

## WATER RIGHTS LICENSE & AGREEMENT

The City of Commerce ("Licensor") hereby grants to Liberty Utilities Corporation ("Licensee") a License to extract 500 acre-feet of Licensor's Allowed Pumping Allocation allocated to Licensor (or predecessors in interest) ("License") under and pursuant to the Judgment dated October 11, 1965, as amended and restated by that certain Third Amended Judgment dated December 23, 2013, as entered in Los Angeles County Superior Court Case No. 786,656, entitled "*Central and West Basin Water Replenishment District vs. Charles E. Adams, et al.*," during the period commencing July 1, 2020 and continuing to and including June 30, 2021.

Said License is granted subject to the following conditions:

1. Licensee shall exercise said right and extract the same on behalf of Licensor during the period specified above, and put the same to beneficial use and Licensee shall not by the exercise hereunder of said right acquire any right to extract water independent of the rights of Licensor.
2. Licensee shall pay Licensor \$125/acre-foot of water to be paid in full for 500 acre-feet of water pumped by July 30<sup>th</sup>.
3. Licensee shall pay assessments levied on the pumping of said ground waters by the Water Replenishment District of Southern California.
4. Licensee shall note, in any recording of water production for the period of the agreement that said pumping was done pursuant to this License.
5. Licensee's Allowed Pumping Allocation shall be increased by the amount hereby leased when computing carryover or allowable over extraction as provided by Part III, Subpart A and B in said Judgment.
6. Licensor is leasing its rights to Licensee with Flex.

The City of Commerce warrants that it has 500 acre-feet of Allowed Pumping Allocation and that it has not pumped and will not pump or permit or license any other person to pump any part of said 500 acre-feet during the period of July 1, 2020 through June 30, 2021.

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

LICENSOR:

LICENSEE:

City of Commerce

Liberty Utilities Corporation

\_\_\_\_\_  
Ivan Altamirano  
Mayor

\_\_\_\_\_  
Frank Heldman  
Director, Operations