

ATTACHMENT ONE

SECTION A: NOTICE INFORMATION

3. Project Description

Applicants San Bernardino Valley Municipal Water District (“Valley District”) and Western Municipal Water District of Riverside County (“Western”) (collectively referred to as “Valley District and Western” or as “Applicants”) are regional water agencies that manage groundwater and surface water supplies in portions of San Bernardino and Riverside Counties. Valley District and Western have jointly filed two applications to appropriate up to 200,000 afy of water from the Santa Ana River for direct use and storage. The State Water Resources Control Board (“SWRCB”) held a hearing on the two applications in May 2007 and has not yet issued a draft decision. On February 21, 2008, the SWRCB issued Valley District and Western Temporary Urgency Permit No. 21212 (“Permit 21212”) and authorized the diversion of up to 45,000 af from the Santa Ana River. Pursuant to Permit 21212, Valley District and Western diverted 7,210 af during 2008. On January 6, 2009, the SWRCB issued Valley District and Western Temporary Urgency Permit No. 21232 for the diversion of up to 25,000 af from January 1, 2009 through June 29, 2009.

Valley District and Western are now requesting that the SWRCB extend Permit 21232 for the period of June 29, 2009 to September 30, 2009 due to the urgent need for water in Southern California. As described below, Valley District and Western seek to divert up to 1,000 af of water from the Santa Ana River for a season of diversion commencing on June 29, 2009. The season of diversion would conclude either on September 30, 2009 or on the date on which the SWRCB issues one or more permit(s) pursuant to Water Right Application Nos. 31165 and 31370, whichever is earlier. The rediversion of water by Valley District and Western pursuant to extended Permit 21232 would be junior to the rights of Bear Valley Mutual Water Company *et al.* (up to 88 cfs on a “run of the river” basis).¹ While the San Bernardino Valley Water Conservation District holds two licenses to Santa Ana River water, these licenses do not include rights to divert water from June 29 to September 30, and therefore the proposed diversion of 1,000 af will not interfere with these licenses. In the event that there is unappropriated water being released from Seven Oaks Reservoir in excess of the instantaneous demands/diversion capacity of Bear Valley Mutual Water Company *et al.*, Valley District and Western request that extended Permit 21232 expressly allow Valley District and Western to redivert such quantities of water so as to avoid the waste of water.

¹ It is important to note that the rediversion of water in the Santa Ana River channel between the Cuttle Weir and E Street may be accomplished without any interference with the rights of Bear Valley Mutual Water Company *et al.* because the moveable point of diversion described above is located downstream of the points of diversion used by Bear Valley Mutual Water Company *et al.* Thus, the rediversion of water at the moveable point of diversion will commence immediately upon approval of this application by the SWRCB.

In implementing the terms of extended Permit 21232, Valley District and Western will continue the informal arrangement with Orange County Flood Control District, Riverside County Flood Control and Water Conservation District, and San Bernardino County Flood Control District (collectively, the “Local Sponsors”) and the U.S. Army Corps of Engineers (the “Corps of Engineers”) under which the Corps of Engineers and the Local Sponsors will, within the scope of current flood control operations at Seven Oaks Dam, limit the rate of release of water detained in regulatory storage behind Seven Oaks Dam so as to allow Valley District and Western to divert the released water as follows: (i) diversion through the Cuttle Weir to the Santa Ana River Spreading Grounds under the settlement and easement agreement between Applicants and the Conservation District, which owns and operates the Cuttle Weir; (ii) percolation of water from the Santa Ana River channel into and replenishment of the San Bernardino Basin Area between the Cuttle Weir and E Street; and (iii) the diversion of water at the Auxiliary River Pickup or the Greenspot Forebay for the replenishment of the San Bernardino Basin Area.

The proposed diversion of water will occur by means of improved coordination of the operations of Seven Oaks Dam, the Cuttle Weir and percolation in the Santa Ana River channel. No new facilities will be constructed and there will not be any expansion of existing facilities. In particular, because the project anticipates the use of the Santa Ana River channel for recharge to the extent possible without the loss of water, Valley District and Western believe that the project represents an appropriate balancing of the needs of fish and wildlife resources and the urgent need of Southern California for groundwater replenishment.

4. Purpose of Use, Diversion/Storage Amount and Season

As described above, under extended Permit 21232 Valley District and Western would divert water regulated for flood control purposes by the Corps of Engineers and the Local Sponsors at Seven Oaks Dam between June 29, 2009 and September 30, 2009 as follows:

- (i) Valley District and Western would divert water from the Santa Ana River through the Cuttle Weir (see Exhibits B and C) at the current capacity of the Cuttle Weir (estimated to be 300 cfs, with a monthly spreading capacity of 12,000 af).
- (ii) Valley District and Western would divert water from the Santa Ana River at a moveable point of diversion located in the Santa Ana River channel between the Cuttle Weir and E Street (see Exhibit C). Diversion in the Santa Ana River channel would occur at a maximum rate of 38 cfs.
- (iii) Valley District and Western would divert water from the Santa Ana River at the Auxiliary River Pickup (see Exhibit B), thence at a rate of up to 55 cfs to the Redlands Aqueduct for spreading in Bear Valley Mutual Water Company *et al.*'s Airport and Judson Spreading Grounds and the Conservation District's Mill Creek ponds (see Exhibit C). In the alternative, water introduced into the Redlands Aqueduct could be conveyed through the Morton Canyon Pickup/Morton Canyon Connector to the SARC pipeline and thence to the Foothill Pipeline, again at a maximum rate of 55 cfs. Water delivered to the Foothill Pipeline would be spread at either the Sweetwater or the Waterman/East Twin Spreading Grounds (see Exhibit D). These spreading grounds are owned and operated by San Bernardino County Flood Control District, which allows Valley District to spread

water at these locations as long as such spreading operations do not interfere with flood control operations.

- (iv) Valley District and Western would also divert water that is in excess of the instantaneous demands of Bear Valley Mutual Water Company *et al.* at the Greenspot Forebay under the terms of a 1981 agreement with Southern California Edison. Such water would be conveyed at a rate of up to 100 cfs through the Greenspot Pipeline to the Mill Creek spreading grounds, which are owned by the Conservation District and are operated for the benefit of Bear Valley Mutual Water Company, the City of Redlands and several mutual water companies.

The total quantity of water diverted at these locations would therefore be 1,000 af and the maximum diversion rate would be approximately 500 cfs, which is the sum of the maximum diversion rates at the Cuttle Weir, the Santa Ana River channel, the Auxiliary River Pickup and the Greenspot Forebay. The allocation of spreading among these locations would be determined based on the availability and timing of water flows in the Santa Ana River, the operation of Seven Oaks Dam for flood protection, and the diversions by Bear Valley Mutual Water Company *et al.* As noted above, the diversion and spreading of water would be subject to the prior rights of Bear Valley Mutual Water Company *et al.* for up to 88 cfs on a “run of the river” basis, and would not conflict with any rights held by Conservation District.

Water diverted by the Applicants would be used to replenish groundwater supplies in the San Bernardino Basin Area (the groundwater aquifer that underlies much of the San Bernardino Valley). Water stored in the San Bernardino Basin Area is then extracted by a large number of pumps for domestic, irrigation, municipal and industrial, heat control, frost protection and recreation uses. Groundwater extracted from the San Bernardino Basin Area is delivered throughout the Applicants’ service areas.

5. Sources and Points of Diversion/Rediversion

See responses to Items 3 and 4 above. The coordinates for each POD/PORD are attached hereto as Exhibit E.

6. Water Availability

There is a historic pattern of summer thunderstorms in the San Bernardino Mountains. Although these storms are infrequent, they can produce significant quantities of water. In an abundance of caution, we wish to be able to capture this water if it becomes available. While the San Bernardino Valley Water Conservation District holds two licenses to divert Santa Ana River water, License Nos. 2831 and 2832, these licenses do not allow the diversion of water from June 29 to September 30. Consequently, the proposed diversion of 1,000 af will not interfere with these licenses. The proposed diversions under this application will be expressly subject to the rights of Bear Valley Mutual Water Company *et al.* to 88 cfs, as implemented under the 2004 Seven Oaks Accord.

7. Place of Use

As described above in Item 4, water rediverted by Valley District and Western at the Cuttle Weir will be spread in a number of locations in order to replenish the San Bernardino Basin Area. Under the terms of the *Western Judgment (Western Municipal Water District of Riverside County et al. v. East San Bernardino County Water District et al., Riverside County Superior Court No. 78426, April 17, 1969)*, agencies located within both Valley District and Western's service areas may extract water from the San Bernardino Basin Area for use within their respective service areas. Thus, the place of use of water rediverted by Valley District and Western includes all lands within the Applicants' service areas. A map of both service areas is attached hereto as Exhibit F.

8. Project Schedule

For purposes of extended Permit 21232, the project consists of Valley District and Western's use of existing facilities to redivert water from the Santa Ana River. Rediversions will commence upon approval by the State Water Resources Control Board of a permit under this application, subject to the senior water rights held by Bear Valley Mutual Water Company *et al.*, as determined under the 2004 Seven Oaks Accord. The licenses held by Conservation District do not include the season of diversion proposed under this application, and therefore the proposed diversion will not interfere with Conservation District's rights under these licenses. Diversions under a temporary permit will cease on the date on which the SWRCB issues one or more permit(s) pursuant to Water Right Application Nos. 31165 and 31370, or September 30, 2009, whichever is earlier.

SECTION B: MISCELLANEOUS DIVERSION INFORMATION

2. Diversion and Distribution Method

As noted above, water will be diverted at Seven Oaks Dam in a manner consistent with flood control operations of the Dam and then rediverted to underground storage at: (i) the Cuttle Weir, (ii) the moveable point of diversion in the Santa Ana River channel between the Cuttle Weir and E Street, (iii) the Auxiliary River Pickup, or (iv) the Greenspot Forebay. All diversions and rediversions will be by means of gravity. For additional details regarding underground storage, please see APP-UGSTOR.

3. Conservation and Monitoring

a. Water Conservation

As noted above, water diverted by Applicants will be used to replenish groundwater supplies in the San Bernardino Basin Area. Within Applicants' service areas, the extraction of groundwater from the San Bernardino Basin Area is under the control of local water agencies and municipalities, most of which are signatories to the California Urban Water Conservation Council MOU and/or are implementing the Best Management Practices recommended by the

Council. Both Valley District and Western have recently adopted integrated regional water management plans that include significant water conservation components.

The Western plan, which was adopted in October 2006, calls for encouraging further market penetration of ultra low flush toilets, high efficiency clothes washers and residential and commercial weather based irrigation controllers. In addition, Western is focusing on undertaking more in-depth measures relating to outdoor water conservation to allow smaller agencies to undertake cost-effective water conservation efforts.

The Valley District plan, which was adopted in December 2007 and includes the entire Upper Santa Ana River watershed, concludes that Best Management Practices 5 (Large Landscape Conservation Programs), 9 (Conservation Programs for Commercial, Industrial and Institutional) and 14 (Residential Ultra-Low Flush Toilet Replacement) have the greatest conservation potential. The plan calls for a regional water conservation feasibility study to develop conservation programs for implementation, a water conservation demonstration garden, a "smart" irrigation controller program and a model institutional water conservation makeover. Valley District will be taking a lead role in all of these projects.

b. Monitoring

Water released from Seven Oaks Dam is measured through the use of USGS Gage Nos. 11051499 (Santa Ana River at Mentone) and 11051502 (Santa Ana River Auxiliary Diversion). Water rediverted at the Cuttle Weir is measured through a Parshall flume in the diversion channel. Applicants have determined, through the use of modeling and field observations, that approximately 38 cfs is required to create hydraulic continuity between the Cuttle Weir and E Street (the approximate boundary of the San Bernardino Basin Area). The SWRCB approved a monitoring program to verify the amount of such spreading on April 8, 2008; Valley District and Western would propose to use the same procedures to verify such spreading under extended Permit 21232. The remaining spreading grounds (Sweetwater, Waterman/East Twin, Airport, Judson and Mill Creek) are each measured through totalizing flow meters, calibrated weirs or other similar equipment.

In addition, extractions from the San Bernardino Basin Area are monitored and reported to the Division of Water Rights pursuant to Water Code Section 4999 et seq. and are subsequently summarized and reported in the Annual Reports of Western-San Bernardino Watermaster. Valley District and Western anticipate that these annual reports will account for the diversion and spreading of water pursuant to the temporary permit.

4. Right of Access

On March 31, 2008, Valley District, Western and the Conservation District entered into an agreement that allowed for the use of the Conservation District's spreading grounds during 2008. A copy of that agreement is attached as Exhibit G. Valley District and Western hope that a similar agreement will govern operations of an extended Permit 21232.

In terms of the facilities owned/operated by Bear Valley Mutual Water Company *et al.*, Valley District contacted a representative of Bear Valley Mutual Water Company on October 22, 2008 and confirmed during that phone call that Bear Valley Mutual Water Company would consent to

the use of its facilities to spread water during 2008/09. In terms of the facilities owned/operated by the San Bernardino County Flood Control District, Valley District has a longstanding arrangement that allows Valley District to spread water at spreading basins owned/operated by the San Bernardino County Flood Control District, provided that Valley District does not interfere with flood control operations.

5. Existing Water Rights and Related Filings

c. Valley District and Western have jointly filed two applications to appropriate water from the Santa Ana River: (i) Application No. 31165, filed initially on September 27, 1991 (amended May 31, 1995), was processed after SWRCB Order WR 2000-12, which lifted the Declaration of Fully Appropriated Stream Systems for the Santa Ana River, and publicly noticed on January 11, 2002; and (ii) Application No. 31370, filed May 21, 2001 and publicly noticed on January 31, 2003. Together, these applications seek the right to divert up to 200,000 afy of local water to help meet anticipated demands. The SWRCB held a hearing on May 2, 3, 4, 7 and 8, 2007 on these applications, and has not yet released a draft decision.

SECTION C: ENVIRONMENTAL INFORMATION

3. Environmental Documents

d. The project is exempt from review under the California Environmental Quality Act pursuant to 14 Cal. Code Regs. § 15301 (operation of existing facilities) because the project relies on improving the coordinated use of existing facilities within their current capacities rather than new facilities. As noted above, Seven Oaks Dam will be operated within the scope of existing procedures for flood control operations, rediversions at the Cuttle Weir will be made within the scope of current diversion capacity, percolation at the moveable point of rediversion in the Santa Ana River channel will occur without alteration of the river channel, and the conveyance and spreading at the Sweetwater, Waterman/East Twin, Airport, Judson and Mill Creek spreading grounds will also be made within the scope of existing operational practices and without the construction of new facilities.