

## RESOLUTION NO. 2006-01

**A RESOLUTION OF THE BEAUMONT BASIN WATERMASTER  
ESTABLISHING RULES AND REGULATIONS REGULATING  
THE TRANSFER OF WATER BETWEEN APPROPRIATORS**

Section 1. The Beaumont Basin Watermaster hereby resolves to amend Section 7 of its Rules and Regulations by adding the following Subsections thereto establishing rules and regulations governing the transfer of water between Appropriators in the Beaumont Basin.

- 7.3 Transfer of Water.** Any Appropriator may transfer all or any portion of its Appropriator's Production Right or Operating Yield that is surplus to its needs to another Appropriator in accordance with these Rules and Regulations.
- 7.4 Watermaster Supervision and Approval.** Any proposed transfer shall be first approved by the Watermaster and implemented under Watermaster supervision.
- 7.5 Marketing Procedures.** An Appropriator wishing to transfer all or any portion of its Appropriator's Production Right may do so in any one of the following three ways:
- (a) The Appropriator may undertake its own marketing efforts and negotiate an agreement with one or more Appropriators; or
  - (b) The Appropriator may request assistance from the Watermaster to conduct a sealed bidding process among the Appropriators and award a contract to the highest bidder; or
  - (c) The Appropriator may request the Watermaster to allocate the total amount of water to be transferred to the accounts of the other Appropriators in proportion to their respective shares of the Operating Safe Yield and assess each of the Appropriators for the water at a cost not to exceed a Watermaster-approved Groundwater Replenishment Rate.
- 7.6 Disposition of Revenue.** Any revenue generated from the transfer of surplus water shall be used first to reduce or pay off delinquent Annual Administrative Assessments and Annual Replenishment Assessments, if any, and the balance shall be paid over to the transferring party. At the transferring party's option, the balance may be credited to future Assessments.
- 7.7 Accounting for Transfers.** The Watermaster shall maintain an accounting of all transfers, and such accounting shall be included in the Annual Report and other relevant Watermaster reports as appropriate.

Section 2. There are hereby adopted Form 7 entitled: *Transfer of Water Between Appropriators* and Form 8 entitled: *Transfer of Right to Recapture Water in Storage Between Appropriators*, which are attached hereto to facilitate the transfer of water between Appropriators.

Dated: 2/7/2006

BEAUMONT BASIN WATERMASTER

By

  
Chairman