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APPEARANCES: (Continued)

For the Department
of Corrections:

Office of the Attorney General
By: **MS. MARILYN H. LEVIN**
Deputy Attorney General

For Watermaster
Services:

Hatch & Parent
By: **MR. MICHAEL FIFE**
and
MR. SCOTT SLATER
Attorneys at Law

For the City
of Pomona:

Lagerloff, Senecal, Bradley,
Gosney & Kruse
By: **MR. THOMAS S. BUNN, III**
and
MR. H. JESS SENEAL
Attorney at Law

For the City of Chino:

Law Offices of
Jimmy L. Gutierrez
By: **MR. JIMMY L. GUTIERREZ**
Attorney at Law

For the Three
Valleys Municipal
Water District:

Brunick, Alvarez & Battersby
By: **MR. STEVEN M. KENNEDY**
Attorney at Law

For CCWD:

Best, Best & Krieger
By: **MR. GENE TANAKA**
Attorney at Law

For Fontana
Union Water
Company:

McPeters, McAlearney, Shimoff
& Hatt
By: **MR. THOMAS H. MCPETERS**
Attorney at Law

1 RANCHO CUCAMONGA, CALIFORNIA; THURSDAY, MARCH 16, 2000;

2 1:30 P.M.

3 DEPARTMENT R-8

HON. J. MICHAEL GUNN, JUDGE

4 APPEARANCES:

5 (Appearances as noted on the title page.)

6 (Heather R. Moore, C.S.R., Official Reporter, C-10294)

7 THE COURT: Chino Basin Municipal Water District
8 versus the City of Chino, et al., RCV 51010.

9 Starting with Mr. Cihigoyenetché, why don't we
10 get everybody's name for the record, and we'll go from
11 there.

12 MR. CIHIGOYENETCHE: Jean Cihigoyenetché on
13 behalf of Inland Empire Utilities Agency.

14 MR. KIDMAN: Good afternoon. Art Kidman on
15 behalf of Monte Vista.

16 MR. KENNEDY: Steve Kennedy on behalf of Three
17 Valleys Municipal Water District.

18 MR. FIFE: Michael Fife with Hatch and Parent
19 for Watermaster.

20 MR. SLATER: Scott Slater with Hatch and Parent
21 on behalf of Watermaster.

22 MR. SENEAL: Jess Senecal for the City of
23 Pomona.

24 MR. DOUGHERTY: Bob Dougherty, your Honor, for
25 the City of Ontario.

26 MR. TANAKA: Gene Tanaka on behalf of Cucamonga

1 County Water District.

2 MR. MCPETERS: Tom McPeters appearing for
3 Fontana Union Water Company.

4 THE COURT: Okay. And we have various members
5 in the audience from the different organizations,
6 Mr. Neufeld, and among others, Tracey Stewart,
7 Geraldine -- or Josephine Johnston -- is it Johnson or
8 Johnston?

9 MS. JOHNSON: Johnson.

10 THE COURT: Before I put my foot in my mouth,
11 everybody announce their own presence.

12 MR. DELOACH: I am Robert DeLoach of Cucamonga
13 County Water.

14 MR. JESKE: S. Ken Jeske, City of Ontario.

15 MS. MELLEBY: Maryanne Melleby (phonetic
16 spelling), Monte Vista Water District.

17 MR. KINSEY: Mark Kinsey, Monte Vista.

18 MR. CROSLY: David Crosley, City of Chino.

19 MR. BLACK: Gerald Black, Fontana Union Water
20 Company.

21 THE COURT: We have a member of Watermaster
22 staff also.

23 Let me preliminarily call a couple of things to
24 your attention that I have copies of and you may not.
25 Although it was alluded to in the status report, I assume
26 what was alluded to in the status report --

1 (Mr. Gutierrez and Mr. Bunn enter.)

2 THE COURT: Assembly Bill 2238. Does
3 everybody have a copy of that? You might want to be aware
4 of that.

5 Secondly, on March the 1st there was a new case
6 filed in the Fourth District here. Art McKinster wrote it
7 and Justice Ward and -- let's see. It was heavily
8 footnoted. Justice Ward and Hollenhorst, the acting
9 presiding justice signed it. I don't know if anybody has
10 got a copy of it.

11 I couldn't reprint it because the service says
12 on the last page you can't reprint it. It would be kind
13 of bad form for your judge to be violating copyright laws.
14 The State of California, Petitioner, versus Superior Court
15 of Riverside County, Respondent, underwriters at Lloyds of
16 London. It has been given a number, E, as in Edward,
17 024572. Some of you may be aware of it.

18 Mr. Slater is nodding his head up and down.

19 MR. SLATER: Yes, your Honor, we're aware.

20 THE COURT: Even though it has to do with
21 insurance, it is kind of an interesting discussion in
22 there of water rights, and consistent with some of
23 Mr. Kidman's comments in his filing this time. You might
24 want to read that case. I have only had a chance to
25 briefly read it myself, so -- I studied it thoroughly.

26 Does everybody have a copy of the timeline?

1 Now, with all the concerns regarding wet water
2 recharge, no harm determinations, paper water transfers,
3 interbasin transfers -- all of which Mr. Kidman has
4 mentioned in his papers, together with Assembly Bill 2238.
5 Actually, that was introduced by then assembly member
6 Soto, now senator Soto as of last Monday.

7 MR. DOUGHERTY: Right now that bill is just a
8 holding bill, a spot bill, a place holder, and there is no
9 text yet. We have received some proposed text from the
10 attorney for the City of Chino. I have not yet had a
11 chance to read it. It just came in shortly before this
12 hearing. I think that will be --

13 THE COURT: I haven't received a copy of that.

14 MR. SLATER: It was represented at the March 9th
15 meeting of Watermaster that the bill was intended only as
16 a spot bill and as a, if you will, an empty vessel at this
17 time so the parties could complete their process. And if
18 indeed they decided that they wanted to call upon the
19 legislature to further empower them to complete the plan,
20 that vehicle would be in place.

21 (Ms. Levin enters.)

22 MR. GUTIERREZ: Let me correct that slightly.
23 It is true that it had been a spot bill. And it is true
24 that we invited others to participate, but it was also
25 intended that we submit language. We have not done that
26 yet. And I have copies I could distribute.

1 THE COURT: I understand it is set for first
2 reading on March 26th.

3 MR. GUTIERREZ: Say that again.

4 THE COURT: It is set for reading on March 26th.

5 MR. GUTIERREZ: I don't even know that, your
6 Honor.

7 THE COURT: That's what my photocopy on the
8 tracking bill -- maybe it doesn't say that. I thought I
9 read something. It doesn't say anything here, but for
10 some reason I had that in my mind. I read that someplace.
11 This is off the Lexus Nexus. Okay.

12 Anyway, today is a status conference, but what I
13 have gleaned from the various filings that we have, along
14 with other activities that are transpiring coterminously,
15 is that maybe we need another appearance on April the 6th.
16 I have also outlined some -- a briefing schedule for a May
17 the 4th appearance, I believe it is, for any other legal
18 issues that you feel are worthy of mention. And that
19 should be resolved as we inexorably go toward the June
20 date that everybody is anticipating, if, in fact, we get
21 there. It seems to me that there are some legal issues,
22 and some of them arguably aren't legal issues depending on
23 how Mr. -- well, the McCormick law firm -- Mr. Kidman --
24 would interpret Article 10, Section II of the
25 Constitution. They probably are legal issues, if given a
26 broad interpretation on that, as opposed to just

1 engineering issues.

2 So having said that, does anybody have anything
3 they wish to add?

4 THE COURT REPORTER: Judge, if I may just check,
5 we had a few more appearances, Mr. Gutierrez,
6 Mr. McKinney, Ms. Levin --

7 MR. BUNN: And Mr. Bunn.

8 THE COURT: Does anybody wish to be heard?

9 MR. TANAKA: I do, your Honor.

10 THE COURT: Mr. Tanaka.

11 MR. TANAKA: Your Honor, did you happen to
12 receive the status conference statement of Cucamonga
13 County Water District and the City of Pomona that was
14 filed, I believe, today?

15 MR. SENEAL: Just before court convened, your
16 Honor, we brought it in. It is relatively brief.

17 THE COURT: I have it in my hand. It is just
18 being handed to me.

19 MR. DOUGHERTY: You also have one from the City
20 of Ontario too.

21 THE COURT: I gave you both --

22 Apparently, Mr. Tanaka, I was omniscient in
23 setting the dates and asking for briefing. You are
24 requesting me to set some dates?

25 Ontario is saying that they're cooperative.
26 They want to cooperate in a -- whatever solution that

1 there is to the problem we're faced with.

2 MR. SENEAL: Might I very briefly, your Honor?
3 I apologize, first, for the late filing. We received the
4 Monte Vista information on Monday and were just able to
5 respond.

6 Two very quick points. First, we think that
7 your rescheduling and providing for another status
8 conference and briefing really goes to the heart of what
9 we were concerned about. That is, that in the Monte Vista
10 reply to the status report, we are going far beyond what
11 we contemplated should have been an appropriate response
12 to the status report. We have now the legal issues and
13 argue on these particular materials.

14 The second point that troubled us, despite what
15 the Court has in its order, or in its indication to
16 counsel today, felt that there was tremendous progress
17 being made and diligent efforts made on the part of the
18 Watermaster. We think from the City of Pomona standpoint
19 it is inappropriate to raise questions concerning
20 motivations of the Watermaster in retaining or not
21 retaining counsel. That without any supporting evidence
22 of that fact, we think it is certainly inappropriate,
23 giving what we believe is due diligence that has been
24 demonstrated by Watermaster.

25 THE COURT: Whatever is done is done.

26 About the author, Scott Slater. He is an honors

1 graduate from the University of Redlands, and it goes on.
2 And I looked him up and he appears to be well qualified.
3 That's in the past. Let's look toward the future.

4 MR. SENECA: We're not speaking of Mr. Slater's
5 qualifications.

6 THE COURT: Nor are we. Nor was anybody making
7 any derogatory comments about Mr. Lemieux. I know what
8 you're discussing is the motivation for substituting one
9 for the other. Is it really productive to do that at this
10 time?

11 MR. TANAKA: Exactly not, your Honor, in
12 addition, that's what we wanted to raise as an issue. I
13 think there is at least three bad consequences that can
14 come from it. One, it makes the cooperation that we all
15 think is necessary seem harmed. And two, I think it is
16 potentially an effort to influence your Honor. And third,
17 your Honor, we have a concern in an effort to the extent
18 it may chill the parties' ability to represent their
19 clients. I don't want to go any further on this either,
20 but I felt -- we felt compelled to raise the whole point
21 about attacking motives as being something we would like
22 to see avoided.

23 MR. DOUGHERTY: And on behalf of Ontario, your
24 Honor, we just second that.

25 THE COURT: Okay. He is entitled to represent
26 his client the way that he feels is most appropriate. It

1 is just that I want to keep moving forward on this. And
2 if that's an obstacle we have to go through, that's fine.
3 I don't want to spend a lot of time in vituperative
4 discussions of motivations.

5 Mr. Kidman is, himself, a very fine attorney. I
6 enjoy reading his writing, as I do yours, Mr. Tanaka. I
7 am not going to question his motives. He is concerned.
8 He has brought up some legitimate issues that perhaps need
9 to be briefed. Ferreting out information has always been
10 a difficult process for the Court, maybe because I am not
11 as experienced as most of the people in this courtroom
12 regarding water law.

13 MR. SENEAL: One final, comment, your Honor.

14 We're not questioning Mr. Kidman's motives.
15 We're questioning the comments that challenged the motives
16 of the Watermaster in making the determination to change
17 counsel. That's the scope of legitimate discussion with
18 the Court. And we agree and we appreciate the chance to
19 bring it to your attention.

20 THE COURT: Thank you.

21 MR. KIDMAN: Your Honor, I would just say that
22 no one has challenged the motives of the Watermaster. We
23 have stated that an implication is created because of the
24 way the timing came about. I believe that the papers we
25 submitted are very complimentary to Mr. Slater. We were
26 also complimentary to Mr. Lemieux. The questions are

1 raised.

2 Monte Vista feels very strongly that their
3 positions have been heard but sandbagged before the
4 Watermaster. And the -- it happens that legal counsel --
5 prior legal counsel for the Watermaster had issued an
6 advice letter to the Watermaster that seemed to --

7 THE COURT: He asked for administrative
8 hearings. I read it. It was an attachment to your brief.
9 I have read it.

10 MR. KIDMAN: And it wasn't very long after that
11 he was gone. Whatever implication is created by that, we
12 just pointed it out. We didn't say that Watermaster had
13 motives. We just said, here we are. We have got, you
14 know, legal counsel that seem to be agreeing with the
15 position of Monte Vista, and now he is gone.

16 THE COURT: Have you read that case that I
17 cited? That recent case authored by McKinster?

18 MR. KIDMAN: Yes, I did, with great interest.

19 THE COURT: Mr. Slater, you were up first, then
20 Mr. Dougherty.

21 MR. SLATER: Yes, I wanted to be responsive to
22 your suggestions or further scheduling. I think that I am
23 a relative newcomer here, and I am trying to be very
24 careful not to step on land mines everywhere I go.

25 First of all, our intention in --

26 THE COURT: They're not land mines, they're

1 floating in the water -- but go ahead.

2 MR. SLATER: Our intention was to try to -- in
3 preparing the status report was to try to inform the Court
4 where we have been, the progress that has been made to
5 indicate we have made good on the deliverables. And one
6 thing that wasn't apparent from the papers which we have
7 since completed as we have pushed off a draft framework
8 agreement to the Department of Water Resources which would
9 set a framework in the event the contingency comes to
10 fruition -- one that we hope doesn't happen. But most
11 importantly, I think one of the key components that has
12 been missing from this process is a good understanding of
13 financial information. The Black & Veatch report was out
14 in a draft form on March 7th. There were comments given
15 to a presentation made that financial information is going
16 to be in a good-to-go walk-away format on the 23rd of this
17 month.

18 And it is my hope that with that additional
19 information, and given the outlining of the issues that we
20 put in our status report and that the special referee
21 included in there is that we will sequentially be able to
22 address the issues, knocking them down and complying with
23 this Court's order. So to the extent that an April 8th
24 further status conference is purported and a subsequent
25 briefing schedule on the legal issues, that would be
26 obtainable, trying to get the parties together and close

1 on the key issues. So we support that.

2 THE COURT: Mr. Dougherty?

3 MR. DOUGHERTY: Just briefly, your Honor. I
4 know you don't wish to dwell on this, but I think that the
5 minutes of the Watermaster will show that the --
6 Mr. Lemieux's contract was up for reconsideration several
7 months before he issued that opinion, your Honor. I don't
8 think --

9 THE COURT: I'm aware there was initial
10 dissatisfaction with Mr. Lemieux also. It wasn't just an
11 all-of-the-sudden type of thing. I think about a year ago
12 there might have been some rumblings that reverberated so
13 far -- so hard and fast from Archibald Avenue that they
14 somehow got to the courthouse. I don't know how, but they
15 did. I was aware there has been general dissatisfaction
16 with Mr. Lemieux for whatever reasons, of which I am not
17 sure, and I am not concerned.

18 There is a lawyer/client privilege. There are
19 all kinds of issues. And if we get side tracked with
20 respect to an attorney who is no longer in the case -- I
21 accepted the substitution. It is filed. Mr. Slater is
22 now the attorney for the Watermaster.

23 Be that as it may, if there were issues behind
24 the firing of Mr. Lemieux that need to be addressed, those
25 issues are still on the table. I read with great interest
26 the have your cow and -- how shall we term it? Have your

1 cow, let it poop, and send the water rights to Upland
2 theory. I don't know how to term it. I found it most
3 interesting. And ingenuous. However, I will have to
4 think more about Mr. McKinster's -- or Justice McKinster's
5 opinion.

6 Okay. Is there anything else? As far as
7 notice, we need to find somebody to give notice. Is there
8 a volunteer?

9 MR. TANAKA: Judge, I may be alone on this, if I
10 am, I will withdraw my comment. My only suggestion is
11 that the legal issues that we may ultimately, if your
12 Honor decides he wants to hear, it may take --

13 THE COURT: I don't want to hear, but --

14 I would like you guys to do things by consensus.
15 I have -- and I don't want there ever to be a mistake
16 about that. I want the parties to this judgment to first
17 resort to consensus building, and as a last result come to
18 the Court. I have always said that. But as a last
19 resort, the Court is prepared to act on this case and is
20 committed to this case, if you guys haven't picked that up
21 by now. And let there be no mistake about it. Okay?

22 Mr. Tanaka, I interrupted you. I am sorry.

23 MR. TANAKA: My only comment is the briefing
24 schedule may be a little condensed for the parties as well
25 as the Court. I will live with whatever the parties and
26 the Court want to do. If time is that critical, we may

1 want to instead move up the issue hearing that the Court
2 is setting and then allow a little more time for briefing.

3 THE COURT: Well, I have given you until the
4 27th, I believe. And I will give you the fourth floor fax
5 number for any reply briefs. And the reason I gave you
6 that fax number is it is the one I personally monitor to
7 find out if I have any personal --

8 If I may project a moment. When my mom died, my
9 brother would fax me stuff at that number if it had to be
10 delivered to me in the daytime. I personally monitor that
11 fax. There is another fax for the court for any future
12 things that you would feel were necessary to file at the
13 court, but that particular last fax number is to ensure
14 that I would get it, because sometimes when you fax things
15 downstairs, it is days before I get them up here. So
16 that's why I gave you that fax number. I anticipate it is
17 very contentious, and not a scheduled -- September is
18 optimum for meeting the deadline that I previously
19 imposed.

20 Yes.

21 MR. KIDMAN: Thank you. Strange as it may seem,
22 I have to join in Mr. Tanaka's observation.

23 MR. TANAKA: Please make a note on the record.

24 MR. KIDMAN: Over the last few days I have had a
25 number of conversations with Mr. Slater, and I am
26 convinced that he currently intends to try to do some of

1 the work that the -- that the Court wants to have done,
2 and that's to make sure that there is an understanding of
3 the legal and policy positions that are being put forward
4 by all of the parties and I believe that that process that
5 Mr. Slater has started needs to have a little time before
6 we launch into it by March 30th, only two weeks away,
7 having to submit briefs to the Court about what our legal
8 positions may be.

9 Further, the issues that we have raised on
10 behalf of Monte Vista Water District about wet water --
11 wet water recharge, and the issues about what the process
12 shall be for showing no harm in the process of transfers.
13 Both of those items have been put off by the Watermaster
14 for inclusion in the OBMP. And so we don't yet know what
15 the ultimate result of that will be. And consequently the
16 legal issues are not yet framed.

17 THE COURT: I have a status conference as an
18 escape valve on April 6th in there. On April 6th if
19 everybody is of the opinion that they need more time, then
20 I will reconsider the issue at that time.

21 MR. KIDMAN: I would like to also just assure
22 the Court that Monte Vista Water District is -- as the
23 other parties have espoused -- attempting to cooperate in
24 this. Monte Vista Water District has taken some lead on
25 the issue of recharge and appropriate methods of recharge.
26 Mr. Kinsey has been the chair of the committee that the

1 Watermaster has appointed and has been using for the issue
2 of recharge. We're not yet to the end of the day. And in
3 light of the comments that were in our papers, I think you
4 understand we're frustrated that the trend doesn't look
5 good.

6 But I am not sure we're ready yet to say, you
7 know, file legal papers and start coming to -- to an
8 ultimate showdown on the issues. That may well be not as
9 productive as trying to work it through. And then if we
10 don't come to a resolution of it, then have our legal
11 showdown if that's necessary.

12 THE COURT: Yeah. And as problematical as a
13 legal showdown may be, I think the Court holds the trump
14 card on this one.

15 Ms. Levin?

16 MS. LEVIN: Judge Gunn, sorry, the 10 Freeway
17 was cordoned off. There must have been a car chase.
18 Usually it happens at 6:00 at night. It happened --

19 THE COURT: You mean I won't get to watch it on
20 television?

21 MS. LEVIN: I just wanted to say two things.
22 One, I agree with Mr. Tanaka and Mr. Kidman that the
23 schedule on briefing -- you had said in your schedule that
24 briefs would be due on March 30th for the status
25 conference on April 6th, and the status conference on
26 April 6th is to address what legal issues are remaining.

1 The new attorney, Mr. Slater, has indicated and was asked
2 at the last meeting that he prepare a list of the legal
3 issues that he thinks are remaining. And I can't remember
4 when you were supposed to provide that to the body. I
5 don't know if it was for the March 23rd meeting. It might
6 be later than that. And a big discussion went on. And if
7 you have -- possibly you know this already as to --

8 THE COURT: Probably not.

9 MS. LEVIN: -- as to whether it would be
10 appropriate right this minute for the new legal counsel to
11 give an opinion about how he comes out on those legal
12 issues, or first to identify them, and then as he had
13 suggested, possibly getting people together to start
14 negotiating, because another thing that has been missing
15 one is the identification of the legal issues, and two has
16 been negotiations actually not in the subcommittee
17 setting. And I just don't think that there is enough time
18 both for the briefing and for subsequent court hearings to
19 accomplish what this group may need to accomplish, when we
20 just got -- when we just got the financial information
21 just a week ago.

22 THE COURT: I have got another alternative for
23 Watermaster. The guys that put the first man on the Moon,
24 as I mentioned.

25 MS. LEVIN: I should just sit down. Whenever I
26 think there is more time --

1 THE COURT: If it was this group, it would have
2 never gotten there. They would still be working on it.

3 MS. LEVIN: Some of us are hesitant to identify
4 the legal issues right up front, because if, for example,
5 some of the legal issues are against the Watermaster
6 carrying out some of these provisions, then the incentive
7 for some of the parties to continue to negotiate to bring
8 about what has been proposed and could be implemented
9 would be gone. And so that's why there was some concern.

10 THE COURT: Well, I am sure by April 6th you
11 will have a good list up --

12 MS. LEVIN: It really has to be March 30th,
13 though, according to your timeline? We have to decide
14 what we are going to file on March 30th, if we haven't
15 identified all the legal issues?

16 THE COURT: Ms. Levin, if these issues are so
17 important that you guys are fighting -- and everybody is
18 interested here. And the collective I.Q.'s in here have
19 got to be astronomical. If the issues are so important,
20 then everybody knows the issues as they sit there. All
21 they have to do is put them down on paper. I think
22 Mr. Slater's first -- we go back to that ancient Scottish
23 tradition of setting fire to the house. When somebody was
24 in disfavor, they got fired. Today, that's when somebody
25 is no longer employable, as in the Nossaman firm --
26 Nossaman, Guthner, Knox & Elliot. They were relieved at

1 one time because they viewed their job as beyond the
2 Watermaster and had two masters.

3 And I think, Mr. Slater, that's the first thing
4 I would do if I were him is just define what my role is
5 and who I am working for before he makes a leap and
6 represents different people. He is the attorney. I am
7 not the attorney. There are a number of legal issues that
8 I think are starting to surface -- come to the surface. I
9 don't know what they are.

10 You guys can better articulate them than me. I
11 look at your briefs and I know that there is a hint of
12 trouble in paradise. Maybe you can put them down on paper
13 and we can discuss them. If on April the 6th you feel
14 that you need more time, then somebody should brief it to
15 me and have an alternative briefing schedule. But with
16 the timeline that I initially set, without slipping the
17 date, this is how I decided to do it. And it could be
18 that I need to slip the date some more. I think somebody
19 suggested that.

20 Was that you, Mr. Kidman?

21 MR. KIDMAN: No, your Honor.

22 THE COURT: Somebody had suggested that -- maybe
23 it was the last time -- that sliding the interim
24 appointment date might be the best thing.

25 MS. LEVIN: It was probably me.

26 THE COURT: But there is a lot of reading each

1 time you guys come into court. Anyway, it is time -- as I
2 see it, it is time to regroup forces and proceed forward
3 again.

4 MR. SLATER: Your Honor, just to sharpen the
5 order, so I understand. The purpose of the filing for the
6 status conference on the 6th is simply to identify --

7 THE COURT: Exactly.

8 MR. SLATER: -- the legal issues. Identify
9 potential legal issues as opposed to briefs on outcome?

10 THE COURT: Right.

11 MR. SLATER: I think that's very important.

12 THE COURT: Right. Then the May 4th date would
13 be a hearing where we would --

14 MR. SLATER: And that is the spirit in which we
15 support the Court's order. We think it is okay and a good
16 idea to get the legal issues out, as long as we're not
17 briefing outcome and people are going hammer and tongue on
18 each other while we're trying to build a consensus.

19 THE COURT: I don't think you will ever get a
20 consensus while you have some looming issues out there.
21 And let's get everything on the table and hash it out.
22 And the way I see it is that if it becomes impossible for
23 you guys to come to an agreement, then I just turn it over
24 to the Department of Water Resources. These guys can't
25 solve their differences. And so I think the Court has the
26 trump card. I am giving you an opportunity. Solve --

1 build your consensus. If you have got some issues, brief
2 them to the Court.

3 MR. SLATER: We hope there is a business deal
4 here, your Honor. And we hope that people will find it.

5 THE COURT: Anybody else wish to be heard?

6 (No response.)

7 THE COURT: Okay, then. The next date -- let's
8 make sure we have somebody to give notice.

9 Any volunteers?

10 MR. SLATER: We'll be happy to do that, your
11 Honor.

12 THE COURT: Okay. Your initiation, huh? I try
13 to hit the larger firms. I don't know what size your firm
14 is. I do know it is from the Santa Barbara area. I did
15 some research on you, not ever having encountered your law
16 firm before. You used to work with Ms. Schneider, or for
17 her?

18 MR. SLATER: Your Honor, yes, when she was --
19 about 17 years ago, I was her law clerk.

20 THE COURT: I did some research on you, but my
21 time is limited with 596 cases in my caseload, so -- but
22 this is -- I consider this case very, very, very, very,
23 very important, and so I hope there is no mistake about
24 that.

25 Okay. We'll see everybody on April the 6th,
26 then. And Mr. Slater is going to give notice of the

1 ruling?

2 MR. SLATER: Yes, your Honor.

3 (Proceedings in the above-entitled matter
4 were concluded.)

5 --oOo--

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO - RANCHO CUCAMONGA DIVISION

DEPARTMENT R-8

HON. J. MICHAEL GUNN, JUDGE

CHINO BASIN MUNICIPAL WATER)
DISTRICT,)
Plaintiff,)
vs.)
THE CITY OF CHINO,)
Defendant.)
_____)

Case No. RCV 51010

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss

I, Heather R. Moore, Official Reporter of the Superior Court of the State of California, for the County of San Bernardino, Rancho Cucamonga Division, do hereby certify under penalty of perjury that the foregoing pages numbered 1 through 22, comprise a full, true and correct computer-aided transcription of the proceedings held in the above-entitled matter on Thursday, March 16, 2000.

Dated this 28th day of March, 2000.

Heather R Moore C.S.R.

Official Reporter, C-10294