

AGREEMENT

This Tolling Agreement (Agreement) is entered into by and between the Overlying (Agricultural) Pool Committee (“Agricultural Pool”) and the Appropriative Pool Committee and its members (“Appropriative Pool”).¹ The entities entering into this Agreement are each an individual “Party” and collectively the “Parties” to this Agreement.

WHEREAS, the Chino Groundwater Basin (“Chino Basin”) has been adjudicated and is managed pursuant to the Chino Basin Judgment (“Judgment”) and Court Approved Management Agreements; and

WHEREAS, the Agricultural Pool consists of the State of California and all overlying producers within the Pool who produce water; and

WHEREAS, the Appropriative Pool consists of owners of appropriative rights in the Chino Basin; and

WHEREAS, on February 3, 2017, Watermaster noticed an Appropriative Pool Application for Excess Carryover Water Local Storage Agreements (the “February Application”); and

WHEREAS, on May 4, 2017, Watermaster noticed Applications for Sale or Transfer of Water (the “May Applications”); and

WHEREAS, on May 3, 2017, the Agricultural Pool filed a Contest to the February Application; and

WHEREAS, on May 17, 2017, the Agricultural Pool filed a Contest to the May Applications; and

WHEREAS, the Parties agree to work together for the benefit of the entire Chino Basin.

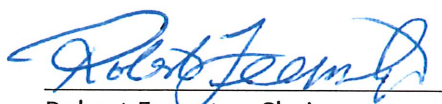
NOW, THEREFORE, the Parties agree that it is in the Parties’ mutual interest to enter into this Agreement.

¹ Members of the Appropriative Pool have authorized execution of this Agreement on their behalf acting collectively through the Appropriative Pool pursuant to Committee voting procedures set forth in the Appropriative Pool Committee Pooling Plan (Judgment, Exhibit H). Such authorization does not assign, confer or abrogate the rights or exercise of rights of individual members of the Appropriative Pool.

1. The “Effective Date” of this Agreement shall be the last date it is executed by a Party.
2. The Term of this Agreement shall run from the Effective Date to July 1, 2018, unless otherwise terminated or extended by written agreement by the Parties pursuant to paragraph 15, below.
3. The Appropriative Pool shall hold in reserve 130,000 AF of stored water that will not be produced for the term of the Agreement, except if in the event that the member of the Appropriative Pool has made a finding pursuant to Water Code Section 350 that the ordinary demands and requirements of its customers cannot be satisfied by its other supplies such that, without access to this water, it would have insufficient supplies for human consumption, sanitation, and fire protection. Any challenge to such a determination under Water Code Section 350 is not subject to this tolling agreement.
4. The Parties agree to have the Agricultural Pool’s May 3, 2017 and May 17, 2017 Contests consolidated for hearing (collectively, Contests).
5. For the term of this Agreement, the Agricultural Pool and its members agree to toll the Contests and not to oppose any Appropriative Pool member’s applications for storage agreements or transfers of stored water.
6. The Appropriative Pool waives completion of the Contests hearing and related actions within 180 days as otherwise required by Watermaster Regulations Section 10.25(g) during the Term of this Agreement. The Parties and Parties members’ rights and remedies arising under the Contests are fully reserved and tolled without prejudice during the Term.
7. Beginning in July 2017, an open and transparent storage management planning process shall be initiated to identify and improve, if necessary, existing storage management practices. The storage management planning process shall include additional technical review and study of the effects of extraction of the entirety of water held and likely to accumulate in storage accounts. The planning process will include both the Agricultural Pool and the Appropriative Pool members, and may include Watermaster staff and the members of the Non-Agricultural Pool.

8. The Appropriative Pool shall provide to the Agricultural Pool a proposed outline to serve as the basis for the beginning of a storage management planning process by July 1, 2017.
9. The Appropriative Pool acknowledges that funding has been budgeted for work necessary for the storage management planning process.
10. The Parties shall not introduce amendments to the Rules and Regulations section on Storage (Article VIII Storage) during the term of the Agreement.
11. The signatories to this Agreement are duly authorized to execute and bind on behalf of the Parties.
12. The laws and courts of the State of California shall govern and control the interpretation and enforcement of this Agreement.
13. This Agreement contains all the terms and conditions agreed upon by the Parties relating to the matters covered herein and supersedes any and all prior and contemporaneous agreements, negotiations, correspondence, understandings, and/or communications between the Parties to this Agreement, whether oral or written, respecting the matters covered herein.
14. If any provision of this Agreement is held to be illegal or invalid by any court of competent jurisdiction, then such provision shall be severed and deleted, and neither such provision nor its severance and deletion shall affect the validity of the remaining provisions.
15. No agreement to modify, amend, extend, supersede, terminate, or discharge this Agreement, or any portion thereof, is valid or enforceable unless it is in writing and signed by all Parties to this Agreement.

OVERLYING (AGRICULTURAL) POOL
COMMITTEE


Robert Feenstra, Chair
6-08-17

APPROPRIATIVE POOL
COMMITTEE


Todd Corbin, Chair