SEVENTH AMENDMENT TO AGREEMENT REGARDING ADDITIONAL EXTRACTIONS FROM THE SAN BERNARDINO BASIN AREA

This Seventh Amendment to Agreement Regarding Additional Extractions from The San Bernardino Basin Area is entered into between the San Bernardino Valley Municipal Water District, hereinafter called "VALLEY DISTRICT," and the Western Municipal Water District of Riverside County, hereinafter called "WESTERN."

RECITALS

On December 22, 1981, the parties hereto entered into an Agreement providing for additional extractions from the San Bernardino Basin Area by or on behalf of the City of Riverside, and by later amendment also the Riverside Highland Water Company, upon the terms and conditions specified therein. Paragraph 8 of said Agreement provides that it may be amended with mutual consent of the parties in writing, and the parties desire now to further amend said Agreement to provide for increased extractions for the calendar year 1994 only.

AGREEMENT

NOW, THEREFORE, IT IS AGREED by and between the parties hereto as follows:

1. Definition of Additional Extractions.

As used herein, the term "additional extractions" means any extractions of water by the plaintiffs in the action described in Paragraph 2, on page 1 of the December 22, 1981 Agreement in excess of the amounts permitted by the Judgment in such action; and with respect to entities other than the plaintiffs in such action, the term means any extractions of water in excess of the

total amount of water that can be produced without any replenishment obligation.

2. Amendment of Recitals.

Paragraph 1 on page 1 of the December 22, 1981 Agreement is amended to read as follows: A period of dry years and efforts to increase pumping in the high water table area have reduced water levels somewhat since 1985, and there has been a significant drop in the upper sub-basins of the San Bernardino Basin Area. In the pressure zone area near the San Jacinto Fault, however, there is still a localized condition of elevated water levels and a need for further dewatering measures.

3. Total Additional Extractions for 1994.

It is agreed that there is an existing temporary surplus of natural groundwater supply in the artesian zone of the San Bernardino Basin Area, and that it is in the public interest and in the interest of groundwater resources management that the production of water therefrom be increased during the calendar year 1994 by up to 25,000 acre feet of additional extractions.

4. Additional Extractions by Plaintiffs.

During the calendar year 1994, the plaintiffs may make additional extractions from the San Bernardino Basin Area for use within the Santa Ana River Watershed, but not outside thereof, in the following amounts:

City of Riverside	5,622	AF
Riverside Highland Water Co.	463	AF
Aqua Mansa and Meeks & Daley Water Companies	844	AF
Regents of University of California	58	AF

SEVENTH AMENDMENT Page 2

The foregoing amounts represent their respective shares of the total 25,000 acre feet of additional extractions, allocated in proportion to their shares of the safe yield of the San Bernardino Basin Area. VALLEY DISTRICT will make no charge for these additional extractions by plaintiffs.

5. Additional Extractions by Entities other than Plaintiffs.

During the calendar year 1994, entities other than the plaintiffs may make additional extractions from the San Bernardino Basin Area in the amount of 18,013 acre feet, which is their share of the total 25,000 acre feet of additional extractions, determined in proportion to their share of the safe yield of the San Bernardino Basin Area. The replenishment obligations provided in Paragraph X of the WESTERN Judgment shall not apply to such additional extractions, irrespective of the place of use of such water, provided that such water may not be exported outside the Santa Ana River Watershed.

6. Delivery of Additional Extractions to WESTERN.

During the calendar year 1994, WESTERN may take delivery of additional extractions of water provided for in Paragraph 5 hereof for use in meeting WESTERN's obligations under the terms of its May 22, 1991 exchange agreement with the Orange County Water District, or for direct delivery or exchange of water used by commercial agriculture within WESTERN in areas where little or no groundwater is available for irrigation purposes. WESTERN shall pay to VALLEY DISTRICT \$15 per acre foot for any water delivered to WESTERN hereunder. Such water shall be pumped and delivered through the facilities of the City of Riverside, and shall not

SEVENTH AMENDMENT Page 3

be charged as an additional extraction against the City, but shall reduce the amount otherwise available under Paragraph 5.

7. <u>Use in Calendar Year 1994 Only</u>.

Additional extractions are permitted hereunder for 1994 only. If not made in full or in part in 1994, they do not carry forward or give rights to make any additional extractions in future years.

Other Terms and Conditions.

This SEVENTH Amendment supersedes Paragraph 2 on page 4 of the December 22, 1981 Agreement and any prior amendments thereto or provisions thereof which are in conflict with this Amendment. All other provisions of the 1981 Agreement shall remain in effect.

DATED: March 2 , 1994

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Vice President

By.)))arcaset (litreflit
Secretary

WESTERN MUNICIPAL WATER DISTRICT OF RIVERSIDE COUNTY

By:

Secretary

Page 4