

EXHIBIT A



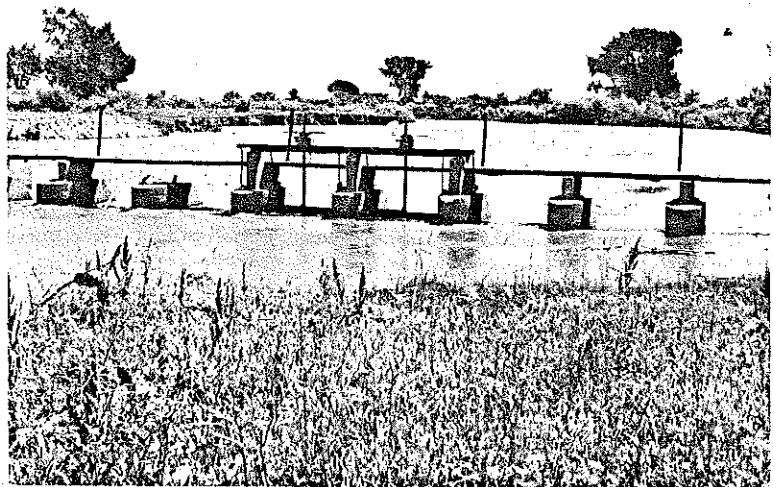
**WALKER RIVER
IRRIGATION
DISTRICT**

**BY-LAWS and
RULES and REGULATIONS**

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**BY-LAWS
OF THE
WALKER RIVER
IRRIGATION DISTRICT**



SECTION 1

BY-LAWS OF WALKER RIVER IRRIGATION DISTRICT

PREAMBLE

In pursuance of the provisions of that certain Act of the Legislature of the State of Nevada, known as the Nevada Irrigation District Act, approved March 19, 1919, the Board of Directors of the Walker River Irrigation District organized and existing under and by virtue of the provisions of said Act, adopt the following By-Laws:

-I-

NAME

The name of this District is:
WALKER RIVER IRRIGATION DISTRICT

-II-

DIVISIONS

The number of divisions of said District is Five (5).

-III-

DIRECTORS AND OFFICERS

The governing body of the District shall be a Board of five (5) Directors, who shall be elected one from each division as prescribed by the Nevada Irrigation District Act.

The Directors shall elect from their number a President and Vice-President, and shall appoint a Secretary and Treasurer who may or may not be members of the Board, providing one person may be appointed to serve as Secretary and Treasurer. All such officers shall serve at the will of the Board.

-IV-

VACANCIES

Any vacancy in the office of the Board of Directors by any cause, can be filled by the remaining members of the Board by the appointment of a qualified elector as prescribed by the Nevada Irrigation District Act, from the Division in which the vacancy occurs. Such Director shall hold his office for the unexpired term of his predecessor in office and until his successor is elected and qualified.

-V-

OFFICE

The office of the District is fixed at 410 North Main Street, in the City of Yerington, State of Nevada.

-VI-

MONTHLY MEETING

Regular monthly meetings of the Board of Directors shall be held at the Office of the District on the 7th day of each month, unless the 7th of the month falls on a weekend or a legal holiday, then the meeting shall be held on the nearest judicial day after the 7th of the month. The order calling a special meeting shall specify the business to be transacted and shall be entered of record in the Minutes of the Board and the Secretary shall give each member not joining in the order five (5) days notice in writing of the time and purpose of said meeting. No other business shall be transacted at any special meeting than that specified in the call unless all members of the Board are present. All meetings shall be noticed and conducted in accordance to the Nevada Open Meeting Law.

-VII-

QUORUM

A majority of the members of the Board shall constitute a quorum for the transaction of business, but on all questions requiring a vote, there shall be a concurrence of a majority of the members of the Board.

-VIII-

AMENDMENTS

These By-Laws may be amended at any regular monthly meeting by unanimous vote of the Board of Directors, or by a majority vote of the Board at a meeting held one month subsequent to the proposal of an amendment or amendments in writing.

-IX-

ORDER OF BUSINESS

The order of business shall be as follows:

1. Calling meeting to order.

2. Roll call of members.
3. Reading and approval of minutes of last preceding regular and special meetings.
4. Reports of standing and special committees.
5. Reports of officers.
6. Presentation and disposition of claims.
7. Unfinished business.
8. Presentation of petitions.
9. New business.

-X-

DUTIES OF OFFICERS

(a) **PRESIDENT:** The President of the Board of Directors shall preside at all meetings. He shall sign all contracts, warrants, bonds and other instruments to be executed upon the part of the Board, and shall perform such other duties as usually pertain to the office of President of the Board of Directors of incorporated companies.

(b) **VICE-PRESIDENT:** In the absence or the inability of the President to act, the Vice-President shall perform all the duties and exercise all of the powers of the President.

(c) **SECRETARY:** The Secretary shall keep a correct record of all the transactions of the Board of Directors and a file of all instruments, contracts and other records and papers of the Board. He shall sign all bonds issued by the District and shall attach the seal of the District thereto, and shall sign all warrants and keep a correct record of all of the financial transactions of the Board; he shall be the assessor of the District and shall do and perform all other acts and things required under the provisions of the said Nevada Irrigation District Act.

(d) **TREASURER:** The Treasurer shall keep an accurate account of all the financial transactions of the District: he shall deposit the money coming into his hands as such Treasurer in such bank or banks or other depository as the Board of Directors shall designate, and apportion the same to the various funds to which the same belong, and shall keep such books and records as shall at all times show the state of the accounts of the several funds into which the money of the District is apportioned. He shall see to and assist that there be an annual independent audit made of said Districts' records and files presented at the Board of Directors monthly meeting in November. He shall perform such other duties as are prescribed by the Nevada Irrigation District Act, or as may be required by the Board of Directors; he shall make no disbursements except upon vouchers signed by the President and Secretary authorized by order of the Board.

-XI-

BONDS

The Board of Directors shall have the power to incur any debt or liability whatever, either by issuing bonds or otherwise, in amounts expressed in and according to paragraphs 539.477 through 539.665, Chapter 539, Nevada Revised State Statutes.

Limitation on indebtedness; issuance of warrants; levy and collection of assessments.

(a) For the purpose of organization or any of the purposes of the District, the Board of Directors may incur an indebtedness not exceeding in the aggregate the sum of \$180,000, and may cause warrants of the District to issue therefor, bearing interest which must not exceed by more than 5 percent the Index of Revenue Bonds which was most recently published before the bids are received or a negotiated offer is accepted. The Board may levy an assessment on all lands in the District for the payment of those expenses.

(b) Thereafter the Board may levy an annual assessment, in the absence of assessments therefor under any of the other provisions of this Chapter, of not more than \$1.50 per acre on all lands in the District for the payment of the ordinary and current expenses of the District, including the salaries of officers and other incidental expenses.

-XII-

ENGINEER

The Board of Directors may appoint or hire a competent engineer or engineering firm who shall perform such duties and make such reports to the Board of Directors as they may from time to time require.

-XIII-

ASSESSMENTS AND TOLLS

On the regular board meeting date in February of each year, the Board of Directors shall levy an assessment upon all water right lands within the District, sufficient to pay the interest on all outstanding bonds, and to provide a sinking fund for the redemption of such bonds, as the same shall fall due.

For the purpose of defraying the organization and ordinary and current expenses of the District and of the care, operation, maintenance, management, repair and necessary current improvement or replacement of existing works and property, including salaries of officers, wages of employees and other proper and incidental expenditures, the Board may fix a rate of toll or charge an-

nually for each acre foot of storage water allocated to the water user thereof, which shall be based upon an estimate of the operation and maintenance revenue required for the current or ensuing year to be determined by the Board of Directors. And in addition thereto and for the same purposes, may levy an assessment as determined by the Board of Directors on all of the water right lands of said District. The basis of which shall be by the acres of water right land, including storage, decree and State permitted rights.

Failure to pay the assessment or tolls as hereinbefore provided upon the part of any one subject thereto, shall operate to prevent such person from receiving any storage water until such assessments or tolls are paid, and the manager of the District or such other person or persons as the Board of Directors may designate, shall have power to prevent delivery of storage water to such person or persons in default.

-XIV-

IRRIGATION SEASON

The season for the delivery of Storage Water shall commence on the 1st day of April and end on the 31st day of October.

-XV-

DISTRIBUTION OF STORAGE WATER

All water stored in Topaz and Bridgeport reservoirs comprising the several projects adopted by the District shall be distributed, except as otherwise herein provided, to the land owners within said District, in proportion to the apportionment of benefits to each parcel in relation to the total benefits apportioned throughout the entire District, and this rule of apportionment shall apply in respect to the water stored in each reservoir individually wherever benefits have been apportioned.

-XVI-

REVISION OF APPORTIONMENT OF BENEFITS

At the regular meeting of the Board of Directors on the seventh day of March of each year, the Board of Directors may revise the apportionment of benefits by correcting any mistakes or inaccuracies therein and may increase or decrease the benefits theretofore apportioned to any land owner or may apportion benefits to land upon which no benefits have theretofore been apportioned, in accordance to Chapter 539 of the Nevada Revised State Statutes.

•ORGANIZATION•
•POWERS GENERALLY•
•AUTHORITY DEFINED•



SECTION 2

ORGANIZATION

The Walker River Irrigation District is a public corporation organized in April 1919, under the Nevada Irrigation District Act (now codified as Chapter 539 of the Nevada Revised Statutes). The governing body is a Board of Directors elected at-large for a term of four years by the qualified electors.

POWERS GENERALLY

The following chapters and sections of the Statutes of the State of Nevada set forth in general the powers and purposes of the Irrigation District:

539.230

1. The Board of Directors may appropriate water in accordance with the law, and also construct the necessary dams, reservoirs and works for the collection, storage, conservation and distribution of water for the District and for the drainage of the lands thereof.

539.233

1. The Board of Directors shall have power to establish by-laws, rules and regulations for the distribution and use of water in the District, and to compel water users, at their expense, to install measuring and regulating devices to effect and make a proper distribution of water. If the user fails to install any such device when ordered, the district may install the same and charge the actual cost to the water user, and such charge will be regarded and treated as a cost of distribution and collected in the same manner from such water user.
2. The By-Laws, rules and regulations shall be printed in convenient form for distribution throughout the district.

539.245

1. To secure complete drainage of the lands within any irrigation district, the Board of Directors is vested with full power to widen, straighten or deepen any watercourse or remove any obstruction or rubbish therefrom, whether such watercourse is situated in, outside of or below the District, and, when it is necessary, straighten such natural watercourse by cutting a new channel upon other lands.

539.700

Whenever any lands in the district have been sold for delinquent irrigation District taxes or assessments or for delinquent state and county or other taxes, and the title of such lands has passed as provided by law, either to the county or to the irrigation District, and the period of redemption has expired, the Board of Directors of the District shall have the power by and with the written consent of the bondholders holding 100 percent of the outstanding bonds of the District, or in case of a contract with the United States constituting a lien upon the lands, then also with the written consent of the Secretary of the

Interior, or in case there are outstanding certificates of indebtedness which constitute a lien upon the lands of the District, then with the written consent of the holders of 100 percent of those holding such certificates of indebtedness, to exclude such lands, or any part thereof, from further participation in the benefits of the District, and particularly to exclude such lands or any part thereof from any further right to receive from the District either under an apportionment of benefits or any other waters of the District.

539.705

1. The owner of land excluded from participation in the benefits of the District, that is, stripped of storage benefits under the provisions of NRS 539.700 and 539.703, may petition the Board of Directors to transfer to such stripped land, which shall be in one parcel and not less than 40 acres in area, the storage rights and benefits apportioned to other land which shall be in one parcel and not less than 40 acres in area, owned by him. Upon the hearing of the petition the Board of Directors, may at its discretion, grant or refuse such transfer in whole or in part.

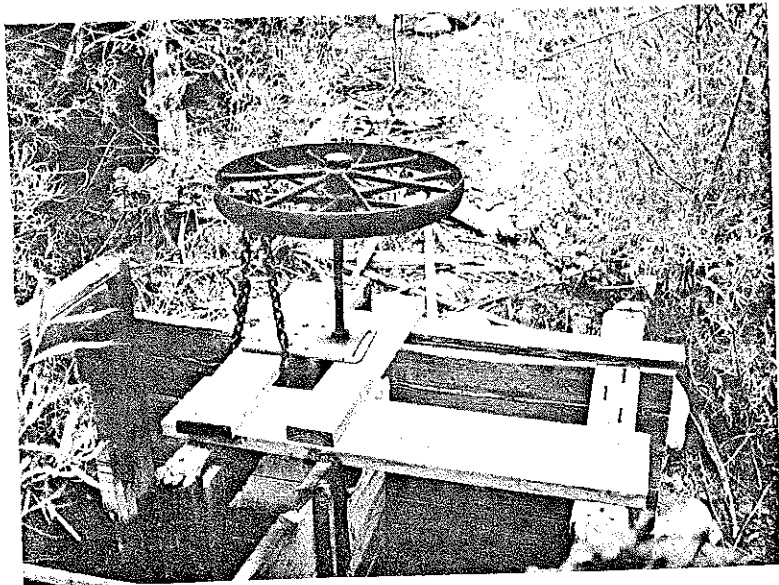
AUTHORITY DEFINED: (FEDERAL DECREE C-125 WATER MASTER)

According to Judge Norcross' decision in 1941, the U.S. Water Master has no authority to regulate storage water after its diversion from the stream system where no rights to normal flow are involved. Collaterally the court does not deny the authority of the District to enlist the cooperation within the District generally of the Water Master to assist the District in its statutory duties of proper distribution and/or regulation of all waters. Thus the Water Master (or the U.S. Board, its Deputy and his assistants) can impliedly derive legitimate administrative and regulatory authority within the District to the extent that the Board of the District chooses to invest them with such cooperative authority. (See Judge Norcross Ruling, July 8, 1941 Case in Equity C-125, Federal District Court, 9th Circuit.)

If at any time the Chief Deputy Water Commissioner, through investigation, determines that any users' water is not being put to beneficial use, but is going to waste, he shall immediately refuse delivery of water to the said user unless and until he is satisfied that the water, when returned to the user, will be put to beneficial use within the meaning of the Decree.

(Operating Decree, Case in Equity C-125 and Rules and Regulations adopted by Court - 1953.)

PENAL CODES



SECTION 3

PENAL CODE

536.120

Every person who shall willfully and maliciously remove, damage or destroy a ditch or flume erected for carrying water or draining land shall be guilty of a misdemeanor.

533.530

1. It is an unlawful use and waste of water for any person during the irrigation season:

- (a) To divert and conduct the water, or portion thereof, of any river, creek, or stream into any slough, dam or pond and retain or cause the water to be held or retained therein, without making any other use of the water; or
- (b) To divert and conduct the water, or portion thereof, away from any river, creek or stream, and run or allow the water to run to waste on sagebrush or greasewood land.
The irrigation of unimproved pasture which has a surface water right shall not be deemed to be a waste of water.

2. Any person who wastes water in violation of any of the provisions of subsection 1, is guilty of a misdemeanor.

533.460

The unauthorized use of water to which another person is entitled, or the willful waste of water to the detriment of another, shall be a misdemeanor, and the possession or use of such water without legal right shall be prima facie evidence of the guilt of the person using or diverting it.

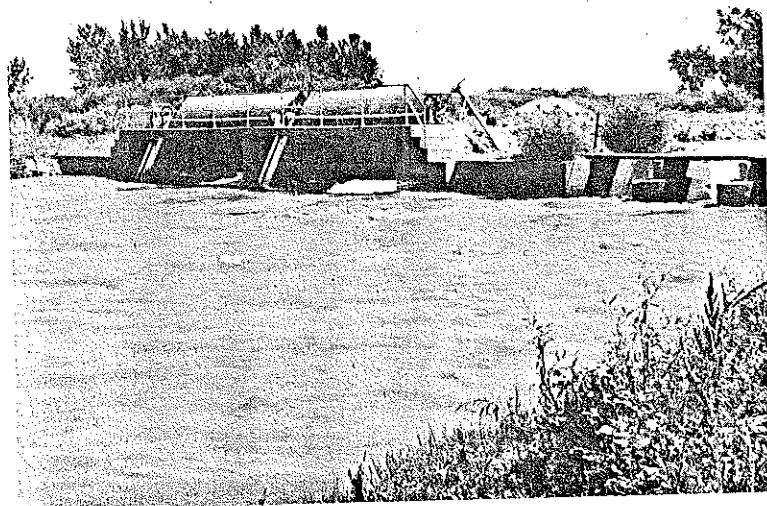
533.465

- 1. Any person who shall willfully open, close, change or interfere with any lawfully established headgate or water box without authority, or who shall willfully use water or conduct water into or through his ditch which has been lawfully denied him by the State Engineer, his assistants or water commissioners, shall be guilty of a misdemeanor.
- 2. The possession or use of water when the same shall have been lawfully denied by the State Engineer or other competent authority shall be prima facie evidence of the guilt of the person using it.

207.225

- 1. Any person who knowingly diverts or causes to be diverted to his own or some other person's use any irrigation water to which another person has a vested right, without such rightful user's permission, is guilty of a misdemeanor.

**RULES AND REGULATIONS
OF THE
WALKER RIVER
IRRIGATION DISTRICT**



SECTION 4

**RULES AND REGULATIONS
GOVERNING
THE DISTRIBUTION
AND USE OF WATER

WALKER RIVER
IRRIGATION DISTRICT**

Initially Adopted April, 1922

Revised January, 1986

These rules and regulations have been compiled and are published in accordance with Chapter 539, Section 233, Paragraphs 1 and 2 of the Nevada Revised Statutes, which reads in part as follows: "The Board of Directors shall have the power to establish rules and regulations for the distribution and use of water . . . and shall be printed in convenient form for distribution throughout the District"

Regulation No. 1

GENERAL

The water of all sources of supply within the District, whether above or beneath the surface of the ground, belongs to the public.

Subject to existing rules, all such water has been appropriated by the Walker River Irrigation District for beneficial use, as provided in the Water Law of the State of Nevada, and such water has been apportioned under the "apportionment of benefits" to each and every tract of land.

Beneficial use shall be the basis, the measure and the limit of the right to the use of water appropriated by the District.

Priority of right to use the water appropriated by the District does not exist, but each user has an equal right with every other user to use the waters in proportion to his apportionment of benefits.

When the necessity for the use of water does not exist, the right to use it ceases, and no person shall be permitted to use the waters of the District except at such times as the water is required for beneficial use.

Refusal to comply with the requirements hereof, or transgression of any of the foregoing rules or regulations, or any interference with the discharge of the duties of any official of the District shall be sufficient cause for shutting off the water and water will not again be furnished until compliance has been made with all the requirements herein set forth.

These rules and regulations may be amended at any regular meeting by a unanimous vote of all the Board of Directors or by a majority vote of the Board at the meeting held one month subsequent to the proposal of the amendment in writing.

Regulation No. 2

RECORD OF SERVICE

Each parcel of land entitled to water will have a **RECORD OF WATER RIGHT ACREAGE AND APPURTENANT SURFACE WATER RIGHTS**, from which will be the basis for all charges made by the District for the operation and maintenance and drainage of the lands thereof.

The District shall require **RECORDS OF SERVICE** for each irrigation season, executed by the landowner for each parcel of property entitled to water. Agents, partners, corporate officers, leasees, administrators, or other person or persons acting for the landowner will be accepted subject to approval by the District.

In the case where the landowner of record subdivides acreage originally served through one delivery and creates multi-tenants the record of service will remain as one and water rights, surface and storage will be consolidated into one.

Where a parcel of land is leased in total the record of service will be as if the landowner was operating the land. When part of the parcel is leased and the remainder operated by the landowner, then one record of service will be

maintained in the name of the land owner.

An affidavit authorizing the leasee to order and use the land owner's water must be filed with the District prior to the irrigation season by the said land owner.

Regulation No. 3

BASIS FOR CHARGES

The basis for the annual charge for surface water is per acre of water right land--storage, decree and state permit.

The basis for the annual charge for storage water is per acre foot of storage to which lands benefits have been apportioned.

Regulation No. 4

WRID OFFICE HOURS

Regular office hours, Monday through Friday, will be from 6:30 A.M. until 4:30 P.M. Saturdays and holidays, the office will be open from 12:30 P.M. until 3:30 P.M. The above time schedule will be in effect during the irrigation season.

Off season office hours, Monday through Friday, will be 7:00 A.M. until 4:00 P.M. The office will be closed during holidays, Saturdays and Sundays.

Regulation No. 5

INSTRUCTIONS FOR ORDERING OF WATER

1. Orders for water to be delivered the following day (24 hours), must be placed no later than 1:30 P.M. the previous day. Orders placed after 1:30 P.M. will be delivered the second day (48 hours) from the day on which the order was placed.
2. Orders for the amount of water to be increased or decreased - if received before the 1:30 P.M. deadline will be regulated the following day (24 hours).
3. Orders for water or the shut off of water will be accepted up to five days in advance.

NOTE: To order water each time by phone is preferred. This provides the information to the Water Master so that he can predict the water requirements in advance, increasing the overall water savings and operating efficiencies very significantly.

4. Orders for water may be placed Monday through Friday during the regular office hours. Orders for water may be placed on Saturdays

and holidays from 12:30 P.M. to 3:30 P.M.

NOTE: The practice of ordering water through the U.S. Board of Water Commissioners' River Riders will be discontinued and orders so placed will not be accepted.

5. Orders for water shall be not less than two (2) cubic feet per second. Orders for a change in the amount of water being delivered shall be not less than one-half (0.5) cubic feet per second. Changes in the amount of water ordered shall be allowed only on a 48 hour basis.
6. Orders for water will be made in the following manner subject to the location in which the service parcel is located:

BRIDGEPORT RESERVOIR TO THE ELBOW ON THE EAST FORK

Orders for water may be made either by phone to the Bridgeport Dam caretaker or by phone or in person at the Walker River Irrigation District office in Yerington, Nevada.

Bridgeport Caretaker's Phone Number 619/932-7303
Walker River Irrigation District 702/463-3524

MASON VALLEY INCLUDING FROM THE ELBOW ON THE EAST FORK TO MASON VALLEY

Orders for water may be placed either by phone or in person at the Walker River Irrigation District's office or by placing the order with the ditch rider by signing in the field a standard water order form.

Walker River Irrigation District Office,
410 North Main Street, Yerington, Nevada,
Phone Number 463-3523 or 463-3524

SMITH VALLEY

Orders for water may be placed by phone to the ditch rider for that particular ditch from which the parcel is served by:

Saroni Canal Ditch Rider	Phone No. 465-2423
Colony Canal Ditch Rider	Phone No. 465-2307
River Simpson Ditch Rider	Phone No. 465-2426
West Walker Ditch Rider	Phone No. 465-2426
Gage Peterson Ditch Rider	Phone No. 465-2426
Plymouth Ditch Rider	Phone No. 465-2426

NOTE: All Smith Valley orders to the ditch riders must be placed by the 1:00 P.M. deadline to provide enough time for the Smith Valley orders to be placed at the Walker River Irrigation District's office by the 1:30 P.M. deadline.

Regulation No. 6

WASTE WATER

It shall be prohibited to use any canal or works owned or operated by the District as a primary waste water watercourse. Any primary water in excess of 0.50 cfs, created by or for any reason shall not be placed back into the canal system and is to be ordered shut off as soon as possible.

Any water in excess of 0.50 cfs that is created or caused to be put back into any canal or works owned or operated by the District by the shutting off of sprinkler supply pumps is prohibited. The water must be beneficially used on the place of use of the appurtenant water rights.

Position Statement: Return or reuse systems are encouraged by the District on the farms where the water rights exist.

Regulation No. 7

TRANSFER OF STORAGE WATER ON AN ANNUAL BASIS

The temporary transfer of storage water is an accepted practice and endorsed by the Walker River Irrigation District and it is allowable to assign the use of storage water to which such owner is entitled, to any other land owner within the District having use for such water, upon such terms as the parties may mutually agree upon, provided the assignments shall be for one season only. No such assignment shall be in effect until approved by the Board of Directors. No agreements, transactions, sales or otherwise shall be conducted within the confines of the District Office, or with any personnel of the District. No fees for the agreements, transactions, sales or otherwise will be collected, held or otherwise by the District personnel.

A signup list will be provided at the District Office for those wishing to transfer storage water or for those in need of additional water.

The temporary transfer of storage water to a parcel of land that has exceeded the duty of water originally allocated to said parcel will not be allowed.

The temporary transfer of storage water to be used on non-water right land is prohibited.

Regulation No. 8

EXCHANGE WATER

The exchange of tailwater for primary surface water (decree, storage or permit) is prohibited within canals or works owned or operated by the District. It is prohibited to divert or cause to be diverted any water to which another person has a vested right.

The exchange of pump water for primary surface water (decree, storage or permit) is prohibited within canals or works owned or operated by the District.

Position Statement: Return flow into canals or works owned or operated by the District will be proportionately distributed on the basis of the appurtenant water rights to those water users being delivered water on the day on which the return flow occurs. The return flow will be determined by the ditch rider to be dependable and discernible for a 24 hour period prior to delivery. The practice of exchanging pump water for primary surface water is disruptive and causes a waste of water.

Regulation No. 9

DIVERSION WORKS/HEADGATES

The operation or the regulation of canals and works owned or operated by the Walker River Irrigation District shall be under the exclusive management and control of the Board of Directors, through the manager or his agents and no person except he or his employees or assistants shall have any right to interfere with said canals and works in any manner.

DITCH RIDERS ONLY ARE AUTHORIZED TO ADJUST HEADGATES, REGULATE SPILL STRUCTURES OR REGULATE CHECK STRUCTURES FOR THE DELIVERY OF WATER.

Only when the safety of the canal or works is in question are persons other than the ditch rider allowed to do so.

The ditch tenders may be called on to regulate or change the point of delivery. A service fee of \$20.00 is payable and due to the ditch tender upon arrival at the site.

Changes may be initiated by phoning the District Office and the message will be dispatched immediately to the ditch tender.

Regulation No. 10

IRRIGATION SEASON

The season for the delivery of decree water shall begin on March 1st and end on October 31st of each year.

The season for the delivery of state permit water shall begin on May 1st and end on July 31st of each year.

The season for the delivery of storage water shall begin on April 1st and end on October 31st of each year.

Regulation No. 11

DITCH TENDER REQUIREMENTS AND RECORD KEEPING

It shall be required to have a ditch tender available during the irrigation season at all times during the period in which irrigation water is being delivered through the individual ditch company canals or ditches where the users are

tenants-in-common, with the exception of stock water.

Said ditch tender shall provide the Water Master with daily reports in writing as to where the water was delivered. Only those records showing the actual place of use and the accurate measured amount of water delivered will be accepted. Falsification of the record of water useage will cause the ditch system to be shut off until the Water Master has been assured that this practice has been stopped by the Ditch Company authority or the Ditch tenants-in-common.

Ditch tenders in Mason Valley are required to appear in person, Monday through Saturday during the irrigation season, at 1:30 P.M., at the office of the District, and be available for planning the following day water. No changes in the amount of water to be put into a particular ditch will be made for the following day if the ditch tender is not present at said time to outline his orders and provide this information to the Water Master. No changes will be made or phone calls accepted to the River Rider after 1:30 P.M.

Regulation No. 12

ROTATION OF WATER

The rotation of decree water is encouraged and recognized as beneficial, however, only that water which is available and of the same or senior in priority may be rotated during any one period, and may not be used on New Land or Non-Water Right Land during the rotation period in which one is entitled to the water.

Land allocated strictly storage water shall not rotate with those lands with a decreed water right.

Those users having the right to use a small amount in a continuous flow are encouraged to order and receive, when available, an irrigation head of 2 cfs or greater for a shorter duration to bring about a more efficient use of the available water supply.

Regulation No. 13

COMPLAINTS ABOUT THE DISTRIBUTION OF WATER

Ditch tenders are assigned specific roles in the distribution of water in accordance to an overall scheme that allows for a coordinated and efficient operation with the storage facilities and the entire river system. He or she shall have charge of his or her respective ditches and he or she shall be responsible to the Water Master. From the rulings and actions of the ditch tender, appeal may be made to the Water Master in writing; from the rulings and actions of the Water Master, appeal may be made to the Board of Directors, which shall be filed in writing with the Secretary of the Board of Directors. Should the dispute not be settled to the satisfaction of all concerned, further action on the complaint may require court action.