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General Manager Secretary Rick Gilmore August 13, 2015

Ms. G.F. Duerig

General Manager

Alameda County Flood Control and Water Conservation District – Zone 7 100 North Canyons Parkway Livermore, CA 94551-9486

Subject: 2015 Water Exchange Between Zone 7 and Byron Bethany Irrigation

District.

Dear Ms. Duerig:

First of all, on behalf of the Board of Directors of the Byron Bethany Irrigation District (BBID or District), I would like to thank you and your staff, along with the Zone 7 Board of Directors, for all of your collective effort in assisting the District with securing a supplemental source of water supply for 2015.

As you are aware, our latest effort involved a water exchange of local water captured and stored in Lake Del Valle at a 1.5 to 1 exchange ratio.

Unfortunately, BBID cannot agree to the onerous terms expressed by the Department of Water Resources in the "Exchange Agreement among the Department of Water Resources of the State of California, Alameda County Flood Control and Water Conservation District, Zone 7 and Byron Bethany Irrigation District." The demands of the Department of Water Resources basically defeated the primary purpose of the Zone 7/BBID exchange.

Therefore, due to the circumstances described above, the District is withdrawing our request for a water exchange.

Again, BBID truly appreciates Zone 7's effort, and Alameda County Water District's as well.

Very Truly Yours,

Byron Bethany Irrigation District

Rick Gilmore General Manager