

**MEMORANDUM OF UNDERSTANDING
TO SECURE AND FIRM UP WATER SUPPLIES IN THE ANTELOPE
VALLEY**

7th This MEMORANDUM OF UNDERSTANDING ("MOU") is made and entered into this day of December, 2004 by and between the Los Angeles County Waterworks District No. 40, Antelope Valley ("District") and the Antelope Valley East Kern Water Agency ("AVEK").

RECITALS.

WHEREAS, AVEK obtains its water through a service contract with the State of California Department of Water Resources which enables AVEK to deliver water from the State Water Project to a variety of customers, including retail water providers within the boundaries of AVEK; and

WHEREAS, the District obtains its water supplies from AVEK and also from the local groundwater basin; and

WHEREAS, AVEK's State Water Project allocation from the State in any given year is subject to fluctuations based on weather conditions; and

WHEREAS, the District's supply of water from AVEK is therefore unreliable because it is subject to fluctuations from year to year depending on said allocation of water to AVEK from the State; and

WHEREAS, the District's local groundwater supply is limited; and

WHEREAS, the District needs greater reliability in its water supplies to serve the District's current customers and to plan for future customers; and

WHEREAS, AVEK and the District wish to institute the measures contained in this MOU to help secure and firm up water supplies for the District and the Antelope Valley in general, including to plan and allow for future customers.

TERMS AND CONDITIONS.

NOW, THEREFORE, the parties hereby agree that:

- I. AVEK will work in concert with the District and with other customers of AVEK to secure and firm up water supplies for the current and future needs of the Antelope Valley region through the development and implementation of an Urban Water Management Plan ("UWMP") that will include, but not be limited to:

- A. increasing water supplies;
- B. promoting conjunctive use of groundwater and imported water supplies;

- C. increasing water treatment plant capacity;
 - D. promoting and expanding the use of recycled water;
 - E. implementing water conservation best management practices by all users;
 - F. increasing water storage capabilities;
 - G. increasing availability of groundwater supplies by recharging the groundwater basin; and
 - H. developing a water banking system whereby the District and other AVEK customers will be able to purchase and store imported water during "wet" years and retrieve it during "dry" years.
- II. AVEK will continue to supply the imported water needs of the District and AVEK's other customers by:
- A. To the extent allowed by law, providing the District and other AVEK customers with their pro-rata share of State Water Project water allocated to AVEK each year, based upon their previous year's use of State Water Project water allocated to AVEK. The foregoing applies in the event that AVEK is not able to obtain sufficient imported water to supply all requests for such water by AVEK customers in any year;
 - B. Using best efforts to secure additional water supplies as may be needed by the District and other AVEK customers from sources other than AVEK's State Water Project allocation. It is understood that the District and other AVEK customers will reimburse AVEK for AVEK's additional costs of securing the additional water; and
 - C. Making available to the District and to other AVEK customers AVEK's unused State Water Project allocation and other water obtained by AVEK after the annual requested consumptive needs of AVEK's customers have been satisfied. If customer requests for such water in any year exceed the available supply, the unused water will be apportioned among those customers.
- III. AVEK, the District and other AVEK customers will be responsible for developing and implementing rate/fee schedules to satisfy the needs identified in the UWMP.
- IV. The understandings set forth in this Memorandum are declarative of AVEK's policy to be applied equitably to all of AVEK's customers.
- V. This Memorandum shall have a term of five years, unless earlier extinguished or extended by written instrument executed by both the District and AVEK.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be executed by their respective officers, duly authorized by Los Angeles County Waterworks District No. 40, Antelope Valley, on _____, 2004, and by the Antelope Valley-East Kern Water Agency on 12-7, 2004.

AVEK:

ANTELOPE VALLEY-EAST KERN
WATER AGENCY

By *Keith Ryan*
President

DISTRICT:

LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 40,
ANTELOPE VALLEY



By *Gloria Molina*
Chair, Board of Supervisors of the
County of Los Angeles, governing
body thereof

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer of the
Board Of Supervisors of the
County of Los Angeles

By *[Signature]*
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
COUNTY COUNSEL

By *[Signature]*

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 "D. M. [unclear]", written over the printed address.