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BOYLE ENGINEERING CORP.
Consulting Engineers

August 29, 2005

John Foth, Engineering Manager
California Water Service Company
2632 West 23rd Street
Torrance, Ca 90505

Re: Ritter Ranch Development

Dear Mr. Foth:

The Antelope Valley-East Kern Water Agency (AVEK) has contracted with the State of California to receive imported water from the State Water Project. AVEK takes imported water from the Project to the extent that it may be available and supplies it on a wholesale basis to retail water purveyors to help supplement their local groundwater supplies. AVEK itself does not have access to the groundwater, and in fact does not own or operate a single well. AVEK merely supplies imported water, as and when available, to other retail purveyors which do have access to local groundwater supplies.

The quantity of imported water available to AVEK for sale to other retail purveyors can vary dramatically from one year to the next. The State Water Project's reliability report, prepared by the California Department of Water Resources, provides that in some years the State Water Project may be able to deliver almost 100% of AVEK's contract amount to AVEK, but in other years may not be able to deliver any more than 5% of AVEK's contract amount. A 5% allocation in any given year would not be nearly enough water to satisfy the requests from AVEK's customers for supplemental water in that year, so those customers must have alternate sources of water available for use in years when imported water supplies are not available. For the reason, AVEK's contract with its customers specifically provides that AVEK's supply is only supplemental to that purveyor's primary source of supply.

AVEK does encourage use of imported SWP water whenever it is available to conserve groundwater.

Sincerely,


Russell E. Fuller
General Manager

Subj: **Water availability**
Date: **8/17/2005 3:52:19 PM Pacific Standard Time**
From: **JFoth@calwater.com**
To: **avekwa@aol.com**

Attn: Russ Fuller

Russ,

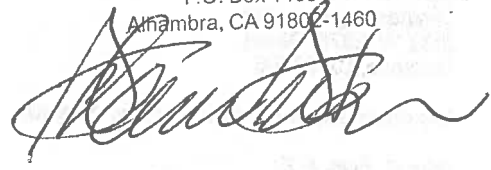
Address to send the letter we discussed concerning the Ritter Ranch development.

California Water Service Company
Attn: John R. Foth
Engineering Manager
2632 W. 237th Street
Torrance, CA 90505

Any questions, please contact me. Thanks.

John R. Foth, P.E.
Engineering Manager
Southern California
California Water Service Company
(310) 257-1475
(310) 325-4691 fax
jfoth@calwater.com

LOS ANGELES COUNTY WATERWORKS DISTRICTS
Department of Public Works
P.O. Box 1460
Alhambra, CA 91802-1460

A handwritten signature in black ink, appearing to be "K. Smith", written over the address information.