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 March 20, 2000. 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.

The Deputy Director for Water Rights finds that the State Water Board and/or the Applicant have met the following requirements for permit issuance: (a) demonstrated the availability of unappropriated water; (b) resolved protests in compliance with Water Code section 1330 et seq. and included appropriate permit conditions; (c) demonstrated that the water will be diverted and used without injury to any lawful user of water; (d) demonstrated that the intended use is beneficial; and (e) demonstrated that the requirements of the California Environmental Quality Act (CEQA) have been met or that the project is exempt from CEQA.

The State Water Board has complied with its independent obligation to consider the effect of the proposed project 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: (1) Maacama Creek tributary to the Russian River
   within the County of Sonoma.

2. Location of point of diversion

<table>
<thead>
<tr>
<th>By California Coordinate System of 1983 in Zone 2</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>(1) North 1,986,744 feet and East 6,340,957 feet</td>
<td>SE ¼ of NW ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
</tbody>
</table>
Location of place of storage

<table>
<thead>
<tr>
<th>By California Coordinate System of 1983 in Zone 2</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>(Reservoir) North 1,988,034 feet and East 9,342,988 feet</td>
<td>NE ¼ of NE ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
</tbody>
</table>

3. Purpose of use

<table>
<thead>
<tr>
<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>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frost Protection and Irrigation</td>
<td>SW ¼ of SW ¼</td>
<td>16</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>NW ¼ of SE ¼</td>
<td>17*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>NE ¼ of NW ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>SE ¼ of NW ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>NW ¼ of NE ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>NE ¼ of NE ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>SE ¼ of NE ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>SW ¼ of NE ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>NE ¼ of SE ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>SE ¼ of SE ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>SW ¼ of SW ¼</td>
<td>20*</td>
<td>9N</td>
<td>8W</td>
<td>MD</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The place of use is shown on map on file with the State Water Board.

5. The water appropriated shall be limited to the quantity which can be beneficially used and shall not exceed **156 acre-feet per year** by storage to be collected from **December 15** of each year to **March 30** of the succeeding year.

(0000005C)

6. No water shall be collected to storage outside of the specified season to offset evaporation and seepage losses or for any other purpose.

(0000005I)

7. The maximum rate of diversion to offstream storage shall not exceed **2.5 cubic feet per second**.

(0000005J)

8. The total quantity of water diverted under this water right and the water rights pursuant to Applications 13533 and 14735 shall not exceed **208 acre-feet per year**.

(0000005Q)

9. The total quantity of water diverted and stored under this water right and the water right pursuant to Application 14735 shall not exceed **156 acre-feet per year**.

(0000005Q)
10. Construction work and complete application of the water to the authorized use shall be prosecuted with reasonable diligence and completed by December 31, 2028.  

11. The State Water Board reserves jurisdiction to impose conditions to conform this water right to State Water Board policy on use of water for frost protection. Action by the State Water Board will be taken only after notice to interested parties and opportunity for hearing.

12. If the claimed existing prior right is quantified at some later date as a result of an adjudication or other legally binding proceeding, the total quantity of water diverted and/or collected to storage, the rate of diversion, and the amount beneficially used under this right shall be reduced by the net of the face value specified in this water right less the respective amounts recognized under the quantified existing prior right during the season specified in this water right. No water shall be diverted to the place of use during the season authorized by this right, whenever the amounts diverted can be covered by the quantified existing prior right.

The right holder shall forfeit the right if he/she 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.

The right holder shall divert water under the claimed existing right only in accordance with the law.

13. The State Water Board intends to develop and implement a basin-wide program for real-time electronic monitoring and reporting of diversions, withdrawals, releases and streamflow in a standardized format if and when resources become available. Such real-time reporting will be required upon a showing by the State Water Board that the program and the infrastructure are in place to accept real-time electronic reports. Implementation of the reporting requirements shall not necessitate amendment to this right.

14. Right holder shall install and maintain an outlet pipe of adequate capacity in the dam as near as practicable to the bottom of the natural stream channel, or provide other means satisfactory to the State Water Resources Control Board, in order that water entering the reservoir which is not authorized for appropriation under this permit can be released.

Right holder shall provide the Division of Water Rights with evidence that the device has been installed with the first annual report submitted after device installation. Right holder shall provide the Division of Water Rights with evidence that substantiates that the device is functioning properly every five years after device installation as an enclosure to the current annual report or whenever requested by the Division of Water Rights.

Right holder shall maintain a record of all diversions under this right that includes the date, time, rate of diversion at time intervals of one hour or less, and the amount of water diverted. The records shall be submitted with the annual report or whenever requested by the Division of Water Rights.

15. No water shall be diverted to offstream storage under this right unless right holder is monitoring and reporting said diversion of water. This monitoring shall be conducted using a device and methods satisfactory to the Deputy Director for Water Rights. The device shall be capable of continuous monitoring of the rate and quantity of water diverted and shall be properly maintained.

Right holder shall provide the Division of Water Rights with evidence that the device has been installed with the first annual report submitted after device installation. Right holder shall provide the Division of Water Rights with evidence that substantiates that the device is functioning properly every five years after device installation as an enclosure to the current annual report or whenever requested by the Division of Water Rights.

Right holder shall maintain a record of all diversions under this right that includes the date, time, rate of diversion at time intervals of one hour or less, and the amount of water diverted. The records shall be submitted with the annual report or whenever requested by the Division of Water Rights.

16. No water shall be diverted under this right unless right holder is monitoring and reporting the water surface elevation in the reservoir. This monitoring shall be conducted using a device and methods satisfactory to the Deputy Director for Water Rights. The device shall be capable of monitoring water
surface elevations from the maximum water line to the minimum water line known to exist for the reservoir and shall be properly maintained.

Right holder shall provide the Division of Water Rights with evidence that the device has been installed and the mark or reading corresponding to the maximum water line of the reservoir with the first annual report submitted after device installation. Right holder shall provide the Division of Water Rights with evidence that substantiates that the device is functioning properly every five years after device installation as an enclosure to the current annual report or whenever requested by the Division of Water Rights.

Right holder shall maintain a record of water surface elevations. The records shall be submitted with the annual report or whenever requested by the Division of Water Rights. The State Water Board may require release of water held in storage that cannot be verified by monthly records. Failure to maintain or submit the required records may result in the requirement to release the entire content of the reservoir’s storage.

17. No water shall be diverted under this right unless the flow in Maacama Creek is at or above 97 cubic feet per second, as determined at the point of diversion (POD).

18. No water shall be diverted under this water right unless right holder is bypassing the flow required by this water right by use of a passive bypass device.

Right holder shall provide the Division of Water Rights with evidence that the device has been installed with the first annual report submitted after device installation. Right holder shall provide the Division of Water Rights with evidence that substantiates that the device is functioning properly every year after device installation as an enclosure to the current annual report or whenever requested by the Division of Water Rights. Evidence required by this condition shall include current photographs of the system in place and a statement, signed by the right holder, certifying that the system is still operating as designed.

19. The State Water Resources Control Board reserves jurisdiction over this permit to change the season of diversion to conform to later findings of the SWRCB concerning availability of water and the protection of beneficial uses of water in the Russian River. Any action to change the authorized season of diversion will be taken only after notice to interested parties and opportunity for hearing.

20. This permit is subject to prior rights. Right holder is put on notice that, during some years, water will not be available for diversion during portions or all of the season authorized herein. The annual variations in demands and hydrologic conditions in the Russian River Watershed are such that, in any year of water scarcity, the season of diversion authorized herein may be reduced or completely eliminated by order of the SWRCB, made after notice to interested parties and opportunity for hearing.

21. For riparian areas adjacent to the POD, right holder shall establish a setback of at least 30 feet along Maacama Creek for any disturbance during upgrade of the POD or related equipment. The stream setback shall be measured from the top of the bank on the east side of the stream. In areas where existing agriculture allows and/or the riparian vegetation extends beyond 30 feet from the top of bank, the setback shall be extended to the riparian vegetation dripline. Restricted activities within the 30 foot setback area shall include grading, herbicide spraying, paving, new fencing (other than existing), permanent storage, and crop irrigation, with the exception for occasional equipment access necessary for continued operation of the vineyard or used to access or upgrade the POD. Permitted equipment access shall be limited to equipment necessary to support vineyard operation and maintenance activities and reasonable efforts will be made to minimize disturbance of vegetation and soils. Other
than activity related to the upgrade of or access to the POD, the setback area shall be protected from disturbance to promote and encourage the recruitment of native riparian shrub and tree species. Planting native riparian species is also encouraged to provide additional protection to the stream system.

22. An erosion control plan and implementation schedule, prepared by a licensed civil engineer, shall be submitted to and approved by the Deputy Director for Water Rights, prior to starting construction. Before storing water in the reservoir, right holder shall furnish evidence which substantiates that the erosion control plan has been implemented. Evidence includes photographs showing the project area vegetation and slopes.

23. No debris, soil, silt, cement that has not set, oil, or other such foreign substance will be allowed to enter into or be placed where it may be washed by rainfall runoff into the waters of the State. When operations are completed, any excess materials or debris shall be removed from the work area.

24. No water shall be diverted under this right unless right holder is operating the water diversion facility for the POD with a fish screen satisfactory to the Deputy Director for Water Rights. The fish screen shall be designed and maintained in accordance with the screening criteria of the National Marine Fisheries Service. Right holder shall provide evidence that demonstrates that the fish screen is in good condition with the annual report and whenever requested by the Division of Water Rights.

25. Should any buried archeological materials be uncovered during project activities, such activities shall cease within 100 feet of the find. Prehistoric archeological indicators include: obsidian and chert flakes and chipped stone tools; bedrock outcrops and boulders with mortar cups; ground stone implements (grinding slabs, mortars and pestles) and locally darkened midden soils containing some of the previously listed items plus fragments of bone and fire affected stones. Historic period site indicators generally include; fragments of glass, ceramic and metal objects; milled and split lumber; and structure and feature remains such as building foundations, privy pits, wells and dumps; and old trails. The Deputy Director for Water Rights shall be notified of the discovery and a professional archeologist shall be retained by the right holder to evaluate the find and recommend appropriate mitigation measures. Proposed mitigation measures shall be submitted to the Deputy Director for Water Rights for approval. Project-related activities shall not resume within 100 feet of the find until all approved mitigation measures have been completed to the satisfaction of the Deputy Director for Water Rights.

26. If human remains are encountered, then the right holder shall comply with Section 15064.5 (e) (1) of the CEQA Guidelines and the Public Resources Code section 7050.5. All project-related ground disturbance within 100 feet of the find shall be halted until the county coroner has been notified. If the coroner determines that the remains are Native American, the coroner will notify the Native American Heritage Commission to identify the most-likely descendants of the deceased Native Americans. Project-related ground disturbance, in the vicinity of the find, shall not resume until the process detailed under Section 15064.5 (e) has been completed and evidence of completion has been submitted to the Deputy Director for Water Rights.
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. Once the time to develop beneficial use of water ends under this permit, right holder is not authorized to increase diversions prior to submitting a time extension petition and obtaining approval of the State Water Board.

E. Only the amount of water applied to beneficial use during the authorized diversion season, as determined by the State Water Board, shall be considered when issuing a license. (Wat. Code, § 1610.)

F. 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 pursuant to Water Code section 1605.

G. 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.

H. 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.

I. 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.

J. This right shall not be construed as conferring right of access to any lands or facilities not owned by right holder.

K. 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.

L. 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.

M. 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.

N. 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.

O. 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.

P. 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.

Q. 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 permit is issued and right holder takes it subject to the following provisions of the Water Code:

Section 1392. Every permittee, if he accepts a permit, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any permit 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 permittee 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 permittee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

STATE WATER RESOURCES CONTROL BOARD

Barbara Evoy, Deputy Director
Division of Water Rights

Dated: