

**LANDOWNER PETITION FOR THE FORMATION OF THE CONSOLIDATED
WATER DISTRICT**

(Pursuant to Water Code Section 34153 and Government Code section 56700)

The undersigned, by their signature hereon, DO HEREBY REPRESENT, REQUEST, AND PETITION as follows:

1. This proposal is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (hereinafter “**Act**”), set forth at Division 3 of Title 5 of the California Government Code (commencing with section 56000 et seq.).

2. The nature of this Change of Organization is to form a California Water District pursuant to Division 13 of the California Water Code (commencing with section 34000 et seq.). The proposed district shall be a landowner voting district.

3. Upon formation, the proposed California Water District shall be named the Consolidated Water District (“**CWD**”).

4. The proposed boundaries of the CWD are depicted in **Exhibit A**, attached hereto and incorporated by reference. The proposed District will contain approximately 86,180 acres, and will be entirely located within the County of Tulare, which will be the only affected county.

5. The boundaries of the proposed district overlay upon the boundaries of the service areas for Consolidated Peoples Ditch Company, Farmers Ditch Company, Persian Ditch Company, and the Watson Ditch Company (hereinafter collectively referenced as “**Companies**”). The Companies are California mutual water and ditch companies exclusively dedicated to the provision of irrigation water to their shareholders for commercial agricultural production. The Companies deliver surface water from the Kaweah and St. Johns Rivers to landowners in the boundaries of the proposed District. The approximate acreage served by the Companies is as follows: Consolidated Peoples Ditch Company, approximately 27,000 acres; Farmers Ditch Company, approximately 12,000 acres; and the Persian and Watson Ditch Companies service approximately 7,500 acres.

6. As owners of shares in the Companies, Petitioners possess a distinct, direct interest in the improvement and maintenance of the conveyance facilities of the Companies, and in maximizing the efficiency and capacity of said facilities.

7. Most of the proposed district lies within the boundaries of Kaweah Delta Water Conservation District (“**KDWCD**”), a California water conservation district formed under the

Water Conservation Act of 1927, located at Chapter 34 of the Appendix to California's Water Code. The total area of KDWCD is 340,000 acres, including approximately 240,000 acres devoted to a variety of irrigated crops and approximately 40,000 acres of urbanized area largely in and around the cities of Tulare and Visalia.

8. CPDC operates a large conveyance facility within the proposed district; however, only 1/3 of the facility's capacity is currently being utilized. As CPDC's shareholders adjust to the mandates of the Sustainable Groundwater Management Act of 2014 ("SGMA"), increased use of CPDC's facility to provide surface water for irrigation will likely play an integral role in (1) reducing groundwater dependence within the proposed district's boundaries, and (2) mitigating SGMA's potentially severe economic impacts.

9. FDC possesses "high flow" water rights; however, the present capacity of FDC's conveyance facilities is insufficient for FDC to capture much of the flood water otherwise available to it. FDC desires to improve its conveyance facilities by increasing their capacity and ability to capture flood water for future beneficial use. These improvements would facilitate recharge within the area of the proposed district, consistent with both the requirements of SGMA and the water conservation purposes of KDWCD.

10. FDC owns shares in CPDC, and the stockholders of each company possess a shared interest in maximizing the capacity of both companies to acquire surface water for beneficial use within the companies' respective service areas.

11. The activities of the proposed district would uniquely benefit the stockholders of the Companies, and would also benefit all landowners by importing surface water into the proposed District's hydrogeologic system. Moreover, given the considerable size of KDWCD's service area and the diverse group of landowners it represents, the incentives of the landowners within the proposed district will be in a superior position to effectuate, operate, and maintain the improvements described herein.

12. In light of (1) the unique proprietary interests of the Companies and their respective shareholders, (2) the strong resultant incentive of Petitioners to pursue the surface water conveyance projects described herein, (3) the benefits of imported surface water to the hydrogeologic conditions within the boundaries of the proposed district, (4) the comparative size, diversity of interest, and lack of similar incentive on the part of KDWCD, and (5) the continuity of purpose and function of the proposed district, with both the mandates of SGMA and the purpose

of KDWCD, formation of the proposed district is in the interests of landowners and water users in Tulare County.

13. The place where the principal business of the proposed district will be transacted is 15370 Avenue 256, Visalia, CA 93292.

14. The potential sources from which CWD will obtain the water to achieve its purposes are the Kaweah and St. Johns Rivers, as diverted and delivered by the Companies.

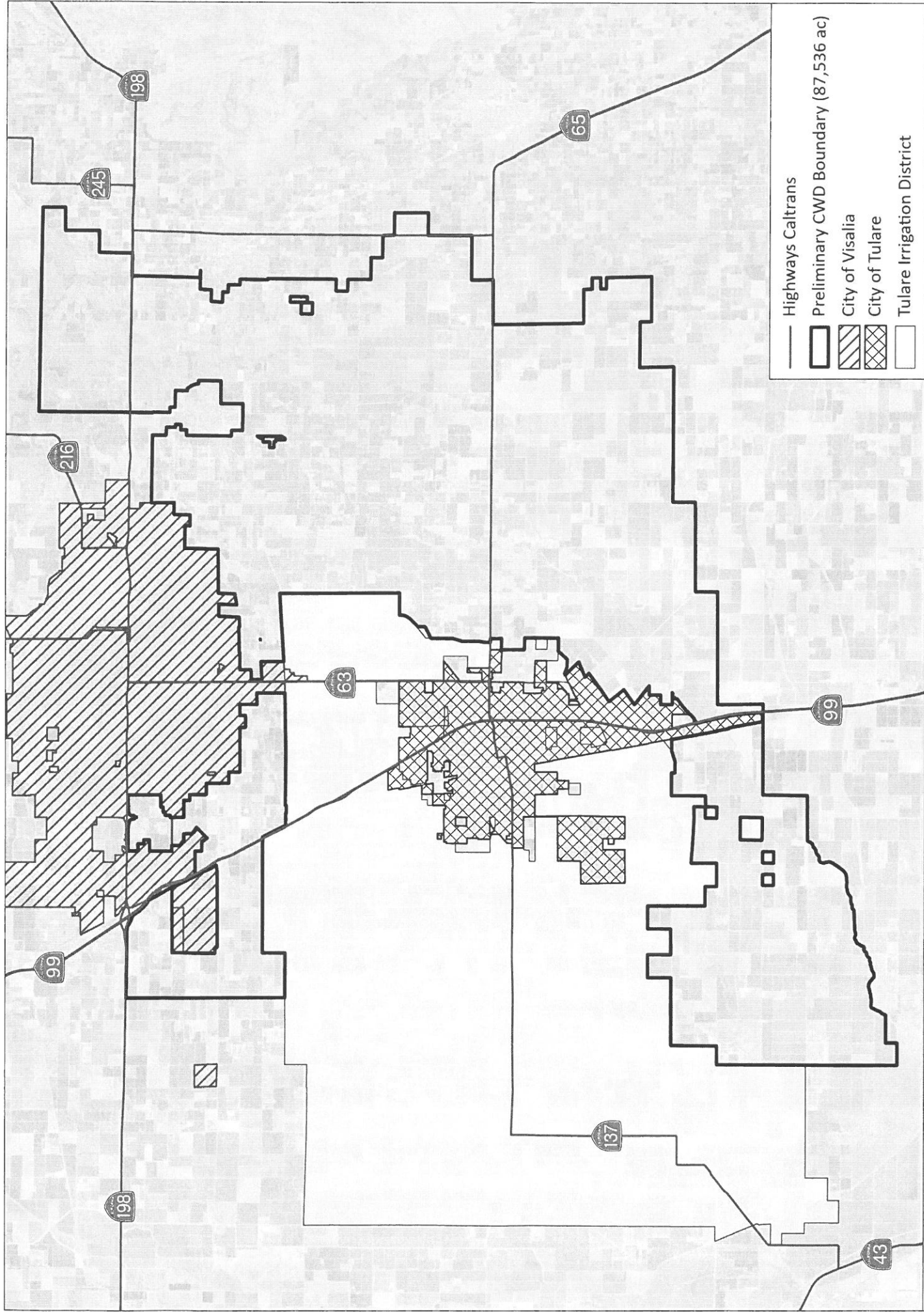
15. Pursuant to Water Code § 34153, this Petition is signed by the holders of title to a majority of the lands to be served by CWD.

16. Pursuant to Government Code § 56700(a)(7), the name, mailing address, and Assessor's Parcel Numbers owned by the Chief Petitioner herein is as follows:

Name	Address	Assessor's Parcel Number(s)	Signature

17. Petitioners request that proceedings be taken pursuant to the Act for the formation of CWD. Petitioners' signatures are attached hereto as **Exhibit B**.

Exhibit A



Highways Caltrans

Preliminary CWD Boundary (87,536 ac)

City of Visalia

City of Tulare

Tulare Irrigation District

Preliminary Boundary Map

Consolidated Water District

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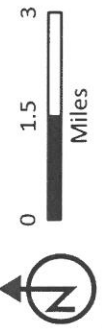


Exhibit B