

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS Colorado River Agency 12124 1st Avenue Parker, Arizona 85344



IN REPLY REFER TO: FOIA COORDINATOR

MAY 0 7 2018

received 2018

Mr.

Dear Mr. Holch:

We are writing today on behalf of the Bureau of Indian Affairs, Colorado River Agency to respond to your Freedom of Information Act request number BIA-2018-00917. You requested an easement granted to the Havasu Water Company, a California Corporation, on June 22, 1976 by the Chemehuevi Indian Tribe.

We have enclosed the following documents which are being released to you in its entirety.

Exhibit A: Grant of Easement for Right-of Way. 5 Pages

Exhibit B: Option Agreement. 17 Pages

Exhibit C: Grant of Easement for Right-of-Way. 3 Pages

Exhibit D: Form of Residential Permit Option. 8 Pages

Exhibit E: Standby Pump Agreement. 10 Pages

Havasu Lake Quadrangle: 1 page

Havasu Landing: 2 pages

Exhibit A shows that there should be 6 pages, however, page 3 is missing and in review of the recorded copy and our files there is no page 3 for this document.

If you have any questions, you may contact Mar Don Glory by phone at (928)669-7129, by fax at (928) 669-7187, by email at MarDon.Glory@bia.gov or by mail at 12124 1st Avenue & Agency Road, Parker, Arizona 85344.

Sincerely,

Kellie Youngbear

Superintendent, Bureau of Indian Affairs

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EXHIBIT A

GRANT OF EASEMENT FOR RIGHT-OF-WAY

BUR INDIAN ACT ALBUON MEX KNOW ALL MEN BY THESE PRESENTS:

That the United States of America, acting by and through the Superintendent, Colorado River Agency, Bureau of Indian Affairs, Department of the Interior, hereinafter referred to as "Grantor," under authority contained in 230 DM 1, 10 BIAM 3, and 10 BIAM 11, and pursuant to the provisions of the Act of February 5, 1948 (62 Stat. 17, 25 U.S.C. 323-328), and Part 161, Title 25, Code of Federal Regulations, in consideration of an annual rental payment of \$300 per year for the first three years beginning July 4, 1976, and thereafter, beginning July 4, 1979, an annual rental payment of \$50 per year, does hereby grant to Havasu Water Company, a California corporation, its successors or assigns, hereafter referred to as "Grantee," a non-exclusive easement for right of way for the sole purpose of transporting water across said easement for the use of Grantee and its customers, on, over, and across the land embraced within the right of way situated on the following described lands located within the Chemehuevi Reservation, County of San Bernardino, State of California:

> EXHIBIT A Page 1 of 6

Parcel No. 1

All that portion of the Southwest one-quarter of Section 31, Township 5 North, Range 25 East, San Bernardino Meridian, in the County of San Bernardino, State of California according to Government Survey lying within a strip of land, the centerline of which is described as follows:

Commencing at a U.S.G.L.O. Brass Cap at the Southwest corner of said section as shown on that certain Record of Survey recorded in Book 24, Pages 39 to 43 of Record of Surveys:

thence North 89°58'30" East, 1318.00 feet along the Easterly prolongation of the South line of the Southeast one-quarter of Section 36, Township 5 North, Range 24 East, as shown on said Record of Survey:

thence North 8°24'30" West, 779.0 feet; thence North 49°20'30" West, 1154.00 feet; thence North 0°24'30" West, 138.74 feet; thence South 73°34'50" East, 60.00 feet to Point "A" thence South 73°34'50" East, 392.37 feet to Point "B"; thence North 9°57'10" East, 477.32 feet to Point "C"; thence North 9°57'10" East, 10.02 feet to Point "D"; and the TRUE POINT OF BEGINNING.

thence South 83°51'50" East, 656.72 feet to the West Bank of Lake Havasu and Point "D".

Said strip of land is 26.00 feet wide, 16.00 feet on the north side of said centerline and 10.00 feet on the south side of said centerline.

The sidelines of said strip of land shall be lengthened or shortened so as to terminate at said West Bank of Lake Havasu.

Parcel No. 2

All that portion of the Southwest one-quarter of Section 31, Township 5 North, Range 25 East. San Bernardino Meridian, in the County of San Bernardino, State of California according to Government. Survey described as follows:

EXHIBIT A Page 2 of 6

This easement is subject to any prior valid existing right or adverse claim and is for a period of 30 years, so long as said easement shall be actually used for the purpose above specified; provided, however, that in the event the Public Utilities Commission of the State of California or any other governmental agency having jurisdiction over the operations of Grantee requires this easement to have a longer term for the purpose of providing sufficient access to the Colorado River, Grantor agrees to extend the term of this easement for such longer term as may be required by the California Public Utilities Commission or such other governmental agency; and provided further, that this right of way shall be terminable in whole or in part by the Grantor for any of the following causes upon 30 days' written notice and failure of the Grantee within said notice period to correct the basis of termination (25 C.F.R. 161.20):

6,95,24 7,2-198

- a. Failure to comply with any term or condition of the grant or the applicable regulations.
- b. A nonuse of the right of way for a consecutive two-year period for the purpose for which it was granted.
- c. An abandonment of the right of way.

EXHIBIT A Page 4 of 6

The condition of this easement shall extend to and be binding upon and shall inure to the benefit of the successors and assigns of the Grantee.

Nothing in this Agreement shall be construed to obligate the Tribe or the United States to provide any water or water rights to Grantee or any other person. Nor shall anything in this Agreement be construed to obligate the Tribe or the United States to construct, protect, maintain, repair or do any other acts with regard to said easement or any pipeline or supporting facilities or improvements constructed therein.

IN WITNESS WHEREOF, Grantor has executed this grant of easement this 22nd day of June, 1976.

UNITED STATES OF AMERICA

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U.S. Department of the Interior Bureau of Indian Affairs. Colorado River Agency Parker, Arizona 85344

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EXHIBIT A Page 5 of 6

	DESCRIPTION"A"
Lora Howasu Water Company water Warege and pund	(PARCEL 1)
Isomifet II	Eristing House Landing Anter these temporary -John three them is tem
	Proposed 6" water line GO.00' S.T." 36'50" E (A) S. 73° 30" E VI38.74' N 00"24'50" V. S 16° 25' 10" W.
UBELIVIS	S52°23'16"W 82.42" S00 S0
(N)	TC TOO LANDING
X X X X X X X X X X X X X X X X X X X	CHEMEHUEVI INDIAN 80 RESERVATION
	69
SECT 36 SECT	SICT N 89° 53' 30" E 1310.00' TON
	Page 6 of 6

EXHIBIT B

OPTION AGREEMENT

ALBUON MEXICAL AFRS
ALBUON MEXICAL HAVASU Water Company, a California corporation (hereinafter referred to as "Water Company"), Energy Production and Sales Company, a California corporation (hereinafter referred to as "Energy"), and the Chemehuevi Indian Tribe, an Indian tribe organized pursuant to the Indian Reorganization Act of 1934, as amended (hereinafter referred to as the "Tribe"), with reference to the following facts:

- l. Water Company is engaged in the business of supplying and distributing water as a regulated public utility to customers within its certificated area.
- 2. Concurrently herewith the Tribe is purchasing substantially all of the assets and business of Havasu Landing, Inc., a California corporation, which assets and business are located on the Colorado River within the Chemehuevi Reservation at Lake Havasu, California (hereinafter referred to as the "Resort").
- 3. The Resort is located between the area served by Water Company and Water Company's source of supply from the Colorado River, and Water Company desires an easement through the Resort property for the purpose of maintaining

FXHIBIT B Page 1 of 17

its supply of water from the Colorado River. Concurrently herewith the Tribe has consented to the granting to Water Company of such an easement by the United States Department of the Interior over the Chemehuevi Reservation.

4. Energy is the owner of Tract 8284 adjoining the Chemehuevi Reservation (hereinafter referred to as "Tract 8284"). As of the date of this Agreement, Tract 8284 is not within Water Company's certificated area, and is being served by Water Company on a surplus water basis only. Energy and Water Company desire that Tract 8284 be included within Water Company's certificated area and contemplate approval of such inclusion by the California Public Utilities Commission within the near future.

5. The Tribe desires an option to purchase the water supply and distribution rights, plant and equipment of Water Company, and said water distribution system in Tract 8284.

NOW, THEREFORE, in consideration of the foregoing and the promises hereinafter contained, the parties agree as follows:

6. Water Company and Energy each hereby grant to the Tribe the option (hereinafter referred to as the

EXHIBIT B Page 2 of 17

"Option") to purchase the Water System (as hereinafter defined), upon the following terms and conditions:

- it wishes to determine the purchase price of the Water System upon exercise of the Option, it shall deliver to Water Company and Energy, no later than July 4, 1979, written notice of its desire to determine the purchase price (hereinafter referred to as the "Notice of Determination").
- 6.2 Within thirty (30) days of the date of receipt of the Notice of Determination from the Tribe, Water Company shall designate on behalf of Water Company and Energy an M.A.I. appraiser who is experienced in water utility plant appraisals and is not affiliated with Water Company, Energy or any shareholder of either of them, and shall direct said appraiser to determine at the expense of Water Company the Replacement Value of the Water System (as hereinafter defined) as of the date of such Notice of Determination. Within such thirty-day period, the Tribe shall also select an M.A.I. appraiser who is experienced in water utility plant appraisals and is not affiliated with the Tribe or any member thereof, and shall direct said appraiser to determine such Replacement Value as of such date at the expense of the Tribe.

EXHIBIT B Page 3 of 17

- 6.3 Upon completion of each such appraisal, but in no event later than ninety (90) days after the date of receipt of the Notice of Determination, the written results and report thereof shall be delivered by the party ordering such appraisal to the other party. If the Replacement Values set forth in such appraisals are within five percent (5%) of each other, the purchase price to be paid for the Water System shall be an amount equal to seventy-five percent (75%) of the lower of such two Replacement Values.
- If the difference between such two appraisals of Replacement Value is greater than five percent (5%), the appraisers selected by the parties shall, within thirty (30) days after delivery of both such appraisals pursuant to paragraph 6.3 hereof, mutually agree upon and select a third M.A.I. appraiser, who is experienced in water utility plant appraisals and is not affiliated with any party to this Agreement or its shareholders Such appraiser shall, within ninety (90) or members. days of his selection, independently appraise the Replacement Value of the Water System as of the date of the Notice of Determination, and shall deliver the written results and report of such appraisal to the parties. The expense of such third appraisal shall be paid one-half by Water Company and one-half

EXHIBIT B Page 4 of 17

- determination of the purchase price of the Water
 System as set forth in paragraph 6.3 or 6.4 hereof,
 the Tribe shall notify Water Company and Energy in
 writing whether it wishes to exercise the Option to
 purchase the Water System for such purchase price.
 Failure to give such notice within such period shall
 be deemed to be an election not to exercise such
 Option. In the event the Tribe exercises such Option,
 a Closing shall be held for the purchase of the Water
 System as set forth in paragraph 9 hereof. In the
 event the Tribe does not exercise such Option, it
 shall promptly reimburse Water Company for its share
 of the cost of the third appraisal prepared pursuant
 to Section 6.4 hereof.
- 6.6 As used in this Agreement, the term "Water System" means: (i) all of the capital assets constituting the water distribution and supply plant

EXHIBIT B
Page 5 of 17

and equipment owned by Water Company and all components thereof, whether or not included in its rate base, used for the purpose of supplying water on a regular basis or other than a regular basis to its existing customers; (ii) all of the capital assets constituting the water distribution and supply plant and equipment owned by Energy, if any, and all components thereof, located in Tract 8284, used for the purpose of supplying water on a regular basis or other than a regular basis to existing customers within Tract 8284, if and to the extent not then owned by Water Company.

- 6.7 As used herein, the term "Replacement Value" of specified property as of a date means the market value of property of similar age and condition as such specified property on such date.
- 7. Water Company and Energy hereby acknowledge and agree that by execution of this Agreement and exercise of the Option, the Tribe is not and will not be assuming any liabilities of Water Company or Energy of any kind, whether arising prior to, at or after the date of this Agreement or the Closing Date (as hereinafter defined), and Water Company and Energy hereby further acknowledge and agree that they will continue to be solely responsible for all their own respective liabilities on and after such dates notwithstanding any such execution or exercise.

- 8. Water Company and Energy hereby represent and warrant to the Tribe as follows:
 - 8.1 Water Company and Energy are each corporations duly organized, validly existing and in good standing under the laws of the State of California, and have full corporate power to own their respective assets and carry on their respective businesses as now being conducted.
 - 8.2 The execution of this Agreement by
 Water Company and Energy and the delivery of this
 Agreement by them to the Tribe has been duly authorized by their respective Boards of Directors and shareholders, and this Agreement constitutes a valid and binding obligation of Water Company and Energy in accordance with its terms.
 - and marketable title to the Water System as of the date of this Agreement, and will have such good and marketable title on the Closing Date, free and clear of all liens, charges, security interests, encumbrances and conditional sales agreements of every kind, subject to the transfer of certain portions of the Water System from Energy to Water Company as contemplated hereby.

FXHIBIT B
Page 7 of 17

- The execution and consummation of this Agreement by Water Company and Energy pursuant to its terms does not and will not result in the breach of, or contravene any provision of, violate or constitute a default under, any article of incorporation. charter, by-law, mortgage, indenture, contract, agreement, instrument or judgment to which Water Company or Energy is subject, or to the best knowledge of Energy or Water Company after reasonable investigation any statute, rule or regulation to which either of them is subject (other than as set forth in paragraph 11 hereof), and there is no claim or assertion, and to the best of their knowledge after reasonable investigation no potential claim or assertion, to the contrary.
- Fifteen (15) business days after receipt by Water Company and Energy from the Tribe of notice of the Tribe's exercise of the Option pursuant to paragraph 6.5 hereof, or on such other date as the parties may agree upon, the parties shall hold a Closing for the purpose of consummating the transactions contemplated by the Option. date of such Closing is hereinafter referred to as the "Closing Date". The Closing shall take place at one o'clock P.M. local time at the offices of Tuttle & Taylor Incorporated, 609 South Grand Avenue, Los Angeles, California, or at such other time and place as the parties may agree upon. EXHIBIT B

- At the Closing, Water Company and Energy shall deliver to the Tribe the following:
 - A bill of sale of the Water System, all blueprints and operating manuals in the possession of Water Company and Energy related thereto, all water rights related thereto owned by Water Company and Energy and all permits and authorizations necessary for the operation of the Water System and use of such water rights by the Tribe, all in form reasonably acceptable to counsel for the Tribe;
 - Evidence reasonably acceptable to counsel for the Tribe of all necessary regulatory approvals for transfer of the Water System and such water rights to the Tribe;
 - (c) A certificate executed by the respective Presidents of Water Company and Energy indicating that each of the representations and warranties of Water Company and Energy set forth in paragraph 8 hereof is true and correct on and as of the Closing Date as if made on and as of the Closing Date except as contemplated to the contrary by this Agreement, and that Water Company and Energy have taken EXHIBIT B

Page 9 of 17

all actions required to be taken by them hereunder prior to the Closing;

- A legal opinion of counsel (d) reasonably acceptable to the Tribe, dated the Closing Date, to the effect that: Water Company and Energy are each corporations duly organized, validly existing and in good standing under the laws of the State of California, and each of them has full power to own its respective assets and carry on its respective business as it has been and is then being conducted, and to convey, transfer, assign and deliver its assets to the Tribe as provided in this Agreement; (ii) the execution of this Agreement by Water Company and Energy and its delivery to the Tribe has been duly authorized by their respective Boards of Directors and shareholders and constitutes a valid and binding obligation in accordance with its terms; and (iii) Water Company and Energy have obtained all regulatory approvals required for the transfer of the Water System to the Tribe; and
- (e) Possession of the Water System and all such permits, authorizations, blueprints and operating manuals.

EXHIBIT B
Page 10 of 17

9.2 At the Closing, the Tribe shall deliver

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- date of expiration of the Option, Water Company and Energy shall conduct the operations of and maintain the Water System diligently and in the ordinary and normal course, and shall not sell, transfer or assign to any other person any portion of the assets constituting the Water System except in the ordinary course of business.
- pursuant to this Agreement is subject to the approval of the California Public Utilities Commission, and Water Company and Energy agree to use their respective best efforts to obtain such approval prior to the Closing Date. The Tribe shall from time to time provide such regulatory authority with such information regarding its

- Water Company and Energy shall protect, 12. indemnify, defend and hold harmless the Tribe from and against any claim or demand (i) of any other person or entity to or for any of the assets or properties to be transferred to the Tribe pursuant to this Agreement; (ii) arising out of or resulting from the breach of, or an assertion contrary to, any of the representations, warranties or agreements of Water Company and Energy contained in this Agreement or in any document delivered to the Tribe by them relating to this Agreement; (iii) arising out of or resulting from any asserted obligation or liability of Water Company or Energy or of any subsidiary or affiliate thereof; and (iv) from and against any liability, damages, costs or expenses incurred in connection with any such claim or demand, including reasonable attorney's fees.
- 13. During the period from receipt of the Notice of Determination to the date of expiration of the Option, Water Company and Energy shall give the Tribe, and its appraisers, auditors and representatives, access to the books and records of Water Company and Energy to the extent reasonably required by the Tribe in connection

EXHIBIT B Page 12 of 17

- 14. On and after the Closing Date, and without further consideration, Water Company and Energy shall execute and deliver to the Tribe such further instruments of conveyance and transfer, and shall take such other actions, as the Tribe or its counsel may reasonably request in order to more effectively convey and transfer to the Tribe the Water System and the associated water rights and permits, and to aid and assist the Tribe in collecting and reducing the same to possession and exercising all rights with respect thereto.
- 15. Water Company and Energy shall pay all transfer taxes relating to the consummation of the transactions contemplated by this Agreement, including without limitation all sales and use taxes.
- 16. As further consideration for the grant of the Option, the Tribe hereby agrees that in the event the Option is exercised and the Closing is consummated as contemplated by this Agreement, the Tribe will use its best efforts: (i) to continue water service to all customers and tracts served by Water Company on the Closing Date, and (ii) in the event Tract 8284 is not within Water

FXHIBIT B Page 13 of 17

Nothing in this Agreement shall be construed to obligate the Tribe or the United States to provide any water or water rights to Water Company or any other person except to the extent of any water rights and permits validly owned by Water Company and purchased by the Tribe hereunder.

Tribe does not exercise its Option provided hereby, Water Company will, so long as it does not unreasonably interfere with service to Water Company customers, use its best efforts to permit the Tribe to transfer Tribal waters, at the expense of the Tribe, through Water Company's pipelines located in Section 36, Township 5 North, Range 24 East, San Bernardino Meridian, to reservation lands located on Sections 25, 26 and 35 adjoining said Section 36; provided, however, that nothing in this Section 17 shall be construed to obligate Water Company to provide any water or water rights owned by Water Company to the Tribe or any other person.

EXHIBIT B
Page 14 of 17

Buyer:

Chemehuevi Indian Tribe
12243 Hartland Street
North Hollywood, California 91605
Attention: Herbert W. Pencille
Chairman

Copy to:

Tuttle & Taylor 609 South Grand Avenue Los Angeles, California 90017 Attention: Michael Glazer, Esq.

Water Company:

Havasu Water Company c/o Sheldon L. Foreman 1538 North Century Santa Ana, California 92703

Copy to:

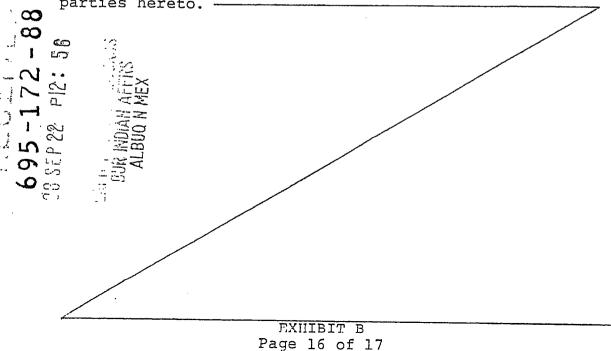
W. R. Holcomb 3702 Hemlock Drive San Bernardino, California 92404

Energy:

Energy Production and Sales Company 234 East Colorado Boulevard, Suite 808 Pasadena, California 91101

19. Upon written notification to the Tribe by both Water Company and Energy of the acquisition by Water Company of all or substantially all the capital assets constituting the water distribution and supply plant and equipment owned by Energy and located in Tract 8284, Energy shall be released from its obligations under this Agreement

Subject to the provisions of paragraph 19 20. hereof, this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. -



understanding between the parties with respect to the purchase and sale of the Water System, and may not be changed except in writing executed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date set forth above.

WATER COMPANY:

Havasu Water Company

By Mi Rate - Pro-

By Crew of Haden Sue

ENERGY:

Energy Production and Sales Company

By Howard, tre

By Stalland. Jaeuron Sec.

TRIBE:

Chemehuevi Mindian Tribe

Herbert W. Pencille

Chairman

Rosie M. Laivas

Secretary-Trdasurer

APPROVED:

United States Department of the Interior, Bureau of Indian Affairs

11 William J. January

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-172-88 22 PIZ: 56

GRANT OF EASEMENT FOR RIGHT-OF-WAY

That the United States of America, acting by

KNOW ALL MEN BY THESE PRESENTS:

and through the Superintendent, Colorado River Agency, Bureau of Indian Affairs, Department of the Interior, hereinafter referred to as "Grantor," under authority contained in . 230 DM 1, 10 BIAM 3, and 10 BIAM 11, and pursuant to the provisions of the Act of February 5, 1948 (62 Stat. 17, 25 U.S.C. 323-328), and Part 161, Title 25, Code of Federal Regulations, in consideration of the Settlement Agreement concurrently entered into on this date by the Havasu Homeowners Association, does hereby grant to Havasu Homeowners Association, a California nonprofit association, its successors or assigns, hereafter referred to as "Grantee," a non-exclusive easement for right-of-way for the sole purpose of transporting water to and from the Havasu Water Company and those lots on the Chemehuevi Reservation shoreline strip north of Havasu Landing which are the subject of permits, and for the further sole purpose of transporting sewage from said lots to a site where sewage and/or treatment at such time as a site for such treatment is built on, over, and across the land embraced

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within the right-of-way situated on the following described

lands located within the Chemehuevi Reservation, County of

San Bernardino, State of California:

The right of way of Havasu Lake Road as shown on San Bernardino County Surveyor's Map No. 6323. Said map on file in the San Bernardino County Surveyor's office and was approved by the U.S. Department of the Interior, March 15, 1957.

This easement is subject to any prior valid existing right or adverse claim and is for a period of 14 years, provided, that this right-of-way shall be terminable in whole or in part by the Grantor for the following cause upon 30 days' written notice and failure of the Grantee within said notice to correct the basis of termination (25 C.F.R. 161.20):

a. Failure to comply with any term or condition of the grant or the applicable regulations.

The conditions of this easement shall extend to and be binding upon and shall inure to the benefit of the successors and assigns of the Grantee.

In the event that at any time during the term hereof the Chemehuevi Indian Tribe shall construct a sewage system to serve Mavasu Landing, Grantee shall have reasonable access thereto and Grantor shall amend the legal description set forth above to describe such access.

FXHIBIT C. Page 2 of 3

It is a condition of this easement that Grantee shall not make membership in the Havasu Homeowners Association a condition for use of the easement or any facilities built on it, but shall make the easement and any facilities constructed on it available to those lots which are the subject of permits on the same terms and conditions with regard to each.

Nothing in this Agreement shall be construed as obligating the Tribe or the United States to provide any water for transport across the easement, to grant any water rights of the Tribe or the United States to the Homeowners Association, any member thereof or any other person, or to provide any treatment facilities for sewage for any such person, or to construct, protect, maintain, repair, or do any other acts with regard to said easement or any pipeline or supporting facilities or improvements constructed therein.

IN WITNESS WHEREOF, Grantor has executed this grant of easement this 22 day of 4, 1976.

6 5 EP 22 PIZ: 5 8 8

BUR HIDIAH AFFISS

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UNITED STATES OF AMERICA

Superintendent
U.S. Department of the Interior
Bureau of Indian Affairs
Colorado River Agency

Parker, Arizona 85344

EXHIBIT C Page 3 of 3

FORM OF RESIDENTIAL PERMIT OPTION

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Chemehuevi I dian Tribe c/o Werbert W. Pencille, Chairman 12243 Hartland Street North Hollywood, California

(213)877-5552

eagh of the Persons set forth in Exhibit 1 hereto

> Re: Residential Permits on

Chemchuevi Indian, Reservation

Dear Sirs:

As you are aware, the lawsuit between the Lake Mayasu Homeowners Association, Havasu Landing, Inc. and certain individuals against the United States Secretary of the Interior and the Chemehuevi Indian Tribe has been settled. In connection with that settlement, the Momeowners Association and the other plaintiffs have signed a Settlement Agreement and a stipulation for dismissal of the lawsuit with prejudice, the Tribe has purchased all of the assets of Mavasu Landing, Inc., and Releases of any claims relating to the subject matter of the litigation have been executed and delivered to the Tribe and the United States by all holders of residential Permits for Lots on the Reservation.

Pursuant to the Settlement Agreement the Tribe hereby grants to each Permit holder listed in Exhibit 1 hereto the option to elect to amend his Permit as set forth in Exhibit 2 hereto. Such amendment will:

- Extend the term of the Permit to July 4, 1990;
- Increase the annual rental to \$387, effective July 4, 1976;
- Provide that the Tribe will not unreasonably withhold its consent to any sale, assignment or transfer of the Permit or any interest therein, provided the Tribe receives ten days' prior written notice thereof; and
- Provide that upon each sale, assignment or transfer of the Permit or any interest therein to any other person for any reason, by operation of law or otherwise, the annual rental shall be adjusted upwards (but not downwards) as of the date of such sale, assignment or transfer based upon and in direct proportion to any increase (measured from July 4, 1976) in the

EXHIBIT D . Page 1 of 8

June 02/1976

City Average Wholesale Consular Price Index established by the United States Department of abor, Bureau of Gabor Statistics (1967 equals 100) or any similar successor index established by any other agency of the United States Government.

THIS OPTION MAY BE EXERCISED BY ANY PERMIT HOLDER BY EXECUTING A COPY OF THE AMENDED PERMIT IN THE FORM ATTACHED AS EXHIBIT 2 HURETO IN THE SPACE INDICATED, AND PERSONALLY DELIVERING IT TO THE CHAIRMAN OF THE TRIBE, OR MAILING IT TO THE TRIBE AT THE ADDRESS SHT FORTH ABOVE, NO LATER THAN JULY 3, 1976, TOGETHER WITH A CHECK FOR THE INCREASED RENT UNDER THE AMENDED PERMIT FOR THE YEAR COMMENCING JULY 4, 1976.

In the event any Permit holder does not elect to exercise this option prior to July 4, 1976 as provided above, the option will expire, the terms of his Permit (including its current rent and expiration date) will remain unchanged, and he will not have any further opportunity to exercise the option.

Very truly yours,

Chemehyevi Indian Tribe

Herbert W. Pencille

Chairman

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EXHIBIT D Page 2 of 8 695-172-

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ļ	. Andorson, William T. 2333 Poverty Blvd. Suite 303 Los Augeles. Ca 90057	30430	70	5/1/63 to 4/30/83
2	. Barksdale, Edward W. Jr., 1081 Session Street South Gate, Ca 90280	1:1797	7.4	LL/L/73 to 8/L5/77
3	Penjamin, Joseph J. Jr., P.O. Box 1643 Havasu Lake, Ca 92363	14800	31	11/1/73 to 8/15/80
4.	. Bland. Frank & Mano Martinez 331 East Foothill Blvd. Upland, Ca 91780	12089	39	5/1/73 to 8/15/77
5.	Bradg, Walter 2723 Lindy No Rosemead, Ca 91770	ltav=28	22	2/1/73 to 8/15/77
Ċ.	Burrill, Frank Star Rt. 2, Box 67-B Oakhurst, Ca 936-14	Hav-66	0.1	8/1/85 to 8/15/77
7.	Cleveland, Carl F. P.O. Box 1656 Havasu Lake, Ca 92363	llav-56	68	2/1/74 to 8/15/80
 	Connelly, Charles, H. 5050 Westridge Gleudora, Ca 91740	19768	35	2/6/70 to 8/15/77
٧.	Cowan, Leonard W. P.O. Box 370 Corona, Ca 91720	19786	17	2/1/74 to 8/15/77
10.	Crosby, Walton I. 834 East 5th Ave Hesa, Az 85204	llav=13	63	1/1/73 to 8/15/77
ll.	Dahl, Basil 1600 Crono Avo Anaheim, Ca 92802	14838	27	1/1/74 to 8/15/77
	Edney, Harold J. 1026 Wild Rose Ave. Monrovia, Ca 91016	23497	25	5/1/59 to 4/30/79
•	·	EXHIBIT Page 3 of	-	~ 1

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EXHIBIT 1

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1.5	3. Lish & Game Calif. Div G. Ray Arnell, Divector 1116 Minth St. Spiramento, Ga 95814	[4834]	58 & ;	59 · 8/15/ to 8/15/76
1.1	. Prost, Engene R. 1076 Cajou West Covina, Ca 91791	36429	.012	5/1/24 to 4/30/83
15	. Polvio, Bromo Angeline U. 1315 N. Sanidahriel Azusa, Ca 91702 + Husbana Passed a	14824	67	12/1/73 to 8/15/77
16	Films of the See Co. Goodgame, John W. P.O. Box 1528 Havasu Jako, Ca 92363	llav-58	1.8	5/1/55 to a/15/80
. 17	. Nicks, Harry 322 E. Foothill Bled. Monrovia, Ca 91016	Hav-64	69	.8/1/55 to 8/13/77
18.	Holley, Dorothy P.O. Box 1815 Havasu Lake, Ca 92363	12094	.19	6/1/73 to 8/15/80
19.	Holl, Frank J. 10132 Grosby Avo Garden Grove, Ca 92643	llav-75	6.1.	7/1/50 to 8/15/77
20.	Honaker, Vern A. 5642 Dairy Ave Long Beach, Ga 90805	23496	46	12/1/73 to 11/30/78
21	. Lantis, H. L. P.O. Box 1355 Camp Verde, Az 86322	llav-4	44	2/16/71 to 8/15/77
22.	Laur, Aaron J. P.O. Box 1658 Havasu Lake, Ca 92363	3.9774	1.2	.6/1/70 to 8/15/80
23.	Lipskov, Leon 3918 Borthland St. Newbury Park, Ca 91320	36428	37	2/1/63 to 1/31/83
24.	Hetfollom, Arthur S. 789 River Drive Norce, Ca 91760	23515	7 '2	5/1/61 to 4/30/81
25.	McLellan, Carl L. 4302 Enroka Ave Yorba Linda, Ca 92686	36437	.55	11/1/64 to 10/31/84
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27	. Mioth, I. X. 305 Vallo Vista Monrovia, Ca 910to	Hav-72	G5	5/1/56 to 8/15/77	
- 28	. Morton, ind Box 7870 Peor Trail Yucca Valley, Ca 92284	23494	47	9/1/58 to 8/31/78	
29	. Smodles Rod, Sun ! Boat Club c/o Robert B Khile. Sec. Tres 3242 Torrance Blvd. Torrance. Calif 90503	12081 s.	.L _. OO	3/1/73 to 8/15/76 W	¥?
30.	Nidy, Paul 10744 Vorde Street Victorille, Ca 02302	23504	u4 .	0/1/73 to 8/15/77	
31.	Page, Gailerd 18471 Citrus No. Yorba Linda, Ga 92686	Hav-80	υ 5	11/15/56 to 8/15/77	;
32.	Parton. Dick P.O. Box 1723 Havasu Landing, Ga 92363	19745	28	6/1/73 to 8/15/80	
- 33.	Patterson, Edward F. P.O. Box 1557 Dake Havasu, Ca 92363	Hav-73 .	56	5/1/56 to 8/15/80	
34.	Phillips, Ralph c/b Frances Phillips 1321 West Johnston Hemet, Ca 92343	23482	IIU-LL	4/1/57 to 3/31/77	/
35.	Plunkers Club P.O. Box 55 Plunter City, Ca 92269	19747	66	6/1/73 to 8/15/76	
36.	Prytherch, W. C. 5267 Rincon Street San Diego, Ca 92115	12100	33	6/1/73 to 8/15/77	
37.	Redden, Devain A. P.O. Box 38 Yucca Valley, Ca 92284	Hav-19	71	6/1/72 to 8/15/77 -	695
	Rialto Fish & Game Club F.O. Boy 203 Rialto, Ca 92376	14821	34	11/1/73 to 8/15/76	-17
		EXHIBIT D Page 5 of		Nevi	

	30	P. Richards, Lidon I., 2004 1904 M., Western Arg San Pedro, Ca 90732	$231 - \alpha$	23	5/1/61 16 4/20/21
	40	, RidgLey, Ben A. 3096 Chino Ave Chino, Ga 91710	Hav-L	30	10/15/70 to 8/15/77
	41 <u>.</u>	. Ridgley, Cerald F. P.O. Box 243 Dake Havasu City, Az 86	23512	21.	2/1/61 (6 1/31/81
	42	. Robertson, Dong J. & Jer 1014 West 4th St. Ontario, Ca 91762	rry Platt Hav-5	20	5/1/71 to 8/15/77
	43.	. Rossier, Lap P.O. Poz 4805 Havasu Lake, Ca 92363	19742		6/1/73 to 8/15/80
	44.	Saucerman, Gordon B. 3792 Via Granada Moraga, Ga 94556	1.9744	32	. · · · · · · · · · · · · · · · · · · ·
	45.	Schmitt, Elmer R. 405 High-Land Place Monrovia, Ca 91016	Hav-32 .	 42	5/1/73 to 8/15/77
	46.	Shirk, Maurico F. 16951 Lake Knoll Lane Yorba Linda, Ca 92686	23514	()	4/1/01 1.0 3/31/81
•	47.	Squires, J. D. P.O. Box 1508 Havasu Lake, Ca 92363	23502	9	7/1/59 to 8/15/80
•	48.	Stevens, Birl P. 602 North Hartley West Covina, Ca 91790	14832	1	1/1/74 to 8/15/77
	49.5	Truzinski, Daniel C. 8260 Ellenford St. Long Beach, Ca 90808		53 .	3/1/56 to 8/15/77
	50.	Tunnell, D. H. 792 Camphor Way UpLand, Ca 91786	Hav-43	38	6/1/54 (0 8/15/77)
	51.	Tunstall, Clay H. Star Rt. 2-Box 1248 Yucça Valley; Ca 92284	Hav-71.	49	4/1/56 to 8/15/77
		Van Dyk, Hubert 36651 Meadow View Barstow, Ca 92311	19780	13	11/1/70 to 8/15/77
			EXHIBIT D Page 6 of		Neiri

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,	83. Torret, krittram 180 Poppijkas Broomfield, Colorado 800;	Hay 2	11(1)	12/1/72 16 8/15/77
5	4. Vogt. Leonard M. P.O. Box 1585 Havash Lake. Ca 92363	Hav-52	52	9/1/76 to 8/15/80
5)	5. Yolk, Floor C. 8320 Last Metan M. San Gabriel, Ca 91775	23488	62	0/1/50 to 8/15/77
5.4	9057 Belmont Street Bellflower, Ca 90706	23511	45	12/1/60 to 11/30/80
57	. Westphálair, Bugo C. P.O. Box 257 Nuervo. Ca 92367	36427	26	1/1/63 to 12/31/88
58	Wilbright, Charles R. P.O. Box 1593 Havasu Lake, Ca 92363	23481	LS	. 12/17/50 to 8/15/80
59.	Wilhelm, A.G. 741 Teakwood A.e LaMabra, Ca 90361	23503	3 .	8/1/59 to 7/31/79
60.	Whaver, R. A. 478 East ooth St. Long Beach, Calif 90805	Hav-68	50	10/1/55 to 8/15/77
. 61.	Williams, Alice II. 5238 North Barela Ace Temple City, Ca 91780	Hav-30	10	4/1/73 to 8/15/77
62.	Wilson, Tom 14612 Harwood Hacienda Heights, Ca 91745	Hav-17	36	3/23/73 to 8/15/77
63,	Withward, Bernard J. & Thomas R. Sommerville 1903 Broadland Duarte, Ca 91010	Hav-69	43	
. 64.	Woodley, Clemn E. 555 East 8th St. Beaumont, Ca 92223	Hav-50	57	8/1/54 to 8/15/77
₩65.	O'Ryan, Bort E. 10648 Jimenez St. Lakeview Terrace, Ca 91343	llav-76	54	7/1/56 to 8/15/77

EXHIBIT D
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I.c.	Ho.	
Ch	minuevi	Indian Reservation

AMENDHERT TO RESIDE TIAL PERMIT

This Amendment to Residential Permit is made by and between the undersigned (the "Permit Golder") as holder of the residential permit referred to above (the "Permit") with respect to the lot on the Chemehuevi Indian Reservation referred to above and the Chemehuevi Tribe of Indians (the "Tribe").

Notwithstanding any provisions of the Permit to the contrary, the Permit is hereby amended as follows:

- 1. The term of the Permit is hereby extended to July 4, 1990, on which date the Permit shall expire and be of no further force or effect.
- 2. The annual rental for the Permit shall be Three Hundred Highty-Seven Dollars (\$387.00), payable on July 4 of each year commencing with July 4, 1976.
- 3. The Tribe will not unreasonably withhold its consent to any sale, assignment or transfer of the Permit or any interest therein, provided the Tribe receives at least 10 days' prior written notice thereof from the Permit Holder.
- 4. Upon any sale, assignment or transfer of the Permit or any interest therein to any person other than the Permit Holder for any reason, by operation of law or otherwise, the annual rental shall be adjusted upwards (but not downwards) as of the date of such sale, assignment or transfer based upon and in direct proportion to any increase (measured from July 4, 1976) in the City Average Wholesale Consumer Price Index established by any other agency of the United States Government.
- 5. This Amendment to Permit shall not be effective until signed by all parties whose names are set forth below.

IN WITHESS WHEREOF, the undersigned have executed this Amendment to Permit on the date set forth below.

Permit Holder:	Chemehuevi Indian Tribe	
Date:, 1976	Date:, 1976	
Signatures:	By Herbert W. Pencille, Chairman	
	ByRosic M. Leivas	•
[ALL PERSONS WITH INTERESTS IN PERMIT MUST SIGN]	Rosie M. Leivas Secretary-Treasurer	•
APPROVED:	BÎN HE ALBU	695
Date:, 1976		73.7
United States Department of the Interior, Bureau of Indian Affairs	ACX STATE OF THE PARTY OF THE P	172
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	EXHIBIT 2	2000

EXHIBIT E

STANDBY PUMP AGREEMENT

THIS AGREEMENT is made by and between HAVASU WATER COMPANY (hereinafter sometimes referred to as "Water Company"), a California corporation, and the CHEMEHUEVI INDIAN TRIBE, an Indian Tribe organized pursuant to the Indian Reorganization Act of 1934, as amended (hereinafter sometimes referred to as the "Tribe"), with reference to the following facts:

- l. HAVASU LANDING, INC. presently operates a series of recreational-oriented activities (hereinafter sometimes collectively referred to as "Resort") at Lake Havasu on land held by the United States Government in trust for the CHEMEHUEVI INDIAN TRIBE.
- 2. CHEMEHUEVI INDIAN TRIBE concurrently herewith is purchasing the assets of HAVASU LANDING, INC, including all of its rights and interest in the land and premises on which Havasu Landing Resort is situated.
- 3. HAVASU LANDING, INC. presently supplies water throughout the Resort, including, without limitation, to users of its trailer park, camping facilities, restaurant facilities and other related activities, by means of its own water system, which draws water from the Colorado River at Lake

95-172-88

Havasu by means of an electric pump located at the water's edge and transports said water by water line to tanks located at the Resort. In addition to the electric pump at the water's edge (existing lake intake), there is a standby electric pump and a standby engine-driven pump, each of which has a capacity to provide a continuous supply of water to Resort tanks during an emergency. At the Resort tanks water is processed and then stored in a large pressure tank. A uniform pressure is maintained within said pressure tank by electric pumps and under normal circumstances water is then dispensed from said pressure tank through the Resort water system. The locations of the existing lake intake, the standby pumps, the Resort tanks, and the large pressure tank and electric pumps are shown on the drawing attached as Exhibit 1.

- 4. Water Company is the owner of a large capacity engine-driven water pump, as shown on Exhibit 1, which has been installed at the Resort's aforesaid water tanks and which is utilized in the event of a power failure to pressurize the Resort's water system (the "Standby Pump").
- 5. The Resort's water system supplies water from its tank area to the Water Company's tanks through a meter located at the Water Company's water storage and pumping facility, as shown on Exhibit 1.

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- 6. Concurrently herewith the CHEMEHUEVI INDIAN TRIBE and the Water Company have entered into an agreement whereby Water Company shall have an easement from the Colorado River to its water storage and pumping facility through the Resort property.
- 7. The Tribe desires to continue to have access to the Water Company's engine-driven Standby Pump to permit pressurization of the Resort's water system in the event of an emergency or a power failure.
- 8. Water Company desires to continue to have access to a water supply at the Resort's water tank area.

NOW, THEREFORE, in consideration of the promises and conditions hereinafter contained, the parties agree as follows:

- 9. Water Company hereby transfers and assigns all of its right, title and interest in the Standby Pump to the Tribe.
- 10. The Tribe agrees, for a period of thirty (30) years from the date of this Agreement (hereinafter referred to as the "Maintenance Period"), to continue to maintain the

EXHIBIT E Page 3 of 10

Standby Pump in good operating condition at the Resort's water tank area so that in the event of a power failure or other interruption said Standby Pump will be available to pressurize both the Resort water system and the Water Company's water system; provided, however, that in the event the Public Utilities Commission of the State of California or any other governmental agency having jurisdiction over the operations of Water Company requires the Easement for Right-of-Way granted to Water Company concurrently herewith to have a longer term for the purpose of providing sufficient access to the Colorado River, the Maintenance Period shall be extended for such longer term as may be required by the California Public Utilities Commission or such other governmental agency; and provided further, that during any such extension of the Maintenance Period all maintenance costs of the Standby Pump shall be borne by Water Company, and the amount of such costs shall be offset against the rent payable to the Tribe hereunder.

ll. The Tribe agrees to maintain the electric water pump, standby electric pump and engine-driven water pump at the water's edge (at the existing lake intake) and the existing intake lines from the lake to the pumps at the water's edge, at all times during the Maintenance Period, in order that the Water Company can have continuous access to a supply of water at the Resort water tank area.

Maintenance Period maintenance of the Standby Pump, electric water pump, standby electric pump, or engine driven water pump at the water's edge requires the replacement of any part including, without limitation, the replacement of the entire pump, Water Company shall pay 50% of the cost of the replacement part or parts.

Water Company shall have the right at any time during the Maintenance Period, at its sole cost and expense, to increase the size or capacity of any such pump and/or the existing pipeline from the intake to the Resort tanks, by modification or replacement thereof, by reason of any

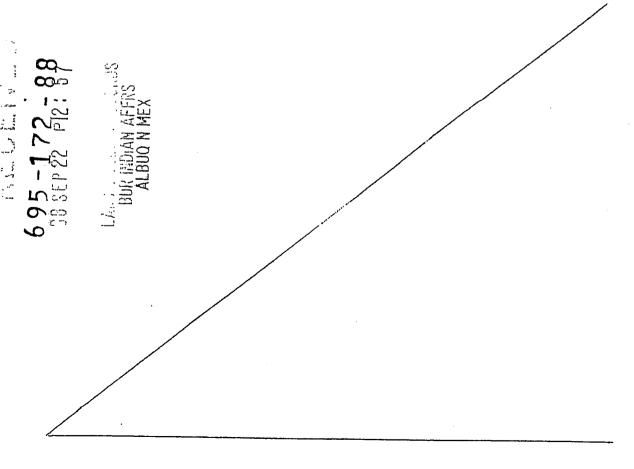


EXHIBIT E Page 5 of 10

future increase in the size or capacity of Water Company's water system; provided, however, that the maintenance costs and characteristics of such pump and/or pipeline as so modified or replaced shall be reasonably acceptable to the Tribe; and provided further, that any such modification or replacement shall be performed only at such times as will not unreasonably interfere with the operations of the Resort.

- 13. Water Company will pay to the Tribe quarterly, during the period commencing September 30, 1976 and ending on the last day of the Maintenance Period, or at such more frequent period as the parties agree, the sum of Ten Dollars (\$10) per acre foot of water received during such quarter at the meter located at Water Company's pumping and storage facilities. Water Company will give the Tribe reasonable access to the meter to verify the amounts of water received.
- breach of this Agreement in excess of the rent paid by
 Water Company. If the Tribe fails to live up to its obligations under this Agreement, Water Company may maintain the pumps and charge the Tribe the actual reasonable costs of such maintenance, in which event the Tribe shall give
 Water Company reasonable access to such pumps for such purpose and the costs thereof shall be offset against the rent payable to the Tribe hereunder.

- 16. Water Company acknowledges that the Tribe may from time to time during the term of this Agreement wish to change the location of the pumps and/or pipeline that are the subject of this Agreement. Water Company agrees that the Tribe shall have the right to make any such change at its own cost and expense; provided, however, that any such change shall be performed in such a manner and at such times as will not unreasonably interfere with the operations of Water Company or its rights pursuant to paragraph 15 hereof.
- 17. This Agreement shall be binding on the successors and assigns of the parties.

18. I notices and payments to le Chemehuevi Indian Tribe shall be sent to:

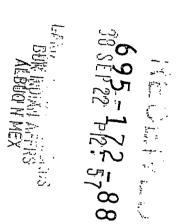
Chemehuevi Indian Tribe
12243 Hartland Street
North Hollywood, California 91605
Attention: Herbert W. Pencille
Chairman

All notices to Water Company shall be addressed to:

Havasu Water Company c/o Sheldon L. Foreman 1538 North Century Santa Ana, California 92703

Copy to:

W. R. Holcomb 3702 Hemlock Drive San Bernardino, California 92404



- 19. Nothing in this Agreement shall be construed to obligate the Tribe or the United States to provide any water or water rights to Water Company or any other person. Nor shall anything in this Agreement be construed to obligate the Tribe or the United States to construct, protect, maintain, repair or do any other acts with regard to any pipeline, supporting facilities, or any other facilities other than those certain pumps which are delineated by name in this Agreement.
- 20. This document is the entire understanding with regard to the subject matter of the pumps and their use and maintenance. No changes to this Agreement shall be made

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or enforceable unless such changes shall be made in writing and signed by each party to this Agreement.

Dated this 22 day of June, 1976.

CHEMEHUEVI INDIAN TRIBE

HAVASU WATER COMPANY

President

V President

By the De Leiva

Secretary

Complete

Secretary

APPROVED:

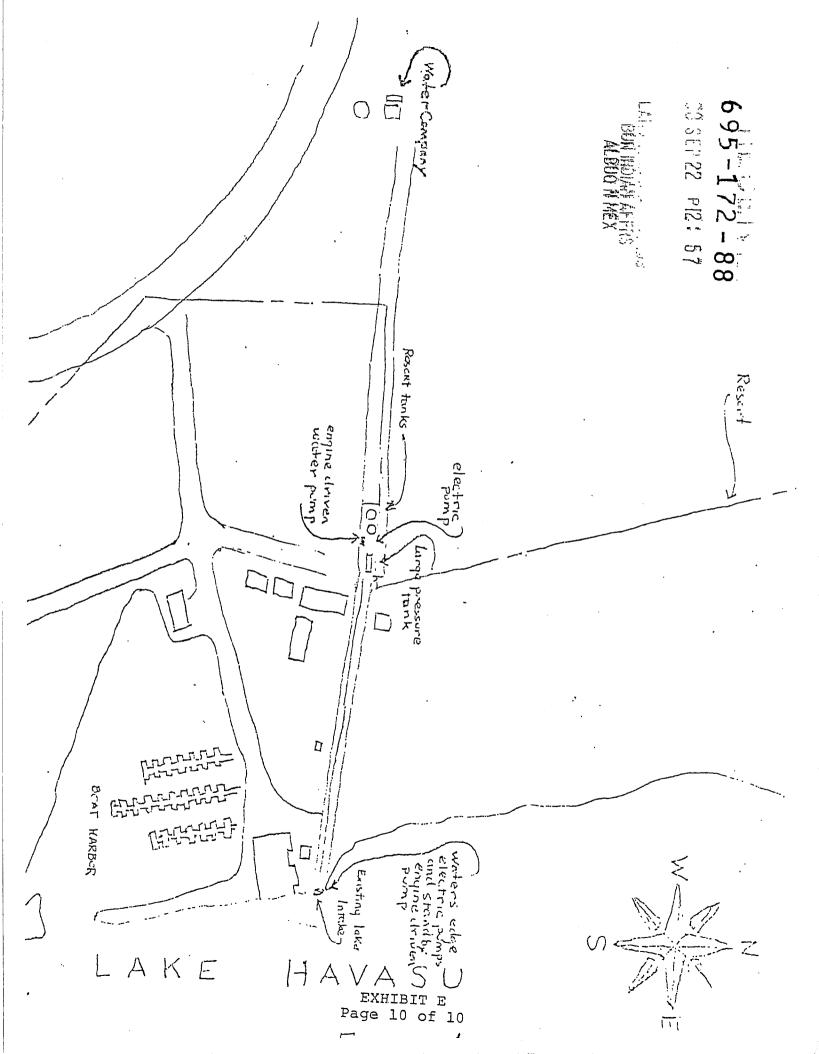
Dated:

<u>22</u>, 1.976

UNITED STATES DEPARTMENT OF INTERIOR, BUREAU OF INDIAN AFFAIRS

By William J. Somme

695-172-88



HAVASU LAKE QUADRANGLE ORNIA-ARIZONA

7.5 MINUTE SERIES (TOPOGRAPHIC)
NW/4 WHIPPLE MTS. 15' QUADRANGLE

