

AGREEMENT TO EXCHANGE ENTITLEMENT WATER

This water entitlement exchange agreement ("Agreement") is made and entered into this 3rd day of September, 2013 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and The Joan and Joseph Haid Family Trust ("Owner"). City and Owner are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

RECITALS

WHEREAS, the City and the West Redlands Water Company have entered into an agreement dated August 1, 1998 to exchange irrigation water, a copy of which is attached hereto as Exhibit "A;" and

WHEREAS, Owner is a shareholder of record of One (1) share of West Redlands Water Company stock identified as No. 1102 (the "Share"); and

WHEREAS, Owner wishes to take advantage of the opportunity to receive water from the City's domestic water system in exchange for Owner's assignment of the Share to the City;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the City of Redlands and Mr. Joseph and Mrs. Joan Haid agree as follows:

AGREEMENT

1. Owner hereby assigns and shall cause all irrigation water entitlement derived from Owner's Share to be delivered to a City water treatment facility. In exchange, Owner will receive an equal amount of potable water from City through City's domestic water system.

2. Owner shall comply with the provisions of City's agreement with West Redlands Water Company.

3. City agrees to furnish water under the conditions and in the amount indicated in compliance with City's agreement with West Redlands Water Company.

4. This Agreement constitutes the entire agreement between the Parties regarding the subject matter hereof. Any prior written or verbal agreements or representations respecting the subject matter of this Agreement not expressly set forth herein are null and void.

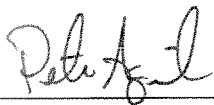
5. In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for use of in-house counsel by a Party.

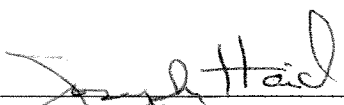
6. This Agreement may be amended only by written instrument, executed by the Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CITY OF REDLANDS

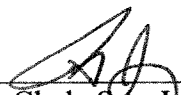
OWNER

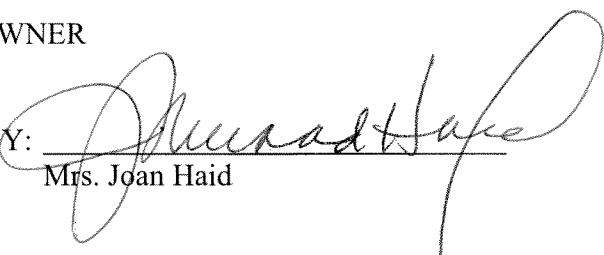
BY: 
Mayor, Pete Aguilar

BY: 
Mr. Joseph Haid

ATTEST:

OWNER

BY: 
City Clerk, Sam Irwin

BY: 
Mrs. Joan Haid