Executive Office

September 20, 2005

Mr. Richard Atwater
General Manager
Inland Empire Utilities Agency
P.O. Box 9020
Chino Hills, CA 91709

Mr. Richard Hansen
General Manager/Chief Engineer
Three Valleys Municipal Water District
1021 E. Miramar Avenue
Claremont, CA 91711

Mr. Ken Manning
Chief Executive Officer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Dear Messrs. Atwater, Hansen and Manning:

Amendment No. 3 to the Groundwater Storage Program Funding Agreement in the Chino Basin

Enclosed are executed originals of Amendment No. 3 to the Groundwater Storage Program Funding Agreement in the Chino Basin. The amendment allows additional time for the completion of the milestone for submittal of plans and specifications. Please direct any questions to Ms. Kathy Kunysz at (213) 217-6272 or to Mr. James Bodnar at (213) 217-6099.

Very truly yours,

Stephen N. Arakawa
Manager, Water Resources Management

JB:adminwrm
O:s\s\e\UB_Amendmnt No. 3 Chino CUP-transmittel.doc

Enclosures
AMENDMENT NO. 3

TO

GROUNDWATER STORAGE PROGRAM

FUNDING AGREEMENT NO. 49960

BY AND AMONG

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

AND

INLAND EMPIRE UTILITIES AGENCY

AND

THREE VALLEYS MUNICIPAL WATER DISTRICT

AND

CHINO BASIN WATERMASTER

DATED AS OF August 16, 2005
AMENDMENT NO. 3 TO GROUNDWATER STORAGE PROGRAM
FUNDING AGREEMENT NO. 49960

THIS AMENDMENT NO. 3 TO GROUNDWATER STORAGE PROGRAM
FUNDING AGREEMENT NO. 49960 (this “Amendment No. 3”), dated as of August 14, 2005,
is entered into by and among THE METROPOLITAN WATER DISTRICT OF SOUTHERN
CALIFORNIA (“Metropolitan”), a public entity of the State of California, INLAND EMPIRE
UTILITIES AGENCY, a municipal water district of the State of California (“IEUA”),
THREE VALLEYS MUNICIPAL WATER DISTRICT, a municipal water district of the State of:
California (“TVMWD”) and CHINO BASIN WATERMASTER, an entity established by the
Superior Court of the State of California to manage the Chino Groundwater Basin
(“Watermaster”). Hereafter, Metropolitan, IEUA, TVMWD and Watermaster may be referred to
collectively as “Parties.”

RECITALS

A. In June 2003, the Parties entered into an agreement titled, “Agreement No. 49960
Groundwater Program Storage Funding Agreement” (“Agreement”) pursuant to which
Metropolitan agreed to provide certain funding in support of the Chino Basin
Groundwater Storage Program (“Program”) being implemented by IEUA and TVMWD.

B. Under the terms and conditions of the Agreement, Metropolitan’s obligation to provide
funding is contingent upon IEUA meeting certain milestones with respect to the design,
construction and completion of the various Program facilities listed in Exhibit H to the
Agreement (“Facilities”). Specifically, Section IV.A.3 of the Agreement requires that
IEUA deliver to Metropolitan engineering and construction plans and specifications for
all such Facilities on or before September 20, 2005.

C. However, with respect to many of the facilities, IEUA has determined that additional
time is needed to prepare the required engineering and construction plans and
specifications (“Plans”). Accordingly, IEUA is requesting that the deadline for
submission of such Plans to Metropolitan be extended for approximately fifteen months.

D. Notwithstanding this extension, IEUA has indicated construction of the facilities will
still be completed by no later than March 8, 2008, as required under Section IV.B.4 of the
Agreement. Based upon such representation, Metropolitan is amenable to granting the
requested extension.

THEREFORE, in consideration of the foregoing Recitals, and for other good and
valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties
hereby agree as follows:

Amendment No. 3 to
Groundwater Storage
Program Funding

2

Agreement No. 49960
AMENDMENT

1. The deadline for submission of the Plans for the Facilities, as required under Section IV.A.3. of the Agreement, is hereby extended from September 20, 2005 to December 31, 2006.

2. Except as, and to the extent specifically and expressly modified by this Amendment No. 3, the Agreement is, and shall continue to be, in full force and effect.

3. This Amendment No. 3 may be executed in multiple counterparts, all of which together shall constitute a single, integrated amendment to the Agreement.
IN WITNESS WHEREOF, the Parties have caused this Amendment No. 3 to be executed as of the date first set forth above.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By: [Signature]
Dennis B. Underwood
CEO/General Manager

Date: 9/12/05

INLAND EMPIRE UTILITIES AGENCY

By: [Signature]
Richard Atwater
General Manager

Date: September 22, 2005

THREE VALLEYS MUNICIPAL WATER DISTRICT

By: [Signature]
Richard W. Hansen
General Manager/Chief Engineer

Date: ________________________________

CHINO BASIN WATERMASTER

By: [Signature]
Ken Manning
Chief Executive Officer

Date: ________________________________

In quadruplicate

APPROVED AS TO FORM:
Jeffrey Kightlinger, General Counsel

By: [Signature]
Setha E. Schlang
Deputy General Counsel

Date: 8/6/05

APPROVED AS TO FORM:

By: [Signature]
Jean Chigoyenstone
General Counsel

Date: ________________________________

APPROVED AS TO FORM:

By: [Signature]
Steve Kennedy
District Counsel

Date: ________________________________

APPROVED AS TO FORM:

By: [Signature]
Michael Fife
General Counsel

Date: ________________________________

Amendment No. 3 to Groundwater Storage Program Funding

4

Agreement No. 49960
AMENDMENT NO. 3

TO

GROUNDWATER STORAGE PROGRAM

FUNDING AGREEMENT NO. 49960

BY AND AMONG

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

AND

INLAND EMPIRE UTILITIES AGENCY

AND

THREE VALLEYS MUNICIPAL WATER DISTRICT

AND

CHINO BASIN WATERMASTER

DATED AS OF August 16, 2005
AMENDMENT NO. 3 TO GROUNDWATER STORAGE PROGRAM
FUNDING AGREEMENT NO. 49960

THIS AMENDMENT NO. 3 TO GROUNDWATER STORAGE PROGRAM FUNDING AGREEMENT NO. 49960 (this “Amendment No. 3”), dated as of August 16, 2005, is entered into by and among THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (“Metropolitan”), a public entity of the State of California, INLAND EMPIRE UTILITIES AGENCY, a municipal water district of the State of California (“IEUA”), THREE VALLEYS MUNICIPAL WATER DISTRICT, a municipal water district of the State of California (“TVMWD”) and CHINO BASIN WATERMASTER, an entity established by the Superior Court of the State of California to manage the Chino Groundwater Basin (“Watermaster”). Hereafter, Metropolitan, IEUA, TVMWD and Watermaster may be referred to collectively as “Parties.”

RECITALS

A. In June 2003, the Parties entered into an agreement titled, “Agreement No. 49960 Groundwater Program Storage Funding Agreement” (“Agreement”) pursuant to which Metropolitan agreed to provide certain funding in support of the Chino Basin Groundwater Storage Program (“Program”) being implemented by IEUA and TVMWD.

B. Under the terms and conditions of the Agreement, Metropolitan’s obligation to provide funding is contingent upon IEUA meeting certain milestones with respect to the design, construction and completion of the various Program facilities listed in Exhibit H to the Agreement (“Facilities”). Specifically, Section IV.A.3 of the Agreement requires that IEUA deliver to Metropolitan engineering and construction plans and specifications for all such Facilities on or before September 20, 2005.

C. However, with respect to many of the facilities, IEUA has determined that additional time is needed to prepare the required engineering and construction plans and specifications (“Plans”). Accordingly, IEUA is requesting that the deadline for submission of such Plans to Metropolitan be extended for approximately fifteen months.

D. Notwithstanding this extension, IEUA has indicated construction of the facilities will still be completed by no later than March 8, 2008, as required under Section IV.B.4 of the Agreement. Based upon such representation, Metropolitan is amenable to granting the requested extension.

THEREFORE, in consideration of the foregoing Recitals, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

Amendment No. 3 to Groundwater Storage Program Funding Agreement No. 49960
AMENDMENT

1. The deadline for submission of the Plans for the Facilities, as required under Section IV.A.3. of the Agreement, is hereby extended from September 20, 2005 to December 31, 2006.

2. Except as, and to the extent specifically and expressly modified by this Amendment No. 3, the Agreement is, and shall continue to be, in full force and effect.

3. This Amendment No. 3 may be executed in multiple counterparts, all of which together shall constitute a single, integrated amendment to the Agreement.
IN WITNESS WHEREOF, the Parties have caused this Amendment No. 3 to be executed as of the date first set forth above.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
By:  
Dennis B. Underwood  
CEO/General Manager

Date: ____________________

INLAND EMPIRE UTILITIES AGENCY
By:  
Richard Atwater  
General Manager

Date:  __JULY 28, 2005__

THREE VALLEYS MUNICIPAL WATER DISTRICT
By:  
Richard W. Hansen  
General Manager/Chief Engineer

Date: ____________________

CHINO BASIN WATERMASTER
By:  
Ken Manning  
Chief Executive Officer

Date: ____________________

In quadruplicate

APPROVED AS TO FORM:
Jeffrey Kightlinger, General Counsel
By:  
Setha E. Schlang  
Deputy General Counsel

Date: ____________________

APPROVED AS TO FORM:
By:  
Jean Ciha, General Counsel

Date:  __8-8-05__

APPROVED AS TO FORM:
By:  
Steve Kennedy  
District Counsel

Date: ____________________

APPROVED AS TO FORM:
By:  
Michael Fife  
General Counsel

Date: ____________________

Amendment No. 3 to Groundwater Storage Program Funding  4  Agreement No. 49960
AMENDMENT NO. 3
TO
GROUNDWATER STORAGE PROGRAM
FUNDING AGREEMENT NO. 49960

BY AND AMONG

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

AND

INLAND EMPIRE UTILITIES AGENCY

AND

THREE VALLEYS MUNICIPAL WATER DISTRICT

AND

CHINo BASIN WATERMASTER

DATED AS OF August 16, 2005
AMENDMENT NO. 3 TO GROUNDWATER STORAGE PROGRAM
FUNDING AGREEMENT NO. 49960

THIS AMENDMENT NO. 3 TO GROUNDWATER STORAGE PROGRAM
FUNDING AGREEMENT NO. 49960 (this “Amendment No. 3”), dated as of August 16, 2005,
is entered into by and among THE METROPOLITAN WATER DISTRICT OF SOUTHERN
CALIFORNIA (“Metropolitan”), a public entity of the State of California, INLAND EMPIRE
UTILITIES AGENCY, a municipal water district of the State of California (“IEUA”),
THREE VALLEYS MUNICIPAL WATER DISTRICT, a municipal water district of the State of
California (“TVMWD”) and CHINO BASIN WATERMASTER, an entity established by the
Superior Court of the State of California to manage the Chino Groundwater Basin
(“Watermaster”). Hereafter, Metropolitan, IEUA, TVMWD and Watermaster may be referred to
collectively as “Parties.”

RECITALS

A. In June 2003, the Parties entered into an agreement titled, “Agreement No. 49960:
Groundwater Program Storage Funding Agreement” (“Agreement”) pursuant to which
Metropolitan agreed to provide certain funding in support of the Chino Basin
Groundwater Storage Program (“Program”) being implemented by IEUA and TVMWD.

B. Under the terms and conditions of the Agreement, Metropolitan’s obligation to provide
funding is contingent upon IEUA meeting certain milestones with respect to the design,
construction and completion of the various Program facilities listed in Exhibit H to the
Agreement (“Facilities”). Specifically, Section IV.A.3 of the Agreement requires that
IEUA deliver to Metropolitan engineering and construction plans and specifications for
all such Facilities on or before September 20, 2005.

C. However, with respect to many of the facilities, IEUA has determined that additional
time is needed to prepare the required engineering and construction plans and
specifications (“Plans”). Accordingly, IEUA is requesting that the deadline for
submission of such Plans to Metropolitan be extended for approximately fifteen months.

D. Notwithstanding this extension, IEUA has indicated construction of the facilities will
still be completed by no later than March 8, 2008, as required under Section IV.B.4 of the
Agreement. Based upon such representation, Metropolitan is amenable to granting the
requested extension.

THEREFORE, in consideration of the foregoing Recitals, and for other good and
valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties
hereby agree as follows:

Amendment No. 3 to
Groundwater Storage
Program Funding

2

Agreement No. 49960
AMENDMENT

1. The deadline for submission of the Plans for the Facilities, as required under Section IV.A.3. of the Agreement, is hereby extended from September 20, 2005 to December 31, 2006.

2. Except as, and to the extent specifically and expressly modified by this Amendment No. 3, the Agreement is, and shall continue to be, in full force and effect.

3. This Amendment No. 3 may be executed in multiple counterparts, all of which together shall constitute a single, integrated amendment to the Agreement.

Amendment No. 3 to Groundwater Storage Program Funding

3 Agreement No. 49960
IN WITNESS WHEREOF, the Parties have caused this Amendment No. 3 to be executed as of the date first set forth above.

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

By: ____________________________
    Dennis B. Underwood
    CEO/General Manager

Date: ____________________________

INLAND EMPIRE UTILITIES AGENCY

By: ____________________________
    Richard Alwater
    General Manager

Date: ____________________________

THREE VALLEYS MUNICIPAL
WATER DISTRICT

By: ____________________________
    Richard W. Hansen
    General Manager/Chief Engineer

Date: 8/2/05

CHINO BASIN WATERMASTER

By: ____________________________
    Ken Menning
    Chief Executive Officer

Date: ____________________________

In quadruplicate

APPROVED AS TO FORM:
Jeffrey Kightlinger, General Counsel

By: ____________________________
    Setha E. Schlang
    Deputy General Counsel

Date: ____________________________

APPROVED AS TO FORM:

By: ____________________________
    Jean Cihigoyencone
    General Counsel

Date: ____________________________

APPROVED AS TO FORM:

By: ____________________________
    Steve Kennedy
    District Counsel

Date: 8/2/05

APPROVED AS TO FORM:

By: ____________________________
    Michael Fife
    General Counsel

Date: ____________________________

Amendment No. 3 to Groundwater Storage Program Funding

Agreement No. 49960
AMENDMENT NO. 3

TO

GROUNDWATER STORAGE PROGRAM

FUNDING AGREEMENT NO. 49960

BY AND AMONG

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

AND

INLAND EMPIRE UTILITIES AGENCY

AND

THREE VALLEYS MUNICIPAL WATER DISTRICT

AND

CHINO BASIN WATERMASTER

DATED AS OF August 16, 2005
AMENDMENT NO. 3 TO GROUNDWATER STORAGE PROGRAM
FUNDING AGREEMENT NO. 49960

THIS AMENDMENT NO. 3 TO GROUNDWATER STORAGE PROGRAM
FUNDING AGREEMENT NO. 49960 (this “Amendment No. 3”), dated as of August 11, 2005,
is entered into by and among THE METROPOLITAN WATER DISTRICT OF SOUTHERN
CALIFORNIA (“Metropolitan”), a public entity of the State of California, INLAND EMPIRE
UTILITIES AGENCY, a municipal water district of the State of California (“IEUA”),
THREE VALLEYS MUNICIPAL WATER DISTRICT, a municipal water district of the State of
California (“TVMWD”) and CHINO BASIN WATERMASTER, an entity established by the
Superior Court of the State of California to manage the Chino Groundwater Basin
(“Watermaster”). Hereafter, Metropolitan, IEUA, TVMWD and Watermaster may be referred to
collectively as “Parties.”

RECITALS

A. In June 2003, the Parties entered into an agreement titled, “Agreement No. 49960
Groundwater Program Storage Funding Agreement” (“Agreement”) pursuant to which
Metropolitan agreed to provide certain funding in support of the Chino Basin
Groundwater Storage Program (“Program”) being implemented by IEUA and TVMWD.

B. Under the terms and conditions of the Agreement, Metropolitan’s obligation to provide
funding is contingent upon IEUA meeting certain milestones with respect to the design,
construction and completion of the various Program facilities listed in Exhibit H to the
Agreement (“Facilities”). Specifically, Section IV.A.3 of the Agreement requires that
IEUA deliver to Metropolitan engineering and construction plans and specifications for
all such Facilities on or before September 20, 2005.

C. However, with respect to many of the facilities, IEUA has determined that additional
time is needed to prepare the required engineering and construction plans and
specifications (“Plans”). Accordingly, IEUA is requesting that the deadline for
submission of such Plans to Metropolitan be extended for approximately fifteen months.

D. Notwithstanding this extension, IEUA has indicated construction of the facilities will
still be completed by no later than March 8, 2008, as required under Section IV.B.4 of the
Agreement. Based upon such representation, Metropolitan is amenable to granting the
requested extension.

THEREFORE, in consideration of the foregoing Recitals, and for other good and
valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties
hereby agree as follows:

Amendment No. 3 to
Groundwater Storage
Program Funding
AMENDMENT

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3. This Amendment No. 3 may be executed in multiple counterparts, all of which together shall constitute a single, integrated amendment to the Agreement.

Amendment No. 3 to
Groundwater Storage
Program Funding
IN WITNESS WHEREOF, the Parties have caused this Amendment No. 3 to be executed as of the date first set forth above.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By: _____________________________________________________________________
Dennis B. Underwood
CEO/General Manager

Date: _____________________________________________________________________

INLAND EMPIRE UTILITIES AGENCY

By: _____________________________________________________________________
Richard M. W. Anderson
General Manager

Date: _____________________________________________________________________

THREE VALLEYS MUNICIPAL WATER DISTRICT

By: _____________________________________________________________________
Richard W. Hansen
General Manager/Chief Engineer

Date: _____________________________________________________________________

CHINO BASIN WATERMASTER

By: _____________________________________________________________________
Ken Manning
Chief Executive Officer

Date: 8/5/05

In quadruplicate

APPROVED AS TO FORM:
Jeffrey Kightlinger, General Counsel
By: _____________________________________________________________________
Setha E. Schlang
Deputy General Counsel

Date: _____________________________________________________________________

APPROVED AS TO FORM:
Jean Cihigoyen
General Counsel
By: _____________________________________________________________________

Date: _____________________________________________________________________

APPROVED AS TO FORM:
Steve Kennedy
District Counsel
By: _____________________________________________________________________

Date: _____________________________________________________________________

APPROVED AS TO FORM:
Michael Fife
General Counsel
By: _____________________________________________________________________

Date: 8/6/05