STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF WATER RIGHTS

RIGHT TO DIVERT AND USE WATER

APPLICATION 30497B01 PERMIT 20905B01 LICENSE 13868A

Right Holder: Clint Eastwood and Margaret Eastwood Trust
7145 Carmel Valley Road
Carmel, CA 93923

The State Water Resources Control Board (State Water Board) authorizes the diversion and use of water by the right holder in accordance with the limitations and conditions herein SUBJECT TO PRIOR RIGHTS. The priority of this right dates from December 4, 1995. This right is issued in accordance with the State Water Board delegation of authority to the Deputy Director for Water Rights (Resolution 2012-0029) and the Deputy Director for Water Rights redelegation of authority dated July 6, 2012. This right and License 13868B jointly supersede any previously issued right on Application 30497B. The right holder has made proof, to the satisfaction of the State Water Board, of the quantities of water put to beneficial use during the authorized development schedule.

The Deputy Director for Water Rights finds that: (a) the change will not operate to the injury of any lawful user of water; (b) good cause has been shown for the change; (c) the petition does not constitute the initiation of a new right; and (d) the State Water Resources Control Board (State Water Board) has made the required findings pursuant to the California Environmental Quality Act (CEQA) or the project is exempt from CEQA.

The State Water Board has complied with its independent obligation to consider the effect of the proposed change on public trust resources and to protect those resources where feasible. (National Audubon Society v. Superior Court (1983) 33 Cal.3d 419 [189 Cal.Rptr. 346, 658 P.2d 709].)

Right holder is hereby granted a right to divert and use water as follows:

1. Source of water: Carmel River (Subterranean Stream)

   tributary to: Pacific Ocean

   within the County of Monterey

THE POINT OF DIVERSION OF SUCH WATER IS LOCATED:

<table>
<thead>
<tr>
<th>By California Coordinate System of 1983 in Zone 4</th>
<th>40-acre subdivision of public land survey or projection thereof</th>
<th>Section (Projected) *</th>
<th>Township</th>
<th>Range</th>
<th>Base and Meridian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastwood/Odello Well 1: North 2,091,022 feet and East 5,709,377 feet</td>
<td>SE¼ of SW¼</td>
<td>18*</td>
<td>16S</td>
<td>1W</td>
<td>MD</td>
</tr>
<tr>
<td>Eastwood/Odello Well 2: North 2,091,640 feet and East 5,706,710 feet</td>
<td>SE¼ of SE¼</td>
<td>13*</td>
<td>16S</td>
<td>1W</td>
<td>MD</td>
</tr>
<tr>
<td>Cal-Am* Cañada No. 2 Well: North 2,091,940 feet and East 5,715,090 feet</td>
<td>NE ¼ of SW ¼</td>
<td>17*</td>
<td>16S</td>
<td>1E</td>
<td>MD</td>
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</tbody>
</table>
3. Purpose of use | 4. Place of use | Section (Projected)* | Township | Range | Base and Meridian | Acres |
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<tbody>
<tr>
<td>Municipal</td>
<td>Irrigation</td>
<td>Eastwood Lands</td>
<td>SW ¼ of SE ¼</td>
<td>13</td>
<td>16S</td>
<td>1W</td>
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<td></td>
<td></td>
<td></td>
<td>SE ¼ of SE ¼</td>
<td>13</td>
<td>16S</td>
<td>1W</td>
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<td></td>
<td></td>
<td></td>
<td>NW ¼ of NE ¼</td>
<td>24</td>
<td>16S</td>
<td>1W</td>
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<td>NW ¼ of NW ¼</td>
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<td>16S</td>
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<td>16S</td>
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<td>Total</td>
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</table>

526 acres within City of Carmel portion of California American Water Company Service Area, as shown on map dated June 19, 2013

Eastwood service area as shown on map dated June 20, 2012

Acronyms used in this right: Monterey Peninsula Water Management District – District
California Department of Fish and Wildlife – CDFW
National Marine Fisheries Service – NMFS
California-American Water Company – Cal-Am

5. The water appropriated under this right shall be limited to the quantity which can be beneficially used and shall not exceed **0.37 cubic foot per second to be diverted from January 1 to December 31 of each year.** The maximum amount diverted under this right shall not exceed **85.6 acre-feet per year.**

(000005A)

6. The records of water use under this right, License 13868B and license issued pursuant to Permit 20905A (Application 30497A) shall be separately kept and separately reported electronically to the State Water Board for each license. In addition, right holder shall separately document diversions for each authorized point of diversion on the electronic report of water diversion and use (by attachment).

(0090700)

7. For the Eastwood/Odello points of diversion, right holder shall install and maintain devices satisfactory to the State Water Board to measure the instantaneous rate of diversion and
cumulative quantity of water diverted under this license. A record of such measurements shall be maintained by the right holder, and made available to interested parties upon reasonable request. A copy of the records shall be submitted to the State Water Board with the electronic report of water diversion and use.

8. For the Cal-Am points of diversion, right holder is not authorized to divert water until a method for measuring diversions and documenting that diversions do not exceed the licensed water right is submitted to the Division, subject to modification and approval by the Deputy Director for Water Rights. A record of such measurements shall be maintained by the right holder, and made available to interested parties upon reasonable request. A copy of the records shall be submitted to the State Water Board with the electronic report of water diversion and use.

9. Right holder is not authorized to divert water at the Cal-Am points of diversion for use within the Cal-Am service area except in compliance with Order WR 2009-0060, until and unless the State Water Board determines that water diverted under this right is not subject to Ordering paragraphs 2 and 3.(a)(5) of Order WR 2009-0060, or Order WR 2009-0060 has terminated as provided therein.

10. Right holder shall curtail or cease diversions authorized by this right at the Cal-Am points of diversion when notified by the State Water Board that diversions under this right are causing the cumulative maximum average daily diversion rate downstream of River Mile 17.6 to exceed 80 cubic feet per second (cfs), as stipulated in Table 9 of NMFS (2002) report. The State Water Board may issue such notification on its own motion, or upon being advised by CDFW, NMFS or the District that the 80 cfs diversion limit has been, or is likely to be, met during a specific time period. Any evaluation of whether diversions must be curtailed or ceased under this right because the 80 cfs diversion limit has been met shall consider the priority of Application 30497B01, as compared to the priorities of other diverters' rights. If diversions under this right are curtailed or ceased under this term, then diversions under this right may resume, up to the face value of the right, once such diversions no longer result in exceedance of the 80 cfs limit.

11. Right holder shall make available to California American Water Company (Cal-Am) a site and/or easements, located at the easterly end of the Eastwood property shown on the map filed with Application 30497B01, for the purposes of installing, maintaining and operating a well for the diversion of water as well as a site or a location for a treatment plant. Right holder shall also grant Cal-Am reasonable access to the site for the installation, maintaining, and operating a well for the diversion of water as well as a treatment plant. Right holder shall not object to pumping by Cal-Am for discharge into the Carmel River for delivery to the lagoon. Any pumping by Cal-Am shall, however, be pursuant to its own water rights, and shall not reduce the amount of water granted to right holder under this right or interfere with the exercise of right holder's rights under this right.

12. The protestants to approval of Application 30497 shall be included in the mailing list for the notice of any Change Petitions which are filed for this right. The right holder shall request that the State Water Board not take final action upon any Change Petition sooner than six-months after the date of notice of the Change Petition.

13. This right is senior to Permits 20808A, 20808B, and 20808C (and any further division of Permit 20808) of the District, provided that the water diverted under this license is used only on lands located within the Carmel River watershed and the other provisions of Condition 10 of Decision 1632 are complied with. Any priority obtained for this license by virtue of Condition 10 of Decision 1632 shall be void for the amount of water under this license which is used on lands outside the Carmel River watershed.
Licensee shall maintain separate monthly accountings of the amounts of water that are diverted under this license and used within and outside the Carmel River watershed and shall include reports of these accountings with the electronic report of water diversion and use. Once right holder initially serves lands outside the Carmel River watershed, failure to submit to the State Water Board documentation of the quantities used outside the watershed in any year shall result in loss of the seniority afforded by this condition.

14. During the season specified in this right, the total quantity and rate of water diverted and used under this right and right holder’s claimed existing right for the Eastwood place of use specified in this right, shall not exceed the quantity and rate of diversion and use specified in this right. To the extent that the right holder claims riparian, overlying, pre-1914 appropriative or other rights to use the water covered by this right, the right holder shall not be entitled to water in excess of the amount authorized in this right. Any priority obtained for a right by virtue of condition 10 of Decision 1632 shall be void if the right holder and/or others divert more water under the right and claimed underlying rights than is authorized on the face of the license; however, the priority shall not be voided for the diversion of deminimis amounts which can reasonably be attributed to operational uncertainties.

Insofar as the right holder complies with this condition, this right is senior to District Permits 20808A, 20808B, and 20808C (and any further division of Permit 20808) issued pursuant to Applications 27614A, 27614B and 27614C and any licenses issued thereon.

Right holder shall forfeit all rights under this right if right holder transfers all or any part of the claimed existing right for the place of use covered by this right to another place of use without the prior approval of the State Water Board.

Right holder shall take and use water under the existing right claimed by right holder only in accordance with the law.

15. This right shall be subject to the rationing requirements of the District, in frequency and percentage no greater than required of consumers in the Cal-Am water distribution system in times of water supply shortage caused by drought.

16. Right holder shall remain subject to all lawful Ordinances of the District.

17. Upon 48 hours advance notice by the CDFW, right holder shall minimize or cease, if required, agricultural pumping for a single period not to exceed 48 hours in any 30 day period to assist CDFW to mitigate adverse flow conditions to benefit the public trust fish and wildlife resources of the Carmel River.

18. If CDFW determines that irrigation of the riparian corridor on the Eastwood lands is necessary and irrigation is not performed by the District, Cal-Am or the County of Monterey the right holder shall be responsible for this irrigation and maintenance. CDFW shall inform the right holder of the section of the riparian corridor located on the Eastwood lands which requires irrigation.

THIS RIGHT IS ALSO SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

A. Right holder is on notice that: (1) failure to timely commence or complete construction work or beneficial use of water with due diligence, (2) cessation or partial cessation of beneficial use of water, or (3) failure to observe any of the terms or conditions of this right, may be cause for the
State Water Board to consider revocation (including partial revocation) of this right. (Cal. Code Regs., tit. 23, § 850.)

B. Right holder is on notice that when the State Water Board determines that any person is violating, or threatening to violate, any term or condition of a right, the State Water Board may issue an order to that person to cease and desist from that violation. (Wat. Code, § 1831.)

C. Right holder is not authorized to make any modifications to the location of diversion facilities, place of use or purposes of use, or make other changes to the project that do not conform with the terms and conditions of this right, prior to submitting a change petition and obtaining approval of the State Water Board.

D. Right holder shall maintain records of the amount of water diverted and used under this right to enable the State Water Board to determine the amount of water that has been applied to beneficial use.

E. Right holder shall promptly submit any reports, data, or other information that may reasonably be required by the State Water Board, including but not limited to documentation of water diversion and use under this right and documentation of compliance with the terms and conditions of this right.

F. No water shall be diverted under this right unless right holder is operating in accordance with a compliance plan, satisfactory to the Deputy Director for Water Rights. Said compliance plan shall specify how right holder will comply with the terms and conditions of this right. Right holder shall comply with all reporting requirements in accordance with the schedule contained in the compliance plan.

G. Right holder shall grant, or secure authorization through right holder’s right of access to property owned by another party, the staff of the State Water Board, and any other authorized representatives of the State Water Board the following:
   1. Entry upon property where water is being diverted, stored or used under a right issued by the State Water Board or where monitoring, samples and/or records must be collected under the conditions of this right;
   2. Access to copy any records at reasonable times that are kept under the terms and conditions of a right or other order issued by State Water Board;
   3. Access to inspect at reasonable times any project covered by a right issued by the State Water Board, equipment (including monitoring and control equipment), practices, or operations regulated by or required under this right; and,
   4. Access to photograph, sample, measure, and monitor at reasonable times for the purpose of ensuring compliance with a right or other order issued by State Water Board, or as otherwise authorized by the Water Code.

H. This right shall not be construed as conferring right of access to any lands or facilities not owned by right holder.
I. All rights are issued subject to available flows. Inasmuch as the source contains treated wastewater, imported water from another stream system, or return flow from other projects, there is no guarantee that such supply will continue.

J. This right does not authorize diversion of water dedicated by other right holders under a senior right for purposes of preserving or enhancing wetlands, habitat, fish and wildlife resources, or recreation in, or on, the water. (Wat. Code, § 1707.) The Division of Water Rights maintains information about these dedications. It is right holders’ responsibility to be aware of any dedications that may preclude diversion under this right.

K. No water shall be diverted or used under this right, and no construction related to such diversion shall commence, unless right holder has obtained and is in compliance with all necessary permits or other approvals required by other agencies. If an amended right is issued, no new facilities shall be utilized, nor shall the amount of water diverted or used increase beyond the maximum amount diverted or used during the previously authorized development schedule, unless right holder has obtained and is in compliance with all necessary requirements, including but not limited to the permits and approvals listed in this term.

Within 90 days of the issuance of this right or any subsequent amendment, right holder shall prepare and submit to the Division of Water Rights a list of, or provide information that shows proof of attempts to solicit information regarding the need for, permits or approvals that may be required for the project. At a minimum, right holder shall provide a list or other information pertaining to whether any of the following permits or approvals are required: (1) lake or streambed alteration agreement with the Department of Fish and Wildlife (Fish & G. Code, § 1600 et seq.); (2) Department of Water Resources, Division of Safety of Dams approval (Wat. Code, § 6002); (3) Regional Water Quality Control Board Waste Discharge Requirements (Wat. Code, § 13260 et seq.); (4) U.S. Army Corps of Engineers Clean Water Act section 404 permit (33 U.S.C. § 1344); and (5) local grading permits.

Right holder shall, within 30 days of issuance of any permits, approvals or waivers, transmit copies to the Division of Water Rights.

L. Urban water suppliers must comply with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.). An “urban water supplier” means a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually.

Agricultural water users and suppliers must comply with the Agricultural Water Management Planning Act (Act) (Water Code, § 10800 et seq.). Agricultural water users applying for a permit from the State Water Board are required to develop and implement water conservation plans in accordance with the Act. An “agricultural water supplier” means a supplier, either publicly or privately owned, supplying more than 50,000 acre-feet of water annually for agricultural purposes. An agricultural water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers.

M. Pursuant to Water Code sections 100 and 275 and the common law public trust doctrine, all rights and privileges under this right, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the State Water Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the State Water Board may be exercised by imposing specific requirements over and above those contained in this right with a view to eliminating waste of
water and to meeting the reasonable water requirements of right holder without unreasonable
draft on the source. Right holder may be required to implement a water conservation plan,
features of which may include but not necessarily be limited to (1) reusing or reclaiming the water
allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated;
(3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow;
(4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and
(6) installing, maintaining, and operating efficient water measuring devices to assure compliance
with the quantity limitations of this right and to determine accurately water use as against
reasonable water requirements for the authorized project. No action will be taken pursuant to this
paragraph unless the State Water Board determines, after notice to affected parties and
opportunity for hearing, that such specific requirements are physically and financially feasible and
are appropriate to the particular situation.

The continuing authority of the State Water Board also may be exercised by imposing further
limitations on the diversion and use of water by right holder in order to protect public trust uses.
No action will be taken pursuant to this paragraph unless the State Water Board determines, after
notice to affected parties and opportunity for hearing, that such action is consistent with California
Constitution, article X, section 2; is consistent with the public interest; and is necessary to
preserve or restore the uses protected by the public trust.

N. The quantity of water diverted under this right is subject to modification by the State Water Board
if, after notice to right holder and an opportunity for hearing, the State Water Board finds that such
modification is necessary to meet water quality objectives in water quality control plans which
have been or hereafter may be established or modified pursuant to Division 7 of the Water Code.
No action will be taken pursuant to this paragraph unless the State Water Board finds that (1)
adequate waste discharge requirements have been prescribed and are in effect with respect to all
waste discharges which have any substantial effect upon water quality in the area involved, and
(2) the water quality objectives cannot be achieved solely through the control of waste
discharges.

O. This right does not authorize any act which results in the taking of a candidate, threatened or
endangered species or any act which is now prohibited, or becomes prohibited in the future,
under either the California Endangered Species Act (Fish & G. Code, § 2050 et seq.) or the
federal Endangered Species Act (16 U.S.C. § 1531 et seq.). If a "take" will result from any act
authorized under this right, right holder shall obtain any required authorization for an incidental
take prior to construction or operation of the project. Right holder shall be responsible for meeting
all requirements of the applicable Endangered Species Act for the project authorized under this
right.
This right is issued and right holder takes it subject to the following provisions of the Water Code:

Section 1627. A license shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code) but no longer.

Section 1629. Every licensee, if he accepts a license, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefore shall at any time be assigned to or claimed for any license granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any licensee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

STATE WATER RESOURCES CONTROL BOARD

Barbara Evoy, Deputy Director
Division of Water Rights

Dated:

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