utilities uses more water than their FPA, they are required to purchase replacement water at a high cost. Table 5.5 shows that in the last five years, Liberty Utilities has finished with a surplus of unused FPA water in four of them. This is evidence that Liberty Utilities is actively managing their supplies within the confines of their FPA limits.

Table 5.5. Liberty Utilities Free Production Allowance and Verified Production

	2017-2018	2018-2019	2019-2020	2020-2019	2021-2022
Total Free Production Allowance (AF)	10,825	10,715	10,294	9,360	7,940
Verified Production (AF)	8,276	7,907	8,420	8,906	8,732
Unused FPA (AF)	2,549	2,808	1,874	454	0
Replacement Water Obligation (AF)	0	0	0	0	792

Source: Mojave Area Basin Watermaster 2019, 2020, 2021, 2022, 2023
Notes: 1 acre-foot = 325,851 gallons.

The population forecast for Liberty Utilities' service area is presented in Table 5.6 and Liberty Utilities is expecting a growth increase for the next 20 years, According to the UWMP, Liberty Utilities has been able to meet its demands even with decreasing supply. For example, the demand total for Liberty Utilities in 2011 was 18,230 acre-feet, the highest amount in the last 10 years. This supply, however, is nearly equivalent to the to the demand estimated for 2045 and shows that Liberty Utilities has been able to curb demand and match supply even with a moderate amount of population growth forecasted for the region.

Table 5.6. Liberty Utilities Service Area Population – Current and Projected

	2020	2025	2030	2035	2040	2045
Population Served	61,444	64,828	68,399	72,166	76,141	80,334

Source: Liberty Utilities, 2021

Although the Project falls within the industrial sector, which shows static demand projections (Table 5.1), it has been indicated that the industrial projections will change on the 2025 UWMP given the numerous industrial projects that are currently underway and in the planning process in Apple Valley (S. Chen, personal communications, March 31, 2023). Despite the Project not being accounted for in the 2020 UWMP, Table 5.5 shows that Liberty recently has unused FPA water that is greater than the highest amount of water that is estimated during the construction year for the Project (2025). When needed, Liberty Utilities has also shown it will purchase replacement water to meet the demand of its service area.

6 Conclusion

As required and stated in Water Code Section 10910(c)(3), if the projected water demand associated with the proposed project was not accounted for in the most recently adopted urban water management plan, or the public water system has no urban water management plan, the water supply assessment for the project shall include a discussion with regard to whether the public water system's total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the public water system's existing and planned future uses, including agricultural and manufacturing uses. The previous sections of this WSA discuss these factors and a summary is located below.

- Liberty Utilities (Apple Valley Ranchos Water) has been identified as the public water supplier for the Project. The Project will use existing and proposed water mains within the Liberty Utilities service area.
- The Project site is located within the city limits for the Town of Apple Valley and the Project site is included in the North Apple Valley Industrial Specific Plan, which designates the site for Industrial land use.
- The Project site is located within the Upper Mojave River Valley Groundwater Basin. The Basin has seen signs of stabilization of groundwater levels since the adjudication in 1996 and the appointment of a Watermaster.
- The projected maximum water demand for the Project is 44 AFY.
- Although the Project is not accounted for in the UWMP projections, the recent surplus of FPA water and the ability to purchase replacement water to meet demand shows Liberty can support the Project.
- The 2021-2022 Watermaster Report has also shown that Liberty Utilities is able to meet its demand annually in times of recent drought.

Liberty Utilities has met 100 percent of its total demands with supplies from the Mojave Basin area during the last drought between 2011 and 2015. Despite nearly 50% FPA reduction in the Basin and Subbasin, Liberty Utilities has met demand through a series of carry-overs, transfers, and replacement water agreements as well as the implementation of a water shortage contingency plan during severe drought occurrence. Given Liberty Utilities' projected population forecasts the Project's additional water demand reasonably fits within this projected increase. The UWMP indicates that Liberty Utilities can meet water demands during normal years, single dry years, and a five consecutive year drought period over the next 20 years.

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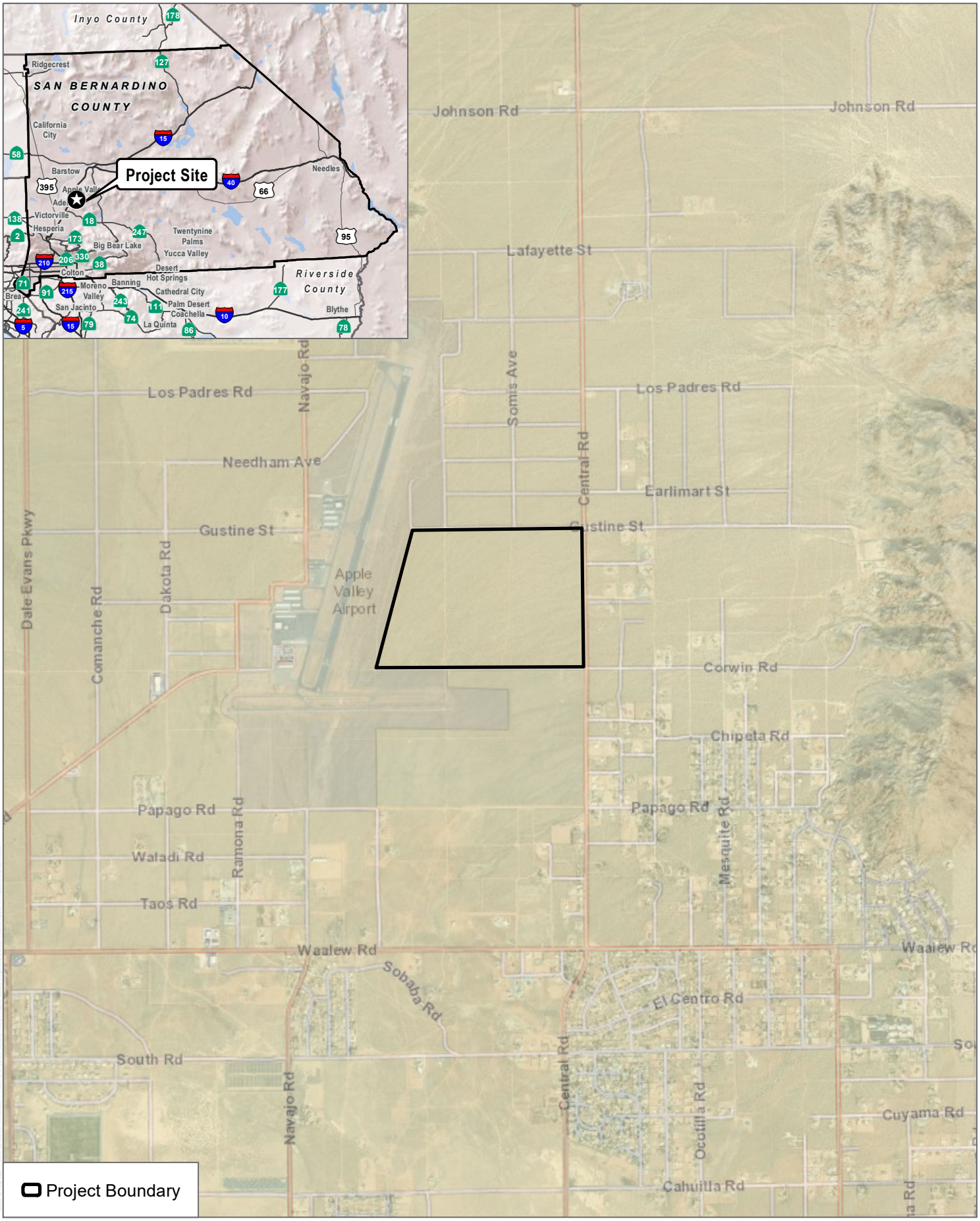

SOURCE: ESRI

DUDEK

0 1,200 2,400 Feet

FIGURE 1

Project Location

Apple Valley Logistics Center

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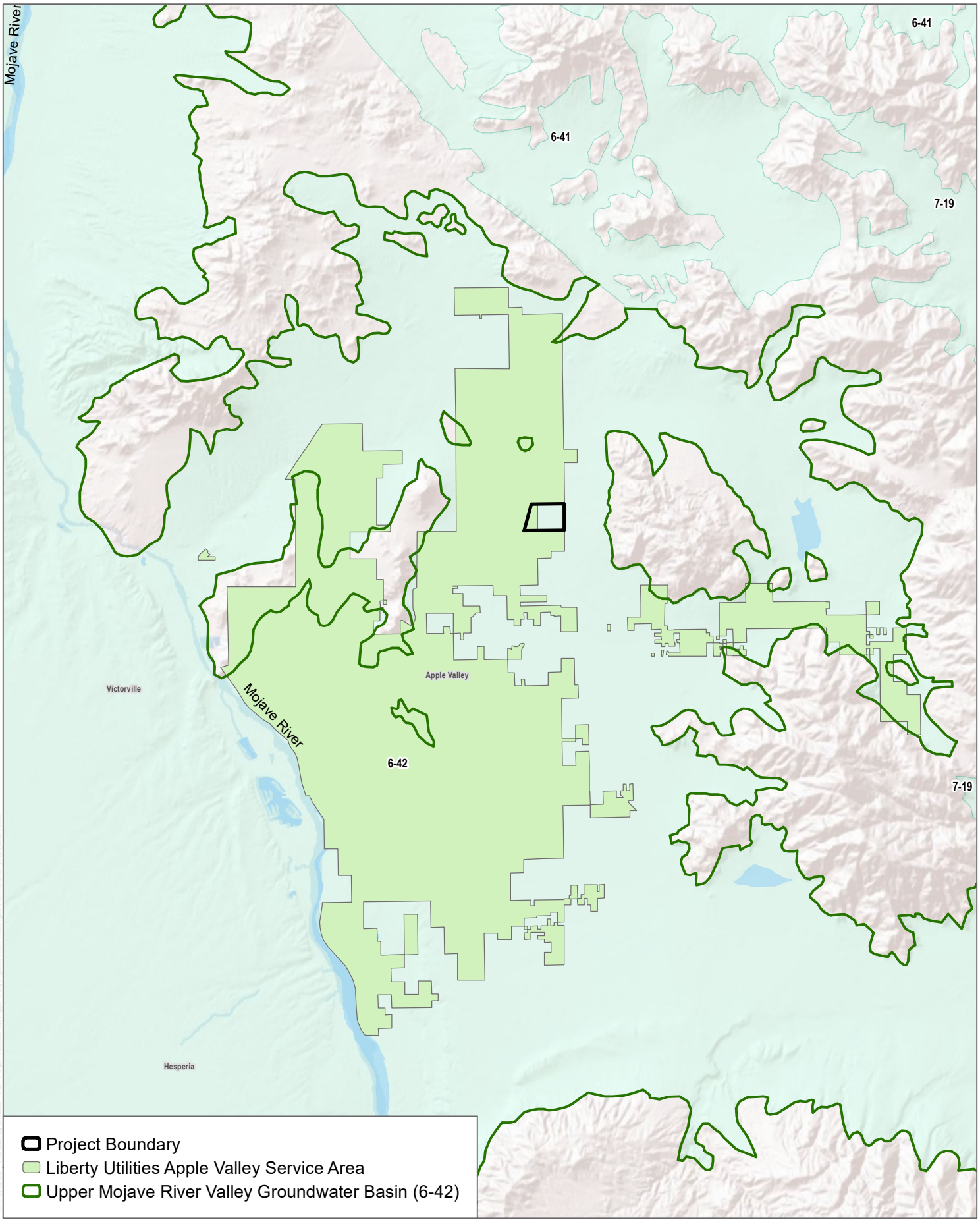

SOURCE: USGS, DWR 2018

0 1 2 Miles

DUDEK

FIGURE 2

Service Area and Hydrologic Area

Apple Valley Logistics Center

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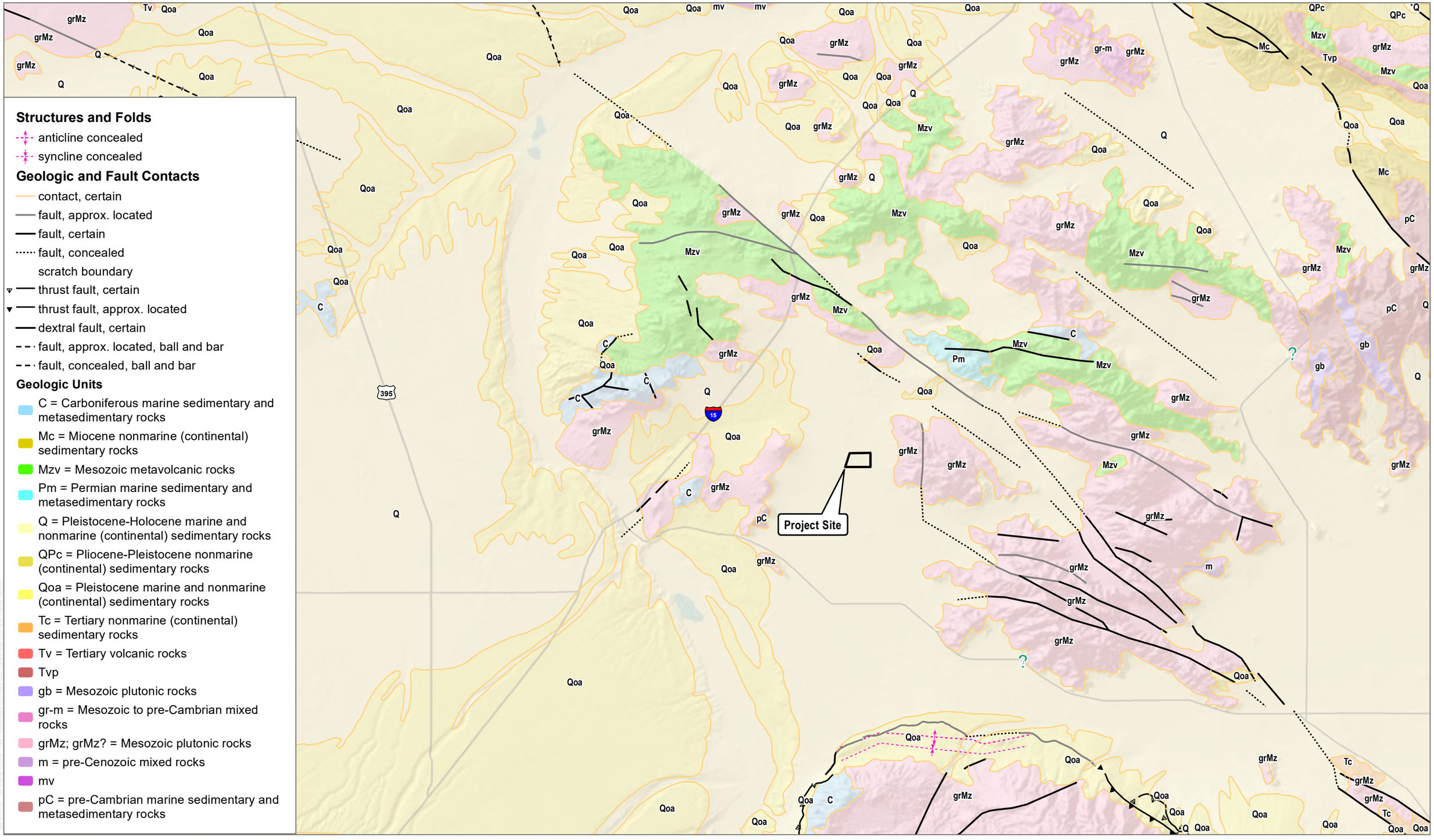

Structures and Folds

- anticline concealed
- syncline concealed

Geologic and Fault Contacts

- contact, certain
- fault, approx. located
- fault, certain
- fault, concealed
- scratch boundary
- thrust fault, certain
- thrust fault, approx. located
- dextral fault, certain
- fault, approx. located, ball and bar
- fault, concealed, ball and bar

Geologic Units

- C = Carboniferous marine sedimentary and metasedimentary rocks
- Mc = Miocene nonmarine (continental) sedimentary rocks
- Mzv = Mesozoic metavolcanic rocks
- Pm = Permian marine sedimentary and metasedimentary rocks
- Q = Pleistocene-Holocene marine and nonmarine (continental) sedimentary rocks
- QPc = Pliocene-Pleistocene nonmarine (continental) sedimentary rocks
- Qoa = Pleistocene marine and nonmarine (continental) sedimentary rocks
- Tc = Tertiary nonmarine (continental) sedimentary rocks
- Tv = Tertiary volcanic rocks
- Tvp
- gb = Mesozoic plutonic rocks
- gr-m = Mesozoic to pre-Cambrian mixed rocks
- grMz; grMz? = Mesozoic plutonic rocks
- m = pre-Cenozoic mixed rocks
- mv
- pC = pre-Cambrian marine sedimentary and metasedimentary rocks

SOURCE: California Geologic Survey 2010

DUDEK

0 1.5 3 Miles

FIGURE 3

Geologic Map

Inland Empire North Logistics Center Apple Valley

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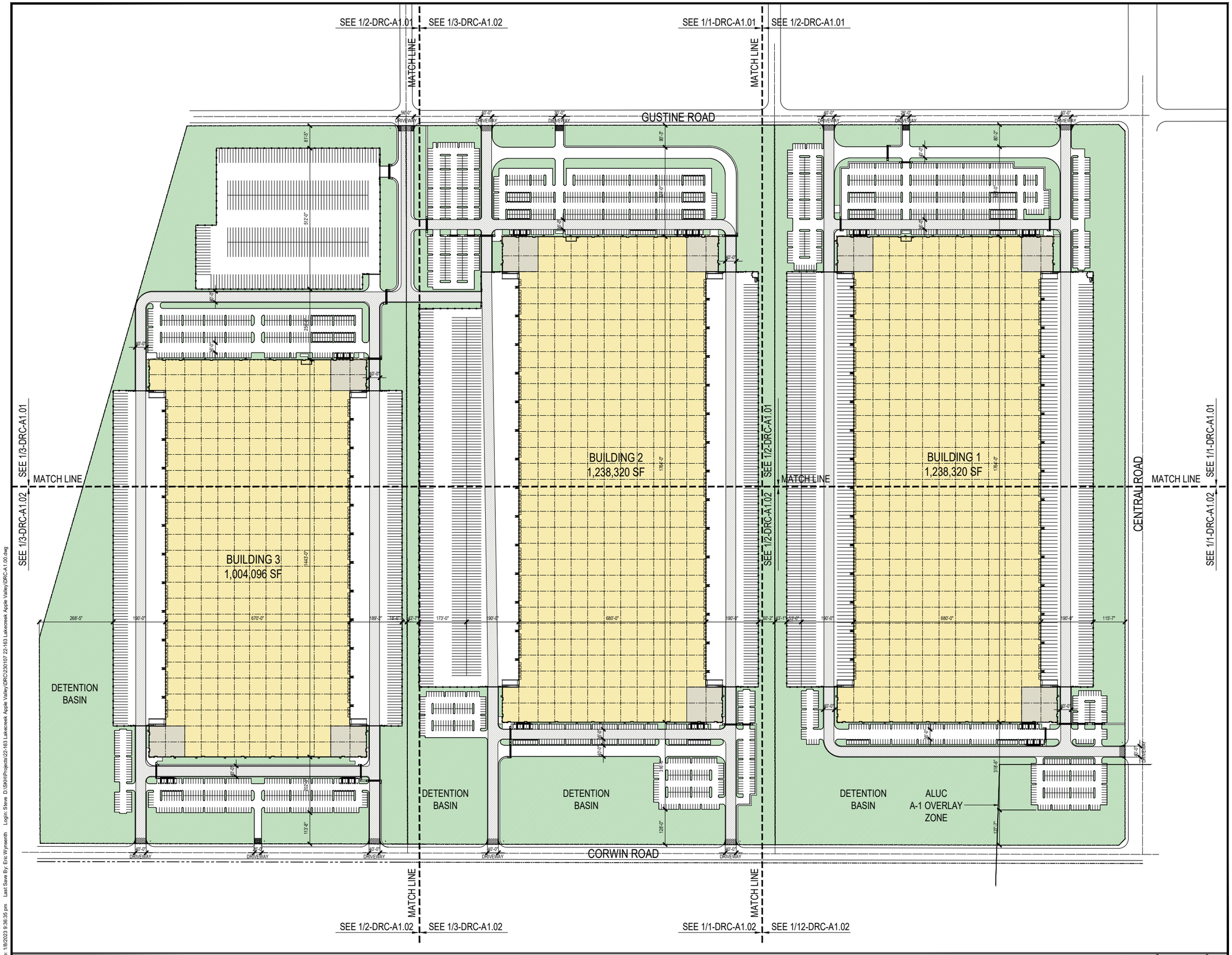
Appendix A
Site Plan



MASTER SITE PLAN

TRUE NORTH

SCALE 1" = 120'-0"

1

LHA
4590 MacArthur Blvd Suite 500
Newport Beach, CA 92660

4590 MACARTHUR BLVD. SUITE 500
NEWPORT BEACH CA 92660
PROJECT MANAGER: STEVE HONG
714 - 822 - 1171, STEVE@LHARCHS.COM

LICENSED ARCHITECT
STEVE K. HONG
No. C-31477
REN. 08-31-24
STATE OF CALIFORNIA

THESE DRAWINGS ARE THE PROPERTY OF THE ARCHITECT, THE DESIGNS SHOWN AND DESCRIBED HEREIN INCLUDING ALL TECHNICAL DRAWING ARE PROPRIETARY AND CANNOT BE COPIED, DUPLICATED OR COMMERCIALLY EXPLOITED, IN WHOLE OR IN PART. THE DRAWINGS AND SPECIFICATIONS SHALL NOT BE USED BY THE OWNER ON OTHER PROJECTS, FOR ADDITIONS TO THIS PROJECT, OR FOR COMPLETION OF THIS PROJECT BY OTHERS. THE OWNER AGREES TO HOLD HARMLESS, INDEMNIFY AND DEFEND THE ARCHITECT AGAINST ALL DAMAGES, CLAIMS AND EXPENSES ARISING OUT OF ANY REUSE OF THE PLANS AND SPECIFICATIONS WITHOUT THE WRITTEN AUTHORIZATION OF THE ARCHITECT OF RECORD.

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APPLE VALLEY
LOGISTICS CENTER

APPLE VALLEY CA 92307

LAKE CREEK INDUSTRIAL LLC

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HENDERSON NV 89002

No.	ISSUANCE	DATE

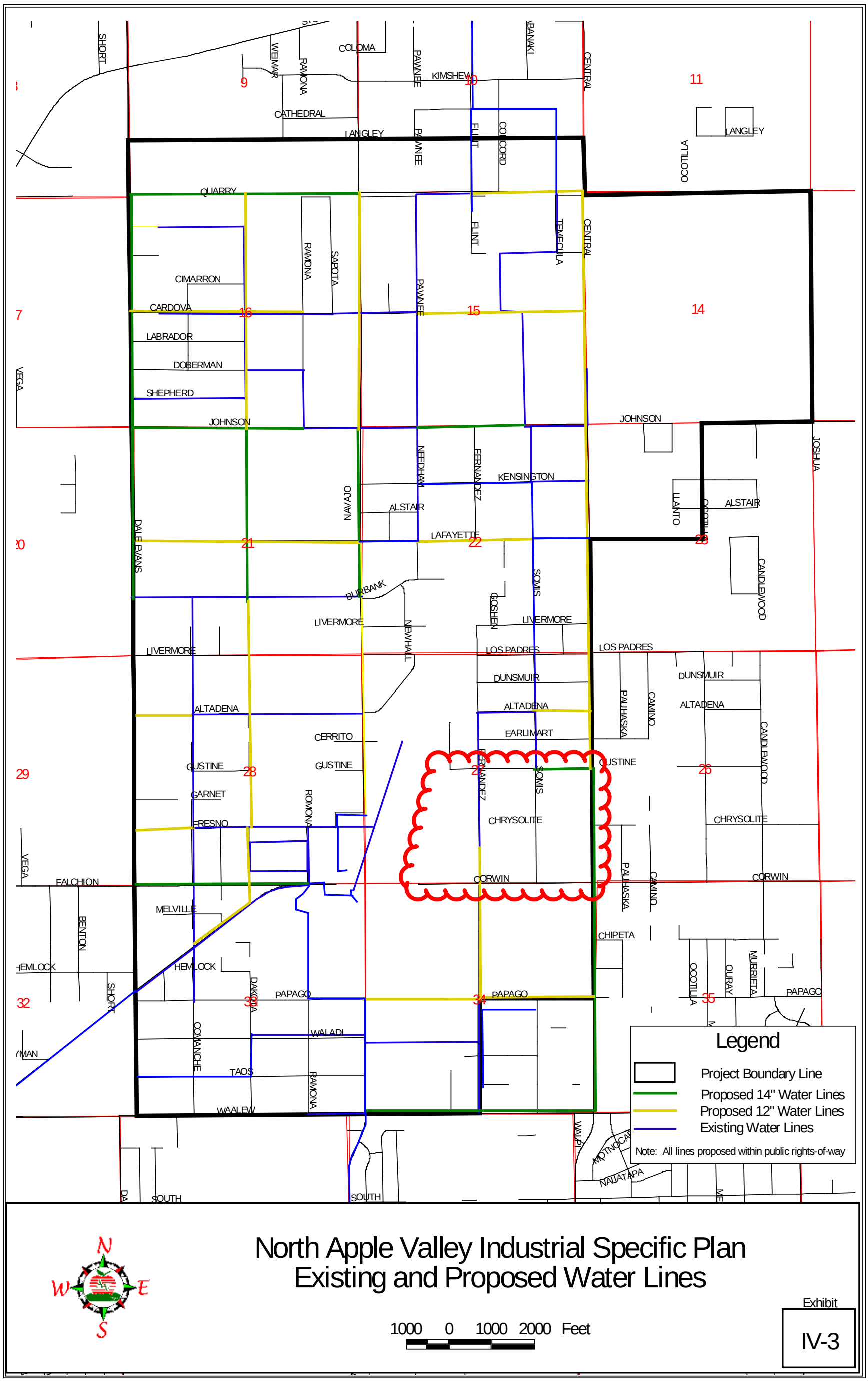
JOB No.
22-163
DRAWN STEVE HONG
CHECKED STEVE HONG
SHEET TITLE
ARCHITECTURAL
MASTER SITE PLAN
SHEET NUMBER

DRC-A1.00

Plot Date: 1/8/2023 9:36:35 pm Last Save By: Eric Wynsmith Login: Steve D:\SKH\Projects\22-163 Lakecreek Apple Valley\DRC\230107 22-163 Lakecreek Apple Valley DRC-A1.00.dwg

Appendix B

Existing and Proposed Water Lines - North Apple Valley Industrial Specific Plan


SHORT
WEIMAR
RAMONA
COLOMA
PAWNEE
KIMSHEW
BANAKI
CENTRAL
9
10
11
CATHEDRAL
LANGLEY
FLINT
CONCORD
OCOTILLA
QUARRY
CIMARRON
CARDOVA
LABRADOR
DOBERMAN
SHEPHERD
SAPOTA
TEMECULA
7
16
15
14
VEGA
JOHNSON
NEEDHAM
FERNANDEZ
KENSINGTON
ALSTAIR
LLANTO
JOSHUA
DALE EVANS
NAVAJO
LAFAYETTE
21
22
23
24
BURBANK
SOMIS
CANDLEWOOD
LIVERMORE
NEWHALL
OSBEN
LOS PADRES
DUNSMUIR
ALTADENA
PAUHASKA
CAMINO
CERRITO
EARLIMART
GUSTINE
29
28
27
26
GARNET
FRESNO
ROMONA
CHRYSOLITE
FALCHION
MELVILLE
CORWIN
CHIPETA
BENTON
HEMLOCK
DAKOTA
PAPAGO
OURAY
MURRIETA
32
33
34
35
COMANCHE
WALADI
TAOS
WAALEW
RAMONA
SOUTH
WALPI
MOTNOCAP
NAUATAPA
Legend
Project Boundary Line
Proposed 14" Water Lines
Proposed 12" Water Lines
Existing Water Lines
Note: All lines proposed within public rights-of-way
N
W
E
S
North Apple Valley Industrial Specific Plan
Existing and Proposed Water Lines
1000 0 1000 2000 Feet
Exhibit
IV-3

Appendix C

Mojave Basin Area Adjudication Judgement

JUDGMENT AFTER TRIAL

JANUARY 10, 1996

MOJAVE BASIN AREA ADJUDICATION
CITY OF BARSTOW, ET AL V. CITY OF ADELANTO, ET AL
RIVERSIDE COUNTY SUPERIOR COURT CASE NO. 208568

(SPACE BELOW FOR FILING STAMP ONLY)

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Attorneys for Cross-Complainant MOJAVE WATER AGENCY

FILED
RIVERSIDE COUNTY
JAN 16 1996
ARTHUR A. SHAW, Clerk
By Y.A. Burns Y.A. Burns Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF RIVERSIDE

CITY OF BARSTOW, et al, Plaintiff, v. CITY OF ADELANTO, et al, Defendant.	CASE NO. 208568 ASSIGNED TO JUDGE KAISER DEPT.4 FOR ALL PURPOSES JUDGMENT AFTER TRIAL
MOJAVE WATER AGENCY, Cross-complainant, v. ANDERSON, RONALD H. et al, Cross-defendants.	

TABLE OF CONTENTS

I. INTRODUCTION

A. The Complaint. The original complaint herein was filed by the City of Barstow and Southern California Water Company (collectively "Plaintiffs") in San Bernardino Superior Court, North Desert District, on May 30, 1990 as Case No. BCV6672, and transferred to Riverside County Superior Court on November 27, 1990. Plaintiffs allege that the cumulative water Production upstream of the City of Barstow Overdrafted the Mojave River system, and request an average Annual flow of 30,000 acre-feet of surface water to the City of Barstow area. The complaint also includes a request for a writ of mandate to require the Mojave Water Agency ("MWA") to act pursuant to its statutory authority to obtain and provide Supplemental Water for use within the Mojave Basin Area.

B. The MWA Cross-Complaint. On July 26, 1991, the MWA filed its first amended cross-complaint in this case. The MWA first amended cross-complaint and its ROE amendments name Producers who collectively claim substantially all rights of water use within the Mojave Basin Area, including Parties downstream of the City of Barstow. The MWA cross-complaint, as currently amended, requests a declaration that the available native water supply to the Mojave Basin Area (not including water imported from the California State Water Project) is inadequate to meet the demands of the combined Parties and requests a determination of the water rights of whatever nature within the MWA boundaries and the Mojave Basin Area. The MWA has named as Parties several hundred Producers within the Basin Area.

///

C. The Arc Las Flores Cross-Complaint. On July 3, 1991, Arc Las Flores filed a cross-complaint for declaratory relief seeking a declaration of water rights of certain named cross-defendants and a declaration that the appropriative, overlying and riparian rights of Arc Las Flores be determined to be prior and paramount to any rights of the Plaintiffs and other appropriators.

D. Stipulation and Trial. On October 16, 1991, the Court ordered a litigation standstill. The purpose of the standstill was to give the parties time to negotiate a settlement and develop a solution to the overdraft existing in the Mojave River Basin.

A committee of engineers and attorneys, representing a variety of water users and interests throughout the Mojave River Basin, was created to develop a physical solution to the water shortage problem. The work of the committee resulted in a stipulated interlocutory order and judgment, which was entered by the court on September 23, 1993.

Several non-stipulating parties requested a trial. On April 20, 1994, the Court issued a memorandum setting forth the trial issues. This cause came on regularly for trial on February 6, 1995, and was tried in Department 4 of the above-entitled Court, the Honorable E. Michael Kaiser, Judge, Presiding, without a jury. Oral and documentary evidence was introduced on behalf of the respective parties and the cause was argued and submitted for decision.

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///

///

II. DECREE

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

A. JURISDICTION, PARTIES, DEFINITIONS.

1. Jurisdiction and Parties.

a. Jurisdiction. This Court has jurisdiction to enter Judgment declaring and adjudicating the rights to reasonable and beneficial use of water by the Parties in the Mojave Basin Area pursuant to Article X, Section 2 of the California Constitution. This Judgment constitutes an adjudication of water rights of the Mojave Basin Area pursuant to Section 37 of Chapter 2146 of Statutes of 1959 ("the MWA Act").

b. Parties. All Parties to the MWA cross-complaint are included in this Judgment. The MWA has notified those Persons claiming any right, title or interest to the natural waters within the Mojave Basin Area to make claims. Such notice has been given: 1) in conformity with the notice requirements of Water Code §§ 2500 et seq.; 2) pursuant to Section 37 of the MWA Act; and 3) pursuant to order of this Court. Subsequently, all Producers making claims have been or will be included as Parties. The defaults of certain Parties have been entered, and certain named cross-defendants to the MWA cross-complaint who are not Producers have been dismissed. All named Parties who have not been dismissed have appeared herein or have been given adequate opportunity to appear herein. The Court has jurisdiction of the subject matter of this action and of the Parties hereto.

c. Minimal Producers. There are numerous Minimal Producers in the Basin Area and their number is expected to increase in the future. In order to minimize the cost of

administering this Judgment and to assure that every Person producing water in the Basin Area participates fairly in the Physical Solution, MWA shall:

i. within one Year following entry of this Judgment, prepare a report to the Court: 1) setting forth the identity and verified Base Annual Production of each Minimal Producer in each Subarea of the Basin Area; and 2) recommending a proposed system of Minimal Producer Assessments. The system of Minimal Producer Assessments shall achieve an equitable allocation of the costs of the Physical Solution that are attributable to Production of verified Base Annual Production amounts by Minimal Producers in each Subarea to and among such Minimal Producers. Minimal Producer Assessments need not be the same for existing Minimal Producers as for future Minimal Producers.

ii. within one Year following entry of this Judgment, prepare a report to the Court setting forth a proposed program to be undertaken by MWA, pursuant to its statutory authority, to implement the proposed system of Minimal Producer Assessments. The Court may order MWA to implement the proposed program or, if MWA's statutory authority is inadequate to enable implementation, or if either the proposed program or the proposed system of Minimal Producer Assessments is unacceptable to the Court, the Court may then order MWA either to implement an alternative program or system, or in the alternative, to name all Minimal Producers as Parties to this litigation and to serve them for the purpose of adjudicating their water rights.

Any Minimal Producer whose Annual Production exceeds ten (10) acre-feet in any Year following the date of entry of Judgment shall be made a Party pursuant to Paragraph 12 and shall be subject to Administrative, Replacement Water, Makeup Water and Biological Resources Assessments. Any Minimal Producer who produced during the 1986-1990 period may become a Party pursuant to Paragraph 40 with a Base Annual Production Right based on such Minimal Producer's verified Base Annual Production. To account properly for aggregate Production by Minimal Producers in each Subarea, Table B-1 of Exhibit B shall include an estimated aggregate amount of Base Annual Production by all Minimal Producers in each Subarea. The Base Annual Production of any Minimal Producer who becomes a Party shall be deducted from the aggregate amount and assigned to such Minimal Producer.

2. Physical and Legal Complexity. The physical and legal issues of the case as framed by the complaint and cross-complaints are extremely complex. Production of more than 1,000 Persons producing water in the Basin Area has been ascertained. In excess of 1,000 Persons have been served. The water supply and water rights of the entire Mojave Basin Area and its hydrologic Subareas extending over 4000 square miles have been brought into issue. Most types and natures of water right known to California law are at issue in the case. Engineering studies by the Parties, jointly and severally, leading toward adjudication of these rights and a Physical Solution, have required the expenditure of over two Years' time and hundreds of thousands of dollars.

3. Need for a Declaration of Rights and Obligations and for Physical Solution. A Physical Solution for the Mojave Basin

Area based upon a declaration of water rights and a formula for Intra- and Inter-Subarea allocation of rights and obligations is necessary to implement the mandate of Article X, Section 2 of the California Constitution and California water policy. Such Physical Solution requires the definition of the individual rights of all Producers within the Basin Area in a manner which will equitably allocate the natural water supplies and which will provide for equitable sharing of costs for Supplemental Water. Nontributary supplemental sources of water are or will be available in amounts, which when combined with water conservation, water reclamation, water transfers, and improved conveyance and distribution methods within the Basin Area, will be sufficient in quantity and quality to assure implementation of a Physical Solution. Sufficient information and data are known to formulate a reasonable and just allocation of existing water supplies as between the hydrologic Subareas within the Basin Area and as among the water users within each Subarea. Such Physical Solution will allow the public water supply agencies and individual water users within each hydrologic Subarea to proceed with orderly water resource planning and development. It will be necessary for MWA to construct conveyance facilities to implement the Physical Solution. Absent the construction of conveyance facilities, some Subareas may be deprived of an equitable share of the benefits made possible by the Physical Solution. Accordingly, this Physical Solution mandates the acquisition or construction of conveyance facilities for importation and equitable distribution of Supplemental Water to the respective Subareas. Such construction is dependent on the availability of appropriate financing, and any such financing

assessed to the Parties will be based upon benefit to the Parties in accordance with the MWA Act.

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

a. Afton - The United States Geological Survey gauging station "Mojave River at Afton, CA."

b. Annual or Year - As used in this Judgment refers to the Annual period beginning October 1 and ending September 30 of the following Year.

c. Aquaculture Water - Water so identified in Exhibit "B". Such water may be used only for fish breeding and rearing. The Annual Consumptive Use of such water in acre-feet is equal to the water surface area, in acres, of the fish rearing facilities multiplied by seven (feet).

d. Assessments - Those Assessments levied and collected pursuant to this judgment including Replacement Water, Makeup Water, Administrative and Biological Resource Assessments.

e. Barstow - The United States Geological Survey Gauging Station "Mojave River at Barstow, CA."

f. Base Annual Production - The verified maximum Year Production, in acre-feet, for each Producer for the five Year Period 1986-1990 as set forth in Table B-1 of Exhibit "B", except where otherwise noted therein. The maximum Year Production for each Producer was verified based on one or more of the following: flow meter readings, electrical power

or diesel usage records or estimated applied water duty. The Base Annual Production for recreational lakes in the Baja Subarea and for Aquaculture shall be equal either to the area of water surface multiplied by seven feet or to verified Production, whichever is less. The five Year period 1986-1990 shall also be the time period for which Base Annual Production for Minimal Producers shall be calculated.

g. Base Annual Production Right - The relative Annual right of each Producer to the Free Production Allowance within a given Subarea, expressed as a percentage of the aggregate of all Producers' Base Annual Production in the Subarea. The percentage for each Producer is calculated by multiplying that Producer's Base Annual Production in a Subarea times one hundred (100) and dividing the result by the aggregate Base Annual Production for all Producers in the Subarea. The percentage shall be rounded off to the nearest one ten-thousandth of one per cent.

h. Base Flow - That portion of the total surface flow measured Annually at Lower Narrows which remains after subtracting Storm Flow.

i. Carry Over Right - The right of a Producer to delay and accumulate the Production of such Producer's share of a Subarea Free Production Allowance until

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and only until the following Year free of any Replacement Water Assessment.

j. Consumption or Consumptive Use - The permanent removal of water from the Mojave Basin Area through evaporation or evapo-transpiration. The Consumptive Use rates resulting from particular types of water use are identified in Paragraph 2 of Exhibit "F".

k. Free Production Allowance - The total amount of water, and any Producer's share thereof, that may be Produced from a Subarea each Year free of any Replacement Obligation.

l. Groundwater - Water beneath the surface of the ground and within the zone of saturation; i.e., below the existing water table, whether or not flowing through known and definite channels.

m. Harper Lake Basin - That portion of the Centro Subarea identified as such on Exhibit "A".

n. Lower Narrows - The United States Geological Survey gauging station "Mojave River near Victorville, CA."

o. Makeup Water - Water needed to satisfy a Minimum Subarea Obligation.

p. Makeup Obligation - The obligation of a Subarea to pay for Makeup Water to satisfy its Subarea Obligation.

q. Minimal Producer - Any Person whose Base Annual Production, as verified by MWA is not greater than

ten (10) acre-feet. A Person designated as a Minimal Producer whose Annual Production exceeds ten (10) acre-feet in any Year following the date of entry of Judgment is no longer a Minimal Producer.

r. Minimum Subarea Obligation - The minimum Annual amount of water a Subarea is obligated to provide to an adjoining downstream Subarea or the Transition Zone or, in the case of the Baja Subarea, the minimum Annual Subsurface Flow at the MWA eastern boundary toward Afton in any Year, as set forth in Exhibit "G".

s. Mojave Basin Area or Basin Area - The area shown on Exhibit "A" that lies within the boundaries of the line labelled "Limits of Adjudicated Area" which generally includes the area tributary to the Mojave River and its tributaries except for such area not included within the Mojave Water Agency's jurisdiction.

t. MWA - Cross complainant Mojave Water Agency.

u. Overdraft - A condition wherein the current total Annual Consumptive Use of water in the Mojave Basin Area or any of its Subareas exceeds the long term average Annual natural water supply to the Basin Area or Subarea.

v. Party (Parties) - Any Person(s) named in this action who has intervened in this case or has

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become subject to this Judgment either through stipulation, default, trial or otherwise.

w. Person(s) - Any natural person, firm, association, organization, joint venture, partnership, business, trust, corporation, or public entity.

x. Produce - To pump or divert water.

y. Producer(s) - A Person, other than a Minimal Producer, who Produces water.

z. Production - Annual amount of water produced, stated in acre-feet of water.

aa. Production Safe Yield - The highest average Annual Amount of water that can be produced from a Subarea: (1) over a sequence of years that is representative of long-term average annual natural water supply to the Subarea net of long-term average annual natural outflow from the Subarea, (2) under given patterns of Production, applied water, return flows and Consumptive Use, and (3) without resulting in a long-term net reduction of groundwater in storage in the Subarea.

bb. Purpose of Use - The broad category of type of water use including but not limited to municipal, irrigation, industrial, aquaculture, and lakes purposes. A change in Purpose of Use includes any reallocation of water among mixed or sequential uses, excluding direct reuse of municipal wastewater.

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cc. Recirculated Water - Water that is Produced but not consumed by the Parties listed in Table B-2 of Exhibit "B" and then returned either to the Mojave River or to the Groundwater basin underlying the place of use.

dd. Replacement Obligation - The obligation of a Producer to pay for Replacement Water for Production from a Subarea in any Year in excess of the sum of such Producer's share of that Year's Free Production Allowance for the Subarea plus any Production pursuant to a Carry Over Right.

ee. Replacement Water - Water purchased by Watermaster or otherwise provided to satisfy a Replacement Obligation.

ff. Responsible Party - The Person designated by a Party as the Person responsible for purposes of filing reports and receiving notices pursuant to the provisions of this Judgment.

gg. Stored Water - Water held in storage pursuant to a Storage Agreement with Watermaster.

hh. Storm Flow - That portion of the total surface flow originating from precipitation and runoff without having first percolated to Groundwater storage in the zone of saturation and passing a particular point of reckoning, as determined annually by the Watermaster.

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ii. Subareas - The five Subareas of the Mojave Basin Area -- Este, Oeste, Alto, Centro and Baja -- as shown on Exhibit "A".

jj. Subarea Obligation - The average Annual amount of water that a Subarea is obligated to provide to an adjoining downstream Subarea or the Transition Zone or, in the case of the Baja Subarea, the average Annual Subsurface Flow toward Afton at the MWA eastern boundary as set forth in Exhibit "G".

kk. Subsurface Flow - Groundwater which flows beneath the earth's surface.

ll. Supplemental Water - Water imported to the Basin Area from outside the Basin Area, water that would otherwise be lost from the Basin Area but which is captured and made available for use in the Basin Area, or any Producer's share of Free Production Allowance that is not Produced and is acquired by Watermaster pursuant to this Judgment.

mm. Transition Zone - The portion of the Alto Subarea, shown on Exhibit "A", that lies generally between the Lower Narrows and the Helendale Fault.

nn. Watermaster - The Person(s) appointed by the Court to administer the provisions of this Judgment.

5. Exhibits. The following exhibits are attached to this Judgment and made a part hereof.

Exhibit "A" - Map entitled, "Map showing Mojave Water Agency, Mojave River, Mojave Basin Area and Hydrologic Subareas and

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Limits of Adjudicated Area Together with Geologic and Other Pertinent Features."

Exhibit "B" - Table entitled, "Table B-1: Table Showing Base Annual Production and Base Annual Production Right of Each Producer Within Each Subarea, and Free Production Allowances for Subareas for First Five Years after entry of the Interlocutory Judgment" and "Table B-2: Table Showing Total Water Production for Aquaculture and Recreational Lake Purposes."

Exhibit "C" - Engineering Appendix.

Exhibit "D" - Time Schedules.

Exhibit "E" - List of Producers and Their Designees.

Exhibit "F" - Transfers of Base Annual Production Rights.

Exhibit "G" - Subarea Obligations.

Exhibit "H" - Biological Resource Mitigation.

Exhibit "I" - Map Showing Potential Groundwater Recharge Areas

B. DECLARATION OF HYDROLOGIC CONDITIONS.

6. Mojave Basin Area as Common Source of Supply. The area shown on Exhibit "A" as the Mojave Basin Area is comprised of five Subareas. The waters derived from the Mojave River and its tributaries constitute a common source of supply of the five Subareas and of the Persons producing therefrom.

7. Existence of Overdraft. In each and every Year, for a period in excess of five (5) years prior to the May 30, 1990 filing date of Plaintiffs' Complaint, the Mojave Basin Area and each of its respective Subareas have been and are in a state of Overdraft, and it is hereby found that there is no water available

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for Production from the Basin Area or any Subarea therein except pursuant to this Judgment.

C. DECLARATION OF RIGHTS AND OBLIGATIONS.

8. Production Rights of the Parties. The Base Annual Production and Base Annual Production Right of each Party are declared as set forth in Table B-1 of Exhibit "B". Certain Parties also have the right to continue to Produce Recirculated Water in the amounts set forth in Table B-2 of Exhibit "B", subject to the following:

a. Aquaculture. Two of the Producers listed in Table B-2 of Exhibit "B", California Department of Fish and Game Mojave River Fish Hatchery (Hatchery) and Jess Ranch Water Company (Jess), Produce Recirculated Water for Aquaculture. The Hatchery and Jess or their successors or assignees shall have the right to continue to Produce up to the amounts listed in Table B-2 of Exhibit "B" as Recirculated Water for Aquaculture on the property where it was used in the Year for which Base Annual Production was verified. Production of such amount of Recirculated water by Jess shall be free of any Replacement Water Assessments, Makeup Water Assessments or Administrative Assessments but shall be subject to Biological Resources Assessments and each Jess well producing Recirculated Water shall be subject to an Annual administrative fee equal to the lowest Annual fee paid to MWA by a Minimal Producer. Neither the Hatchery nor Jess Recirculated Water may be transferred or used for any other purpose or transferred for use on any other property, except as provided in Paragraph 7 of Exhibit "F" for the Hatchery. Any Production of Recirculated Water by Jess in excess of the amount shown in Table B-2 shall be subject to all

Assessments. Production of Recirculated Water by the Hatchery will be subject to the rules set forth in Paragraph 7 of Exhibit "F". All Jess Aquaculture Recirculated Water shall be discharged immediately and directly to the Mojave River.

b. Camp Cady. One Producer listed in Table B-2 of Exhibit "B", California Department of Fish and Game-Camp Cady (Camp Cady), Produces Recirculated Water for Lakes containing Tui Chub, an endangered species of fish. Camp Cady or its successors or assignees shall have the right to continue to Produce up to the amount listed in Table-B-2 of Exhibit "B" as Recirculated Water at Camp Cady. Production of each amount of Recirculated water shall be free of any Assessments. Camp Cady Recirculated Water may not be transferred or used for any other purpose or transferred for use on any other property. Any Production of Recirculated Water by Camp Cady in excess of the amount shown in Table B-2 of Exhibit "B" shall be subject to all Assessments except Biological Resource Assessments. All Camp Cady Recirculated Water shall be allowed to percolate immediately and directly to the Groundwater basin underlying Camp Cady.

c. Recreational Lakes in Baja Subarea. All Producers listed in Table B-2 of Exhibit "B" except the Hatchery, Jess and Camp Cady Produce Recirculated Water for recreational lakes in the Baja Subarea. Such Producers or their successors or assignees shall have the right to continue to Produce up to the amounts identified in Table B-2 of Exhibit "B" as Recirculated Water for use in recreational lakes on the property where it was used in the Year for which Base Annual Production was verified, free of any Replacement Water Assessments, Makeup Water

Assessments, or Administrative Assessments, but such Production shall be subject to any Biological Resource Assessment. Each well producing such Recirculated Water shall be subject to an Annual administrative fee equal to the lowest Annual fee paid by a Minimal Producer. Recirculated Water cannot be transferred or used for any other purpose. All recreational lake Recirculated Water shall be allowed to percolate immediately and directly to the Groundwater basin underlying the recreational lake.

9. MWA Obligations. The Physical Solution is intended to provide for delivery and equitable distribution to the respective Subareas by MWA of the best quality of Supplemental Water reasonably available. MWA shall develop conveyance or other facilities to deliver this Supplemental Water to the areas depicted in Exhibit "I," unless prevented by forces outside its reasonable control such as an inability to secure financing consistent with sound municipal financing practices and standards.

a. Secure Supplemental Water. MWA, separate and apart from its duties as the initial Watermaster designated under this Judgment, shall exercise its authority under Sections 1.5 and 15 of the MWA Act to pursue promptly, continuously and diligently all reasonable sources to secure Supplemental Water as necessary to fully implement the provisions of this Judgment.

b. Supplemental Water Prices. The MWA shall establish fair and equitable prices for Supplemental Water delivered to the Watermaster under this Judgment.

c. Supplemental Water Delivery Plan. Not later than September 30, 1996, MWA shall prepare a report on potential alternative facilities or methods to deliver Supplemental Water to

the areas shown on Exhibit "I." The report shall include, for each alternative, a development time schedule, a summary of cost estimates, an analysis of the relative benefits to Producers in each Subarea and an analysis of alternative methods of financing and cost allocation, including any state or federal sources of funding that may be available.

d. Water Delivery Cost Allocation. The report required by subdivision (c) above shall recommend methods of financing and cost allocation that are based on benefits to be received. MWA's cost allocation plan shall be subject to Court review as provided in subdivision (f) below to verify that costs are allocated fairly and according to benefits to be received. The MWA financing and cost allocation plan may include a mix of revenue sources including the following:

(1) Developer or connection fees to the extent MWA can demonstrate a nexus, as required by law, between the fees and the impact of the development upon the water resources of the Mojave Basin Area and each subarea thereof;

(2) Other methods of financing available to MWA, including but not limited to property based taxes, assessments or standby charges;

(3) Water sales revenues, but only to the extent other sources are not available or appropriate, and in no event shall the water sales price to cover facility

capital costs exceed a rate equal to fifty percent of the variable cost rate charged to MWA under its contract for water delivery from the California State Water Project;

e. Legislative Changes. MWA shall seek promptly to have enacted amendments to the MWA Act (Water Code Appendix, Part 97) that allow MWA to implement any methods of governmental financing available to any public entity in California.

f. Court Review and Determination of Benefit. Not later than September 30, 1996, MWA shall submit its report to the Court in a noticed motion pursuant to Paragraph 36. The report shall set forth MWA's recommendations as to the following: (1) which alternatives should be implemented; (2) methods of cost allocation for the recommended alternatives; (3) financing for the recommended alternatives; and (4) a time schedule to complete the recommended alternatives. The Court may approve or reject the recommendations. The Court may further order the use of alternatives and time schedules or it may order additional studies and resubmittals, as it may deem proper.

10. Priority and Determination of Production Rights. The water rights involved herein are of differing types and commenced at different times. Many of the rights involved are devoted to public uses. The Declaration of Water Rights that is part of the judgment and the Physical Solution decreed herein takes into consideration the competing priorities which have been asserted in addition to the equitable principles applicable to apportionment of water in this situation. The following factors

have been considered in the formulation of each Producer's Base Annual Production Right:

a. The Mojave Basin Area and each of its hydrologic Subareas have continuously for many Years been in a state of system-wide Overdraft;

b. All Producers have contributed to the Overdraft;

c. None of the priorities asserted by any of the Producers is without dispute;

d. Under the complex scheme of California water law, the allocation of water and rights mechanically based upon the asserted priorities would be extremely difficult, if not impossible, and would not result in the most equitable apportionment of water;

e. Such mechanical allocation would, in fact, impose undue hardship on many Parties;

f. There is a need for conserving and making maximum beneficial use of the water resources of the State;

g. The economy of the Mojave Basin Area has to a great extent been established on the basis of the existing Production;

h. The Judgment and Physical Solution take into consideration the unique physical and climatic conditions of the Mojave Basin Area, the Consumptive Use of water in the several sections of the Basin, the character and rate of return flows, the extent of established uses, the availability of storage water, the relative benefits and detriments between upstream areas and downstream areas if a limitation is imposed on one and not the

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other, and the need to protect public interest and public trust concerns.

In consideration of the foregoing factors, and in accordance with the terms and conditions of this Judgment, the Parties are estopped and barred from asserting special priorities or preferences.

11. Exercise of Carry Over Rights. The first water Produced by a Producer during any Year shall be deemed to be an exercise of any Carry Over Right. Such Carry Over Right may be transferred in accordance with Exhibit "F".

12. Production Only Pursuant to Judgment. This Judgment, and the Physical Solution decreed herein, addresses all Production within the Mojave Basin Area. Because of the existence of Overdraft, any Production outside the framework of this Judgment and Physical Solution will contribute to an increased Overdraft, potentially damage the Mojave Basin Area and public interests in the Basin Area, injure the rights of all Parties, and interfere with the Physical Solution. Watermaster shall bring an action or a motion to enjoin any Production that is not pursuant to the terms of this Judgment.

13. Declaration of Subarea Rights and Obligations. In the aggregate, Producers within certain Subareas have rights, as against those in adjoining upstream Subareas, to receive average Annual water supplies and, in any one Year, to receive minimum Annual water supplies equal to the amounts set forth in Exhibit "G", in addition to any Storm Flows. In turn, in the aggregate, Producers within certain Subareas have an obligation to provide to adjoining downstream Subareas such average Annual water supplies in

the amounts and in the manner set forth in Exhibit "G". In any one Year, Producers within certain Subareas have an obligation to provide to adjoining downstream Subareas such minimum Annual water supplies in the amounts and in the manner set forth in Exhibit "G". The Producers in the Baja Subarea have an obligation to provide average and minimum Subsurface Flows toward Afton at the MWA eastern boundary equal to the amounts shown in Exhibit "G". Producers in each of the Subareas have rights in the aggregate, as against each adjoining downstream Subarea or, in the case of the Baja Subarea, as against flows at the MWA eastern boundary toward Afton, to divert, pump, extract, conserve, and use all surface water and Groundwater supplies originating therein or accruing thereto, and so long as the adjoining downstream Subarea Obligations are satisfied under this Judgment and there is compliance with all of its provisions. Watermaster shall maintain a continuing account of the status of each Subarea's compliance with its Subarea Obligation, including any cumulative credits or debits and any requirement for providing Makeup Water. The accounting and determinations relative to Subarea Obligations shall be made in accordance with procedures set forth in Exhibit "G".

III. INJUNCTION

14. Injunction Against Unauthorized Production. Each and every Party, its officers, agents, employees, successors, and assigns, is ENJOINED AND RESTRAINED from Producing water from the Basin Area except pursuant to the provisions of the Physical Solution in this Judgment.

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15. Injunction Re Change in Purpose of Use Without Notice Thereof to Watermaster. Each and every Party, its officers, agents, employees, successors, and assigns, is ENJOINED AND RESTRAINED from changing its Purpose of Use at any time without first notifying Watermaster of the intended change.

16. Injunction Against Unauthorized Recharge. Each and every Party, its officers, agents, employees, successors and assigns, is ENJOINED AND RESTRAINED from claiming any right to recapture Water that has been recharged in the Basin Area except pursuant to a Storage Agreement with Watermaster. This provision does not prohibit Parties from importing Supplemental Water into the Basin Area for direct use.

17. Injunction Against Transportation from Mojave Basin Area. Except upon further order of the Court, each and every Party, its officers, agents, employees, successors and assigns, is ENJOINED AND RESTRAINED from transporting water hereafter Produced from the Basin Area to areas outside the Basin Area.

18. Injunction Against Diverting Storm Flows. No Party may undertake or cause the construction of any project that will directly reduce the amount of Storm Flow that would otherwise go through the naturally occurring hydrologic regime to a downstream Subarea or that will reduce the surface area over which Storm Flow currently occurs by alteration to the bed of the Mojave River. This paragraph shall not prevent any flood control agency or municipality from taking such emergency action as may be necessary to protect the physical safety of its residents and its structures from flooding. Any such action shall be done in a manner that will minimize any reduction in the quantity of Storm Flows.

IV. CONTINUING JURISDICTION

19. Jurisdiction Reserved. Full jurisdiction, power and authority are retained by and reserved to the Court for purposes of enabling the Court upon the application of any Party, by a motion noticed in accordance with the notice procedures of Paragraph 36 hereof, to make such further or supplemental order or directions as may be necessary or appropriate for interim operation before the Physical Solution is fully operative, or for interpretation, enforcement or carrying out of this Judgement, and to modify, amend or amplify any of the provisions of this Judgment or to add to the provisions thereof consistent with the rights herein decreed; provided, that nothing in this paragraph shall authorize either a reduction of the Base Annual Production Right of any Party, except in accordance with the rules set forth in Exhibit "F", or a reduction of the Base Flow portion of any Subarea Obligation.

Paragraphs 19 (a) and 19 (b), amended December 5, 2002, are at the end of this document.

V. Physical Solution

A. GENERAL

20. Purpose and Objective. The Court hereby declares and decrees that the Physical Solution herein contained: 1) is a fair and equitable basis for satisfaction of all water rights in the Mojave Basin Area; 2) is in furtherance of the mandate of the State Constitution and the water policy of the State of California; and 3) takes into account applicable public trust interests; and therefore adopts and orders the Parties to comply with the Physical Solution. As noted in Paragraph 3 of this Judgment, the declaration of rights and obligations of the Parties and Subareas is a necessary component of this Physical Solution. The purpose of

the Physical Solution is to establish a legal and practical means for making the maximum reasonable beneficial use of the waters of the Basin Area by providing for the long-term conjunctive utilization of all water available thereto to meet the reasonable beneficial use requirements of water users therein.

21. Need for Flexibility. It is essential that this Physical Solution provide maximum flexibility and adaptability in order that the Court may be free to use existing and future technological, social, institutional and economic options in order to maximize reasonable beneficial use of the waters of the Basin Area. To that end, the Court's retained jurisdiction may be utilized where appropriate, to supplement the Physical Solution.

22. General Pattern of Operations. The Producers will be divided into five Subareas for purposes of administration. The Subarea rights and obligations are herein decreed. A fundamental premise of the Physical Solution is that all Parties will be allowed, subject to this Judgment, to Produce sufficient water to meet their reasonable beneficial use requirements. To the extent that Production by a Producer in any Subarea exceeds such Producer's share of the Free Production Allowance of that Subarea, Watermaster will provide Replacement Water to replace such excess Production according to the methods set forth herein. To the extent that any Subarea incurs a Makeup Obligation, Watermaster will provide Supplemental Water to satisfy such Makeup Obligation according to the methods set forth herein. For the initial five (5) full Years after entry of this Judgment (including any interlocutory Judgment), the Free Production Allowance for each Subarea shall be set as the amount of water equal to the following

percentages of the aggregate Base Annual Production for that Subarea:

	Judgment Year	Percentage
1993-1994	First Full Year	100
1994-1995	Second Full Year	95
1995-1996	Third Full Year	90
1996-1997	Fourth Full Year	85
1997-1998	Fifth Full Year	80

The extent of Overdraft now varies between Subareas and the reasonableness of any physical solution as applied to each Producer depends in part upon such Producer's foreseeable needs and the present and future availability of water within the Subarea in which each Producer is located. The Physical Solution described in this Judgment in part generally contemplates (i) initially allowing significant unassessed production on a substantially uniform basis for all Producers and Subareas and (ii) a phasing in of the monetary obligations necessary to obtain Supplemental Water. The above two provisions will affect each Subarea differently, may not be sufficient to ultimately eliminate the condition of Overdraft in each Subarea and could result in increased Overdraft within a Subarea. Any adverse impact to any Subarea caused by the implementation of the provisions shall be the responsibility of the Producers in each such Subarea.

B. ADMINISTRATION.

23. Administration by Watermaster. Watermaster shall administer and enforce the provisions of the Judgment and any subsequent instructions or orders of this Court.

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(a) Standard of Performance. Watermaster shall, in carrying out its duties, powers and responsibilities herein, act in an impartial manner without favor or prejudice to any Subarea, Producer, Party or Purpose of Use.

(b) Removal of Watermaster. Full jurisdiction, power and authority are retained and reserved by the Court for the purpose of enabling the Court on its own motion, or upon application of any Party, and upon notice in accordance with the notice procedures of paragraph 36 hereof, and after hearing thereon, to remove any appointed Watermaster and substitute a new Watermaster in its place. The Court shall find good cause for the removal of Watermaster upon a showing that Watermaster has failed to perform its duties, powers and responsibilities in an impartial manner, or has otherwise failed to act in the manner consistent with the provisions set forth in this Judgment or subsequent order of the Court.

(c) MWA Appointed as Initial Watermaster. The MWA is hereby appointed, until further order of the Court, as Watermaster to administer and enforce the provisions of this Judgment and any subsequent orders of this Court issued in the performance of its continuing jurisdiction. In carrying out this appointment, MWA shall segregate and separately exercise in all respects the Watermaster powers delegated by the Court under this Judgment from MWA's statutory powers. All funds received, held, and disbursed by MWA as Watermaster shall be by way of separate Watermaster accounts, subject to separate accounting and auditing. Meetings and hearings held by the MWA Board of Directors when acting as Watermaster shall be noticed and conducted separately from MWA

meetings. All Watermaster staff and consultant functions shall be separate and distinct from MWA staff and consultant functions; provided, however, that pursuant to duly adopted Watermaster rules, which shall be subject to review according to Paragraph 36 hereof, Watermaster staff and consultant functions may be accomplished by MWA staff and consultants, subject to strict time and cost accounting principles so that Watermaster functions, and the Assessments provided under this Judgment, do not subsidize, and are not subsidized by, MWA functions. Subject to these principles, MWA shall implement practicable cost efficiencies through consolidation of Watermaster and MWA staff and consultant functions.

24. Powers and Duties. Subject to the continuing supervision and control of the Court, Watermaster shall have and may exercise the following express powers, and shall perform the following duties, together with any specific powers, authority and duties granted or imposed elsewhere in this Judgement or hereafter ordered or authorized by the Court in the exercise of its continuing jurisdiction:

a. Rules and Regulations. To adopt any and all appropriate rules and regulations for conduct pursuant to this Judgment after public hearing. Notice of hearing and a copy of the proposed rules and regulations, and any amendments thereof, shall be mailed to all Parties thirty days prior to the date of the hearing thereon.

b. Employment of Experts and Agents. To employ such administrative personnel, engineering, legal, accounting, or other specialty services and consulting assistants as may be deemed appropriate in carrying out the terms of this Judgment.

c. Makeup and Replacement Obligations. To determine the Makeup Obligations for each Subarea and Replacement Obligations for each Producer and each Subarea, pursuant to the terms of the Judgment.

d. Measuring Devices, etc. To adopt rules and regulations regarding determination of amounts of Production and installation of individual water meters. The rules and regulations shall provide for approved devices or methods to measure or estimate Production. Producers who meter Production on the date of entry of this Judgment shall continue to meter Production. Thereafter, Producers who do not meter Production on the effective date of entry of this Judgment may be required by Watermaster rules and regulations to install water meters upon a showing that then employed measurement devices or methods do not accurately determine actual Production. The rules and regulations shall require that within three Years after the date of entry of this Judgment, any Producer who provides piped water for human Consumption to more than five service connections shall have installed an individual water meter on each service connection.

e. Hydrologic Data Collection. To install, operate and maintain such wells, measuring devices and/or meters necessary to monitor stream flow, precipitation and groundwater levels and to obtain such other data as may be necessary to carry out the provisions of this Judgment, including a study of the Basin Area phreatophyte consumptive use.

f. Assessments. To set, levy and collect all Assessments specified herein.

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g. Purchase of and Recharge with Supplemental Water. In accordance with Paragraph 27, to the extent Supplemental Water is available and is reasonably needed for Replacement Water or Makeup Water, to use Replacement Water Assessment proceeds to purchase Replacement Water, and to use Makeup Water Assessment proceeds to purchase Makeup Water and to have such Replacement Water and Makeup Water provided to the appropriate Subarea as soon as practicable. Watermaster may prepurchase Supplemental Water and apply subsequent Assessments towards the costs of such prepurchases.

h. Water Quality. To take all reasonable steps to assist and encourage appropriate regulatory agencies to enforce reasonable water quality regulations affecting the Basin Area, including regulation of solid and liquid waste disposal.

i. Notice List. To maintain a current list of Responsible Parties to receive notice hereunder.

j. Annual Administrative Budget. To prepare a proposed administrative budget for each Year, hold hearings thereon, and adopt an administrative budget according to the time schedule set forth in Exhibit "D". The administrative budget shall set forth budgeted items and Administrative Assessments in sufficient detail to show the allocation of the expense among the Producers. Following the adoption of the budget, expenditures within budgeted items may thereafter be made by Watermaster in the exercise of powers herein granted, as a matter of course.

k. Annual Report to Court.

(1) To file an Annual report with this Court not later than April 1 of each Year beginning April 1 following the

first full Year after entry of Judgment. Prior to filing the Annual report with the Court, Watermaster shall notify all Parties that a draft of the report is available for review and shall provide notice of a hearing to receive comments and recommendations for changes in the report. The public hearing shall be conducted on the same date and at the same place as the hearings required by Paragraphs 3 and 4 of Exhibit "D". The notice of hearing may include such summary of the draft report as Watermaster may deem appropriate. Watermaster shall also distribute the report to the Parties requesting copies.

(2) The Annual report shall include an Annual fiscal report of the preceding Year's operation and shall include details as to operation of each of the Subareas and an audit of all Assessments and expenditures pursuant to this Physical Solution and a review of Watermaster activities pursuant to this Judgment. The Annual report shall include a compilation of at least the following:

Determinations and data required by:

i) Paragraph 24(c) (Makeup and Replacement Obligations)

ii) Paragraph 24(e) (Hydrologic Data Collection)

iii) Paragraph 24(g) (Purchase of and Recharge with Supplemental Water)

iv) Paragraph 24(i) (Notice List)

Rules and regulations adopted pursuant to:

v) Paragraph 24(a) (Rules and Regulations)

vi) Paragraph 24(d) (Measuring Devices, etc.)

vii) Paragraph 24(s) (Storage Agreements)

Reports required by:

viii)Paragraph 24(j) (Annual Administrative Budget)

ix) Paragraph 24(n) (Transfers)

x) Paragraph 24(o) (Free Production Allowance)

xi) Paragraph 24(p) (Production Reports)

xii)Exhibit "D" (Prior Year Report)

xiii)Exhibit "F" (Transfers of Base Annual Production Rights)

xiv) Exhibit "G" (Status of Subarea Obligation)

xv) Exhibit "H" (Biological Resource Mitigation)

l. Investment of Funds. To hold and invest any funds in investments authorized from time to time for public agencies in the State of California.

m. Borrowing. To borrow in anticipation of receipt of Assessment proceeds in an amount not to exceed the Annual amount of Assessments levied but uncollected.

n. Transfers. To prepare on an Annual basis and maintain a report or record of any transfer of Base Annual Production Rights. Such report or record shall be available for inspection by any Party upon reasonable notice to the Watermaster.

o. Free Production Allowance. Not later than the end of the 1997-1998 Water Year, and Annually thereafter, to recommend in the Watermaster Annual Report an adjustment, if needed, to the Free Production Allowance for any Subarea. In making its recommendation, Watermaster shall be guided by the factors set forth in Exhibit "C", including but not limited to an annual calculation of the change of water in storage. The Annual report shall include all assumptions and calculations relied upon in making its recommendations. Following the 1997-1998 Water Year,

or any time thereafter, Watermaster shall obtain prior Court approval for any increase or reduction of any Subarea's Free Production Allowance. In no event shall a reduction in any Year for a Subarea exceed five percent of the aggregate Base Annual Production of that Subarea. In the event Watermaster recommends in its report to the Court that the Free Production Allowance for any Subarea may need to be increased or reduced, the Court shall conduct a hearing, after notice given by Watermaster according to paragraph 36, upon Watermaster's recommendations and may order such changes in Subarea Free Production Allowance. The most recent Subarea Free Production Allowances shall remain in effect until revised according to this Paragraph 24(o).

p. Production Reports. To require each Producer to file with Watermaster, pursuant to procedures and time schedules to be established by Watermaster, a report on a form to be prescribed by Watermaster showing the total Production of such Party for each reporting period rounded off to the nearest tenth of an acre foot, and such additional information and supporting documentation as Watermaster may require.

q. Production Adjustment for Change in Purpose of Use. If Watermaster determines, using the Consumptive Use rates set forth in Exhibit "F", that a new Purpose of Use of any Producer's Production for any Year has resulted in a higher rate of Consumption than the rate applicable to the original Purpose of Use of that Producer's Production in the Year for which Base Annual Production was determined, Watermaster shall use a multiplier (1) to adjust upward such Production for the purpose of determining the Producer's Replacement Water Assessment and, (2) to adjust upward

the Free Production Allowance portion of such Production for the purpose of determining the Producer's Makeup Water Assessment. The multiplier shall be determined by dividing the number of acre feet of Consumption that occurred under the new Purpose of Use by the number of acre feet of Consumption that would have occurred under the original Purpose of Use for the same Production.

r. Reallocation of Base Annual Production Rights. To reallocate annually the Base Annual Production Rights in each Subarea to reflect any permanent transfers of such Rights among Parties.

s. Storage Agreements. To enter into Storage Agreements with any Party in order to accommodate the acquisition of Supplemental Water. Watermaster may not enter into Storage Agreements with non-Parties unless such non-Parties become subject to the provisions of this Judgment and the jurisdiction of the Court. Such Storage Agreements shall by their terms preclude operations which will have a substantial adverse impact on any Producer. If a Party pursuant to a Storage Agreement has provided for predelivery or postdelivery of Replacement Water for the Party's use, Watermaster shall at the Party's request credit such water to the Party's Replacement Obligation. Watermaster shall adopt uniformly applicable rules for Storage Agreements. Watermaster shall calculate additions, extractions and losses of water stored under Storage Agreements and maintain an Annual account of all such water.

t. Subarea Advisory Committee Meetings. To meet on a regular basis and at least semi-annually with the Subarea Advisory Committees to review Watermaster activities pursuant to

this Judgment and to receive advisory recommendations from the Subarea Advisory Committees.

u. Unauthorized Production. To bring such action or motion as is necessary to enjoin unauthorized Production as provided in Paragraph 12 hereinabove.

v. Meetings and Records. To ensure that all meetings and hearings by Watermaster shall be noticed and conducted according to then current requirements of the Ralph M. Brown Act, Government Code Sections 54950, et seq. Watermaster files and records shall be available to any person according to the provisions of the Public Records Act, Government Code §§ 6200 et seq.

w. Data, Estimates and Procedures. To rely on and use the best available records and data to support the implementation of this Judgment. Where actual records of data are not available, Watermaster shall rely on and use sound scientific and engineering estimates. Watermaster may use preliminary records of measurements, and, if revisions are subsequently made, Watermaster may reflect such revisions in subsequent accounting. Exhibit "C" sets forth methods and procedures for determining surface flow components. Watermaster shall use either the same procedures or procedures that will yield results of equal or greater accuracy.

x. Biological Resource Mitigation. To implement the Biological Resource Mitigation measures set forth in Exhibit "H" herein.

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C. ASSESSMENTS

25. Purpose. Watermaster shall levy and collect Assessments from the Parties based upon Production in accordance with the time schedules set forth in Exhibit "D". Watermaster shall levy and collect such Assessments as follows:

a. Administrative Assessments. Administrative Assessments to fund the Administrative Budget adopted by the Watermaster pursuant to Paragraph 24(j) shall be levied uniformly against each acre foot of Production. A Producer who does not Produce in a given Year shall pay an Administrative Assessment in amount equal to the lowest MWA assessment for Minimal Producers for that Year.

b. Replacement Water Assessments. Replacement Water Assessments shall be levied against each Producer on account of such Producer's Production, after any adjustment pursuant to Paragraph 24(q), in excess of such Producer's share of the Free Production Allowance in each Subarea during the prior Year.

c. Makeup Water Assessments. Makeup Water Assessments shall be levied against each Producer in each Subarea on account of each acre-foot of Production therein which does not bear a Replacement Assessment hereunder, after any adjustment pursuant to Paragraph 24(q), to pay all necessary costs of satisfying the Makeup Obligation, if any, of that Subarea.

d. Biological Resource Assessment. To establish and, to the extent needed, to maintain the Biological Resource Trust Fund balance at one million dollars (in 1993 dollars) pursuant to Paragraph 24(x) and Exhibit "H", a Biological Resource Assessment in an amount not to exceed fifty cents (in 1993 dollars)

for each acre-feet of Production shall be levied uniformly against each producer except the California Department of Fish and Game.

e. MWA Assessment of Minimal Producers. The MWA shall identify and assess Minimal Producers through its own administrative procedures, and not acting as Watermaster.

26. Procedure. Each Party hereto is ordered to pay the Assessments herein provided for, which shall be levied and collected in accordance with the procedures and schedules set forth in Exhibit "D". Any Assessment which becomes delinquent, as defined in Paragraph 7 of Exhibit "D", shall bear interest at the then current San Bernardino County property tax delinquency rate Said interest rate shall be applicable to any said delinquent Assessment from the due date thereof until paid. Such delinquent Assessment, together with interest thereon, costs of suit, attorneys fees and reasonable costs of collection, may be collected pursuant to motion giving notice to the delinquent Party only, or Order to Show Cause proceeding, or such other lawful proceeding as may be instituted by the Watermaster; and shall, if provided for in the MWA Act, 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 Watermaster shall Annually certify a list of all such unpaid delinquent Assessments to the MWA (in accordance with applicable provisions of the MWA Act). The MWA (in accordance with applicable provisions of the MWA Act) 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. MWA 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 enjoin production of those Persons who do not pay Assessments pursuant to this Judgment.

27. Availability of Supplemental Water. All Replacement and Makeup Water Assessments collected by the Watermaster shall be used to acquire Supplemental Water from MWA. Watermaster shall determine when to request Supplemental Water from MWA and shall determine the amount of Supplemental Water to be requested. MWA shall use its best efforts to acquire as much Supplemental Water as possible in a timely manner. If MWA encounters delays in the acquisition of Supplemental Water which, due to cost increases, results in collected assessment proceeds being insufficient to purchase all Supplemental Water for which the Assessments were made, MWA shall purchase as much water as the proceeds will allow when the water becomes available. If available Supplemental Water is insufficient to meet all Makeup and Replacement Water obligations, Watermaster shall allocate the Supplemental Water for delivery to the Subareas on an equitable and practicable basis pursuant to duly adopted Watermaster rules and regulations, giving preference to: First, Transition Zone Replacement Water Obligations as set forth in Exhibit "G"; Second, Makeup Water Obligations; and Third, other Replacement Water Obligations. MWA may acquire Supplemental Water at any time. MWA shall be entitled to enter into a Storage Agreement with Watermaster to store water MWA acquires prior to being paid to do so by Watermaster. Such water, including such water acquired and stored prior to the date of this Judgment or prior to the entry of

a Storage Agreement, may later be used to satisfy MWA's duty under this paragraph.

28. Use of Replacement Water Assessment Proceeds and Makeup Water Assessment Proceeds. The Proceeds of Replacement Water Assessments and any interest accrued thereon shall only be used for the purchase of Replacement Water for that Subarea from which they were collected. In addition, the proceeds of Replacement Water Assessments collected on account of Production in the Transition Zone, except as provided in Exhibit "G", shall only be used for the purchase of Replacement Water for the Transition Zone, and the proceeds of Replacement Water Assessments collected on account of Production in that portion of the Baja Subarea downstream of the Calico-Newberry fault shall only be used for the purchase of Replacement Water for that portion of the Baja Subarea downstream of the Calico-Newberry fault. The proceeds of Makeup Water Assessments and any interest accrued thereon shall only be used for the purchase of Makeup Water to satisfy the Makeup Obligation for which they are collected.

29. MWA Annual Report to the Watermaster. MWA shall Produce and deliver to Watermaster an Annual written report regarding actions of MWA required by the terms of this Judgment. The report shall contain: 1) a summary of the actions taken by MWA in identifying and assessing Minimal Producers, including a report of Assessments made and collected; 2) a summary of other MWA activities in collecting Assessment on behalf of Watermaster; 3) a report of water purchases and water distribution for the previous Year; 4) actions taken to implement its Regional Water Management Plan, including actions relating to conveyance facilities referred

to in this Judgment. The MWA report will be provided to Watermaster not less than 30 days prior to the Annual Watermaster report to the Court required by this Judgment.

D. SUBAREA ADVISORY COMMITTEES.

30. Authorization. The Producers in each of the five Subareas are hereby authorized and directed to cause committees of Producer representatives to be organized and to act as Subarea Advisory Committees.

31. Composition and Election. Each Subarea Advisory Committee shall consist of five (5) Persons who shall be called advisors. In the election of advisors, every Party shall be entitled to one vote for every acre-foot of Base Annual Production for that Party in that particular Subarea. Parties may cumulate their votes and give one candidate a number of votes equal to the number of advisors to be elected multiplied by the number of votes to which the Party is normally entitled, or distribute the Party's votes on the same principle among as many candidates as the Party thinks fit. In any election of advisors, the candidates receiving the highest number of affirmative votes of the Parties are elected. Elections shall be held upon entry of this Judgment and thereafter every third year. In the event a vacancy arises, a temporary advisor shall be appointed by unanimous decision of the other four advisors to continue in office until the next scheduled election. The California Department of Fish and Game shall serve as a permanent ex-officio member of the Alto and Baja Subarea Advisory Committees. Rules and regulations regarding organization, meetings and other activities shall be at the discretion of the individual

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Subarea Advisory Committees, except that all meetings of the committees shall be open to the public.

32. Compensation. The Subarea Advisory Committee members shall serve without compensation.

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

E. TRANSFERABILITY.

34. Assignment, Transfer, etc. of Rights. In order to further the purposes of this Judgment and Physical Solution, any Base Annual Production Right, or any portion thereof, may be sold, assigned, transferred, licensed or leased pursuant to the rules and procedures set forth in Exhibit "F".

F. MISCELLANEOUS PROVISIONS.

35. Water Quality. Nothing in this Judgment shall be interpreted as relieving any Party of its responsibilities to comply with state or federal laws for the protection of water quality or the provisions of any permits, standards, requirements, or orders promulgated thereunder.

36. Review Procedures. Any action, decision, rule or procedure of Watermaster pursuant to this Judgment shall be subject to review by the Court on its own motion or on timely motion by any Party, as follows:

a. Effective Date of Watermaster Action. Any order, decision or action of Watermaster pursuant to this Judgment on noticed specific agenda items shall be deemed to have occurred

on the date of the order, decision or action.

b. Notice of Motion. Any Party, may, by a regularly noticed motion, petition the Court for review of Watermaster's action or decision pursuant to this Judgment. The motion shall be deemed to be filed when a copy, conformed as filed with the Court, has been delivered to Watermaster together with the service fee established by Watermaster sufficient to cover the cost to photocopy and mail the motion to each Party. Watermaster shall prepare copies and mail a copy of the motion to each Party or its designee according to the official service list which shall be maintained by Watermaster according to Paragraph 37. A Party's obligation to serve notice of a motion upon the Parties is deemed to be satisfied by filing the motion as provided herein. Unless ordered by the Court, any such petition shall not operate to stay the effect of any Watermaster action or decision which is challenged.

c. Time for Motion. A motion to review any Watermaster action or decision shall be filed within ninety (90) days after such Watermaster action or decision, except that motions to review Watermaster Assessments hereunder shall be filed within thirty (30) days of mailing of notice of the Assessment.

d. De Novo Nature of Proceeding. Upon filing of a petition to review Watermaster action, the Watermaster shall notify the Parties of a date when the Court will take evidence and hear argument. The Court's review shall be de novo and the Watermaster decision or action shall have no evidentiary weight in such proceeding.

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e. Decision. The decision of the Court in such proceeding shall be an appealable Supplemental Order in this case. When the same is final, it shall be binding upon Watermaster and the Parties.

f. Payment of Assessments. Payment of Assessments levied by Watermaster hereunder shall be made pursuant to the time schedule in Exhibit "D"; notwithstanding any motion for review of Watermaster actions, decisions, rules or procedures, including review of Watermaster Assessments.

37. 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 entered. Said designation may be changed from time to time by filing a written notice of such change with Watermaster. Any Party desiring to be relieved of receiving notices of Watermaster activity may file a waiver of notice on a form to be provided by Watermaster. Watermaster shall maintain at all times a current list of Parties to whom notices are to be sent 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 to any Person. If no designation is made, a Party's designee shall be deemed to be, in order of priority: i) the Party's attorney of record; ii) if the Party does not have an attorney of record, the Party itself at the address on the Watermaster list.

38. Service of Documents. Delivery to or service upon any Party by Watermaster, by any other Party, or by the Court, of any document required to be served upon or delivered to a Party under or pursuant to the Judgment shall be deemed made if made by Deposit thereof (or by copy thereof) in the mail, first class, postage prepaid, addressed to the designee of the Party and at the address shown in the latest designation filed by that Party.

39. No Abandonment of Rights. It is in the interest of reasonable beneficial use of the Basin Area and its water supply that no Party be encouraged to take and use more water in any Year than is actually required. Failure to Produce all of the water to which a Party is entitled hereunder shall not, in and of itself, be deemed or constitute an abandonment of such Party's right, in whole or in part.

40. Intervention After Judgment. Any person who is not a Party or successor to a Party and who proposes to Produce water from the Basin Area may seek to become a Party to this Judgment through a Stipulation for Intervention entered into with Watermaster. Watermaster may execute said Stipulation on behalf of the other Parties herein but such Stipulation shall not preclude a Party from opposing such Intervention at the time of the Court hearing thereon. Said Stipulation for Intervention must thereupon be filed with the Court, which will consider an order confirming said intervention following thirty (30) days' notice to the Parties. Thereafter, if approved by the Court, such intervenor shall be a Party bound by this Judgment and entitled to the rights and privileges accorded under the Physical Solution herein.

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41. Recordation of Notice. MWA shall within sixty (60) days following entry of this Judgment record in the Office of the County Recorder of the County of San Bernardino a notice substantially complying with the notice content requirements set forth in Section 2529 of the California Water Code.

42. Judgment Binding on Successors, etc. Subject to specific provisions hereinbefore contained, this Judgment and all provisions thereof are applicable to and binding upon and inure to the benefit of not only the Parties to this action, but as well to their respective heirs, executors, administrators, successors, assigns, lessees, licensees and to the agents, employees and attorneys in fact of any such Persons.

43. Costs. No Party stipulating to this Judgment shall recover any costs or attorneys fees in this proceeding from another stipulating Party.

44. Entry of Judgment. The Clerk shall enter this Judgment.

Dated: JAN 10 1996

E. MICHAEL KAISER

E. Michael Kaiser, Judge
Superior Court of the State
of California for the
County of Riverside

EXHIBIT A

MAP OF MOJAVE BASIN AREA

[INDEX MAP AND DETAIL SHEET CONSISTING OF 42 1" = 4,000' SCALE MAPS COVERING THE BASIN AREA; THE MAP IS ON DISPLAY AT THE OFFICE OF THE MOJAVE WATER AGENCY, 22450 HEADQUARTERS, APPLE VALLEY, CA 92307 AND ON FILE WITH THE COURT]

EXHIBIT B

PRODUCTION TABLES

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ESTE SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ESTE SUBAREA PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
ABSHIRE, DAVID V	24	0.1093	24	22	21	20	19
ANDERSON, ROSS C & BETTY J	34	0.1548	34	32	30	28	27
BAR H MUTUAL WATER COMPANY	53	0.2414	53	50	47	45	42
BELL, CHUCK	494	2.2497	494	469	444	419	395
BURNS, BOBBY J & EVELYN J	1,300	5.9204	1,300	1,235	1,170	1,105	1,040
CASA COLINA FOUNDATION	90	0.4099	90	85	81	76	72
CENTER WATER CO	40	0.1822	40	38	36	34	32
CLUB VIEW PARTNERS	1,276	5.8111	1,276	1,212	1,148	1,084	1,020
CROSS, LAWRENCE E	23	0.1047	23	21	20	19	18
CRYSTAL HILLS WATER COMPANY	194	0.8835	194	184	174	164	155
DAHLQUIST, GEORGE R	594	2.7052	594	564	534	504	475
DELPERDANG, ROBERT H	56	0.2550	56	53	50	47	44
DESERT DAWN MUTUAL WATER COMPANY	15	0.0683	15	14	13	12	12
GARTA, TRINIDAD	512	2.3317	512	486	460	435	409
GAYJIKIAN, SAMUEL & HAZEL	102	0.4645	102	96	91	86	81
GRACETOWN INVESTMENT CO - JETCO PROP FUND	752	3.4247	752	714	676	639	601
GUBLER, HANS	30	0.1366	30	28	27	25	24
HAL-DOR LTD	23	0.1047	23	21	20	19	18
HANDLEY, DON R & MARY ANN	73	0.3325	73	69	65	62	58
HART, MERRILL W	473	2.1541	473	449	425	402	378
HERT, SCOTT	276	1.2569	276	262	248	234	220
HI-GRADE MATERIALS	442	2.0129	442	419	397	375	353
HITCHIN LUCERNE, INC	16	0.0729	16	15	14	13	12
JAMS RANCH	28	0.1275	28	26	25	23	22

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FOR FIRST FIVE YEARS OF THE JUDGMENT

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JUBILEE MUTUAL WATER COMPANY	142	0.6467	142	134	127	120	113
JUNIPER RIVIERA COUNTY WATER DISTRICT	37	0.1685	37	35	33	31	29
LEE, DOO HWAN	78	0.3552	78	74	70	66	62
LOPEZ, BALTAZAR	385	1.7533	385	365	346	327	308
LUA, ANTONIO	348	1.5848	348	330	313	295	278
LUCERNE VALLEY MUTUAL WATER COMPANY	54	0.2459	54	51	48	45	43
LUCERNE VALLEY PARTNERS	1,213	5.5242	1,213	1,152	1,091	1,031	970
LUCERNE VISTA WATER CO	21	0.0956	21	19	18	17	16
MITSUBISHI CEMENT CORPORATION	1,299	5.9158	1,299	1,234	1,169	1,104	1,039
MONACO INVESTMENT COMPANY	70	0.3188	70	66	63	59	56
MOSS, LAWRENCE W & HELEN J	43	0.1958	43	40	38	36	34
PARK, CHANHO	597	2.7188	597	567	537	507	477
PARK, JEONG, IL & HEA JA	96	0.4372	96	91	86	81	76
PEREZ, EVA	247	1.1249	247	234	222	209	197
PETTIGREW, DAN	1,422	6.4760	1,422	1,350	1,279	1,208	1,137
PETTIGREW, HOWARD L	1,500	6.8312	1,500	1,425	1,350	1,275	1,200
PLUESS-STAUFER CALIFORNIA INC	23	0.1047	23	21	20	19	18
REED, MIKE	58	0.2641	58	55	52	49	46
ROGERS, ROY	1,449	6.5990	1,449	1,376	1,304	1,231	1,159
SAN BERNARDINO CO SERVICE AREA 29	21	0.0956	21	19	18	17	16
SEALS, LAWRENCE	113	0.5146	113	107	101	96	90
SON'S RANCH	140	0.6376	140	133	126	119	112
SOUTHERN CALIFORNIA WATER COMPANY	178	0.8106	178	169	160	151	142
SPECIALTY MINERALS, INC	42	0.1913	42	39	37	35	33

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EXHIBIT B

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ESTE SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ESTE SUBAREA PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
SPILLMAN, JAMES R & NANCY J	23	0.1047	23	21	20	19	18
STEWART WATER COMPANY	54	0.2459	54	51	48	45	43
STRINGER, W EDWARD	573	2.6095	573	544	515	487	458
THE CUSHENBURY TRUST, C/O SPECIALTY MINERALS, INC	10	0.0455	10	9	9	8	8
TURNER, LOYD & CAROL	77	0.3507	77	73	69	65	61
VISOSKY, JOSEPH F JR	1,120	5.1006	1,120	1,064	1,008	952	896
WEISER, SIDNEY & RAQUEL	90	0.4099	90	85	81	76	72
WILLOW WELLS MUTUAL WATER COMPANY	30	0.1366	30	28	27	25	24

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FOR FIRST FIVE YEARS OF THE JUDGMENT

ESTE SUBAREA / PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
MINIMAL PRODUCER POOL	2,000	9.1083	2,000	1,900	1,800	1,700	1,600
UNIDENTIFIED/UNVERIFIED PRODUCER POOL	1,485	6.7629					
ESTE SUBAREA TOTALS =	21,958	100					

1 Base Annual Production is the reported maximum year production for each producer for the five year period 1986-1990. These values reflect the maximum production determined by one or more of the following: Southern California Edison records, site inspection, land use estimates from 1987 and 1989 aerial photography and responses to special interrogatories. All values are subject to change if additional information is made available, or if any value reported herein is found to be in error.

2 Base Annual Production Right expressed as a percentage of the Total Base Annual Production.

3 Values based on production ramp down of five percent (5%) per year. Free Production Allowance for the fifth year is equal to eighty percent (80%) of the Base Annual Production.

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TABLE B-1

TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN OBSTE SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

OBSTE SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
AEROCHEM, INC	660	5.3645	660	627	594	561	528
BROWN, DOUG & SUE	46	0.3739	46	43	41	39	36
CHAMISAL MUTUAL	96	0.7803	96	91	86	81	76
DAVIS, PAUL	19	0.1544	19	18	17	16	15
DOSSEY, D A	14	0.1138	14	13	12	11	11
MEADOWBROOK DAIRY	2,335	18.9791	2,335	2,218	2,101	1,984	1,868
RESSEGUE, JOHN & BILL	259	2.1052	259	246	233	220	207
SAN BERNARDINO CO SERVICE AREA 70G	110	0.8941	110	104	99	93	88
SAN BERNARDINO CO SERVICE AREA 70L	1,306	10.6153	1,306	1,240	1,175	1,110	1,044
THORESON, ROBERT F & A KATHLEEN	40	0.3251	40	38	36	34	32
TROEGER, RICHARD H	112	0.9103	112	106	100	95	89
VAN DAM BROTHERS	1,860	15.1183	1,860	1,767	1,674	1,581	1,488

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TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

OBSTE SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT [2] (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
MINIMAL PRODUCER POOL	1,500	12.1921	1,500	1,425	1,350	1,275	1,200
UNIDENTIFIED/UNVERIFIED PRODUCER POOL	3,946	32.0735					
OBSTE SUBAREA TOTALS =	12,303	100					

1 Base Annual Production is the reported maximum year production for each producer for the five year period 1986-1990. These values reflect the maximum production determined by one or more of the following: Southern California Edison records, site inspection, land use estimates from 1987 and 1989 aerial photography and responses to special interrogatories. All values are subject to change if additional information is made available, or if any value reported herein is found *to be in error.*

2 Base Annual Production Right expressed as a percentage of the Total Base Annual Production.

3 Values based on production ramp down of five percent (5%) per year. Free Production Allowance for the fifth year is equal to eighty percent (80%) of the Base Annual Production.

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TABLE B-1

TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ALTO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ALTO SUBAREA PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
ABBOND, EDWARD & GRACE	28	0.0229	28	26	25	23	22
ABBOTT, LEONARD C	284	0.2321	284	269	255	241	227
ADELANTO, CITY OF	1,573	1.2855	1,573	1,494	1,415	1,337	1,258
ADELANTO, CITY OF - GEORGE A F B	3,433	2.8055	3,433	3,261	3,089	2,918	2,746
AGCON, INC	384	0.3138	384	364	345	326	307
APPLE VALLEY COUNTRY CLUB	709	0.5794	709	673	638	602	567
APPLE VALLEY DEVELOPMENT	724	0.5917	724	687	651	615	579
APPLE VALLEY FOOTHILL CO WATER DISTRICT	167	0.1365	167	158	150	141	133
APPLE VALLEY HEIGHTS COUNTY WATER DISTRICT	125	0.1022	125	118	112	106	100
APPLE VALLEY RANCHOS WATER COMPANY	13,022	10.6419	13,022	12,370	11,719	11,068	10,417
APPLE VALLEY RECREATION & PARKS	45	0.0368	45	42	40	38	36
APPLE VALLEY VIEW MUTUAL WATER CO	36	0.0294	36	34	32	30	28
APPLE VALLEY, TOWN OF	298	0.2435	298	283	268	253	238
ARC LAS FLORES	6,331	5.1739	6,331	6,014	5,697	5,381	5,064
BACA, ENRIQUE	74	0.0605	74	70	66	62	59
BALDY MESA WATER DISTRICT	1,495	1.2218	1,495	1,420	1,345	1,270	1,196
BASS, NEWTON T	514	0.4201	514	488	462	436	411
BASTIANON, REMO	77	0.0629	77	73	69	65	61
BASURA, STEVE	25	0.0204	25	23	22	21	20
BEINSCHROTH, A J	90	0.0736	90	85	81	76	72
BOYCE, KENNETH & WILLA	102	0.0834	102	96	91	86	81
BROWN, BOBBY G & VALERIA R	42	0.0343	42	39	37	35	33
BURNS, ULYSSES & ANNIE L	164	0.1340	164	155	147	139	131
CARDOZO, MANUEL & MARIA	909	0.7429	909	863	818	772	727

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ALTO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ALTO SUBAREA / PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
CDFG - MOJAVE NARROWS REGIONAL PARK	2,107	1.7219	2,107	2,001	1,896	1,790	1,685
CDFG - MOJAVE RIVER FISH HATCHERY	20	0.0163	20	19	18	17	16
CLARK, KENNETH R	223	0.1822	223	211	200	189	178
CLEAR VIEW FARMS	501	0.4094	501	475	450	425	400
COPELAND, ET AL (C/O DON W. LITTLE)	175	0.1430	175	166	157	148	140
CRAMER, MARGARET MUIR	280	0.2288	280	266	252	238	224
CUNNINGHAM, WILLIAM	29	0.0237	29	27	26	24	23
DEXTER, CLAIR F	175	0.1430	175	166	157	148	140
DEXTER, J P	515	0.4209	515	489	463	437	412
DIBERNARDO, JOHN	203	0.1659	203	192	182	172	162
DOLCH, ROBERT & JUDY	426	0.3481	426	404	383	362	340
DOMBROWSKI, MICHAEL W & SUSAN M	19	0.0155	19	18	17	16	15
DOWSE, PHILIP	20	0.0163	20	19	18	17	16
EVENSON, EDWIN H & JOYCELAINE	70	0.0572	70	66	63	59	56
FISHER, DOLORES DR	48	0.0392	48	45	43	40	38
FISHER, JEROME	633	0.5173	633	601	569	538	506
FITZWATER, R E	291	0.2378	291	276	261	247	232
GARCIA, SONIA L	288	0.2354	288	273	259	244	230
GOMEZ, CIRIL - LIVING TRUST	330	0.2697	330	313	297	280	264
GREEN ACRES ESTATES	25	0.0204	25	23	22	21	20
GULBRANSON, MERLIN	163	0.1332	163	154	146	138	130
HELENDALE SCHOOL DISTRICT	18	0.0147	18	17	16	15	14
HESPERIA GOLF AND COUNTRY CLUB	678	0.5541	678	644	610	576	542
HESPERIA WATER DISTRICT	12,213	9.9808	12,213	11,602	10,991	10,381	9,770

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ALTO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ALTO SUBAREA PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
HI-GRADE MATERIALS	149	0.1218	149	141	134	126	119
HODGE, STANLEY W	67	0.0548	67	63	60	56	53
HOLWAY, ROBERT	88	0.0719	88	83	79	74	70
HRUBIK, THOMAS A	3,862	3.1561	3,862	3,668	3,475	3,282	3,089
INDUSTRIAL ASPHALT	109	0.0891	109	103	98	92	87
JESS RANCH WATER COMPANY	7,480	6.1129	7,480	7,106	6,732	6,358	5,984
JOHNSON, LARRY & CARLEAN	82	0.0670	82	77	73	69	65
JOHNSON, RONALD	31	0.0253	31	29	27	26	24
JOHNSTON, HARRIET AND LARRY W	127	0.1038	127	120	114	107	101
KEMPER CAMPBELL RANCH	473	0.3865	473	449	425	402	378
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT	658	0.5377	658	625	592	559	526
LAWSON, ERNEST & BARBARA	15	0.0123	15	14	13	12	12
LENHERT, RONALD & TONI	37	0.0302	37	35	33	31	29
LEWIS HOMES OF CALIFORNIA	1,693	1.3836	1,693	1,608	1,523	1,439	1,354
LONGMAN, JACK	115	0.0940	115	109	103	97	92
LOUNSBURY, J PETER & CAROLYN	208	0.1700	208	197	187	176	166
LOW, ROBERT	399	0.3261	399	379	359	339	319
LUCKEY, MANLEY J	800	0.6538	800	760	720	680	640
LUTH, KEN	27	0.0221	27	25	24	22	21
MARIANA RANCHOS COUNTY WATER DISTRICT	245	0.2002	245	232	220	208	196
MCCALL, REX	44	0.0360	44	41	39	37	35
MCINNIS, *WILLIAM S*	30	0.0245	30	28	27	25	24
MITCHELL, ROBIN & JUDITH	36	0.0294	36	34	32	30	28
MURPHY, BERNARD H	25	0.0204	25	23	22	21	20

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BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ALTO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ALTO SUBAREA / PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
MURPHY, BERNARD TRUST	162	0.1324	162	153	145	137	129
MURPHY, KENNETH	42	0.0343	42	39	37	35	33
MUTUAL FUNDING CORP	101	0.0825	101	95	90	85	80
NAVAJO MUTUAL WATER CO	88	0.0719	88	83	79	74	70
NUNN, DONALD & PEARL	66	0.0539	66	62	59	56	52
O'BRYANT, ROBERT C & BARBARA	107	0.0874	107	101	96	90	85
ORMSBY, HARRY G	386	0.3154	386	366	347	328	308
PALISADES RANCH	824	0.6734	824	782	741	700	659
PARKER, DAVID E	37	0.0302	37	35	33	31	29
PEARL, ALICE	147	0.1201	147	139	132	124	117
PEARSON, DERYL B	22	0.0180	22	20	19	18	17
PERRY, THOMAS A	35	0.0286	35	33	31	29	28
PETTIS TRUST	126	0.1030	126	119	113	107	100
PHENIX PROPERTIES LTD	652	0.5328	652	619	586	554	521
PITTMAN, LEROY W	148	0.1209	148	140	133	125	118
POLICH, LEE & DONNA	65	0.0531	65	61	58	55	52
RANCHERITOS MUTUAL WATER CO	169	0.1381	169	160	152	143	135
RIVERSIDE CEMENT CO - ORO GRANDE PLANT	3,452	2.8211	3,452	3,279	3,106	2,934	2,761
ROGERS, ROY (ORO GRANDE RANCH)	115	0.0940	115	109	103	97	92
RUDMAN, ROBERT T	300	0.2452	300	285	270	255	240
RUE RANCH	30	0.0245	30	28	27	25	24
SAN BERNARDINO CO SERVICE AREA 42	465	0.3800	465	441	418	395	372
SAN BERNARDINO CO SERVICE AREA 64	3,822	3.1234	3,822	3,630	3,439	3,248	3,057
SAN BERNARDINO CO SERVICE AREA 70C	2,346	1.9172	2,346	2,228	2,111	1,994	1,876

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BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ALTO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ALTO SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
SAN BERNARDINO CO SERVICE AREA 70J	1,005	0.8213	1,005	954	904	854	804
SAN BERNARDINO CO SERVICE AREA 70L	355	0.2901	355	337	319	301	284
SAN FILIPPO, JOSEPH & SHELLEY	35	0.0286	35	33	31	29	28
SILVER LAKES ASSOCIATION	3,987	3.2583	3,987	3,787	3,588	3,388	3,189
SOUTHDOWN, INC	1,519	1.2414	1,519	1,443	1,367	1,291	1,215
SOUTHERN CALIFORNIA WATER COMPANY	940	0.7682	940	893	846	799	752
SPRING VALLEY LAKE ASSOCIATION	3,056	2.4974	3,056	2,903	2,750	2,597	2,444
SPRING VALLEY LAKE COUNTRY CLUB	977	0.7984	977	928	879	830	781
STORM, RANDALL	62	0.0507	62	58	55	52	49
SUDMEIER, GLENN W	121	0.0989	121	114	108	102	96
SUMMIT VALLEY RANCH	452	0.3694	452	429	406	384	361
TATRO, RICHARD K & SANDRA A	280	0.2288	280	266	252	238	224
TATUM, JAMES B	829	0.6775	829	787	746	704	663
TAYLOR, ALLEN C / HAYMAKER RANCH	456	0.3727	456	433	410	387	364
THOMAS, S DALE	440	0.3596	440	418	396	374	352
THOMAS, WALTER	36	0.0294	36	34	32	30	28
THOMPSON, JAMES A	418	0.3416	418	397	376	355	334
THOMPSON, RODGER	76	0.0621	76	72	68	64	60
THRASHER, GARY	373	0.3048	373	354	335	317	298
THUNDERBIRD COUNTY WATER DISTRICT	118	0.0964	118	112	106	100	94
TURNER, ROBERT	70	0.0572	70	66	63	59	56
VAIL, JOSEPH B & PAULA E	126	0.1030	126	119	113	107	100
✲ VAN BURGER, CARL	710	0.5802	710	674	639	603	568
VAN LEEUWEN FAMILY TRUST	341	0.2787	341	323	306	289	272

✲ Durston Well, location 06N/04W-18F, APN 468-151-11 - water production right of 357 acre/feet, claimed by Durston/Van Burger/CVB Investments and Industrial Asphalt. Product right to be determined in a subsequent severed proceeding. Jurisdiction reserved.

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BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ALTO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ALTO SUBAREA PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
VANNI, MIKE	54	0.0441	54	51	48	45	43
VICTOR VALLEY COMMUNITY COLLEGE DIST	240	0.1961	240	228	216	204	192
VICTOR VALLEY WATER DISTRICT	13,354	10.9133	13,354	12,686	12,018	11,350	10,683
VICTORVILLE, CITY OF	12	0.0098	12	11	10	10	9
VOGLER, ALBERT H	132	0.1079	132	125	118	112	105
WACKEEN, CAESAR	1,635	1.3362	1,635	1,553	1,471	1,389	1,308
WAKULA, JOHN	291	0.2378	291	276	261	247	232
WARD, KEN & BARBARA	65	0.0531	65	61	58	55	52
WEBER, DAVE	80	0.0654	80	76	72	68	64
WEST, CAROLYN & SMITH, RICHARD	24	0.0196	24	22	21	20	19
WEST, HOWARD & SUZY	72	0.0588	72	68	64	61	57
WHITTINGHAM, RICHARD V	15	0.0123	15	14	13	12	12
YEAGER, E L - CONSTRUCTION COMPANY INC	34	0.0278	34	32	30	28	27

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN ALTO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

ALTO SUBAREA / PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET)				
			FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
MINIMAL PRODUCER POOL	4,000	3.2689	4,000	3,800	3,600	3,400	3,200
UNIDENTIFIED/UNVERIFIED PRODUCER POOL	4,967	4.0592					
ALTO SUBAREA TOTALS =	122,365	100					

1 Base Annual Production is the reported maximum year production for each producer for the five year period 1986-1990. These values reflect the maximum production determined by one or more of the following: Southern California Edison records, site inspection, land use estimates from 1987 and 1989 aerial photography and responses to special interrogatories. All values are subject to change if additional information is made available, or if any value reported herein is found to be in error.

2 Base Annual Production Right expressed as a percentage of the Total Base Annual Production.

3 Values based on production ramp down of five percent (5%) per year. Free Production Allowance for the fifth year is equal to eighty percent (80%) of the Base Annual Production.

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN CENTRO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

CENTRO SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT [2] (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
AGCON, INC	0	0.0000	0	0	0	0	0
AGUAYO, JEANETTE L	212	0.3742	212	201	190	180	169
ATCHISON, TOPEKA, SANTA FE RAILWAY CO	120	0.2118	120	114	108	102	96
AVDEEF, THOMAS	34	0.0600	34	32	30	28	27
AZTEC FARM DEVELOPMENT COMPANY (Now, Virgil Gorman)	220	0.3883	220	209	198	187	176
BARNES, PAY - EXECUTOR OF ESTATE OF WAYNE BARNES	243	0.4289	243	230	218	206	194
BROMMER, MARVIN	361	0.6372	361	342	324	306	288
BURNS, RITA J & PAMELA E	16	0.0282	16	15	14	13	12
CHAPA, LARRY R	96	0.1694	96	91	86	81	76
CHOI, YONG IL & JOUNG AE	38	0.0671	38	36	34	32	30
CHRISTISON, JOEL	75	0.1324	75	71	67	63	60
COOK, KWON W	169	0.2983	169	160	152	143	135
DE VRIES, NEIL	3,800	6.7070	3,800	3,610	3,420	3,230	3,040
DESERT COMMUNITY BANK	156	0.2753	156	148	140	132	124
DURAN, FRANK T	50	0.0883	50	47	45	42	40
GAINES, JACK	117	0.2065	117	111	105	99	93
GESIRIECH, WAYNE	121	0.2136	121	114	108	102	96
GORMAN, VIRGIL	138	0.2436	138	131	124	117	110
GRIEDER, RAYMOND H & DORISANNE	30	0.0530	30	28	27	25	24
GRILL, NICHOLAS P & MILLIE D	21	0.0371	21	19	18	17	16
GROEN, CORNELIS	1,043	1.8409	1,043	990	938	886	834
HANIFY, DBA - WHITE BEAR RANCH	152	0.2683	152	144	136	129	121
HARMSEN, JAMES & RUTH ANN	1,522	2.6863	1,522	1,445	1,369	1,293	1,217
HARPER LAKE COMPANY	1,433	2.5293	1,433	1,361	1,289	1,218	1,146

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BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN CENTRO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

CENTRO SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT [2] (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
HI DESERT MUTUAL WATER CO	34	0.0600	34	32	30	28	27
HILEMAN, KATHERINE	19	0.0335	19	18	17	16	15
HILL, MELVIN	2,335	4.1213	2,335	2,218	2,101	1,984	1,868
HOY, MIKE	632	1.1155	632	600	568	537	505
JORDAN, RAYMOND	460	0.8119	460	437	414	391	368
JUSTICE, CHRIS	421	0.7431	421	399	378	357	336
KING, GENEVIEVE E	69	0.1218	69	65	62	58	55
LEE, SEPOONG ETAL & WOO POONG	77	0.1359	77	73	69	65	61
LEYERLY, GENEVA	65	0.1147	65	61	58	55	52
LEYERLY, RICHARD	862	1.5214	862	818	775	732	689
LUDINGTON, JAMES E & JO ANN	58	0.1024	58	55	52	49	46
LYON, LOUIS & ERIKA	130	0.2295	130	123	117	110	104
MARTIN, LENDELL	14	0.0247	14	13	12	11	11
MCCOLLUM, CHARLES L	347	0.6125	347	329	312	294	277
MEAD, G C	90	0.1589	90	85	81	76	72
MEYERS, LONNIE	27	0.0477	27	25	24	22	21
MITCHELL, CHARLES A	201	0.3548	201	190	180	170	160
MOFFITT, THOMAS R & EDITH I	62	0.1094	62	58	55	52	49
MOST, MILTON W	9,660	17.0500	9,660	9,177	8,694	8,211	7,728
NELSON, MILDRED L	52	0.0918	52	49	46	44	41
NEWBERRY SPRINGS COMPANY, INC	2,489	4.3931	2,489	2,364	2,240	2,115	1,991
OHAI, REYNOLDS & DOROTHY	137	0.2418	137	130	123	116	109
OROPEZA, JOSE M	190	0.3354	190	180	171	161	152
OSTERKAMP, GEROLD	260	0.4589	260	247	234	221	208

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TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

CENTRO SUBAREA / PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
OWL ROCK PRODUCTS COMPANY	466	0.8225	466	442	419	396	372
PG & E	1,657	2.9246	1,657	1,574	1,491	1,408	1,325
REDDY, BOMMI V & KARUNA V	24	0.0424	24	22	21	20	19
ROWLAND, JAMES & HELEN	22	0.0388	22	20	19	18	17
RUISCH, DALE W	650	1.1473	650	617	585	552	520
SHIRKEY, ALAN G & MARY E	35	0.0618	35	33	31	29	28
SMITH, ROBERT A	43	0.0759	43	40	38	36	34
SOPPELAND, WAYNE	783	1.3820	783	743	704	665	626
SOUTHERN CALIFORNIA WATER COMPANY	11,309	19.9605	11,309	10,743	10,178	9,612	9,047
SPINK, WALTHALL	44	0.0777	44	41	39	37	35
ST CHARLES, DONALD B	609	1.0749	609	578	548	517	487
SUN 'N SKY COUNTRY CLUB	337	0.5948	337	320	303	286	269
TALLAKSON, WILLIAM V	17	0.0300	17	16	15	14	13
TILLEMA, HAROLD	874	1.5426	874	830	786	742	699
VAN DAM, ELDERT & SUSAN	722	1.2743	722	685	649	613	577
VAN LEEUWEN, JOHN	1,922	3.3923	1,922	1,825	1,729	1,633	1,537
VAN VLIET, HENDRIKA	820	1.4473	820	779	738	697	656
VANHOY, LUTHER C	23	0.0406	23	21	20	19	18
VERNOLA, PAT	3,116	5.4998	3,116	2,960	2,804	2,648	2,492
VISSER, ANNIE	91	0.1606	91	86	81	77	72
YANG, YOUNG MO	371	0.6548	371	352	333	315	296
YKEMA HARMSEN DAIRY	1,000	1.7650	1,000	950	900	850	800

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN CENTRO SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

CENTRO SUBAREA / PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
MINIMAL PRODUCER POOL	2,000	3.5300	2,000	1,900	1,800	1,700	1,600
UNIDENTIFIED/UNVERIFIED PRODUCER POOL	864	1.5250					
CENTRO SUBAREA TOTALS =	56,657	100					

1 Base Annual Production is the reported maximum year production for each producer for the five year period 1986-1990. These values reflect the maximum production determined by one or more of the following: Southern California Edison records, site inspection, land use estimates from 1987 and 1989 aerial photography and responses to special interrogatories. All values are subject to change if additional information is made available, or if any value reported herein is found to be in error.

2 Base Annual Production Right expressed as a percentage of the Total Base Annual Production.

3 Values based on production ramp down of five percent (5%) per year. Free Production Allowance for the fifth year is equal to eighty percent (80%) of the Base Annual Production.

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN BAJA SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

BAJA SUBAREA PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
AKE, CHARLES J & MARJORIE M	23	0.0333	23	21	20	19	18
ANGERER, ROBERT J & PEGGY	24	0.0347	24	22	21	20	19
ANTELOPE VALLEY DAIRY	5,430	7.8597	5,430	5,158	4,887	4,615	4,344
ARGUELLES, ALFREDO	1,047	1.5155	1,047	994	942	889	837
ATCHISON, TOPEKA, SANTA FE RAILWAY CO	80	0.1158	80	76	72	68	64
BAGLEY, ROY	20	0.0289	20	19	18	17	16
BALDERRAMA, ALFRED & LINDA	250	0.3619	250	237	225	212	200
BALL, DAVID P	81	0.1172	81	76	72	68	64
BARAK, RICHARD	132	0.1911	132	125	118	112	105
BARBER, JAMES B	167	0.2417	167	158	150	141	133
BARSTOW CALICO K O A	24	0.0347	24	22	21	20	19
BAUR, KARL & RITA	26	0.0376	26	24	23	22	20
BEDINGFIELD, LYNDELL & CHARLENE	56	0.0811	56	53	50	47	44
BENTON, PHILIP G	35	0.0507	35	33	31	29	28
BORGOGNO, STEVEN & LILLIAN B	1,844	2.6691	1,844	1,751	1,659	1,567	1,475
BOWMAN, EDWIN L	31	0.0449	31	29	27	26	24
BROWN, RONALD A	1,080	1.5632	1,080	1,026	972	918	864
BROWY, ORVILLE & LOUISE	33	0.0478	33	31	29	28	26
BRUINS, NICHOLAS	29	0.0420	29	27	26	24	23
CALICO LAKES HOMEOWNERS ASSOCIATION	1,031	1.4923	1,031	979	927	876	824
CALIF DEPT OF TRANSPORTATION	71	0.1028	71	67	63	60	56
CAMPBELL, M A & DIANNE	22	0.0318	22	20	19	18	17
CARTER, JOHN THOMAS	746	1.0798	746	708	671	634	596
CDFG - CAMP CADY	14	0.0203	14	13	12	11	11

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TABLE SHOWING BASE ANNUAL PRODUCTION AND
BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN BAJA SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

BAJA SUBAREA / PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
CHANG, TIMOTHY & JANE	18	0.0261	18	17	16	15	14
CHASTAIN, W C	100	0.1447	100	95	90	85	80
CHEYENNE LAKE, INC	122	0.1766	122	115	109	103	97
CHIAO MEI DEVELOPMENT	451	0.6528	451	428	405	383	360
CHO BROTHERS RANCH	758	1.0972	758	720	682	644	606
CHUANG, MARSHAL	70	0.1013	70	66	63	59	56
CONNER, WILLIAM H	25	0.0362	25	23	22	21	20
COOL WATER RANCH	76	0.1100	76	72	68	64	60
CRYSTAL LAKES PROPERTY OWNERS ASSOCIATION	447	0.6470	447	424	402	379	357
DAGGETT COMMUNITY SERVICES DISTRICT	235	0.3402	235	223	211	199	188
DALJO CORPORATION	31	0.0449	31	29	27	26	24
DAVIS, RONALD & DONNA	53	0.0767	53	50	47	45	42
DE JONG, ALAN L	1,648	2.3854	1,648	1,565	1,483	1,400	1,318
DENNISON, QUENTIN D	29	0.0420	29	27	26	24	23
DESERT LAKES CORPORATION - (LAKE DOLORES)	483	0.6991	483	458	434	410	386
DOCIMO, DONALD P & PATRICIA J	23	0.0333	23	21	20	19	18
DONALDSON, JERRY & BEVERLY	90	0.1303	90	85	81	76	72
ELLISON, SUSAN	15	0.0217	15	14	13	12	12
EVKHANIAN, JAMES H	110	0.1592	110	104	99	93	88
FAWCETT, EDWARD C	20	0.0289	20	19	18	17	16
FELIX, ALAN E & CAROL L	36	0.0521	36	34	32	30	28
FERRO, DENNIS & NORMA	32	0.0463	32	30	28	27	25
FRIEND, JOSEPH & DEBORAH	60	0.0868	60	57	54	51	48
FUNDAMENTAL CHRISTIAN ENDEAVOR	285	0.4125	285	270	256	242	228

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TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

BAJA SUBAREA PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
GARCIA, DANIEL	23	0.0333	23	21	20	19	18
GOLD, HAROLD	249	0.3604	249	236	224	211	199
GRAVES, CHESTER B	32	0.0463	32	30	28	27	25
HAIGH, WHILLDYN & MARGARET	32	0.0463	32	30	28	27	25
HALL, LARRY	23	0.0333	23	21	20	19	18
HARALIK, BESS & ROBERT	27	0.0391	27	25	24	22	21
HARDESTY, LESLIE E & BECKY J	47	0.0680	47	44	42	39	37
HARESON, NICHOLAS & MARY	30	0.0434	30	28	27	25	24
HARTER FARMS	1,083	1.5676	1,083	1,028	974	920	866
HARTER, JOE & SUE	738	1.0682	738	701	664	627	590
HARTLEY, LONNIE	19	0.0275	19	18	17	16	15
HARVEY, FRANK	38	0.0550	38	36	34	32	30
HENDLEY, RICK & BARBARA	48	0.0695	48	45	43	40	38
HIETT, PATRICIA J	16	0.0232	16	15	14	13	12
HILARIDES, FRANK	1,210	1.7514	1,210	1,149	1,089	1,028	968
HOLLISTER, ROBERT H & RUTH M	44	0.0637	44	41	39	37	35
HONG, PAUL B & MAY	95	0.1375	95	90	85	80	76
HORTON'S CHILDREN'S TRUST	106	0.1534	106	100	95	90	84
HORTON, JOHN MD	183	0.2649	183	173	164	155	146
HOSKING, JOHN W & JEAN	94	0.1361	94	89	84	79	75
HUBBARD, ESTER & MIZUNO, ARLEAN	28	0.0405	28	26	25	23	22
HUNT, RALPH M & LILLIAN F	31	0.0449	31	29	27	26	24
HUTCHISON, WILLIAM O	901	1.3042	901	855	810	765	720
HYATT, JAMES & BRENDA	210	0.3040	210	199	189	178	168

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BASE ANNUAL PRODUCTION RIGHT OF EACH PRODUCER WITHIN BAJA SUBAREA
TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

BAJA SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT [2] (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
IRVIN, BERTRAND W	29	0.0420	29	27	26	24	23
J V A AIR INC	54	0.0782	54	51	48	45	43
JACKSON, RAY	20	0.0289	20	19	18	17	16
JOHNSON, JAMES R	247	0.3575	247	234	222	209	197
JUSTICE, CHRIS	6	0.0087	6	5	5	5	4
KAPLAN, ABRAHAM M	76	0.1100	76	72	68	64	60
KASNER, ROBERT	1,001	1.4489	1,001	950	900	850	800
KATCHER, AUGUST M & MARCELINE	23	0.0333	23	21	20	19	18
KEMP, ROBERT & ROSE	32	0.0463	32	30	28	27	25
KIEL, MARY	34	0.0492	34	32	30	28	27
KIM, JOON HO	764	1.1059	764	725	687	649	611
KOSHAREK, JOHN & JOANNE	54	0.0782	54	51	48	45	43
LAKE JODIE PROPERTY OWNERS ASSOCIATION	254	0.3677	254	241	228	215	203
LAKE WAIKIKI	98	0.1419	98	93	88	83	78
LAKE WAINANI OWNERS ASSOCIATION	202	0.2924	202	191	181	171	161
LANGLEY, MICHAEL R	20	0.0289	20	19	18	17	16
LAWRENCE, WILLIAM W	45	0.0651	45	42	40	38	36
LEE, MOON & OKBEA	49	0.0709	49	46	44	41	39
LEE, VIN JANG T	630	0.9119	630	598	567	535	504
LESHIN, CONNIE & SOL	1,416	2.0496	1,416	1,345	1,274	1,203	1,132
LESHIN, SOL	1,997	2.8906	1,997	1,897	1,797	1,697	1,597
LEVINE, DR LESLIE	1,637	2.3695	1,637	1,555	1,473	1,391	1,309
LONG, BALLARD	35	0.0507	35	33	31	29	28
M BIRD CONSTRUCTION	41	0.0593	41	38	36	34	32

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TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

BAJA SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT [2] (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
MAHJOUBI, AFSAR S	63	0.0912	63	59	56	53	50
MALIN, LILY	54	0.0782	54	51	48	45	43
MALONEY, JANICE	36	0.0521	36	34	32	30	28
MARCROFT, JAMES A & JOAN	38	0.0550	38	36	34	32	30
MARSHALL, CHARLES	20	0.0289	20	19	18	17	16
MAYBERRY, DONALD J	41	0.0593	41	38	36	34	32
MILBRAT, IRVING	73	0.1057	73	69	65	62	58
MITCHELL, CHARLOTTE	115	0.1665	115	109	103	97	92
MITCHELL, JAMES L & CHERYL A	155	0.2244	155	147	139	131	124
MOORE, WAYNE G & JULIA H	103	0.1491	103	97	92	87	82
MORRIS, KARL	304	0.4400	304	288	273	258	243
MULLIGAN, ROBERT & INEZ	35	0.0507	35	33	31	29	28
NEWBERRY COMMUNITY SERVICE DIST	23	0.0333	23	21	20	19	18
NU VIEW DEVELOPMENT, INC	2,899	4.1962	2,899	2,754	2,609	2,464	2,319
O P D L INC	109	0.1578	109	103	98	92	87
O'KEEFE, SARAH-LEE & JOKE E	50	0.0724	50	47	45	42	40
P & H ENGINEERING & DEV CORP	667	0.9654	667	633	600	566	533
PARKER, GEORGE R	144	0.2084	144	136	129	122	115
PATHFINDER INVESTORS	472	0.6832	472	448	424	401	377
PAYAN, PAUL	32	0.0463	32	30	28	27	25
PERKO, BERT K	132	0.1911	132	125	118	112	105
PITTS, JOE	30	0.0434	30	28	27	25	24
POHL, ANDREAS & CATHLYN	17	0.0246	17	16	15	14	13
POLAND, JOHN R & SANDRA M	92	0.1332	92	87	82	78	73

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TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

BAJA SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
PRICE, ALAN E	37	0.0536	37	35	33	31	29
PRICE, DONALD	42	0.0608	42	39	37	35	33
PUCKHABER, WILLIAM F TRUST	63	0.0912	63	59	56	53	50
PURCIO, THOMAS F & PATRICIA A	80	0.1158	80	76	72	68	64
RANDOLPH, JOAN E	24	0.0347	24	22	21	20	19
REEVES, RICHARD	230	0.3329	230	218	207	195	184
RICE, DANIEL & MARY	121	0.1751	121	114	108	102	96
RICE, HENRY C & DIANA	24	0.0347	24	22	21	20	19
RIEGER, WALTER M	62	0.0897	62	58	55	52	49
RIKUO CORPORATION	1,517	2.1958	1,517	1,441	1,365	1,289	1,213
ROSSI, JAMES L & NAOMI I	614	0.8887	614	583	552	521	491
ROTEX CONSTRUCTION COMPANY	2,529	3.6606	2,529	2,402	2,276	2,149	2,023
SAN BERNARDINO COUNTY BARSTOW - DAGGETT AIRPORT	168	0.2432	168	159	151	142	134
SANTUCCI, ANTONIO & WILSA	30	0.0434	30	28	27	25	24
SCOGGINS, JERRY	105	0.1520	105	99	94	89	84
SHEPPARD, THOMAS & GLORIA	217	0.3141	217	206	195	184	173
SHORT, CHARLES & MARGARET	54	0.0782	54	51	48	45	43
SHORT, JEFF	30	0.0434	30	28	27	25	24
SILVER VALLEY RANCH, INC	109	0.1578	109	103	98	92	87
SMITH, WILLIAM E	19	0.0275	19	18	17	16	15
SNYDER, KRYL K & ROUTH, RICHARD J	64	0.0926	64	60	57	54	51
SOUTHERN CALIFORNIA EDISON CO - AGRICULTURE	5,858	8.4792	5,858	5,565	5,272	4,979	4,686
SOUTHERN CALIFORNIA EDISON CO - INDUSTRIAL	4,565	6.6076	4,565	4,336	4,108	3,880	3,652
SOUTHERN CALIFORNIA GAS COMPANY	98	0.1419	98	93	88	83	78

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TOGETHER WITH FREE PRODUCTION ALLOWANCES
FOR FIRST FIVE YEARS OF THE JUDGMENT

BAJA SUBAREA PRODUCER	BASE ANNUAL [1] PRODUCTION (ACRE-FEET)	BASE ANNUAL [2] PRODUCTION RIGHT (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
ST ANTONY COPTIC ORTHODOX MONASTERY	130	0.1882	130	123	117	110	104
STEWART, STANLEY & PATRICIA	27	0.0391	27	25	24	22	21
SUGA, TAKEAKI	154	0.2229	154	146	138	130	123
SUNDOWN LAKES, INC	168	0.2432	168	159	151	142	134
SWARTZ, ROBERT & IRENE	50	0.0724	50	47	45	42	40
TAPIR, RAYMOND & MURIEL	18	0.0261	18	17	16	15	14
TAYLOR, TOM	503	0.7281	503	477	452	427	402
THAYER, SHARON	58	0.0840	58	55	52	49	46
THE 160 NEWBERRY RANCH CALIFORNIA, LTD	1,033	1.4952	1,033	981	929	878	826
TRIPLE H PARTNERSHIP	993	1.4373	993	943	893	844	794
UNION PACIFIC RAILROAD COMPANY	249	0.3604	249	236	224	211	199
VAN BASTELAAR, ALPHONSE	78	0.1129	78	74	70	66	62
VAN DIEST, CORNELIUS	934	1.3519	934	887	840	793	747
VAN LEEUWEN, JOHN	1,084	1.5690	1,084	1,029	975	921	867
VANDER DUSSEN, AGNES	1,792	2.5938	1,792	1,702	1,612	1,523	1,433
VAUGHT, ROBERT E & KAREN M	43	0.0622	43	40	38	36	34
VERNOLA, PAT	1,310	1.8962	1,310	1,244	1,179	1,113	1,048
WARD, ERNEST & LAURA	38	0.0550	38	36	34	32	30
WARD, RONNY H	130	0.1882	130	123	117	110	104
WEBER, F R & JUNELL	96	0.1390	96	91	86	81	76
WEBSTER, THOMAS M & PATRICIA J	24	0.0347	24	22	21	20	19
WEIDKNECHT, ARTHUR J & PEGGY A	79	0.1143	79	75	71	67	63
WESTERN HORIZON ASSOCIATES INC	1,188	1.7196	1,188	1,128	1,069	1,009	950
WESTERN ROCK PRODUCTS	31	0.0449	31	29	27	26	24

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FOR FIRST FIVE YEARS OF THE JUDGMENT

BAJA SUBAREA / PRODUCER	BASE ANNUAL PRODUCTION [1] (ACRE-FEET)	BASE ANNUAL PRODUCTION RIGHT [2] (PERCENT)	FREE PRODUCTION ALLOWANCES (ACRE-FEET) FIRST YEAR	SECOND [3] YEAR	THIRD [3] YEAR	FOURTH [3] YEAR	FIFTH [3] YEAR
WET SET, INC	129	0.1867	129	122	116	109	103
WITTE, E DANIEL	27	0.0391	27	25	24	22	21
WLSR INC	133	0.1925	133	126	119	113	106
WORSEY, REVAE	29	0.0420	29	27	26	24	23
YARD, BETTY	26	0.0376	26	24	23	22	20
YERMO WATER COMPANY	453	0.6557	453	430	407	385	362
YOUNG, KEITH O - (DESERT TURF)	312	0.4516	312	296	280	265	249
MINIMAL PRODUCER POOL	3,500	5.0661	3,500	3,325	3,150	2,975	2,800
UNIDENTIFIED/UNVERIFIED PRODUCER POOL	320	0.4632					
BAJA SUBAREA TOTALS =	69,087	100					

1 Base Annual Production is the reported maximum year production for each producer for the five year period 1986-1990. These values reflect the maximum production determined by one or more of the following: Southern California Edison records, site inspection, land use estimates from 1987 and 1989 aerial photography and responses to special interrogatories. All values are subject to change if additional information is made available, or if any value reported herein is found to be in error.

2 Base Annual Production Right expressed as a percentage of the Total Base Annual Production.

3 Values based on production ramp down of five percent (5%) per year. Free Production Allowance for the fifth year is equal to eighty percent (80%) of the Base Annual Production.

EXHIBIT B
TABLE B-2
TABLE SHOWING TOTAL WATER PRODUCTION
FOR AQUACULTURE AND RECREATIONAL LAKE PURPOSES
ALTO SUBAREA

PRODUCER	TOTAL WATER [1] PRODUCTION	BASE ANNUAL [2] PRODUCTION	RECIRCULATED [3] WATER
	(ACRE-FEET)		
CDFG - MOJAVE RIVER FISH HATCHERY	10,678	20	10,658
JESS RANCH WATER COMPANY	18,625	7,480	11,145
ALTO SUBAREA TOTALS =	29,303	7,500	21,803

Total Water Production is the reported maximum year production for each producer for the five year period 1986-1990. These values reflect the maximum production determined by one or more of the following: Southern California Edison records; James C. Hanson site inspection; land use estimates from 1989 aerial photography; responses to special interrogatories. All values are subject to change if additional information is made available, or if any value reported herein is found to be in error.

2 Base Annual Production as shown on Table B-1.

3 Amount shown is the difference between the Total Water Production and the Base Annual Production.

EXHIBIT B
TABLE B-2
TABLE SHOWING TOTAL WATER PRODUCTION
FOR AQUACULTURE AND RECREATIONAL LAKE PURPOSES
BAJA SUBAREA

PRODUCER	TOTAL WATER [1] PRODUCTION	BASE ANNUAL [2] PRODUCTION	RECIRCULATED [3] WATER
	(ACRE-FEET)		
BROWY, ORVILLE & LOUISE	210	33	177
CALICO LAKES HOMEOWNERS ASSOCIATION	2,513	1,031	1,482
CDFG - CAMP CADY	102	14	88
CHEYENNE LAKE, INC	638	122	516
CRYSTAL LAKES PROPERTY OWNERS ASSOCIATION	6,575	447	6,128
DESERT LAKES CORPORATION - (LAKE DOLORES)	928	483	445
FUNDAMENTAL CHRISTIAN ENDEAVOR	440	285	155
HORTON'S CHILDREN'S TRUST	1,291	106	1,185
HORTON, JOHN MD	672	183	489
KIEL, MARY	188	34	154
LAKE JODIE PROPERTY OWNERS ASSOCIATION	2,805	254	2,551
LAKE WAIKIKI	400	98	302
LAKE WAINANI OWNERS ASSOCIATION	1,420	202	1,218
LEE, MOON & OKBEA	171	49	122
O F D L INC	434	109	325
RICE, DANIEL & MARY	614	121	493
SCOGGINS, JERRY	922	105	817
SILVER VALLEY RANCH, INC	455	109	346
SMITH, WILLIAM E	153	19	134
SUNDOWN LAKES, INC	1,109	168	941
TAPIE, RAYMOND & MURIEL	108	18	90
THAYER, SHARON	159	58	101
WET SET, INC	441	129	312
WLSR INC	678	133	545

EXHIBIT B
TABLE B-2
TABLE SHOWING TOTAL WATER PRODUCTION
FOR AQUACULTURE AND RECREATIONAL LAKE PURPOSES
BAJA SUBAREA

PRODUCER	TOTAL WATER [1] PRODUCTION	BASE ANNUAL [2] PRODUCTION	RECIRCULATED [3] WATER
	(ACRE-FEET)		
BAJA SUBAREA TOTALS =	23,426	4,310	19,116

1 Total Water Production is the reported maximum year production for each producer for the five year period 1986-1990. These values reflect the maximum production determined by one or more of the following: Southern California Edison records; James C. Hanson site inspection; land use estimates from 1989 aerial photography; responses to special interrogatories. All values are subject to change if additional information is made available, or if any value reported herein is found to be in error.

2 Base Annual Production as shown on Table B-1.

3 Amount shown is the difference between the Total Water Production and the Base Annual Production.

EXHIBIT C

ENGINEERING APPENDIX

CONTENTS

EXHIBIT C

ENGINEERING APPENDIX

The purpose of this Engineering Appendix is to establish the basis for measurements, calculations and determinations required in the operation of the Physical Solution.

A. Adjustment of Free Production Allowances. In the preparation of the report required by Paragraph 24 (o) of this Judgment, the Watermaster shall take into account all available pertinent hydrologic data and estimates, including at least the factors, or changes in the factors, shown in the attached Table C-1, "MOJAVE BASIN AREA ADJUDICATION SUBAREA HYDROLOGICAL INVENTORY BASED ON LONG-TERM AVERAGE NATURAL WATER SUPPLY AND OUTFLOW AND CURRENT YEAR IMPORTS AND CONSUMPTIVE USE," and changes in storage as determined by well levels, the factors listed in Paragraph 2(a) of Exhibit "H", and other pertinent data. The numbers for each of the factors for each Subarea shown in Table C-1 are Sample Numbers only, and are not intended to be used in determining actual water supply, Consumptive Use and outflow, or Free Production Allowance of the Subareas.

B. Determination of Surface Flow Components. The procedures used to determine the historical surface flow components of the Mojave River at various locations are summarized below.

1. Determination of Surface Flow Components at Lower Narrows. Since the records available for the discharge of the Mojave River at Lower Narrows only provide data on the total amount of surface flow and since Storm Flow occurs during and following periods of rainfall, it was necessary to determine what portion of

total measured surface flow at Lower Narrows was Storm Flow and what portion was Base Flow.

The Parties in reaching the physical solution provided for in the Judgment, used certain procedures to separate the Storm Flow and Base Flow components of the total measured surface flow at Lower Narrows. Hydrographs of the mean daily discharge at Lower Narrows were plotted for the Year under consideration together with corresponding rainfall data obtained from the National Oceanic and Atmospheric Administration (NOAA) for Lake Arrowhead. Hydrographs were also plotted for the combined flow of West Fork Mojave River and Deep Creek which together with the Lake Arrowhead precipitation data served as a guide for interpreting those periods during which Storm Flow was likely to have occurred at Lower Narrows.

Other factors considered included:

* Occurrences of Storm Flow at Barstow and Afton Canyon,
* Precipitation at Victorville and Barstow,
* Consideration of the time of Year and temperature, &
* Shape of hydrographs for Years having similar Base Flow characteristics.

Based on interpretation of all of the foregoing information, the flows occurring on those days during which Storm Flow most likely occurred were "scalped" by projecting an estimated Base Flow Curve through the Storm Flow Period. The Base Flow component of the total monthly flow was then determined as follows:

a. For those periods during which there was obviously no Storm Flow, the entire recorded mean daily flows were assumed to be Base Flow.

b. For the remaining Storm Flow periods, the Base Flow component was taken as the area under the Base Flow Curve, except that for those days within the Storm Flow period when the actual mean daily discharge is less than the amount indicated by the Base Flow Scalping Curves, then the actual recorded amount is used.

2. Determination of Surface Flow Components at Waterman Fault. The total amount of surface flow passing the Waterman Fault (under current riverbed conditions) is considered to be Storm Flow and can be estimated from the Storm Flow passing the USGS gauging station Mojave River at Barstow. The following table was developed to provide a method for estimating flow at Waterman Fault:

Storm Flow At Barstow Gage[1] (Acre-Feet)	Estimated Surface Flow at Waterman Fault (Acre-Feet)
2,000	0
10,000	6,200
20,000	14,300
30,000	22,600
40,000	31,400
50,000	40,500
60,000	49,200
70,000	58,400
80,000	67,800
90,000	76,800
100.000	85,400

[1]From Recorded Flow at USGS Gaging Station Mojave River at Barstow. Relationship is based on single storm events. More than one storm event separated by more than five day of zero flow will be considered as separate storms.

3. Determination of Surface Flow Components at Afton. Records available for the discharge of the Mojave River at Afton, California, provide data on the total mount of surface flow and since storm runoff occurs during and immediately following a major storm event in the watershed area tributary to the Baja Basin below Barstow or in the event of large Storm Flows at Barstow which reach Afton, it was necessary to determine what portion of the total measured surface flow at Afton is Storm Flow and what portion of Base Flow.

The Parties, in reaching the physical solution provided for in the Judgment, used certain procedures to separate the Storm Flow and Base Flow components of the total measured surface flow at Afton. Hydrographs of the mean daily discharge at Afton were plotted for the water Year under consideration. In the absence of Storm Flow, the Base Flow curve at Afton was generally a relatively constant amount. Storm Flows were evidenced by sharp spikes or abrupt departures from the antecedent Base Flow and a fairly rapid return to pre-storm Base Flow Condition. The hydrograph of flows at Barstow served as a guide for identifying those periods during which Storm Flow was likely to have occurred at Afton.

Based on interpretation of all of the foregoing information, the flows occurring on those days during which Storm Flow most likely occurred were "scalped" by projecting an estimated Base Flow Curve through the Storm Flow Period. The Base Flow component of the total monthly flow was then determined as follows:

a. For those periods during which there is obviously no Storm Flow, the entire recorded mean daily flows were assumed to be Base Flow.

b. For the remaining Storm Flow periods, the Base Flow component was taken as the area under the Base Flow Curve except that for those days within the Storm Flow period when the actual mean daily discharge was less than the amount indicated by the Base Flow Scalping Curves, then the actual recorded amount was used.

4. Engineers' Work Papers. These procedures are reflected in the Work Papers of the Engineers, copies of which are filed with the Watermaster.

TABLE C-1
Mojave Basin Area Adjudication
Subarea Hydrological Inventory Based On
Long-Term Average Natural Water Supply and Outflow
and Current Year Imports and Consumptive Use
(All Amounts in Acre-Feet)

	Este	Oeste	Alto	Centro	Baja	Basin Totals
WATER SUPPLY						
Surface Water Inflow						
Gaged	0	0	65,000	0 [1]	0 [2]	65,000 [3]
Ungaged	1,700	1,500	3,000	37,300	14,300	6,500 [4]
Subsurface Inflow	0	0	1,000	2,000	1,200	0
Deep Percolation of Precipitation	0	0	3,500	0	100	3,600
Imports						
Lake Arrowhead CSD	0	0	1,500	0	0	1,500
Big Bear ARWWA	2,000	0	0	0	0	2,000
TOTAL	3,700	1,500	74,000	39,300	15,600	78,600
CONSUMPTIVE USE AND OUTFLOW						
Surface Water Outflow						
Gaged	0	0	0 [1]	0 [5]	8,200	8,200
Ungaged	0	0	37,300	14,000	0	0
Subsurface Outflow	200	800	2,000	1,200	0	0
Consumptive Use						
Agriculture	6,800	2,900	16,300	20,300	30,200	76,500
Urban	1,900	1,200	36,300	9,500	9,700	58,600
Phreatophytes	0	0	5,100	900	1,500	7,500 [6]
Exports	0	0	0	0	0	0
TOTAL	8,900	4,900	97,000	45,900	49,600	150,800
Surplus / (Deficit)	(5,200)	(3,400)	(23,000)	(6,600)	(34,000)	(72,200)
Total Estimated Production (Current Year) [7]	15,700	7,600	98,900	46,500	54,300	223,000
PRODUCTION SAFE YIELD (Current Year) [7]	10,500	4,200	75,900	39,900	20,300	150,800

SAMPLE CALCULATIONS

[1] Estimated from reported flows at USGS gaging station, Mojave River at Victorville Narrows.

[2] Includes 14,000 acre-feet of Mojave River surface flow across the Waterman Fault estimated from reported flows at USGS gaging station, Mojave River at Barstow, and 300 acre-feet of local surface inflow from Kane Wash.

[3] Represents the sum of Este (1,700 af), Oeste (1,500 af), Alto (3,000 af) and Baja (300 af from Kane Wash).

[4] Inter subarea subsurface flows do not accrue to the total basin water supply.

[5] Estimated from reported flows at USGS gaging station, Mojave River at Barstow.

[6] Estimated by Bookman-Edmonston.

[7] For purposes of this Table, the current year is 1990.

EXHIBIT D

TIME SCHEDULES

EXHIBIT D

TIME SCHEDULES

1. Prior Year Report. Annually not later than February 1 Watermaster shall provide to each Party a report covering the prior Year and setting forth at least the following:

a. Each Producer's Replacement Water Assessment, including any surcharges, based on rates applicable during the prior Year.

b. Each Producer's Makeup Water Assessment, based on rates applicable during the prior water Year.

2. MWA Supplemental Water Rates. Annually, not later than December 1, MWA shall set the rates per acre foot to be charged for Supplemental Water for the following Year, and shall project the rates for the following two Years.

3. Budget and Assessment Rates. Annually, not later than February 1, Watermaster shall provide to all Parties its proposal for its Administrative Budget, Administrative Assessment Rates, Replacement Water Rates, and Makeup Water Rates for the next ensuing Year and its rate projections for the next two (2) years. No later than March 1 of each Year, the Watermaster shall hold a public hearing to receive comments from Parties as to its proposal. Not later than April 1 of each Year, Watermaster shall adopt its final Budget and assessment rates for the next ensuing Year, and shall notify all Parties of its final Budget and Assessments rates within fifteen (15) days of adoption.

4. Free Production Allowance Adjustment. In any Year that Watermaster prepares a report pursuant to Paragraph 24 (o) of this Judgment that includes a recommendation for an adjustment of a Free

Production Allowance, Watermaster shall notify all Parties as to its recommendation not later than February 1, shall hold a public hearing thereon not later than March 1, and shall submit any such recommendation, which may be revised pursuant to the public hearing, to the Court not later than April 1.

5. Payment of Administrative Assessments and Biological Resource Assessments. Each Producer shall submit quarterly along with the Production report required by Paragraph 24 (p) an Administrative Assessment payment in an amount equal to the current Year Administrative Assessment Rate multiplied times the acre-feet of water Produced during the quarter and a Biological Resource Assessment payment in an amount equal to the current Year Biological Resource Assessment Rate multiplied times the acre-feet of water Produced during the quarter.

6. Payment of Replacement Water Assessments and Makeup Water Assessments. Replacement Water Assessments and Makeup Water Assessments for the prior Year shall be due and payable on July 1.

7. Delinquency of Assessments. Any assessment payable pursuant to this Judgment shall be deemed delinquent: i) if paid in Person, if not paid within five (5) days of the date due; ii) if paid by electronic funds transfer, if not paid within three (3) banking days of the date due; or iii) if paid by any other means, if not paid within ten (10) days of the date due. "Payment" shall occur when good and sufficient funds have been received by the Watermaster. Any assessment shall also be deemed delinquent in the event that any attempted payment is by funds that are not good and sufficient.

EXHIBIT E

LIST OF PRODUCERS AND THEIR DESIGNEES

EXHIBIT E

PRODUCER	DESIGNEE
ABBOND, EDWARD & GRACE	Same
ABBOTT, LEONARD C	Therese E. Parker, Esq.
ABSHIRE, DAVID V	Same
ADELANTO, CITY OF	Michael B. Jackson, Esq.
ADELANTO, CITY OF/GEORGE AFB	
AEROCHEM, INC	James Heiser, Esq.
AGCON, INC	Robert E. Hove
AGCON, INC.	Robert E. Hove
AGUAYO, JEANETTE L.	Same
AKE, CHARLES J & MARJORIE M	Same
ANDERSON, ROSS C & BETTY J	Same
ANGERER, ROBERT J & PEGGY	Same
ANTELOPE VALLEY DAIRY	Dick Van Dam
APPLE VALLEY COUNTRY CLUB	Terry Caldwell, Esq.
APPLE VALLEY DEVELOPMENT	Same
APPLE VALLEY FOOTHILL CO WATER	Doreen Ryssel
APPLE VALLEY HEIGHTS CO. WATER	Elizabeth Hanna, Esq.
APPLE VALLEY RANCHOS WATER	Fredric Fudacz, Esq.
APPLE VALLEY REC. & PARKS	Elizabeth Hanna, Esq.
APPLE VALLEY VIEW MUTUAL WATER CO.	Joseph Saltmeris, Esq.
APPLE VALLEY, TOWN OF	Sandra Dunn, Esq.
ARC LAS FLORES	William De Wolfe, Esq.
ARGUELLES, ALFREDO	Therese Parker, Esq.
ATCHISON, TOPEKA, SANTA FE	Curtis Ballantyne, Esq.
ATCHISON, TOPEKA, SANTA FE	Curtis Ballantyne, Esq.
AVDEEF, THOMAS & LUCILLE	Same
AZTEC FARM DEVELOPMENT CO	Al Jackson
BACA, ENRIQUE	Same
BAGLEY, ROY	Same
BALDERRAMA, ALFRED & LINDA	Same
BALDY MESA WATER DISTRICT	William Smillie

PRODUCER	DESIGNEE
BALL, DAVID P	Same
BAR H MUTUAL WATER COMPANY	Paul Nelson, President
BARAK, RICHARD	Therese Parker, Esq.
BARBER, JAMES B	Same
BARNES, FAY	Kirtland Mahlum, Esq.
BARSTOW CALICO K O A	Robert L. Moore
BASS, NEWTON T	Barbara Davisson, Business Manager
BASTIANON, REMO	Same
BASURA, STEVE	Same
BAUR, KARL & RITA	Same
BEDINGFIELD, LYNDELL&CHARLENE	Same
BEINSCHROTH, A J	Same
BELL, CHUCK	Therese Parker, Esq.
BENTON, PHILIP G	Same
BORGOGNO, STEVEN & LILLIAN	Same
BOWMAN, EDWIN L	Same
BOYCE, KENNETH & WILLA	Same
BROMMER, MARVIN	Same
BROWN, BOBBY G & VALERIA R	Same
BROWN, DOUG & SUE	Same
BROWN, RONALD A	Same
BROWY, ORVILLE & LOUISE	Same
BRUINS, NICHOLAS	Same
BURNS, BOBBY J & EVELYN J	Therese Parker, Esq.
BURNS, RITA J & PAMELA E	Same
BURNS, ANNIE L	Same
CALICO LAKES HOMEOWNERS	Billy Wyckoff
CALIF DEPT OF TRANSPORTATION	Alexander De Vorkin, Esq.
CAMPBELL, M A & DIANNE	Same
CARDOZO, MANUEL & MARIA	Robert Dougherty, Esq.
CARTER, JOHN THOMAS	Therese Parker, Esq.
CASA COLINA FOUNDATION	Charles E. Schwartz
CDFG - CAMP CADY	Marilyn Levin, Esq.

PRODUCER	DESIGNEE
CDFG - MOJAVE NARROWS REG.	Marilyn Levin, Esq.
CDFG - MOJAVE RIVER FISH	Marilyn Levin, Esq.
CENTER WATER CO	Morgan Daniels
CHAFA, LARRY R	Same
CHAMISAL MUTUAL	Earl D. McCool
CHANG, TIMOTHY & JANE	Same
CHASTAIN, W C	Same
CHEYENNE LAKE, INC	Michael Hayes
CHIAO MEI DEVELOPMENT	Maple Sia
CHO BROTHERS RANCH	Chung Cho Gong
CHOI, YONG IL & JOUNG AE	Same
CHRISTISON, JOEL	Same
CHUANG, MARSHAL	Therese Parker, Esq.
CLARK, KENNETH R	Same
CLEAR VIEW FARMS	Terry Caldwell, Esq.
CLUB VIEW PARTNERS	Manoucher Sarbaz
CONNER, WILLIAM H	Same
COOK, KWON W	Same
COOL WATER RANCH	Paul Henderson, Esq.
COPELAND, ETAL	Don W. Little
CRAMER, MARGARET MUIR	Terry Caldwell, Esq.
CROSS, LAWRENCE E & SHARON I	Same
CRYSTAL HILLS WATER COMPANY	Same
CRYSTAL LAKES PROPERTY OWNERS	Russell Khouri
CUNNINGHAM, WILLIAM	Same
DAGGETT COMMUNITY SERVICES	Lawrence Alf, CSD Chairman
DAHLQUIST, GEORGE R	Therese Parker, Esq.
DALJO CORPORATION	George Rubsch
DAVIS, Paul	Same
DAVIS, RONALD & DONNA	Same
DEJONG, ALAN L	Therese Parker, Esq.
DELPERDANG, ROBERT H	Same
DENNISON, QUENTIN c/o Clegg, Frizell & Joke	Same

PRODUCER	DESIGNEE
DESERT DAWN MUTUAL WATER COMPANY	Same
DESERT LAKES CORPORATION - (LAKE DOLORES)	Terry Christianson
DESERT COMMUNITY BANK	Same
DEVRIES, NEIL	Robert Dougherty, Esq.
DEXTER, CLAIR F	Same
DEXTER, J P	Same
DIBERNARDO, JOHN	Same
DOCIMO, DONALD P & PATRICIA J	Terry Caldwell, Esq.
DOLCH, ROBERT & JUDY	Same
DOMBROWSKI, MICHAEL W & SUSAN M	Same
DONALDSON, JERRY & BEVERLY	Same
DOSSEY, D A	Same
DOWSE, PHILIP	Same
DURAN, FRANK T	Therese Parker, Esq.
ELLISON, SUSAN	Same
EVENSON, EDWIN H & JOYCELAINE	Same
EVKHANIAN, JAMES H & PHYLLIA	Same
FAWCETT, EDWARD C	Same
FELIX, ALAN E & CAROL L	Same
FERRO, DENNIS & NORMA	Same
FISHER, DR DOLORES	Same
FISHER, JEROME	Same
FITZWATER, R E	Robert Dougherty, Esq.
FRIEND, JOSEPH & DEBORAH	Same
FUNDAMENTAL CHRISTIAN ENDEAVOR	Betty Brock
GAETA, TRINIDAD C/O BLUE BEAD FARMS	Therese Parker, Esq.
GAINES, JACK & MARY	Same
GARCIA, DANIEL	Same
GARCIA, SONIA L	Same
GAYJIKIAN, SAMUEL & HAZEL	Same
GESIRIECH, WAYNE	Therese Parker, Esq.
GILBERT, HERBERT & BERNICE	Same
GOLD, HAROLD	Therese Parker, Esq.

PRODUCER	DESIGNEE
GOMEZ, CIRIL - LIVING TRUST	Therese Parker, Esq.
GORMAN, VIRGIL	Robert Dougherty, Esq.
GRACETOWN INVESTMENT CO - JETCO PROP FUND	Same
GRAVES, CHESTER B	Same
GREEN ACRES ESTATES	Susan Zutavern
GRIEDER, RAYMOND H & DORISANNE	Same
GRILL, NICHOLAS P & MILLIE D	Therese Parker, Esq.
GROEN, CORNELIUS	Robert Dougherty, Esq.
GUBLER, HANS	Same
GULBRANSON, MERLIN	Therese Parker, Esq.
HAIGH, WHILLDYN & MARGARET	Same
HAL-DOR LTD	Russ Jones, Owner
HALL, LARRY	Same
HANDLEY, DON R & MARY ANN	Same
HANIFY, DBA - WHITE BEAR RANCH	Same
HARALIK, BESS & ROBERT	Same
HARDESTY, LESLIE E & BECKY J	Same
HARESON, NICHOLAS & MARY	Same
HARPER LAKE CO;UC OPERATING/HARPER DRY LAKE	David J. Cooper, Esq.
HART, MERRILL W	Same
HARTER FARMS	Richard Slivikin, Esq.
HARTER, JOE & SUE	Richard Slivikin, Esq.
HARTLEY, LONNIE	Same
HARVEY, FRANK	Same
HELENDALE SCHOOL DISTRICT	Patricia Bristol
HENDLEY, RICK & BARBARA	Same
HERT, SCOTT	Therese Parker, Esq.
HESPERIA GOLF AND COUNTRY CLUB	Michael Davis, Esq.
HESPERIA WATER DISTRICT	James Markman, Esq.
HI DESERT MUTUAL WATER CO	Stanley Derryberry
HI-GRADE MATERIALS	Robert E. Hove
HI-GRADE MATERIALS CO.	Robert E. Hove
HIETT, HARRY L & PATRICIA J	Same

PRODUCER	DESIGNEE
HILARIDES, FRANK	Same
HILEMAN, KATHERINE	Same
HILL, MELVIN	Therese Parker, Esq.
HITCHIN LUCERNE, INC	Same
HODGE, STANLEY W	Same
HOLLISTER, ROBERT H & RUTH M	Same
HOLWAY, ROBERT	Same
HONG, PAUL B & MAY	Same
HORTON'S CHILDREN'S TRUST	John W. Horton, M.D.
HORTON, JOHN MD	Same
HOSKING, JOHN W & JEAN	Same
HOY, MIKE	Therese Parker, Esq.
HRUBIK, THOMAS A	Dan McKinney, Esq.
HUBBARD, ESTER & MIZUNO, ARLEAN	Same
HUNT, RALPH M & LILLIAN F	Same
HUTCHISON, WILLIAM O	Same
HYATT, JAMES & BRENDA	Same
INDUSTRIAL ASPHALT	Martha Guy, Esq.
IRVIN, BERTRAND W	Same
JACKSON, RAY	Same
JAMS RANCH	Melvin Finklestein
JESS RANCH WATER COMPANY	Calvin House, Esq.
JOHNSON, JAMES R	Same
JOHNSON, LARRY & CARLEAN	Same
JOHNSON, RONALD	Same
JOHNSTON, HARRIET AND LARRY W	Same
JORDAN, RAYMOND	Same
JUBILEE MUTUAL WATER COMPANY	Ray Clark
JUNIPER RIVIERA COUNTY WATER DISTRICT	William Smillie
JUSTICE, CHRIS	Same
JUSTICE, CHRIS	Same
J V A AIR INC	Jim Anders
KAPLAN, ABRAHAM M	Same

PRODUCER	DESIGNEE
KASNER, ROBERT	Same
KATCHER, AUGUST M & MARCELINE	Same
KEMP, ROBERT & ROSE	Same
KEMPER CAMPBELL RANCH	Steve Abbott
KIEL, MARY	Same
KIM, JOON HO	Same
KING, GENEVIEVE E	Same
KOSHAREK, JOHN & JOANN	Same
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT	Steve Abbott, Esq.
LAKE JODIE PROPERTY OWNERS ASSOCIATION	Same
LAKE WAIKIKI	Virginia Cahill, Esq.
LAKE WAINANI OWNERS ASSOCIATION	Same
LANGLEY, MICHAEL R & SHARON	Same
LAWRENCE, WILLIAM W	Same
LAWSON, ERNEST & BARBARA	Same
LEE, DOO HWAN	Same
LEE, MOON & OKBEA	Same
LEE, SEPOONG ETAL & WOO POONG	Same
LEE PHD, VIN JANG T C/O ARCHIBEK, ERIC&SANDI	Same
LENHERT, RONALD & TONI	Same
LESHIN, CONNIE & SOL	Same
LESHIN, SOL	Same
LEVINE, DR LESLIE	Therese Parker, Esq.
LEWIS HOMES OF CALIFORNIA	Kenneth P. Corhan, Esq.
LEYERLY, GENEVA	Robert Dougherty, Esq.
LEYERLY, RICHARD	Robert Dougherty, Esq.
LINT, GORDON	Same
LONG, BALLARD	Same
LONGMAN, JACK	Same
LOPEZ, BALTAZAR	Same
LOUNSBURY, J PETER & CAROLYN	Therese Parker, Esq.
LOW, ROBERT	Same
LUA, ANTONIO	Same

PRODUCER	DESIGNEE
LUCERNE VALLEY MUTUAL WATER COMPANY	Alice Feese
LUCERNE VALLEY PARTNERS	Manoucher Sarbaz
LUCERNE VISTA WATER CO	Thomas Stavros, Director
LUCKEY, MANLEY J	Terry Caldwell, Esq.
LUDINGTON, JAMES E & JO ANN	Same
LUTH, KEN	Therese Parker, Esq.
LYON, LOUIS & ERIKA	Same
MAHJOUBI, AFSAR S	Same
MALIN, LILY	Same
MALONEY, JANICE	Same
MARCROFT, JAMES A & JOAN	Same
MARIANA RANCHOS COUNTY WATER DISTRICT	Gary Shelton
MARSHALL, CHARLES	Same
MARTIN, LENDELL	Same
MAYBERRY, DONALD J & SANDRA D	Same
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EXHIBIT F

TRANSFERS OF BASE ANNUAL PRODUCTION RIGHTS.

EXHIBIT F

TRANSFERS OF
BASE ANNUAL PRODUCTION RIGHTS

1. Transferability. Any Base Annual Production Right, including any Carryover Right (Right) or any portion thereof may be sold, assigned, transferred, licensed or leased subject to the rules set forth in this Exhibit "F".

2. Consumptive Use Adjustments. A transferred Right shall be adjusted so as not to cause an increased Consumptive Use of water. For either inter Subarea or intra Subarea transfers, if the transferee's Consumptive Use of water Produced under the transferred Right would be at a higher rate than that of transferor, the transferred Right shall be reduced by Watermaster to a level that equalizes the Consumptive Use to that of transferor. Any such adjustments by Watermaster shall be made using the following Consumptive Use rates. If a transfer would cause the same or a decreased Consumptive Use, no adjustment shall be made.

Type of Water Use	Consumptive Use Rate
Municipal	50%
Irrigation	50%
Industrial	case by case
Lakes or Aquaculture	surface acres x 7 ft.

For mixed or sequential uses of water excluding direct reuse of municipal wastewater, the total acre-feet of Consumptive Use shall be the sum of Consumptive Uses for each use.

3. Notice to Watermaster. No transfer shall become operable until the Parties to the transfer have jointly notified Watermaster of the terms and conditions of the transfer, the price to be paid by the transferee, the name of the Responsible Party and the name of the Person who will pay any applicable Assessments. Intra-Subarea transfers shall not require Watermaster authorization after giving notice. No inter-Subarea transfer shall become operable until authorized by Watermaster after giving notice. Watermaster shall authorize such transfers in the order of the date of notice, provided that funds are available as set forth in Paragraph 4 of this Exhibit "F".

4. Inter Subarea Transfers of Rights. A Party's Right in a (Source) Subarea may be transferred (by lease only) to a Party in another (Use) Subarea provided that in any Year the resulting unconsumed water in the Source Subarea due to all such transfers shall not be greater than the Replacement Water requirement of the Source Subarea in the preceding Year. Watermaster shall replace the resulting Consumptive Use in the Use Subarea that is attributable to the transfer, utilizing Replacement Water Assessments from the Source Subarea.

5. Transfers to Meet Replacement Water or Makeup Water Obligations. Watermaster may use Assessment proceeds to purchase or lease Rights in a Subarea in order to obtain water to meet an Obligation. The water so obtained shall be equal to the Consumptive Use portion of the transferred and unproduced Rights. No such purchases of leases of Rights in the Harper Lake Basin may be used to satisfy Obligations in other parts of the Centro Subarea.

6. Inter Subarea Transfers of Water. Water Produced in one (source) Subarea and exported to another Subarea for use or disposal shall bear a Replacement Water Obligation equal to the sum of the Production in excess of the Producer's share of the Free Production Allowance in the source Subarea plus the amount of water exported that would normally have been returned to the source Subarea. Such exported water shall be credited to the appropriate Subarea Obligation unless it has been purchased or leased as Replacement Water pursuant to a transfer agreement.

7. Verde Ranch Producers. Together the Spring Valley Lake Country Club ("the Country Club"), the Spring Valley Lake Association ("the Association"), the California Department of Fish and Game (DFG) Mojave Narrows Regional Park ("the Park") the Kemper Campbell Ranch ("the Ranch") comprise a group herein called the Verde Ranch Producers. Each Verde Ranch Producer has the ability physically both to Produce Groundwater and to Produce water that originated as tailwater flowing from the DFG Mojave River Fish Hatchery. DFG Producer Groundwater to supply the Hatchery, and Hatchery tailwater can be discharged in part or entirely to the Mojave River or in part or entirely to a lined channel that conveys tailwater to points where the Verde Ranch Producers can Produce it. The present flow regimen is as follows: Hatchery Production flows through the Hatchery and is then discharged to the River and/or the lined channel. Water discharged to the lined channel flows to a Country Club lake. The Country Club Produces Groundwater that is discharged to the Country Club lake. The Country Club property is irrigated by pumping from the Country Club lake. Water overflowing from the Country Club lake flows through a lined channel and

through other Country Club lakes, and finally is discharged to Spring Valley Lake. The Association Produces Groundwater that is discharged to Spring Valley Lake. Water overflowing from Spring Valley Lake flows to lakes in the Park. The Park Produces Groundwater that is discharged to the lakes in the Park. The Park also Produces Groundwater that is used directly for irrigation of the Park. The Park is also irrigated by pumping from the lakes in the Park. Water overflowing from the lakes in the Park is discharged to the Mojave River. Some water from the lakes in the Park also flows to a lake on the Ranch. The Ranch also Produces Groundwater. The Ranch is irrigated from the lake on the Ranch. No water flows on the surface from the Ranch property to the Mojave River.

In order to continue the present arrangements among the Hatchery and the Verde Ranch Producers while assuring that they participate fairly in the Physical Solution the following rules shall apply:

a. Total Production by the Country Club will be calculated as the sum of Country Club Groundwater Production plus inflow of Hatchery tailwater minus outflow to Spring Valley Lake. The Country Club shall monitor and report to Watermaster the amounts of such Groundwater Production, inflow and outflow.

b. Total Production by the Association will be calculated as the sum of Association Groundwater Production plus inflow from the Country Club minus outflow to the Park. The Association shall monitor and report to Watermaster the amounts of such Groundwater Production, inflow and outflow.

c. Total Production by the Park will be calculated as the sum of Park Groundwater Production plus inflow from the Association minus outflow to the Ranch minus outflow to the Mojave River. The Park shall monitor and report to Watermaster as to such Groundwater Production, inflow and outflows.

d. Total Production by the Ranch will be calculated as the sum of Ranch Groundwater Production plus inflow from the Park. The Ranch shall monitor and report to Watermaster the amounts of such Groundwater Production and inflow.

e. Hatchery Production up to 10,678 acre-feet per Year will be permitted free of any Assessments against the Hatchery. The Hatchery shall monitor and report to Watermaster its Groundwater Production and the amounts of tailwater discharged to the River and to the artificial channel. In any Year the Hatchery may Produce more than 10,678 acre-feet free of any Assessments against the Hatchery, provided such Production in excess of 10,678 acre-feet is reported as Groundwater Production by one or more of the Verde Ranch Producers in the same Year pursuant to operating agreements by and between the Hatchery and such Producer(s) filed with the Watermaster. The operating agreement shall specify the responsibility for payment of assessments. In the operating agreement, the Verde Ranch Producers may elect to have assessments be based on the aggregate Production of the Verde Ranch Producers, and may freely transfer Base Annual Production Rights internally, provided that the aggregate consumptive use of the Verde Ranch Producers shall not be increased. In the absence of such operating agreements, or if the operating agreements do not otherwise allocate responsibility for payment of Assessments, the Hatchery

shall be liable for Administrative, Replacement Water and Biological Resource Assessments on the amount of water Produced by the Hatchery in excess of 10,678 acre-feet in any Year. In the event that Verde Ranch Producer who is allocated responsibility for payment of Assessments pursuant to an operating agreement is delinquent in making any such payment, the Hatchery shall not be liable therefor.

f. In any Year, if the total discharge to the River from the Hatchery and the Verde Ranch Producers exceeds the Groundwater Production by the Hatchery, such excess discharge shall be subject to Administrative, Replacement Water and, except for the Park, Biological Resource Assessments. Such Assessments shall be levied against individual Verde Ranch Producers in proportion to the extent that outflow from each Producer exceeds inflow to that Producer.

g. The Hatchery and the Verde Ranch Producers shall install all stage recorders, meters or other measuring devices necessary to determine inflows, outflows and Production that they are responsible for monitoring and reporting to Watermaster. Such stage recorders, meters or other measuring devices shall be installed, calibrated and operated in manner satisfactory to Watermaster.

h. Any change in the flow regimen described above will be subject to the same general rules set forth in this Paragraph 7. Any such change shall be reported to Watermaster in advance.

8. Harper Lake Basin. No Producer in the Harper Lake Basin may transfer any Base Annual Production Right or any portion thereof to Producers outside of Harper Lake Basin except by

physically conveying the water in compliance with the rules set forth in this Exhibit "F".

EXHIBIT G

SUBAREA OBLIGATIONS

EXHIBIT G

SUBAREA OBLIGATIONS

1. Subarea Obligations. Producers in the respective Subareas shall have the obligation to provide the following average Annual and minimum Annual Subsurface Flows and/or Base Flows per Year:

a. Este Subarea Producers--200 acre-feet per Year of Subsurface Flow to the Alto Subarea, except that in any Year the Subsurface Flow obligation shall be not be less than 160 acre-feet plus one-third of any cumulative debit plus any additional amount of water required to reduce the cumulative debit to 200 acre-feet.

b. Oeste Subarea Producers--800 acre-feet per Year of Subsurface Flow to the Alto Subarea, except that in any Year the Subsurface Flow obligation shall be not less than 640 acre-feet plus one-third of any cumulative debit plus any additional amount of water required to reduce the cumulative debit to 800 acre-feet.

c. Centro Subarea Producers--1200 acre-feet per Year of Subsurface Flow to the Baja Subarea, except that in any Year the Subsurface Flow Obligation shall be not less than 960 acre-feet plus one-third of any cumulative debit plus any additional amount of water required to reduce the cumulative debit to 1200 acre-feet.

d. Baja Subarea Producers--400 acre-feet per Year of Subsurface Flow toward Afton across the MWA eastern boundary, except that in any Year the Subsurface Flow Obligation shall not be less than 320 acre-feet plus one-third of any cumulative debit plus any additional amount of water required to reduce the cumulative debit to 400 acre-feet.

e. Alto Subarea Producers--an average Annual combined Subsurface Flow and Base Flow of 23,000 acre-feet per Year to the Transition Zone. For the purposes of Paragraph 6 of this Exhibit G, the Subsurface Flow component shall be deemed to be 2,000 acre-feet per Year. In any Year Alto Subarea Producers shall have an obligation to provide to the Transition Zone a minimum combined Subsurface Flow and Base Flow as follows:

i. If the accounting pursuant to Paragraph 5, below, reflects a net cumulative credit at the beginning of the Year, the combined minimum flow obligation shall be 18,400 acre-feet minus any net cumulative credit, but shall be not less than 15,000 acre-feet.

ii. If the accounting pursuant to Paragraph 5, below, does not reflect a net cumulative credit at the beginning of the Year, the combined minimum flow obligation shall be 18,400 acre-feet plus one-third of any net cumulative debit plus any additional amount of water required to reduce the net cumulative debit to 23,000 acre-feet.

2. Obligation for Transition Zone Replacement Water.

a. Until the Court approves Groundwater levels to be established and maintained pursuant to Subparagraph 2b of this Exhibit, Watermaster shall provide Replacement Water in the Transition Zone equal to Production in the Transition Zone that is in excess of the Transition Zone Producers' share of the Alto Subarea Free Production Allowance for that Year. All such Replacement Water shall be provided as soon as practicable during the next ensuing Year.

b. As soon as is practicable, the MWA shall establish key wells to be used to monitor Groundwater levels in the Transition Zone and, subject to approval by the Court, Watermaster shall establish minimum water levels to be maintained in the key wells.

c. After water level elevations have been established pursuant to Subparagraph 2b of this Exhibit, Watermaster shall provide Replacement Water in the Transition Zone as necessary to maintain the minimum water levels. Water purchased with Replacement Water Assessments paid by Producers in the Transition Zone in excess of the quantity of water needed to maintain said water levels shall be provided elsewhere in the Alto Subarea.

3. Other Water. "Other Water" that may be credited to a Subarea Obligation may include water conveyed and discharged across a boundary or Free Production Allowance water that is not Produced. Water other than Base Flow, Subsurface Flow or Storm Flow that is conveyed and discharged across a boundary between Subareas other than pursuant to a transfer agreement, shall be credited or debited, as appropriate, to the pertinent Subarea Obligation during the Year in which it is so conveyed and discharged. Any portion of the Subarea's Free Production Allowance that is allowed to remain unproduced in a Subarea pursuant to transfer agreements in order to satisfy a Subarea Obligation shall be credited to the pertinent Subarea Obligation in accordance with the terms of the transfer agreements.

4. Makeup Water. Assessments for Makeup Water shall be paid in accordance with the time schedule set forth in Exhibit D.

Makeup Water shall be credited to the Subarea Obligation at the end of the Year in which the Makeup Water Assessment is paid.

5. Accounting. Watermaster shall Annually not later than February 1 cause to be prepared a report of the status of each Subarea Obligation as of the end of the prior Year. The report shall set forth at least the following information for each Subarea Obligation:

a. The cumulative total of the average Annual Subarea Obligations since the Judgment was entered as of the beginning of the prior Year;

b. The cumulative total of all water credited to the Subarea Obligation since the Judgment was entered as of the beginning of the prior Year;

c. The net cumulative credit or debit [the difference between (a) and (b)] as of the beginning of the prior Year;

d. The amounts of water credited to the Subarea Obligation during the prior Year including, as appropriate, Base Flow, Subsurface Flow, Other Water and Makeup Water;

e. The cumulative total of the average Annual Subarea Obligations as of the end of the prior Year;

f. The cumulative total of all water credited to the Subarea Obligation as of the end of the prior Year;

g. The net cumulative credit or debit as of the end of the prior Year;

h. Any Makeup Water Obligation;

i. The Minimum Subarea Obligation for the current Year.

6. Subsurface Flow Assumptions. Some Subarea Obligations are expressed as average Annual or minimum Annual Subsurface Flow.

In all cases the Subsurface Flow obligations have been established initially at amounts equal to the estimated historical average Subsurface Flow across Subarea boundaries. Not later than two Years following entry of this Judgment MWA shall begin to install monitoring wells to be used to obtain data to enable improved estimates of Subsurface Flow at each Subarea boundary where there is a Subsurface Flow obligation and to develop methodology for future determinations of actual Subsurface Flow. Not later than ten years following entry of this Judgment Watermaster shall prepare a report setting forth the results of the monitoring program and the future methodology. Following opportunity for review of Watermaster's report by all Parties, Watermaster shall prepare a recommendation to the Court as to the likely accuracy of the estimated historical Subsurface Flows and any revision of Subarea Obligations that may be indicated. Pending Watermaster's report to the Court, Subsurface Flows shall be assumed to be equal to the Subsurface Flow obligations for purposed of accounting for compliance therewith.

7. Example Calculation. Table G-1 sets forth an example of Subarea Obligation accounting procedures using hypothetical flows.

TABLE G-1

HYPOTHETICAL EXAMPLE

ACCOUNTING FOR COMPLIANCE WITH SUBAREA OBLIGATIONS

OBLIGATION OF SUBAREA A TO SUBAREA B

AVERAGE ANNUAL: 23,000 AFA (21,000 AFA BASEFLOW + 2,000 AFA SUBSURFACE FLOW)

MINIMUM ANNUAL: 18,400 AFA + 1/3 OF ANY NET CUMULATIVE DEBIT; OR 18,400 AFA - ANY NET CUMULATIVE CREDIT, BUT NOT LESS THAN 15,000 AFA

	YEAR 1 AF	YEAR 2 AF	YEAR 3 AF	YEAR 4 AF	YEAR 5 AF	YEAR 6 AF	YEAR 7 AF	YEAR 8 AF	YEAR 9 AF	YEAR 10 AF
STATUS AT BEGINNING OF YEAR										
CUMULATIVE OBLIGATION	0	23,000	46,000	69,000	92,000	115,000	138,000	161,000	184,000	207,000
CUMULATIVE FLOW	0	17,000	32,600	50,800	69,067	87,067	107,111	139,978	168,378	198,978
NET CUMULATIVE CREDIT (DEBIT)	0	(6,000)	(13,400)	(18,200)	(22,933)	(27,933)	(30,889)	(21,022)	(15,622)	(8,022)
FLOW DURING THE YEAR (HYPOTHETICAL)										
BASE FLOW	8,000	5,000	4,000	4,000	2,000	2,000	15,000	18,000	20,000	23,000
SUBSURFACE FLOW	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
OTHER WATER	7,000	7,200	7,400	7,600	7800	8,000	8,200	8,400	8,600	8800
MAKEUP WATER PURCHASED	0	1,400	4,800	4,667	6,200	8,044	7,667	0	0	0
TOTAL FLOW	17,000	15,600	18,200	18,267	18,000	20,044	32,867	28,400	30,600	33,800
MINIMUM OBLIGATION DURING THE YEAR	18,400	20,400	22,867	24,467	26,044	27,711	28,696	25,407	23,607	21,074
MAKEUP OBLIGATION INCURRED	1,400	4,800	4,667	6,200	8,044	7,667	0	0	0	0
STATUS AT END OF YEAR										
CUMULATIVE OBLIGATION	23,000	46,000	69,000	92,000	115,000	138,000	161,000	184,000	207,000	230,000
CUMULATIVE FLOW	17,000	32,600	50,800	69,067	87,067	107,111	139,978	168,378	198,978	232,778
NET CUMULATIVE CREDIT (DEBIT)	(6,000)	(13,400)	(18,200)	(22,933)	(27,933)	(30,889)	(21,022)	(15,622)	(8,022)	2,778
FOLLOWING YEAR MINIMUM OBLIGATION										
18,400 + 1/3 OF NET CUM. DEBIT	20,400	22,867	24,467	26,044	27,711	28,696	25,407	23,607	21,074	0
ADDITIONAL TO REDUCE DEBIT TO 23,000	0	0	0	0	0	0	0	0	0	0
18,400 - CUM. CREDIT, BUT NLT 15,000	0	0	0	0	0	0	0	0	0	15,622
MINIMUM OBLIGATION	20,400	22,867	24,467	26,044	27,711	28,696	25,407	23,607	21,074	15,622

EXHIBIT H

BIOLOGICAL RESOURCE MITIGATION

EXHIBIT H

BIOLOGICAL RESOURCE MITIGATION

1. Protection of and Description of Existing Riparian Habitat. In arriving at a Physical Solution, the Parties have taken into consideration the water needs of the public trust resources of the Mojave Basin Area, including but not limited to, those species listed in Table H-1 within each of the areas as shown on Figure H-1 and the riparian habitat areas shown on Figure H-1 and described generally as follows:

a. The area which extends, south to north, in the Alto Subarea, from the intersection of the north line of Section 36, Township 5 North, Range 4 West with the Mojave River channel to the United States Geological Survey gauging station at the Lower Narrows;

b. The Lower Narrows to the Helendale Fault (Transition Zone);

c. The Harvard/Eastern Baja Subarea reach of the Mojave River that extends west to east, from Harvard Road to the Iron Ranch/Iron Mountain area (0.5 miles east of the west line of Section 20, Township 10 North, Range 4 East).

2. Protection Pursuant to Physical Solution. The following aspects of the Physical Solution must be implemented to seek to achieve the water table standards set forth in Table H-2 which were proposed by DFG as being necessary to maintain and converse the riparian resources in the areas shown on Figure H-1, including the species listed in Table H-1:

a. Pursuant to Paragraph 24(o) of the Judgment, the Watermaster in recommending an adjustment in Free Production

Allowance, shall compare the Free Production Allowance with the estimated Production Safe Yield. In the event the Free Production Allowance exceeds the estimated Production Safe Yield by five percent or more, Watermaster shall recommend a reduction of the Free Production Allowance equal to a full five percent of the aggregate Subarea Base Annual Production. In considering whether to increase or decrease the Free Production Allowance in a Subarea, Watermaster shall, among other factors, take into consideration for the areas shown on Figure H-1 the Consumptive Use of water by riparian habitat, the protection of public trust resources, including the species listed in Table H-1 and the riparian habitat areas shown on Figure H-1, and whether an increase would be detrimental to the protection of public trust resources.

b. If, pursuant to Paragraph 27, Watermaster buys or leases Free Production Allowance in the Baja Subarea below the Calico-Newberry Fault to satisfy the need for Replacement Water, priority shall be given to purchases or leases that will result in reducing Production in or near the area described in Subparagraph 1(c) of this Exhibit.

c. Pursuant to Paragraph 2 of Exhibit "G", Watermaster shall purchase Replacement Water to maintain Groundwater levels in the Transition Zone.

3. Additional Protection Pursuant to Trust Fund Established by Watermaster Using the Proceeds of Biological Resource Assessments.

a. Watermaster shall establish a Biological Resources Trust Fund account for the benefit of the riparian habitat areas shown on Figure H-1 and the species listed on Table H-1. To

establish and maintain the Trust Fund Watermaster shall levy against each acre-foot of Production within the Basin Area, other than Production by the California Department of Fish and Game (DFG), a Biological Resource Assessment of fifty cents ($0.50) (1993 dollars) to be collected at the same time and in the same manner as the Administrative Assessment, except that no Biological Resources Assessment shall be levied whenever the Trust Fund account balance exceeds $1,000,000 (1993 dollars).

b. Watermaster shall make funds held in the Biological Resources Trust Fund available to DFG only in the event that Groundwater levels are not maintained as set forth in Table H-2. Watermaster shall take action to acknowledge any proposed expenditure from the Biological Resources Trust Fund by DFG. Such Watermaster action shall be subject to the review procedures set forth in Paragraph 36 of the Judgment, provided that any motion made pursuant thereto and any Court disapproval of such Watermaster action and proposed DFG expenditure may be based only: 1) on the ground that the Groundwater levels set forth in Table H-2 are being maintained; and/or 2) the ground that the proposed expenditure is not for any of the purposes set forth in Subparagraphs 3.b.(i), (ii), or (iii) below in this Exhibit. The Biological Resources Trust Fund may be used only for the following purposes and only in the three areas identified on Figure H-1:

i. not to exceed $100,000 for the preparation by DFG of a DFG habitat water supply management plan, which plan shall include the water needs of the species listed in Table H-1 and the riparian habitat areas shown on Figure H-1.

ii. the purchase or lease by DFG of Supplemental Water or the lease or purchase of DFG of Base Annual Production Rights to be used to meet riparian habitat water needs of the species listed in Table H-1 and the riparian habitat areas shown on Figure H-1.

iii. the construction, repair and replacement of wells or other facilities identified in the plan prepared pursuant to Subparagraph (i), above, and/or any other measures necessary to implement the plan.

DFG shall not prepare or make any expenditure from the trust fund for the payment of administrative overhead or staff of DFG.

4. DFG agrees that absent substantial changed circumstances, DFG shall not seek to modify the provisions of this Judgment in any way to add to or change the above-stated measures to protect the referenced species or habitat. Nothing stated in this Judgment or in this Exhibit "H" is intended nor shall be deemed to relieve any Party hereto from any obligation or obligations not specifically referenced in this Exhibit H. Nothing in this Judgment or in this Exhibit H is intended or shall be construed to be a waiver by the State or any of its departments or agencies, including DFG, of its rights and obligations under the common law, the public trust doctrine, the constitution, statutes and regulations to preserve, protect or enhance the natural resources of the State including rare, threatened or endangered species or species of concern.

TABLE H-1

LIST OF SPECIES

	ALTO			CENTRO		BAJA		
SPECIES	Forks Dam to Upper Narrows	Upper Narrows to Lower Narrows	Lower Narrows to Helendale	Helendale to Hodge	Hodge to Barstow	Barstow to Harvard Road	Harvard Road to Mannix Wash	Afton Canyon
Purple Monkeyflower	6							
Mohave Monkeyflower	6		6	6	6	6		
Mohave Tarweed	5							
Desert Cymopterus	6							
Barstow Woolly Sunflower					6	6		
Victorville Shoulderband	6	6						
Mohave Tui Chub							1, 3	
California Red-legged Frog	6	6	6	6				
Southwestern Pond Turtle	6		6	6		6	6	6
Desert Tortoise	2, 4		2, 4	2, 4	2, 4	2, 4		
San Diego horned Lizard	6							
Cooper's Hawk	8	8						
Ferruginous Hawk	8	8						
Swainson's Hawk	4	4						
Bald Eagle	1, 3	1,3						
Merlin	6, 8	6, 8						
Prairie Falcon	6, 8	6, 8	6, 8	6, 8	6, 8	6, 8		
Western Yellow-billed Cuckoo	3, 7			3, 7	3, 7			
Southwestern Willow Flycatcher	8							
Brown-crested Flycatcher		8						
Vermillion Flycatcher	8					8	8	8
Le Conte's Thrasher	8							
Least Bell's Vireo	1, 3							1, 3

TABLE H-1

LIST OF SPECIES
(CONT'D)

SPECIES	ALTO			CENTRO		BAJA		
	Forks Dam to Upper Narrows	Upper Narrows to Lower Narrows	Lower Narrows to Helendale	Helendale to Hodge	Hodge to Barstow	Barstow to Harvard Road	Harvard Road to Mannix Wash	Afton Canyon
Yellow Warbler	9							
Yellow-breasted Chat	8	8			8	8		
Summer Tanager	8	8						8
Pale Big Earred Bat	8							
Mohave Ground Squirrel	4, 6		4, 6	4, 6				
Mohave Vole			6	6				
Nelson's Bighorn Sheep					10	10		10
TOTAL NUMBER OF SPECIES = 30								
TOTAL NUMBER OF SPECIES IN EACH AREA:	**25**	**11**	**7**	**8**	**7**	**8**	**3**	**5**

1 = Federally Endangered
2 = Federally Threatened
3 = State Endangered
4 = State Threatened
5 = Federal Category: 1
6 = Federal Category: 2
7 = Federal Category: 3b
8 = State: Special Concern
9 = State: Sensitive
10 = State: Fully Protected

TABLE H-2

RIPARIAN HABITAT MONITORING WELL WATER LEVEL CRITERIA

ZONE	WELL NUMBER	MAXIMUM DEPTH BELOW GROUND
Victorville/Alto	H1-1	Seven (7) Feet
Victorville/Alto	H1-2	Seven (7) Feet
Lower Narrows/Transition	H2-1	Ten (10) Feet
Harvard/Eastern Baja Riparian Forest Habitat	H3-1	Seven (7) Feet
Harvard/Eastern Baja Surface Water Habitat	H3-2	Plus One (1) Foot (1705 Ft msl)*

* Surface Water Habitat water surface elevation of 1705 ft. msl is approximate pending ground elevation survey.

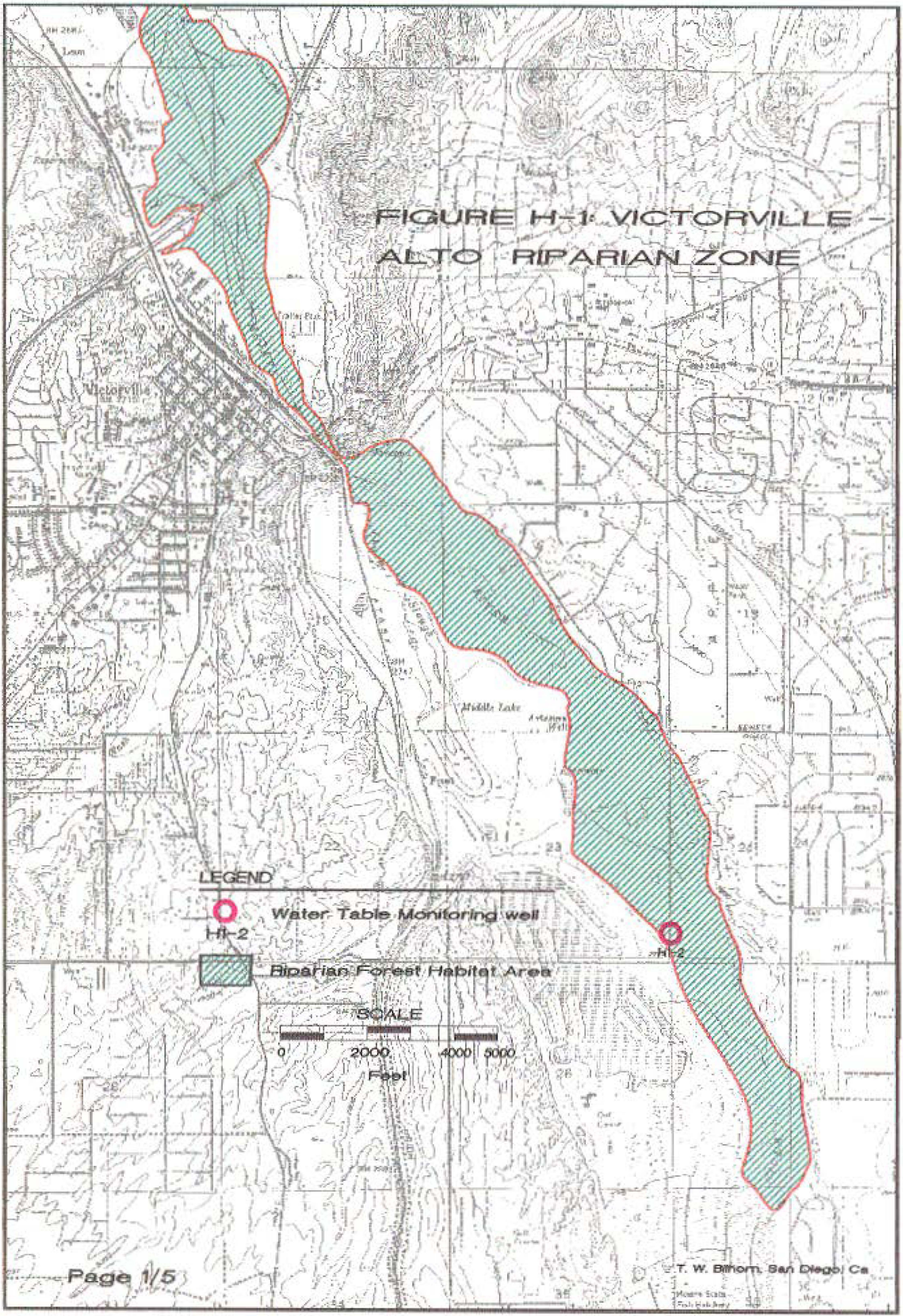


FIGURE H-1: VICTORVILLE – ALTO RIPARIAN ZONE
LEGEND
Water Table Monitoring well
H1-2
Riparian Forest Habitat Area
SCALE
0
2000
4000
5000
Feet
H1-2
Page 1/5
T. W. Bithorn, San Diego, Ca

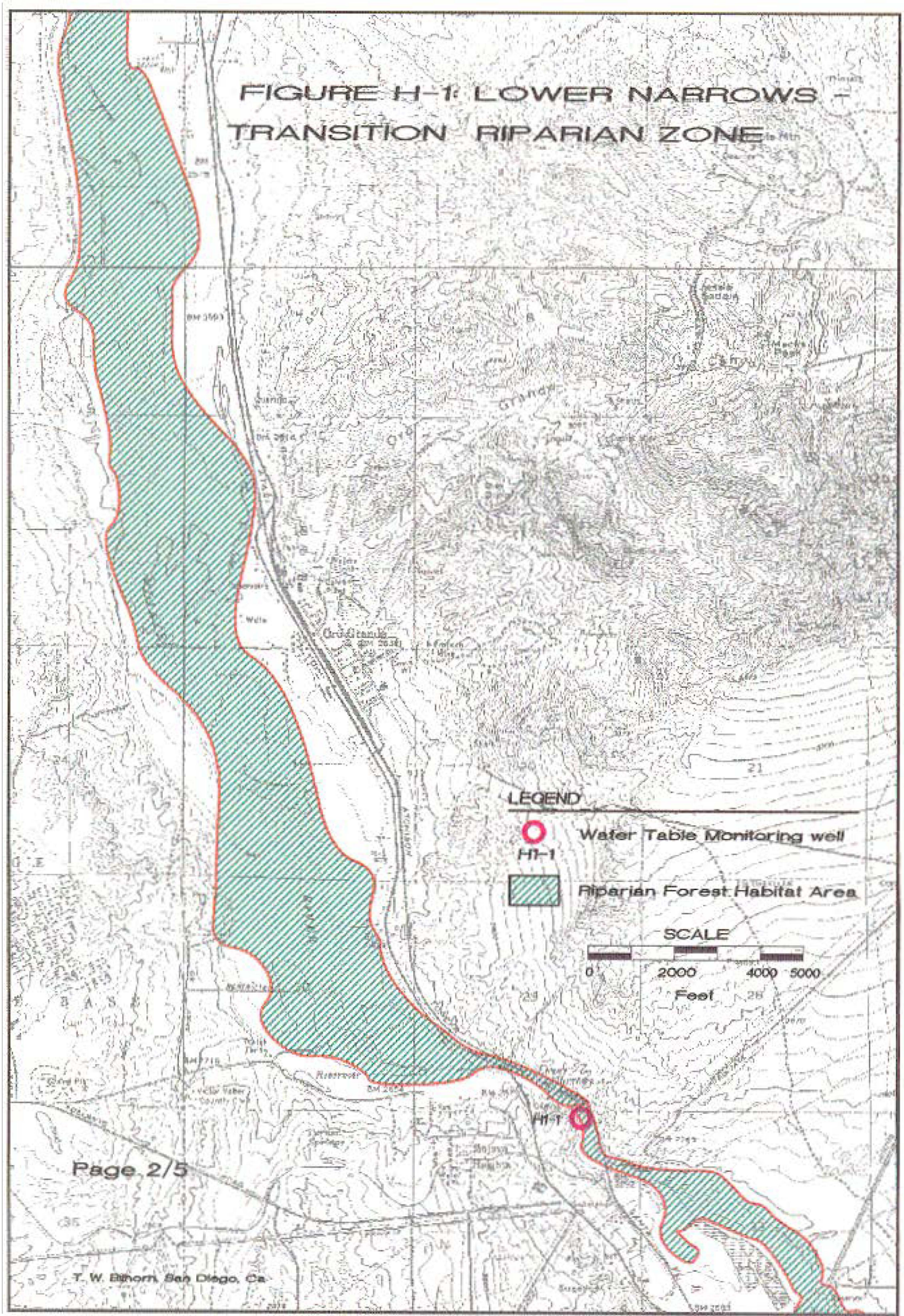


FIGURE H-1: LOWER NARROWS -
TRANSITION RIPARIAN ZONE
LEGEND
Water Table Monitoring well
H1-1
Riparian Forest Habitat Area
SCALE
0
2000
4000
5000
Feet
H1-1
T. W. Elthorn, San Diego, Ca.

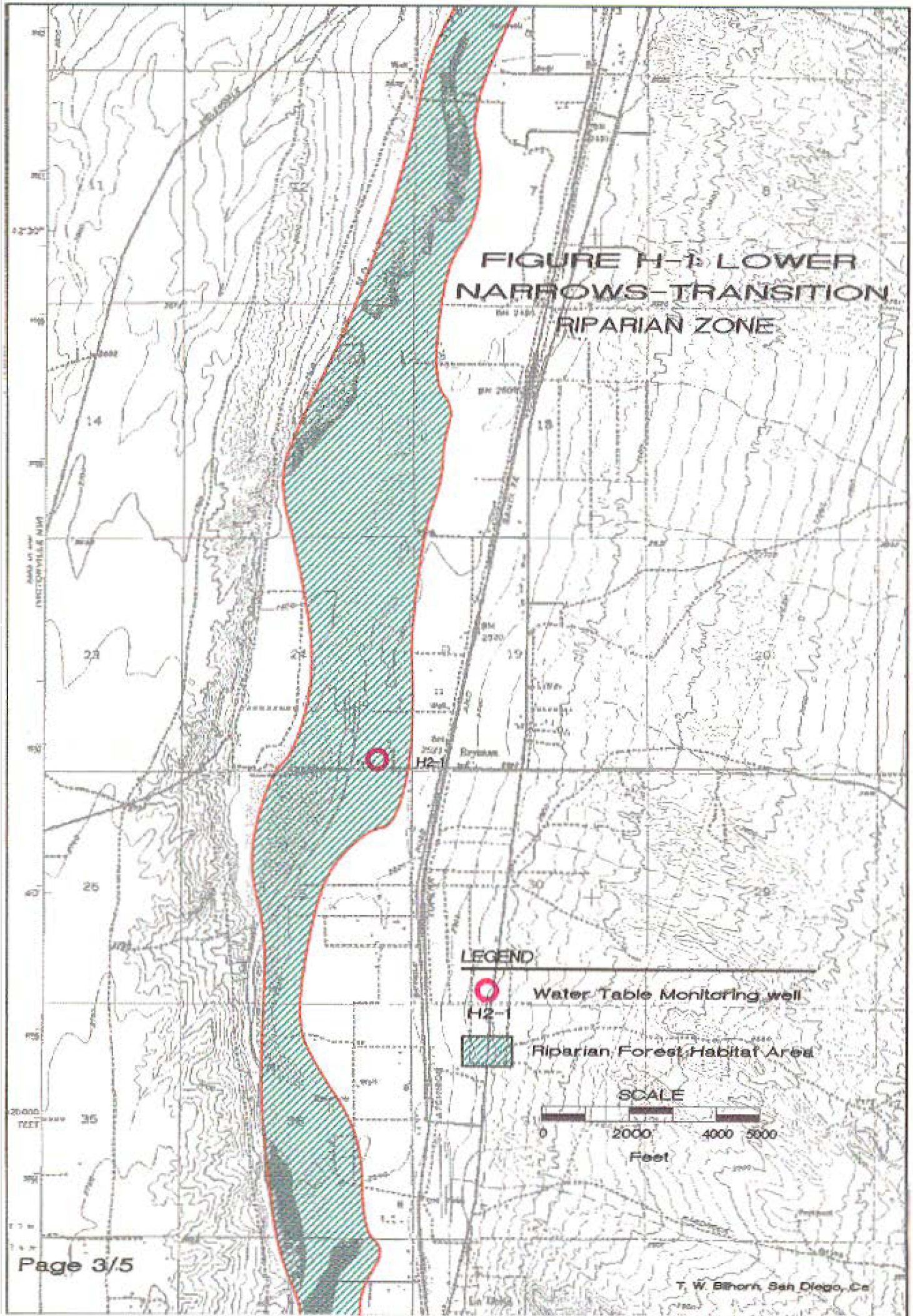


FIGURE H-1: LOWER NARROWS-TRANSITION RIPARIAN ZONE
H2-1
LEGEND
Water Table Monitoring well
H2-1
Riparian Forest Habitat Area
SCALE
0
2000
4000
5000
Feet
T. W. Bithorn, San Diego, Ca

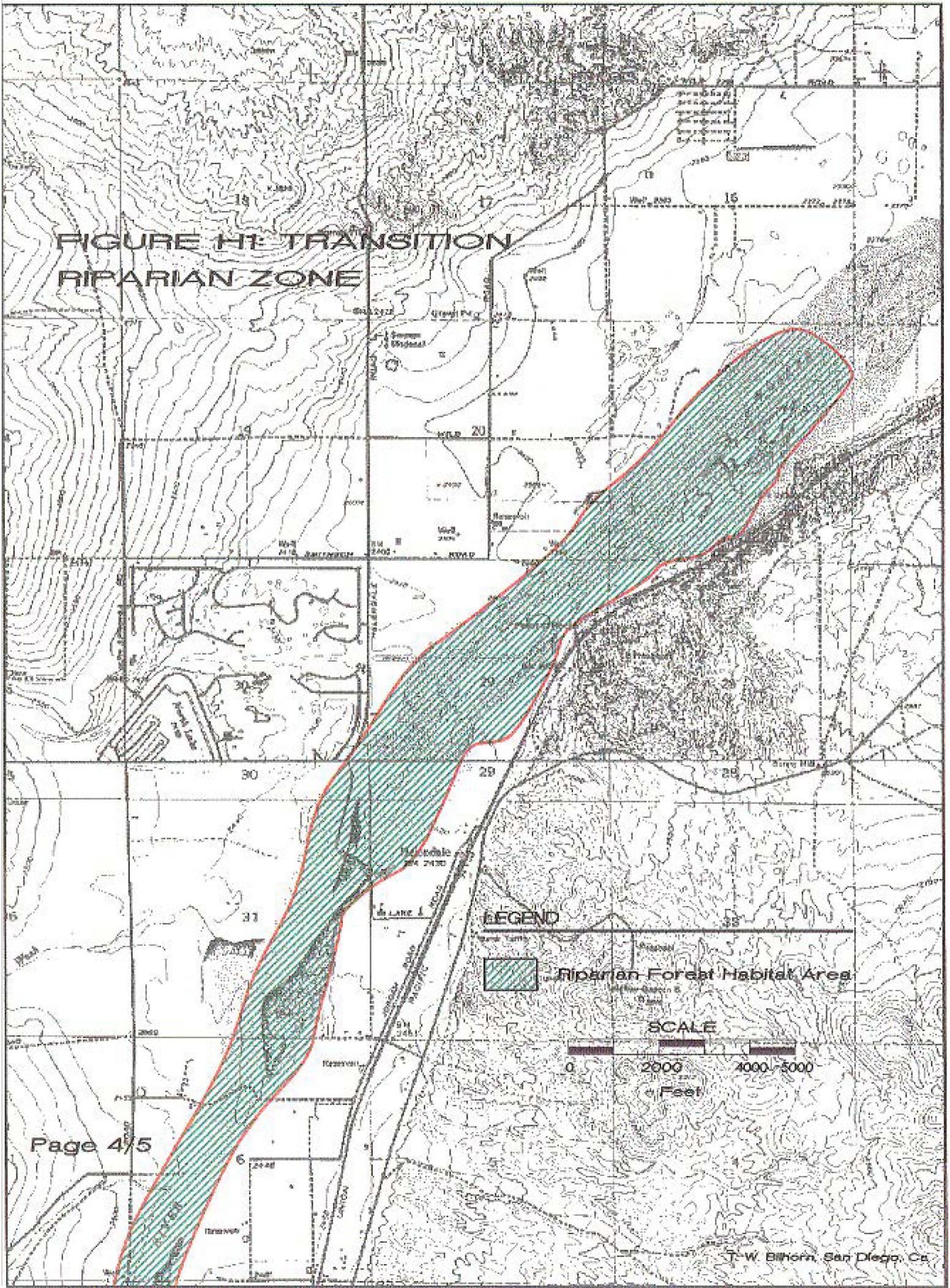


FIGURE H1 TRANSITION
RIPARIAN ZONE
LEGEND
Riparian Forest Habitat Area
SCALE
0
2000
4000 5000
Feet
T. W. Bilhorn, San Diego, Ca.

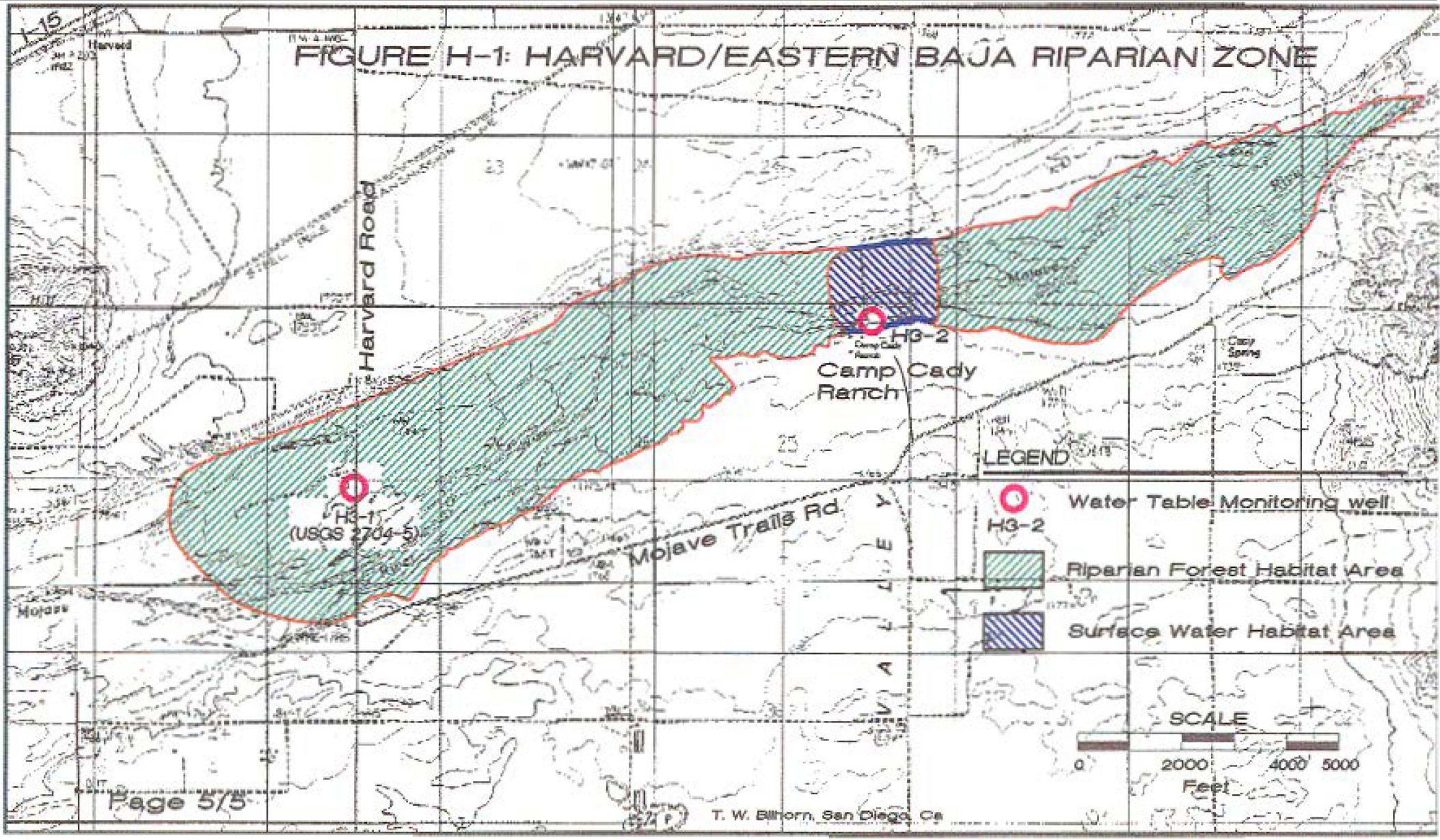
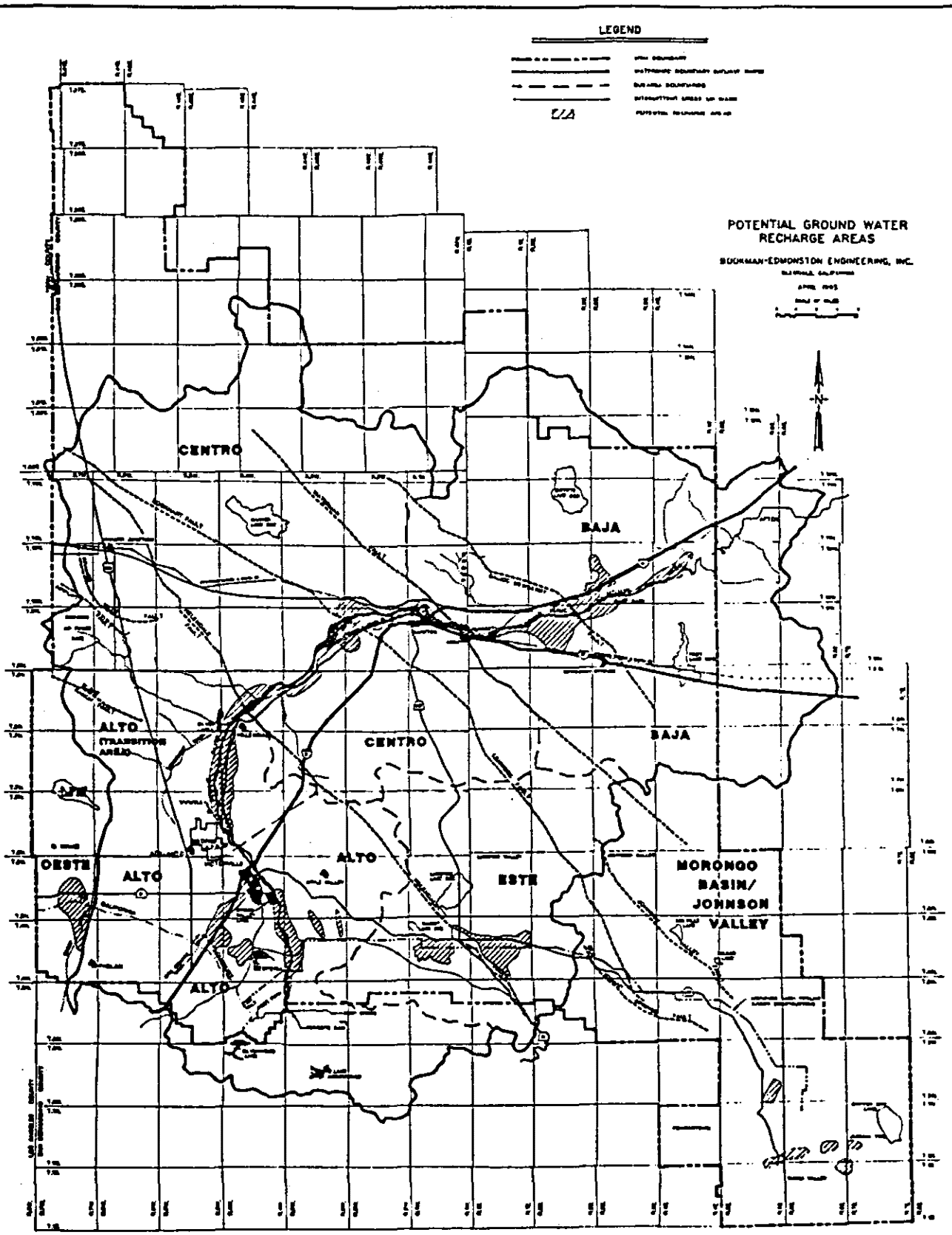


FIGURE H-1: HARVARD/EASTERN BAJA RIPARIAN ZONE
Harvard
Harvard Road
H3-2
Camp Cady Ranch
H3-1
(USGS 2704-5)
Mojave Trails Rd.
Mojave
LEGEND
Water Table Monitoring well
H3-2
Riparian Forest Habitat Area
Surface Water Habitat Area
SCALE
0
2000
4000
5000
Feet
T. W. Bilhorn, San Diego, Ca
Page 5/5

EXHIBIT I

MAP SHOWING POTENTIAL GROUNDWATER RECHARGE AREAS



MOJAVE WATER AGENCY

REGIONAL WATER MANAGEMENT PLAN

William J. Brunick, (Bar No. 46289)
BRUNICK, BATTERSBY, McELHANEY & BECKETT
1839 Commercenter West
P.O. Box 6425
San Bernardino, California 92412-6425
Telephone: (909) 889-8301
Facsimile: (909) 388-1889

Attorneys for Defendant\Cross-Complainant,
MOJAVE WATER AGENCY

FILED
SUPERIOR/MUNICIPAL COURT
OF RIVERSIDE COUNTY
DEC 05 2002

COPY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF RIVERSIDE

CITY OF BARSTOW, et al

Plaintiff,

v.

CITY OF ADELANTO, et al

Defendant.

AND RELATED CROSS ACTIONS

CASE NO.: **208568**

AMENDMENT TO JUDGMENT AFTER TRIAL ENTERED JANUARY 10, 1996; and ORDER THEREON

Assigned for All Purposes to:
Judge E. Michael Kaiser

The Judgment After Trial, filed and entered January 10, 1996, in the above-captioned matter, is hereby amended by inserting the following paragraphs 19(a) and 19(b) immediately following Paragraph 19 on page 24.

Paragraph 19(a):

Pursuant to the direction of the California Supreme Court and the Court of Appeal, as set forth in the Stipulation for Settlement entered in the Court of Appeal on August 6, 2002, Neil DeVries, Virgil Gorman, Richard Leyerly, Geneva Leyerly, Jerry Osterkamp, David and Elizabeth Daily, Richard (deceased) and Elaine Fitzwater, Robert T. and Barbara T. Older and Steve Older, collectively referred to as the "Cardozo Appellants" are, except as provided in this paragraph, excluded from this Judgment and they are not bound by any of the provisions of this Judgment. As overlying owners, the Cardozo Appellants have the

right to pump water from the ground underneath their respective lands for their current and prospective reasonable and beneficial need for water on their respective properties

Therefore, the parties who stipulated to this Judgment are hereby enjoined and restrained from interfering with the Cardozo Appellants' ability to exercise their overlying water rights for their current and prospective reasonable and beneficial need for water on their respective properties.

If parties who stipulated to the Judgment are in full compliance with the Judgment, there shall be a rebuttable presumption that the Cardozo Appellants' water rights are not being interfered with.

Each individual Cardozo Appellant shall have the right at any time, by written election filed with the Court and served on the Mojave Water Agency to become a stipulating party to the Judgment. If such an election is made, that party shall be accorded Base Annual Production shown on Table B-1 of Exhibit "B", subject to any rampdown then or thereafter in effect, but shall have no liability with respect to any assessments which were made, or which could have been made, before the date of the election.

The provisions of this paragraph are binding upon and inure to the benefit of not only the Cardozo Appellants, but as well as to the respective heirs, executors, administrators, successors, assigns, lessees, licensees and to the agents, employees and attorneys-in-fact of any of the Cardozo Appellants.

Paragraph 19(b):

Jess Ranch Water Company has stipulated to the Judgment of January 10, 1996, as set forth in the Stipulation and Intervention and Entry of Judgment filed in the Riverside County Superior Court on August 23, 2002.

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ORDER

It is so ordered.

E. MICHAEL KAISER

Dated: DEC 05 2002

E. Michael Kaiser
Judge of the Superior Court

RECEIVED
BRUNICK, BATTERSBY,
McELHANEY & BECKETT
AUG 0 8 2002

Court of Appeal

FOURTH DISTRICT, DIVISION TWO
3389 TWELFTH STREET
RIVERSIDE, CALIFORNIA 92501

CHAMBERS OF
JAMES D. WARD
ASSOCIATE JUSTICE

(909) 248-0325

August 7, 2002

William J. Brunick, Esq.
Brunick, Battersby, McElhaney & Beckett
P. O. Box 6425
San Bernardino, CA 92412

Re: Mojave Water/Jess Ranch/Cordozo/E029791

Dear Mr. Brunick:

Enclosed is the original Cordozo stipulation for settlement; the order on which I have signed and forward to you herewith for disposition.

My thanks to you for all your efforts in bringing this case to a satisfactory conclusion.

James D. Ward

Enclosure

COURT OF APPEAL, FOURTH DISTRICT

DIVISION TWO

STATE OF CALIFORNIA

CITY OF BARSTOW, et al. Plaintiffs and Respondents, v. MOJAVE WATER AGENCY, et al. Defendants, Cross-Complainants, and Respondents, JESS RANCH WATER COMPANY, Cross-Defendant and Appellant.	E017881 and E018923 (Superior Court No. 208568)
MOJAVE WATER AGENCY, et al., Cross-Complainants and Respondents, v. MANUAL CARDOZO, et al., Cross-Defendants and Appellants.	E018223 and E018681

STIPULATION FOR SETTLEMENT
PROVIDING FOR AMENDMENT OF JUDGMENT
IN TRIAL COURT AND ORDER THEREON

The undersigned parties, each of whom stipulated to the Judgment in the trial Court, hereinafter the "Stipulating Parties" on the one hand, and Niel Devries, Virgil Gorman, Richard Leyerly, Geneva Leyerly, Jerry Osterkamp, David and Elizabeth Daily, Richard (Deceased) and Elaine Fitzwater, Robert T. and Barbara T. Older and Steve Older, collectively referred to as the "Cardozo Appellants" on the other hand, by and through their respective attorneys, do stipulate and agree as follows:

RECITALS

Whereas the Cardozo Appellants are among the Cross-Defendants in the case known as *City of Barstow, et al. vs. City of Adelanto, et al.*, Case No. 208568, Superior Court of California, County of Riverside (the "Action"); and

Whereas the Cardozo Appellants did not stipulate to the Judgment in the Action, and;

Whereas a "Judgment after Trial" in the Action was filed on January 10, 1999, and;

Whereas the Cardozo Appellants appealed from the Judgment, and;

Whereas on August 21, 2000, the Supreme Court of California affirmed the earlier judgment of the Court of Appeal and in so doing stated at pages 31 and 32 of its Opinion:

"Respondents also argue that overlying pumpers in an overdrafted basin should be required to file an Action to adjudicate groundwater rights at the first indication of substantial growth in the area. However, overlying pumpers are not

under an affirmative duty to adjudicate their groundwater rights, because they retain them by pumping. (*City of San Fernando, supra,* 14 Cal.3d at p. 293, fn.100; *Hi-Desert County Water Dist., supra,* 23 Cal.App.4th at pp. 1731-1732.)

"As overlying owners, the Cardozo appellants have the right to pump water from the ground underneath their respective lands for use on their lands. The overlying right is correlative and is therefore defined in relation to other overlying water rights holders in the basin. In the event of a water supply shortage, overlying users have priority over appropriative users. (*City of Pasadena, supra,* 33 Cal.2d at p. 926.) The Court of Appeal properly recognized that the Cardozo Appellants retained their overlying rights by pumping, and that no claim of prescription had been asserted to reduce those retained overlying rights."

And further, at page 30 of the Opinion, stated:

"The Court of Appeal directed the trial court to exclude the Cardozo appellants from the judgment and to grant them injunctive relief protecting their overlying water rights to the current and prospective reasonable and beneficial need for water on their respective properties."

Whereas on February 28, 2001, the Court of Appeal issued a second Opinion in the Action, this one not to be published, in which the Court stated at page 8:

"The Cardozo appellants are to be excluded from the stipulated judgment, they are not bound by any provisions of the stipulated judgment, and any payments made

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by them under the assessment provisions of the stipulated judgment are to be ordered refunded to them.

"Although it is clear that the Cardozo appellants are not included in the stipulated judgment, an issue is raised as to their water rights. The Cardozo appellants cite the disposition ordered in our superseded opinion: "[T]he trial court is directed to enter its order . . . , based on the evidence previously submitted, [which grants] the Cardozo Appellants injunctive relief to protect their riparian and overlying water rights to the current and prospective reasonable and beneficial need for water on their respective parties. (*Tehachapi-Cummings County Water Dist. V. Armstrong) [1975] 49 Cal.App.3d 992, 1001.)"* Since this portion of the disposition was affirmed by the Supreme Court, it stands, and should be followed by the trial court on remand."

And further at page 13, the Court states:

"As the only party (other than Jess Ranch) that proved any water rights at trial, the Cardozo appellants are entitled to full protection of those rights. As we said in our previous disposition, the Cardozo appellants are entitled to "injunctive relief to protect their riparian and overlying water rights to the current and prospective reasonable and beneficial need for water on their respective properties. (*Tehachapi-Cummings County Water Dist. v. Armstrong, supra,* 49 Cal.App.3d 992, 1001.)" (Fn. omitted.) Since that portion of our judgment was affirmed, the trial court should follow this mandate on remand.", and;

Whereas, on remand, the Action was reassigned to the Honorable J. Michael Kaiser, Judge of the Superior Court; and

Whereas, following that assignment, the Cardozo Appellants filed a peremptory challenge against Judge Kaiser under *Code of Civil Procedure* §170.6; and

Whereas the peremptory challenge was denied; and

Whereas the Cardozo Appellants filed a Petition for Writ of Mandate in the Court of Appeal, Fourth Appellate District, Division Two where it is now pending; and

Whereas the Action has been referred to the Court of Appeals Settlement Conference program in the course of which the parties have participated in extensive settlement discussions under the guidance of the Honorable James D. Ward, Associate Justice of this Court, and

Whereas the parties have now arrived at a settlement which they believe is in the best interest of the parties hereto as well as the majority of other parties in the Mojave River Basin.

NOW THEREFORE, the parties hereto stipulate and agree as follows:

1. The Stipulating Parties shall deposit in Covington & Crowe LLP's client trust account, in such amounts as they shall among themselves determine, the total sum of $500,000.00 to be distributed to the Cardozo Appellants as hereinafter provided.

2. Said sum of $500,000.00 shall be divided among the Cardozo Appellants in such proportions as they shall determine.

3. Covington & Crowe LLP shall distribute said sum of $500,000.00 to the Cardozo Appellants upon Justice Ward approving this Stipulation for Settlement.

4. Upon distribution of said sum of $500,000.00, to the Cardozo Appellants, they shall cause their pending Petition for Writ of Mandate regarding the disqualification of Judge Kaiser to be dismissed.

5. The judgment after trial, filed January 10, 1996, shall be amended, paragraph 19(a) thereto to read as follows:

Special Provisions for the "Cardozo Appellants"

Pursuant to the direction of the California Supreme Court and the Court of Appeal, Niel DeVries, Virgil Gorman, Richard Leyerly, Geneva Leyerly, Jerry Osterkamp, David and Elizabeth Daily, Richard (Deceased) and Elaine Fitzwater, Robert T. and Barbara T. Older and Steve Older, collectively referred to as the "Cardozo Appellants" are, except as provided in this paragraph, excluded from this Judgment and they are not bound by any of the provisions of this judgment. As overlying owners, the Cardozo Appellants have the right to pump water from the ground underneath their respective lands for their current and prospective reasonable and beneficial need for water on their respective properties.

///

Therefore, the parties who stipulated to this Judgment are hereby enjoined and restrained from interfering with the Cardozo Appellants' ability to exercise their overlying water rights for their current and prospective reasonable and beneficial need for water on their respective properties.

If parties who stipulated to the Judgment are in full compliance with the Judgment, there shall be a rebuttable presumption that the Cardozo Appellants' water rights are not being interfered with.

Each individual Cardozo Appellant shall have the right at any time, by written election filed with the Court and served on the Mojave Water Agency to become a stipulating party to the Judgment. If such an election is made, that party shall be accorded that Base Annual Production shown on Table B-1 of Exhibit "B", subject to any rampdown then or thereafter in effect, but shall have no liability with respect to any assessments which were made, or which could have been made, before the date of the election.

The provisions of this paragraph are binding upon and inure to the benefit of not only the Cardozo Appellants, but as well to the respective heirs, executors, administrators, successors, assigns, lessees, licensees and to the agents, employees and attorneys-in-fact of any of the Cardozo Appellants.

6. This Stipulation for Settlement may be executed in counterparts. Each counterpart shall be deemed to be an original. All counterparts shall constitute but a single Stipulation for Settlement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 19th day of July, 2002.

STIPULATING PARTIES

State of California

Victor Valley Water District

Southern California Water Company

Hesperia Water District

Apple Valley Ranchos

Mojave Water Agency

Silver Lakes Association

Cemex

Mitsubishi Cement

CARDOZO APPELLANTS
By
COVINGTON & CROWE, LLP

Robert E. Dougherty
Attorneys for Cross-Defendants and Appellants Niel Devries, Virgil Gorman, Richard Leyerly, Geneva Leyerly, Jerry Osterkamp, David and Elizabeth Daily, Richard (Deceased) and Elaine Fitzwater, Robert T. and Barbara T. Older and Steve Older

ORDER

The foregoing "STIPULATION FOR SETTLEMENT . . ." is hereby approved. Pursuant to the stipulation:

1. The Stipulating Parties shall immediately deposit in the client trust account of Covington & Crowe, LLP, in such amounts as they shall among themselves determine, the total sum of $500,000.00 to be distributed among the Cardozo Appellants as they shall among themselves determine.

2. Upon the deposit of the $500,000.00 in the trust account, Covington & Crowe, LLP, on behalf of the Cardozo Appellants shall serve and file with the clerk of this court a request to dismiss the petition for writ of mandate filed in case No. E029791, entitled Neil Devries et al. v. Riverside County Superior Court (Mojave Water Agency et al.), thereby permitting the Hon. E. Michael Kaiser, Judge of the Riverside County Superior Court, to complete the superior court proceedings in the underlying case pursuant to the parties' stipulations.

3. Upon the filing of the order dismissing the petition in case No. E029791, a judgment shall be prepared incorporating the provisions of paragraph 19(a) as set forth in the "STIPULATION FOR SETTLEMENT . . . ." If it approves the judgment, the Riverside Superior Court shall execute and enter the judgment.

Dated: 8/6/02

Hon. James D. Ward
Associate Justice, Court of Appeal
Fourth District, Division Two