

1 of use by that party" include such extractions and cessations by any predecessor or predecessors  
2 in interest.

3 "Basin Operating Reserve" means a total of 110,000 acre feet of Available Dewatered  
4 Space available for Basin operations as provided in Section IV(L). The Basin Operating Reserve  
5 added to the Adjudicated Storage Capacity equals the amount of Available Dewatered Space.

6 "Calendar Year" is the twelve month period commencing January 1 of each year and  
7 ending December 31 of each year.

8 "Carryover" is defined in Section III(A).

9 "Carryover Conversion" means the process of transferring water properly held as  
10 Carryover into Stored Water, or the water so converted to Stored Water.

11 "Central Basin" is the underground basin or reservoir underlying the Central Basin Area,  
12 the exterior boundaries of which Central Basin are the same as the exterior boundaries of Central  
13 Basin Area.

14 "Central Basin Area" is the territory described in Appendix "1" to this Judgment and is a  
15 segment of the territory comprising Plaintiff District.

16 "Central Basin Water Rights Panel" means the constituent body of Watermaster  
17 consisting of seven (7) Parties elected from among parties holding Allowed Pumping Allocations  
18 as provided in Section II(B).

19 "CEQA" refers to the California Environmental Quality Act, Public Resources Code  
20 §§ 21000 *et seq.*

21 "Community Storage Pool" is defined in Section IV(E).

22 "Declared Water Emergency" means a period commencing with the adoption of a  
23 resolution of the Board of Directors of WRD declaring that conditions within the Central Basin  
24 relating to natural and imported supplies of water are such that, without implementation of the  
25 water emergency provisions of this Judgment, the water resources of the Central Basin risk  
26 degradation. Such Declaration may be made as provided in Section III(A)(3).

27 "Disadvantaged Community" means any area that is served by a Water Purveyor and that  
28 consists of one or more contiguous census tracts which, based upon the most-recent United

1 States Census data, demonstrates a median household income which is less than eighty percent  
2 (80%) of the median household income for all Census Tracts within the state of California. The  
3 identification of Disadvantaged Communities shall be made by Watermaster following each  
4 decennial census.

5 "Extraction," "extractions," "extracting," "extracted," and other variations of the same  
6 noun and verb, mean pumping, taking, diverting or withdrawing groundwater by any manner or  
7 means whatsoever from Central Basin.

8 "Imported Water" means water brought into Central Basin Area from a non-tributary  
9 source by a party and any predecessors in interest, either through purchase directly from  
10 Metropolitan Water District of Southern California ("MWD"), the Central Basin Municipal  
11 Water District ("CBMWD"), or any other MWD member agency and additionally, as to the  
12 Department of Water and Power of the City of Los Angeles, water brought into the Central Basin  
13 Area by that party by means of the Owens River Aqueduct. In the case of water imported for  
14 storage by a party pursuant to this Judgment, "Imported Water" means water brought into the  
15 Central Basin from any non-tributary source as one method for establishing storage in the  
16 Central Basin.

17 "Imported Water Use Credit" is the annual amount, computed on a calendar year basis, of  
18 Imported Water which any party and any predecessors in interest, who have timely made the  
19 required filings under Water Code Section 1005.1, have imported into Central Basin Area in any  
20 calendar year and subsequent to July 9, 1951, for beneficial use therein, but not exceeding the  
21 amount by which that party and any predecessors in interest reduces his or their extractions of  
22 groundwater from Central Basin in that calendar year from the level of his or their extractions in  
23 the preceding calendar year, or in any prior calendar year not earlier than the calendar year 1950,  
24 whichever is the greater.

25 "Individual Storage Allocation" is defined in Section IV(D).

26 "Majority Protest" means a written protest filed with the Administrative Body of  
27 Watermaster within sixty (60) days following a protested event or decision, which evidences the  
28 concurrence of a majority of the Allowed Pumping Allocations held within the Basin as of the



1 WRD shall not acquire Central Basin water rights, nor lease Central Basin water  
2 or water rights to or from any Party or third party. However, the foregoing shall (i) not be  
3 interpreted to restrict WRD's ability or authority to acquire water from any source for  
4 purposes of Artificial or Natural Replenishment or for water quality activities, and (ii)  
5 not restrict WRD's authority under California Water Code Section 60000 et seq. to  
6 develop reclaimed, recycled or remediated water for groundwater replenishment  
7 activities.

8 H. Regional Disadvantaged Communities Incentive Program.

9 The Water Rights Panel, acting through the General Manager of WRD, shall  
10 develop a Regional Disadvantaged Communities Incentive Program, pursuant to which a  
11 portion of the Community Storage Pool is reserved for the benefit of Disadvantaged  
12 Communities within the Central Basin. Nothing in this Judgment, nor the establishment  
13 of such a program, shall diminish the rights otherwise granted to Parties under this  
14 Judgment, including but not limited to the right to place water in storage in the  
15 Community Storage Pool. The Water Rights Panel shall meet within thirty (30) days of  
16 its formation to identify and consider potential third-party independent consultants who  
17 may be retained to design the program, including those recommended by the General  
18 Manager of WRD. The Water Rights Panel shall select a consultant within thirty (30)  
19 days thereafter. In the event the General Manager of WRD objects to the selected  
20 consultant, in writing, then the Water Rights Panel and the General Manager of WRD  
21 shall exchange a list of no more than two (2) consultants each for further consideration.  
22 If the Water Rights Panel and the General Manager of WRD are unable to agree to a  
23 consultant within an additional thirty (30) days, then the Chair of the Water Rights Panel  
24 shall file a request with the Court for an order appointing a consultant. Upon selection of  
25 a third-party independent consultant, whether through the Water Rights Panel process or  
26 the court process identified herein, the consultant shall design a detailed program and  
27 deliver it to the Water Rights Panel within ninety (90) days of the consultant's retention.  
28 All costs associated with design of the program shall be paid for out of the Water Rights

1 Panel's assessment, as provided in Section II.B(2). The Water Rights Panel shall present  
2 the program to the Court for its review and approval within one year of entry of this  
3 Third Amended Judgment. If approved by the Court, the Water Rights Panel, acting  
4 through the General Manager of WRD, shall be responsible for administration of the  
5 Regional Disadvantaged Communities Incentive Program, including insuring that any  
6 funds generated through the program benefit Disadvantaged Communities. Any Storage  
7 Project established pursuant to this Program shall have priority to use up to 23,000 acre-  
8 feet of Available Storage within the Community Storage Pool, as further provided in  
9 Section IV.E(2). Watermaster shall report to the Court concerning such program as a  
10 part of its annual report.

11  
12 III. PROVISIONS FOR PHYSICAL SOLUTION TO MEET THE WATER  
13 REQUIREMENTS IN CENTRAL BASIN.

14 In order to provide flexibility to the injunction set forth in Part I of the Judgment, and to  
15 assist in a physical solution to meet water requirements in Central Basin, the injunction so set  
16 forth is subject to the following provisions.

17 A. Carryover of Portion of Allowed Pumping Allocation.

18 (1) Amount of Carryover.

19 Each party adjudged to have a Total Water Right or water rights and who,  
20 during a particular Administrative Year, does not extract from Central Basin a  
21 total quantity equal to such party's Allowed Pumping Allocation for the particular  
22 Administrative Year, less any allocated subscriptions by such party to the  
23 Exchange Pool, or plus any allocated requests by such party for purchase of  
24 Exchange Pool water, is permitted to carry over (the "One Year Carryover") from  
25 such Administrative Year the right to extract from Central Basin in the next  
26 succeeding Administrative Year so much of said total quantity as it did not extract  
27 in the particular Administrative Year, not to exceed (i) the Applicable Percentage  
28 of such party's Allowed Pumping Allocation for the particular Administrative



1 space in a particular classification is fully occupied then, on a "space available" basis, to  
2 available space within the other classifications of Adjudicated Storage Capacity and,  
3 only then, to available space within Basin Operating Reserve.

4 The Court further finds and determines that, out of the Available Dewatered  
5 Space, there is 110,000 acre feet that should be set aside for use by WRD as a Basin  
6 Operating Reserve, provided in Section IV(L), and subject to temporary occupancy by  
7 Stored Water as permitted hereunder.

8 No storage of water shall occur in the Basin except in conformity with this  
9 Judgment.

10 D. Individual Storage Allocation.

11 Each Party having an adjudicated groundwater extraction right hereunder shall  
12 have a priority right to store water in an Individual Storage Account, through conversion  
13 of Carryover to Stored Water as provided herein, or by any means authorized by this  
14 Judgment, up to a maximum of 50% of such party's Allowed Pumping Allocation. The  
15 cumulative quantity of Adjudicated Storage Capacity subject to individual storage  
16 allocation is 108,750 acre-feet. In recognition of prior importation of water which was  
17 introduced into the Basin as Stored Water, and which has not yet been extracted, the  
18 Court finds and determines that, as of the date of this Order, the following Parties have  
19 occupied a portion of their respective Individual Storage Allocations and have all  
20 associated rights therein, as follows:

21 City of Long Beach:	13,076.8 acre-feet
22 City of Lakewood:	500 acre-feet
23 City of Downey:	500 acre-feet
24 City of Cerritos	500 acre-feet

25 E. Community Storage; Regional Disadvantaged Communities Incentive  
26 Program.

27 In addition to Individual Storage Allocation, a Party that has fully occupied its  
28 Individual Storage allocation may, on a first in time, first in right basis (subject to the

1 limits expressed below) place water into storage in the "Community Storage Pool." The  
2 cumulative quantity of Adjudicated Storage Capacity allocated to Community Storage  
3 shall be 111,250 acre-feet. So long as there is available capacity in the Community  
4 Storage Pool, any Party may store water in the Community Storage Pool through  
5 conversion of Carryover to Stored Water as provided herein, or by any other means  
6 authorized by this Judgment, provided such Party has first fully occupied that party's  
7 available Individual Storage Allocation.

8 (1) Parties to this Judgment which, as of January 1, 2013, held  
9 Allowed Pumping Allocation of not greater than 5,000 acre-feet shall have a first  
10 priority right to occupy, in the aggregate, up to 10,000 acre-feet of storage space  
11 within the Central Basin Community Storage Pool, on the basis of first in time,  
12 first in right.

13 (2) Water stored pursuant to the Regional Disadvantaged  
14 Communities Incentive Program shall have a second priority right to occupy up to  
15 23,000 acre-feet within the Community Storage Pool, on such terms as shall be  
16 determined by the Court.

17 (3) Any further storage in excess of the maximum quantity of  
18 Community Storage will be on a "space-available" interim basis. From time to  
19 time, and on a "space-available" basis, the total quantity of water available for  
20 storage is permitted to exceed Adjudicated Storage Capacity for the Community  
21 Storage Pool on an interim basis. This interim storage may occur if storage  
22 capacity exists as a result of unused Adjudicated Storage Capacity within other  
23 classifications, or available space exists in the Basin Operating Reserve. Such  
24 interim storage, however, is subject to priority rights to such Dewatered Space as  
25 provided in this Judgment. A party that seeks to convert the water temporarily  
26 held in interim storage to a more firm right, may contract for the use of another  
27 party's Individual Storage Allocation, or may add such water to the Community  
28 Storage Pool once space therein becomes available.