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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SAN BERNARDINO
10

11 CHINO BASIN MUNICIPAL WATER
12 DISTRICT,

13 Plaintiff,

14 v.

15 CITY OF CHINO et al,

16 Defendants,
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19
20
21
22

Case No. RCVRS 51010

Assigned for All Purposes to the
Honorable Gilbert G. Robles

**DECLARATION OF JOHN J. SCHATZ IN
SUPPORT OF APPROPRIATIVE POOL
NOTICE OF MOTION AND MOTION FOR
AWARD OF EXPENSES, INCLUDING
ATTORNEY FEES PER CONTRACT
AND CIVIL CODE SECTION 1717;
MEMORANDUM OF POINTS AND
AUTHORITIES**

Date: July 29, 2024

Time: 9:00 a.m.

Dept. R17

Motion Filed: June 26, 2024

- 23 1. I, John J. Schatz, am an attorney licensed to practice in the State of California. Based upon
24 my knowledge and experience, I can competently attest to the following facts.
25 2. I am counsel for the Appropriative Pool (AP) and this Declaration is made in support of
26 Appropriative Pool Notice of Motion and Motion For Award Of Expenses, Including
27 Attorney Fees Per Contract and Civil Code Section 1717.
28

3. I participated in the negotiation of the Peace Agreement in 2000 and as counsel for the AP continuously since 2010 have extensive knowledge regarding Watermaster, operation of the AP, the Restated Judgment that includes the AP Pooling Plan, Terms of Agreement approved by the AP and Ag Pool in March 2022, discussions and litigation preceding the Terms of Agreement that commenced in 2020 and March 12, 2024 Court of Appeal Opinion affirming the April 22, 2022 order. I attend all AP meetings, including confidential sessions and am copied on or provided copies of all AP correspondence.
4. Attached as Exhibit A (p. 2-84) is a true and correct copy of the 2000 Peace Agreement.
5. Attached as Exhibit B (p. 86-87) is a true and correct copy of my 2010 legal services agreement.
6. In my time as AP counsel starting in 2010, I submit my invoices to the AP Chair, who reviews and authorizes Watermaster staff to make payment. For the last 14 years, no member of the AP has protested or requested my invoices or invoices for consultants providing services through me, for purposes of approving or processing the payment of the invoices.
7. Attached as Exhibit C (p. 89-91) is a true and correct copy of the November 30, 2021 letter transmitted by Ontario counsel to Watermaster.
8. Attached as Exhibit D (p. 93-159) is a true and correct copy of unpaid AP special assessment invoices for AP administrative and legal expenses that include the AP's vote.
9. Attached as Exhibit E (p. 161-164) is a true and correct copy of the report out of the March 22, 2022 confidential session that attached the Terms of Agreement (TOA).
10. Attached as Exhibit F (p.166-197) is a true and correct copy of the April 22, 2022 trial court order.
11. Attached as Exhibit G (p.199-208) are true and correct copies of letters sent by the Monte Vista entities and Chino withholding payments unless expressed demands and conditions were met.
12. Attached as Exhibit H (p.210-256) is my Declaration and the Tilner and Egoscue Declarations detailing the respective legal services rendered for the appeal totaling \$393,107.

1 I declare under penalty of perjury that the foregoing is true and correct. Executed this 25th
2 day of June, 2024, in the City of Laguna Niguel and County of Orange, State of California.

3
4 By:



5 June 25, 2024

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JOHN J. SCHATZ

JOHN SCHATZ
Attorney at Law
P.O. Box 7775
Laguna Niguel, Ca. 92607-7775

EXHIBIT A
Peace
Agreement
Pages 2-84

PEACE AGREEMENT

CHINO BASIN

JUNE 29, 2000

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PEACE AGREEMENT CHINO BASIN

THIS AGREEMENT (Agreement) is dated the 29th day of June, 2000 regarding the Chino Groundwater Basin.

RECITALS

WHEREAS, disputes have arisen from time to time among and between water users within the Santa Ana River Watershed resulting in a judgment entered in Orange County Superior Court Case No. 117628, Orange County Water District v. City of Chino in 1969; and

WHEREAS, a complaint was filed on January 2, 1975, seeking an adjudication of water rights, injunctive relief and the imposition of a physical solution for the Chino Groundwater Basin (hereinafter Chino Basin); and

WHEREAS, a Judgment was entered in San Bernardino County Superior Court Case No. 164327 in Chino Basin Municipal Water District v. City of Chino, et al. in 1978, now designated No. RCV 51010 that adjudicated rights to the groundwater and storage capacity within the Chino Basin and established a physical solution; and

WHEREAS, the Parties intend that each Producer should be able to Produce both the quantity and quality of water to meet its water supply needs to the greatest extent possible from the water that underlies the Producer's area of benefit; and

WHEREAS, the Judgment provides the State of California is the largest owner of land overlying the Chino Basin, and provides that all future Production by the State, or its departments or agencies for overlying use on State-owned lands shall be considered as use by the Agricultural Pool; and

WHEREAS, Paragraph 16 of the Judgment authorized the appointment of a Watermaster for a term or terms of five (5) years; and

WHEREAS, Watermaster has the express powers and duties as provided in the Judgment or as "hereafter ordered or authorized by the Court in the exercise of the Court's continuing jurisdiction" subject to the limitations stated elsewhere in the Judgment; and

WHEREAS, Paragraph 41 of the Judgment provides that "Watermaster, with the advice of the Advisory and Pool Committees" has "discretionary powers in order to develop an optimum basin management program (OBMP) for Chino Basin"; and

WHEREAS, on February 19, 1998, in San Bernardino County Superior Court Case Number RCV 51010, the Court appointed a "Nine-member Board as Interim Watermaster for a twenty-six month period commencing March 1, 1998 and ending June 30, 2000" and "directed the Interim Watermaster to develop and submit the OBMP"; and

WHEREAS, a draft Programmatic Environmental Impact Report (PEIR) for the OBMP has been completed and distributed to the Parties as well as the State Clearinghouse and other interested Parties and the Inland Empire Utilities Agency (IEUA) is serving as "Lead Agency" for purposes of preparing and completing the PEIR as previously directed by the Court on November 18, 1999; and

WHEREAS, this Agreement facilitates the implementation of the OBMP which is subject to environmental review under the California Environmental Quality Act (CEQA) as previously directed by the Court; and

WHEREAS, disputes have arisen in regard to a number of matters pertaining to the power and authority of the Court and Watermaster under the Judgment, including but not limited to Watermaster power and author-

ity regarding recharge, owning property, holding water rights, water Transfers, storage, yield management, land use conversions, assessments, benefits, procedures and the adoption and implementation of the OBMP; and

WHEREAS, OCWD has filed a petition with the State Water Resources Control Board requesting a change of the Santa Ana River's "Fully Appropriated" status, and filed an application to appropriate up to five hundred seven thousand (507,000) acre-feet of such newly declared surplus water; and

WHEREAS, the Parties to this Agreement desire to resolve issues by consent under the express terms and conditions stated herein; and

WHEREAS, the Parties wish to preserve and maintain Watermaster's role under the Judgment without compromising the Parties' collective and individual "benefits of the bargain" under this Agreement; and

WHEREAS, the Parties intend that this Agreement shall enable the adoption and implementation of an OBMP consistent herewith, which will benefit the Basin and all Parties hereto;

NOW, THEREFORE, in consideration of the mutual promises specified herein and by conditioning their performance under this Agreement upon conditions precedent set forth in Article III, the Watermaster approval and Court Order of its terms, and for other good and valuable consideration, the Parties agree as follows:

I

DEFINITIONS AND RULES OF CONSTRUCTION

1.1 Definitions. As used in this Agreement, these terms, including any grammatical variations thereof shall have the following meanings:

- (a) "Agricultural Pool" shall have the meaning of Overlying (Agricultural) Pool as used in the Judgment and shall include all its members;
- (b) "Appropriative Pool" shall have the meaning as used in the Judgment and shall include all its members;
- (c) "Basin Water" means groundwater within Chino Basin which is part of the Safe Yield, Operating Safe Yield, or Replenishment Water in the Basin as a result of operations under the physical solution decreed in the Judgment. Basin Water does not include "Stored Water;"
- (d) "Best Efforts" means reasonable diligence and reasonable efforts under the totality of the circumstances. Indifference and inaction do not constitute Best Efforts. Futile action(s) are not required.
- (e) "CBWCD" means the Chino Basin Water Conservation District;
- (f) "CEQA" means the California Environmental Quality Act, Public Resources Code Sections 21000 et seq; 14 California Code of Regulations 15000 et seq.;
- (g) "Chino Basin" or "Basin" means the groundwater basin underlying the area shown on Exhibit "B" to the Judgment and within the boundaries described on Exhibit "K" to the Judgment;
- (h) "Chino Basin Watershed" means the surface drainage area tributary to and overlying Chino Basin;

- (i) “Chino I Desalter” also known as the SAWPA Desalter means the Desalter owned and operated by PC14 with a present capacity of eight (8) million gallons per day (mgd) and in existence on the Effective Date;
- (j) “Chino I Desalter Expansion” means the planned expansion of the Chino I Desalter from its present capacity of eight (8) mgd to a capacity of up to fourteen (14) mgd, to be owned and operated by IEUA and WMWD acting through PC14;
- (k) “Chino II Desalter” means a new Desalter not in existence on the Effective Date with a design capacity of ten (10) mgd, to be owned, constructed, and operated by IEUA and WMWD acting independently or in their complete discretion, acting through the PC14, constructed and operated consistent with the OBMP and to be located on the eastside of the Chino Basin;
- (l) “Court” means the court exercising continuing jurisdiction under the Judgment;
- (m) “Date of Execution” means the first day following the approval and execution of the Agreement by the last Party to do so;
- (n) “Desalter” and “Desalters” means the Chino I Desalter, Chino I Desalter Expansion, the Chino II Desalter and Future Desalters, consisting of all the capital facilities and processes that remove salt from Basin Water, including extraction wells, transmission facilities for delivery of groundwater to the Desalter, Desalter treatment and delivery facilities for the desalted water including pumping and storage facilities, and treatment and disposal capacity in the SARI System;

- (o) “Early Transfer” means the reallocation of Safe Yield not Produced by the Agricultural Pool to the Appropriative Pool on an annual basis rather than according to the five year increment described in Paragraph 10 of Exhibit “H” of the Judgment;
- (p) “Effective Date” means October 1, 2000, provided that all conditions precedent have been waived or satisfied;
- (q) “Future Desalters” means enlargement of the Chino I Desalter to a capacity greater than the Chino I Expansion or enlargement of the Chino II Desalter and any other new Desalter facilities that may be needed to carry out the purposes of the OBMP over the term of this Agreement;
- (r) “General law” means all applicable state and federal law;
- (s) “Groundwater” means water beneath the surface of the ground and within the zone of saturation, i.e., below the existing water table;
- (t) “IEUA” means the Inland Empire Utilities Agency, referred to in the Judgment as Chino Basin Municipal Water District;
- (u) “In-lieu recharge” means taking supplies of Supplemental Water in lieu of pumping groundwater otherwise subject to Production as an allocated share of Operating Safe Yield, as provided in Exhibit “H” Paragraph 11 of the Judgment;
- (v) “Judgment” means the Judgment dated January 27, 1978, in San Bernardino County Case No. 164327 (redesignated as San Bernardino County Case No. RCV 51010) as amended by Order Approving Amendments to Judgment Dated December 1, 1995, and Order for Amendments to the Judgment Regard-

ing Changes in Pooling Plans and Appropriative Pool Representation on the Advisory Committee, dated September 18, 1996 and other such amendments;

- (w) “Jurupa Community Services District” (JCSD) means the Jurupa Community Services District and the Santa Ana River Water Company individually. Subject to the provisions of this Agreement, the design and delivery obligations for the Chino II Desalter set forth in Section 7.3 regarding Jurupa Community Services District include both the Jurupa Community Services District and the Santa Ana River Water Company. Santa Ana River Water Company may exercise its discretion to receive its portion of the desalted water through an interconnection or at its own expense through an independent pipeline to connect to the Chino II Desalter or in any other method as the Jurupa Community Services District and the Santa Ana River Water Company may jointly agree. Nothing in this definition shall be construed as expanding the initial mgd capacity of the Chino II Desalter as provided in the facilities plan which is attachment “1” to the OBMP Implementation Plan (Exhibit “B” hereto). If it is necessary to meet Santa Ana River Water Company’s demands and there is insufficient initial capacity in the Chino II Desalter to satisfy the demands of Santa Ana River Water Company for desalted water in the quantities as provided in the Revised Draft Water Supply Plan Phase I Desalting Project Facilities Report, Jurupa’s and Ontario’s entitlement to desalted water made available from the initial capacity of the Chino II Desalter shall abate pro-rata to accommodate the demand of Santa Ana River Water Company up to a maximum quantity of 1,300 acre feet per year.
- (x) “Local Storage” means water held in a storage account pursuant to a Local Storage agreement between a party to the

Judgment and Watermaster and consisting of: (i) a Producer's unproduced carry-over water or (ii) a party to the Judgment's Supplemental Water, up to a cumulative maximum of fifty thousand (50,000) acre-feet for all parties to the Judgment.

- (y) "Material Physical Injury" means material injury that is attributable to the Recharge, Transfer, storage and recovery, management, movement or Production of water, or implementation of the OBMP, including, but not limited to, degradation of water quality, liquefaction, land subsidence, increases in pump lift (lower water levels) and adverse impacts associated with rising groundwater. Material Physical Injury does not include "economic injury" that results from other than physical causes. Once fully mitigated, physical injury shall no longer be considered to be material;
- (z) "Metropolitan Water District" means the Metropolitan Water District of Southern California;
- (aa) "New Yield" means proven increases in yield in quantities greater than historical amounts from sources of supply including, but not limited to, capture of rising water, capture of available storm flow, operation of the Desalters (including the Chino I Desalter), induced Recharge and other management activities implemented and operational after June 1, 2000;
- (bb) "Non-Agricultural Pool" shall have the meaning as used in the Judgment for the Overlying (Non-Agricultural Pool) and shall include all its members;
- (cc) "OBMP Assessments" means assessments, other than the assessments levied as provided in Section 5.1(g), levied by Watermaster for the purpose of implementing the Optimum

Basin Management Program (OBMP),, which shall be deemed Administrative Assessments under Paragraph 54 of the Judgment.

- (dd) “OCWD” means the Orange County Water District;
- (ee) “Operating Safe Yield” means the annual amount of groundwater which Watermaster shall determine, pursuant to criteria specified in Exhibit “I” to the Judgment, can be Produced from Chino Basin by the Appropriative Pool parties free of Replenishment obligation under the Physical Solution. Watermaster shall include any New Yield in determining Operating Safe Yield;
- (ff) “Overdraft” means a condition wherein the total annual Production from the Basin exceeds the Safe Yield thereof, as provided in the Judgment;
- (gg) “Party or Parties” means a Party to this Agreement;
- (hh) “Party or parties to the Judgment” means a party to the Judgment;
- (ii) “Produce or Produced” means to pump or extract groundwater from the Chino Basin;
- (jj) “Producer” means any person who Produces groundwater from the Chino Basin;
- (kk) “Production” means the annual quantity, stated in acre feet, of water Produced from the Chino Basin;
- (ll) “PC14” means Project Committee No. 14, members of SAWPA, composed of IEUA, WMWD, and OCWD, pursuant

to Section 18 of the SAWPA Joint Exercise of Powers Agreement which now constitutes the executive Authority through which SAWPA acts with respect to the Chino I Desalter;

- (mm) “Public Hearing” means a hearing of Watermaster after notice pursuant to Paragraphs 58 and 59 or other Paragraphs of the Judgment that may be applicable, to all parties to the Judgment and to any other person entitled to notice under the Judgment, this Agreement or general law;
- (nn) “Recharge and Recharge Water” means introduction of water into the Basin, directly or indirectly, through injection, percolation, delivering water for use in-lieu of Production or other method. Recharge references the physical act of introducing water into the Basin. Recharge includes Replenishment Water but not all Recharge is Replenishment Water. This definition shall not be construed to limit or abrogate the authority of CBWCD under general law;
- (oo) “Replenishment Water” means Supplemental Water used to Recharge the Basin pursuant to the physical solution, either directly by percolating or injecting the water into the Basin or indirectly by delivering the water for use in lieu of Production and use of Safe Yield or Operating Safe Yield;
- (pp) “Recycled Wastewater” means water which, as a result of treatment of wastewater, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource, referred to as “reclaimed water” in the Judgment.
- (qq) “Safe Yield” means the long-term average annual quantity of groundwater (excluding Replenishment Water or Stored Water but including return flow to the Basin from use of

Replenishment or Stored Water) which can be Produced from the Basin under cultural conditions of a particular year without causing an undesirable result;

- (rr) “Salt Credits” means an assignable credit that may be granted by the Regional Water Quality Control Board and computed by Watermaster from activities that result from removal of salt from the Basin, or that result in a decrease in the amount of salt entering the Basin;
- (ss) “SAWPA” means the Santa Ana Watershed Project Authority;
- (tt) “Sphere of Influence” has the same meaning as set forth in Government Code Section 56076;
- (uu) “Storage and Recovery Program” means the use of the available storage capacity of the Basin by any person under the direction and control of Watermaster pursuant to a storage and recovery agreement but excluding “Local Storage”, including the right to export water for use outside the Chino Basin and typically of broad and mutual benefit to the parties to the Judgment;
- (vv) “Stored Water” means Supplemental Water held in storage, as a result of direct spreading, injection or in-lieu delivery, for subsequent withdrawal and use pursuant to agreement with Watermaster;
- (ww) “Supplemental Water” means water imported to Chino Basin from outside the Chino Basin Watershed and recycled water;
- (xx) “Transfer” means the assignment, lease, or sale of a right to Produce water to another Producer within the Chino Basin or to another person or entity for use outside the Basin in con-

formance with the Judgment, whether the Transfer is of a temporary or permanent nature;

(yy) “TVMWD” means Three Valleys Municipal Water District (referred to in the Judgment as Pomona Valley Municipal Water District);

(zz) “Watermaster” means Watermaster as the term is used in the Judgment;

(aaa) “Watermaster Resolution 88-3” means the resolution by the Chino Basin Watermaster establishing the procedure for transferring unallocated Safe Yield water from the Agricultural Pool to the Appropriative Pool, adopted on April 6, 1988 and rescinding Resolution 84-2 in its entirety;

(bbb) “WMWD” means Western Municipal Water District;

1.2 Rules of Construction.

(a) Unless the context clearly requires otherwise:

(i) The plural and singular forms include the other;

(ii) “Shall,” “will,” “must,” and “agrees” are each mandatory;

(iii) “may” is permissive;

(iv) “or” is not exclusive;

(v) “includes” and “including” are not limiting; and

(vi) “between” includes the ends of the identified range.

- (b) Headings at the beginning of Articles, paragraphs and subparagraphs of this Agreement are solely for the convenience of the Parties, are not a part of this Agreement and shall not be used in construing it.
- (c) The masculine gender shall include the feminine and neuter genders and vice versa.
- (d) The word “person” shall include individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority, water district and other entity of whatever nature.
- (e) Reference to any agreement (including this Agreement), document, or instrument means such agreement, document, instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof.
- (f) Except as specifically provided herein, reference to any law, statute, ordinance, regulation or the like means such law as amended, modified, codified or reenacted, in whole or in part and in effect from time to time, including any rules and regulations promulgated thereunder.

II COMPLIANCE WITH CEQA

2.1 Commitments Shall be Consistent With CEQA Compliance. In executing this Agreement, the Parties agree that no commitment will be made to carry out any “project” under the OBMP and within the meaning of CEQA unless and until the environmental review and assessments required by CEQA for that defined “project” have been

completed. Any future implementing actions in furtherance of Program Elements 2 through 9 that meet the definition of “project” under CEQA, shall be subject to further environmental documentation in the form of an exemption, a negative declaration, mitigated negative declaration, environmental impact report, supplemental EIR or subsequent EIR. Any challenge claiming a breach of this article shall be brought within the same period of time applicable to claims under Public Resources Code section 21000, et seq.

- 2.2 Reservation of Discretion. Execution of this Agreement is not intended to commit any Party to undertake a project without compliance with CEQA or to commit the Parties to a course of action, which would result in the present approval of a future project.
- 2.3 No Prejudice by Comment or Failure to Comment. Nothing in the PEIR, or a Party’s failure to object or comment thereon, shall limit any Party’s right to allege that “Material Physical Injury” will result or has resulted from the implementation of the OBMP, the storage, recovery, management, movement or Production of water as provided in Article V herein.
- 2.4 Acknowledgment that IEUA is the Lead Agency. IEUA has been properly designated as the “Lead Agency” for the purposes of preparing the PEIR as ordered by court on November 18, 1999.

III CONDITIONS PRECEDENT

- 3.1 Performance Under Articles V, VI, and VII is Subject to Satisfaction of Conditions Precedent. Each Party’s obligations under this Agreement are subject to the satisfaction of the following conditions on or before the dates specified below, unless satisfaction of a specified condition or conditions is waived in writing by all other Parties:

- (a) The Parties' covenants and commitments set forth in Article V are expressly conditioned upon Watermaster's contemporaneous approval of this Agreement and the OBMP Implementation Plan by June 29, 2000 and upon an Order of the Court directing Watermaster to proceed in accordance with this Agreement and only this Agreement, on or before July 13, 2000. Watermaster's approval of this Agreement and the OBMP Implementation Plan shall be in the form of a resolution substantially similar to Exhibit "A" attached hereto and it shall contain a commitment to adopt the requisite policies and procedures to implement the provisions set forth in Article V on or before December 31, 2000, unless an earlier date for performance is otherwise expressly provided herein.

- (b) Appropriation by the California Legislature of at least \$121,000,000 from the proceeds made available by the passage of Proposition 13 for the benefit of the SAWPA by October 1, 2000.

IV MUTUAL COVENANTS

- 4.1 Joint Defense. The Parties shall proceed with reasonable diligence and use Best Efforts to jointly defend any lawsuit or administrative proceeding challenging the legality, validity, or enforceability of any term of this Agreement. However, nothing herein shall require the State of California to incur legal or administrative costs in support of such an effort.

- 4.2 No Opposition to the OBMP. No Party to this Agreement shall oppose Watermaster's adoption and implementation of the OBMP as provided in Exhibit B attached hereto in a manner consistent with this Agreement, or the execution of Memoranda of Agreement that incorporate the provisions which are substantially similar to those

contained in Exhibit "C" attached hereto. Nothing herein shall be construed as limiting any Party's right of participation in all the functions of Watermaster as are provided in the Judgment or to preclude a party to the Judgment from seeking judicial review of Watermaster determinations pursuant to the Judgment or as otherwise provided in this Agreement.

4.3 Indemnification of the Agricultural Pool. The Parties shall indemnify and defend the State of California and the members of the Agricultural Pool against any lawsuit or administrative proceedings, without limitation, arising from Watermaster's adoption, approval, management, or implementation of a Storage and Recovery Program.

4.4 Consent to Specified Changes to the Judgment. Each Party consents to the following modifications to the Judgment.

(a) The Judgment shall be amended so that the last sentence of Paragraph 8 of the Judgment reads:

All overlying rights are appurtenant to the land and cannot be assigned or conveyed separate or apart therefrom for the term of the Peace Agreement except that the members of the Overlying (Non-Agricultural) Pool shall have the right to Transfer or lease their quantified Production rights within the Overlying (Non-Agricultural) Pool or to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000.

(b) Paragraph 6 of Exhibit "G" to the Judgment regarding the Overlying Non-Agricultural Pool shall be amended to read:

Assignment. Rights herein decreed are appurtenant to that land and are only assignable with the land for over-

lying use thereon; provided, however, (a) that any appropriator who may, directly or indirectly, undertake to provide water service to such overlying lands may, by an appropriate agency agreement on a form approved by Watermaster, exercise said overlying right to the extent, but only to the extent necessary to provide water service to said overlying lands, and (b) the members of the pool shall have the right to Transfer or lease their quantified Production rights within the pool or to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000 for the term of the Peace Agreement.

- (c) The 1995 Amendment to the Judgment shall be amended as follows: Section 10(b)(3)(i) shall now read:

“For the term of the Peace Agreement, in any year in which sufficient unallocated Safe Yield from the Overlying (Agricultural) Pool is available for such conversion claims, Watermaster shall allocate to each appropriator with a conversion claim, 2.0 acre-feet of unallocated Safe Yield water for each converted acre for which conversion has been approved and recorded by the Watermaster.”

Appendix 1 to the Judgment shall be construed to be consistent with this amendment. All other parts of the 1995 Amendment shall remain the same.

- 4.5 Construction of “Operating Yield” Under the Judgment. Exhibit I to the Judgment shall be construed to authorize Watermaster to include New Yield as a component of Operating Safe Yield.
- 4.6 Best Efforts to Obtain Funding for OBMP. Each Party shall use Best Efforts to obtain and support funding that is consistent with the

OBMP and this Agreement. The Parties shall coordinate their individual efforts and report their progress to Watermaster no less than each quarter beginning on the Effective Date.

- 4.7 CBWCD. Watermaster shall provide for, arrange or approve the necessary revenue to fund Recharge activities listed in the OBMP and CBWCD shall not assume any legal duty or responsibility to conduct Recharge other than as is expressly set forth herein, as it may agree or as may be provided under general law or the Judgment.

V

WATERMASTER PERFORMANCE

- 5.1 Recharge and Replenishment. After the Effective Date and until the termination of this Agreement, the Parties expressly consent to Watermaster's performance of the following actions, programs or procedures regarding Recharge and Replenishment:

- (a) All Recharge of the Chino Basin with Supplemental Water shall be subject to Watermaster approval.
- (b) Watermaster will ensure that any person may make application to Watermaster to Recharge the Chino Basin with Supplemental Water, including the exercise of the right to offer to sell in-lieu Recharge water to Watermaster as provided in the Judgment and the Agreement in a manner that is consistent with the OBMP and the law. Watermaster shall not approve an application by any party to the Judgment if it is inconsistent with the terms of the Agreement, or will cause any Material Physical Injury to any party to the Judgment or the Basin. Any potential or threatened Material Physical Injury to any Party or the Basin caused by the Recharge of Supplemental Water shall be fully and reasonably mitigated as a condition of approval. In the event the Material Physical Injury cannot be fully and

reasonably mitigated, the request for Recharge of Supplemental Water must be denied.

- (c) Watermaster shall administer, direct and conduct the Recharge of all water in a manner that is consistent with this Agreement, the OBMP and causes no Material Physical Injury to any party to the Judgment or the Chino Basin. Nothing herein shall be construed as committing a Party to provide Supplemental Water upon terms and conditions that are not deemed acceptable to that Party.
- (d) Notwithstanding Section 5.1(c), CBWCD shall reserve its complete discretion to Recharge the Basin with water other than Supplemental Water as may be authorized by general law so long as the Recharge is in accordance with the limitations in the Judgment, if any and is in accordance with the provisions of Section 5.1(d)(i)-(v).
 - (i) Upon request by Watermaster CBWCD shall exercise Best Efforts to consult, coordinate and cooperate with Watermaster when recharging water into the Basin;
 - (ii) CBWCD shall provide Watermaster with reasonable notice in advance of any material change in its historic Recharge operations;
 - (iii) CBWCD shall not be required to provide funding for Recharge projects merely by virtue of its execution of this Agreement;
 - (iv) CBWCD shall Recharge the Basin in a manner that does not cause Material Physical Injury to any party to the Judgment or the Basin. Upon Watermaster's receipt of a written allegation that an existing or proposed

CBWCD Recharge activity has or will cause Material Physical Injury to any party to the Judgment or the Basin, Watermaster shall hold a Public Hearing within a reasonable time. Watermaster shall provide notice and opportunity to be heard to interested parties to the Judgment including CBWCD. After hearing, Watermaster may approve, deny or condition the CBWCD's Recharge. Watermaster's decision shall be based upon the record and it shall be subject to the court's review;

(v) CBWCD's Recharge of the Basin coupled with an intent to store and recover water shall require a storage and recovery agreement.

(e) Watermaster shall exercise its Best Efforts to:

(i) protect and enhance the Safe Yield of the Chino Basin through Replenishment and Recharge;

(ii) ensure there is sufficient Recharge capacity for Recharge Water to meet the goals of the OBMP and the future water supply needs within the Chino Basin;

(iii) direct Recharge relative to Production in each area and sub-area of the Basin to achieve long term balance and to promote the goal of equal access to groundwater within all areas and sub-areas of the Chino Basin;

(iv) evaluate the potential or threat for any Material Physical Injury to any party to the Judgment or the Chino Basin, including, but not limited to, any Material Physical Injury that may result from any Transfer of water in storage or water rights which is proposed in place of

physical Recharge of water to Chino Basin in accordance with the provisions of Section 5.3;

- (v) establish and periodically update criteria for the use of water from different sources for Replenishment purposes;
 - (vi) ensure a proper accounting of all sources of Recharge to the Chino Basin;
 - (vii) Recharge the Chino Basin with water in any area where groundwater levels have declined to such an extent that there is an imminent threat of Material Physical Injury to any party to the Judgment or the Basin;
 - (viii) maintain long-term hydrologic balance between total Recharge and discharge within all areas and sub-areas;
 - (ix) coordinate, facilitate and arrange for the construction of the works and facilities necessary to implement the quantities of Recharge identified in the OBMP Implementation Plan.
- (f) Watermaster shall undertake Recharge, using water of the lowest cost and the highest quality, giving preference as far as possible to the augmentation and the Recharge of native storm water.
- (g) In furtherance of its obligations under this Section, for a period of five years, commencing with Fiscal Year 2000-2001, and within each such Fiscal Year Watermaster shall arrange for the physical Recharge of Supplemental Water in the amount of an annual average of 6,500 acre-feet per year in one or more of

the areas commonly known as the Montclair, Brooks and Upland spreading facilities.

- (i) If for any reason at the end of the five year period, a cumulative total of 32,500 acre-feet of physical Recharge has not been accomplished under this subdivision, then Recharge shall continue at the above referenced locations at the average annual rate of 6,500 acre-feet until the full 32,500 acre-feet of physical Recharge has been accomplished;
 - (ii) The Recharged Supplemental Water shall increase the Operating Safe Yield under the Judgment. The cost and allocation of this Supplemental Water under this Section 5.1g shall be apportioned pro rata among the members of the Appropriative Pool under the Judgment according to the Producer's share of the initial Safe Yield;
 - (iii) The need to continue physical Recharge under this paragraph shall be evaluated by Watermaster after the conclusion of Fiscal Year 2004-2005. In evaluating further physical Recharge pursuant to this paragraph, Watermaster shall take into account the provisions of this Article, the Judgment and the OBMP among all other relevant factors. Except as to Watermaster's determination of Material Physical Injury, the rights of each party to the Judgment to purchase or lease water to meet its over-Production obligation shall be unaffected by this provision;
- (h) Watermaster shall not own Recharge projects, including but not limited to spreading grounds, injection wells, or diversion works. It shall never own real property. However, Watermaster may own water rights in trust for the benefit of the

parties to the Judgment. Moreover, Watermaster shall arrange, facilitate and provide for Recharge by entering into contracts with appropriate persons, which may provide facilities and operations for physical Recharge of water as required by the Judgment and this Agreement, or pursuant to the OBMP. Any such contracts shall include appropriate terms and conditions, including terms for the location and payment of costs necessary for the operation and maintenance of facilities, if any.

- (i) CBWCD's rights and obligations to obtain Replenishment Water are unaffected by the execution of this Agreement. Its obligation, rights and duties regarding Recharge may be set by arms length negotiation through separate agreement or as they otherwise exist under general law and the Judgment.
- (j) Watermaster shall provide an annual accounting of the amount of Recharge and the location of the specific types of Recharge.

5.2 Storage and Recovery. After the Effective Date and until the termination of this Agreement, the Parties expressly consent to Watermaster's performance of the following actions, programs or procedures regarding the storage and recovery of water:

- (a) In General.
 - (i) All storage capacity shall be subject to regulation and control by Watermaster;
 - (ii) No person shall store water in and recover water from the Chino Basin without an agreement with Watermaster;
 - (iii) Watermaster will ensure that any person, including but not limited to the State of California and the Department

of Water Resources may make application to Watermaster to store and recover water from the Chino Basin as provided herein in a manner that is consistent with the OBMP and the law. Watermaster shall not approve an application to store and recover water if it is inconsistent with the terms of this Agreement or will cause any Material Physical Injury to any party to the Judgment or the Basin. Any potential or threatened Material Physical Injury to any Party or the Basin caused by the storage and recovery of water shall be reasonably and fully mitigated as a condition of approval. In the event the Material Physical Injury cannot be mitigated, the request for storage and recovery must be denied.

- (iv) This Agreement shall not be construed to limit the State or its department or agencies from using available storage capacity in the Basin in accordance with the provisions of this Section under a storage and recovery agreement with Watermaster.

(b) Local Storage.

- (i) For a period of five years from the Effective Date, Watermaster shall ensure that: (a) the quantity of water actually held in Local Storage under a storage agreement with Watermaster is confirmed and protected and (b) each party to the Judgment shall have the right to store its un-Produced carry-over water. Thereafter, a party to the Judgment may continue to Produce the actual quantity of carry-over water and Supplemental Water held in its storage account, subject only to the loss provisions set forth in this Section 5.2. This means a party to the Judgment may increase the total volume of carry-over water it holds in Local Storage up to five years after the

Effective Date and as Watermaster may approve pursuant to a Local Storage agreement for Supplemental Water.

- (ii) For a period of five years from the Effective Date, any party to the Judgment may make application to Watermaster for a Local Storage agreement, whereby it may store Supplemental Water in the Chino Basin.
- (iii) Watermaster shall provide reasonable advance written notice to all interested parties of the proposed Local Storage agreement, prior to approving the agreement. The notice shall include the persons engaged in the Local Storage, the location of the Recharge and Production facilities and the potential for any Material Physical Injury, if any.
- (iv) Watermaster shall approve the Local Storage agreement so long as: (1) the total quantity of Supplemental Water authorized to be held in Local Storage under all then existing Local Storage agreements for all parties to the Judgment does not exceed the cumulative total of 50,000 acre-feet; (2) the party to the Judgment making the request provides their own Recharge facilities for the purpose of placing the Supplemental Water into Local Storage; (3) the agreement will not result in any Material Physical Injury to any party to the Judgment or the Basin. Watermaster may approve a proposed agreement with conditions that mitigate any threatened or potential Material Physical Injury.
- (v) There shall be a rebuttable presumption that the Local Storage agreement for Supplemental Water does not

result in Material Physical Injury to a party to the Judgment or the Basin.

- (vi) In the event any party to the Judgment, or Watermaster, objects to a proposed Local Storage agreement for Supplemental Water and submits evidence that there may be a Material Physical Injury to any party to the Judgment or the Basin, Watermaster shall hold a Public Hearing and allow the objecting party to the Judgment a reasonable opportunity to be heard.
- (vii) In the event more than one party to the Judgment submits a request for an agreement to store Supplemental Water pursuant to a Local Storage agreement, Watermaster shall give priority to the first party to file a bona fide written request which shall include the name of the party to the Judgment, the source, quantity and quality of the Supplemental Water, an identification of the party to the Judgment's access to or ownership of the Recharge facilities, the duration of the Local Storage and any other information Watermaster shall reasonably request. Watermaster shall not grant any person the right to store more than the then existing amount of available Local Storage. The amount of Local Storage available for the storage of Supplemental Water shall be determined by subtracting the previously approved and allocated quantity of storage capacity for Supplemental Water from the cumulative maximum of 50,000 acre-feet.
- (viii) Watermaster shall base any decision to approve or disapprove any proposed agreement upon the record.

- (ix) Any party to the Judgment may seek judicial review of Watermaster's decision.
- (x) Five years after the Effective Date, Watermaster shall have discretion to place reasonable limits on the further accrual of carry-over and Supplemental Water in Local Storage. However, Watermaster shall not limit the accrual of carry-over Local Storage for Fontana Union Mutual Water Company and Cucamonga County Water District when accruing carry-over storage pursuant to *Lease of Corporate Shares Coupled with Irrevocable Proxy, dated July 1, 1993 between Cucamonga County Water District and Fontana Water Resources Inc. and the Settlement Agreement Among Fontana Union Water Company, Kaiser Steel Reserves Inc., San Gabriel Valley Water Company and Cucamonga County Water Districts dated February 7, 1992*, to a quantity less than 25,000 acre-feet for the term of this Agreement.
- (xi) Watermaster shall evaluate the need for limits on water held in Local Storage to determine whether the accrual of additional Local Storage by the parties to the Judgment should be conditioned, curtailed or prohibited if it is necessary to provide priority for the use of storage capacity for those Storage and Recovery Programs that provide broad mutual benefits to the parties to the Judgment as provided in this paragraph and Section 5.2(c) below;
- (xii) Watermaster shall set the annual rate of loss from Local Storage for parties to the Judgment at zero until 2005. Thereafter the rate of loss from Local Storage for parties to the Judgment will be 2% until recalculated based upon the best available scientific information. Losses

shall be deducted annually from each party to the Judgment's storage account;

(xiii) Watermaster shall allow water held in storage to be transferred pursuant to the provisions of Section 5.3 below. Storage capacity is not transferable by any party to the Judgment or any Party hereto.

(c) Storage and Recovery Program.

(i) Watermaster will ensure that no person shall store water in and recover water from the Basin, other than pursuant to a Local Storage agreement, without a storage and recovery agreement with Watermaster;

(ii) Watermaster shall prepare a list of basic information that a proposed applicant for a Storage and Recovery Program must submit to Watermaster prior to the execution of a storage and recovery agreement;

(iii) As a precondition of any project, program or contract regarding the use of Basin storage capacity pursuant to a Storage and Recovery Program, Watermaster shall first request proposals from qualified persons.

(iv) Watermaster shall be guided by the following criteria in evaluating any request to store and recover water from the Basin by a party to the Judgment or any person under a Storage and Recovery Program.

(a) The initial target for the cumulative quantity of water held in storage is 500,000 acre-feet in addition to the existing storage accounts;

- (b) Watermaster shall prioritize its efforts to regulate and condition the storage and recovery of water developed in a Storage and Recovery Program for the mutual benefit of the parties to the Judgment and give first priority to Storage and Recovery Programs that provide broad mutual benefits;
- (v) For the term of this Agreement, members of the Appropriative Pool and the Non-Agricultural Pool shall be exclusively entitled to the compensation paid for a Storage and Recovery Program irrespective of whether it be in the form of money, revenues, credits, proceeds, programs, facilities, or other contributions (collectively “compensation”) as directed by the Non-Agricultural and the Appropriative Pools;
- (vi) The compensation received from the use of available storage capacity under a Storage and Recovery Program, may be used to off-set the Watermaster’s cost of operation, to reduce assessments on the parties to the Judgment within the Appropriative and Non-Agricultural Pools, and to defray the costs of capital projects as may be requested by the members of the Non-Agricultural Pools and the Appropriative Pool;
- (xiii) Any potential or threatened Material Physical Injury to any party to the Judgment or the Basin caused by storage and recovery of water, whether Local Storage and recovery or pursuant to a Storage and Recovery Program, shall be reasonably and fully mitigated as a condition of approval;
- (ix) Watermaster reserves discretion to negotiate appropriate terms and conditions or to refuse to enter into a Storage

and Recovery or to deny any request. However, with respect to persons not parties to the Judgment, Watermaster reserves complete discretion. Watermaster shall base any decision to approve or disapprove any proposed Storage and Recovery Program upon the record. However, it may not approve a proposed Storage and Recovery Program unless it has first imposed conditions to reasonably and fully mitigate any threatened or potential Material Physical Injury;

- (x) Any party to the Judgment may seek review of the Watermaster's decision regarding a Storage and Recovery Program.

- (d) The specific terms and conditions for the use of the facilities of CBWCD in connection with Local Storage or Storage and Recovery Programs shall be covered under separate agreements reached by arms length bargaining between Watermaster and CBWCD. Watermaster and any other Party shall not be entitled to the income received by CBWCD for use of its facilities in connection with Local Storage or Storage and Recovery Programs without the consent of CBWCD. Nothing in this Agreement shall be construed as preventing CBWCD from entering into an agreement with others for use of its facilities in a manner consistent with Section 5.1(d) i-v of this Agreement.

- (e) Nothing herein shall be construed as prohibiting the export of Supplemental Water stored under a Storage and Recovery Program and pursuant to a storage and recovery agreement.

- (f) Watermaster shall exercise Best Efforts to undertake the following measures:

- (i) Complete the Short-term conjunctive use project, authorized by Watermaster and conducted by IEUA, TVMWD and MWD;
- (ii) Evaluate and develop a seasonal peaking program for in-Basin use and dry year yield to reduce the Basin's demand on the Metropolitan Water District for imported water;
- (iii) Evaluate and develop a dry year export program;
- (iv) Evaluate and develop a seasonal peaking export program;

5.3 Transfers. After the Effective Date and until the termination of this Agreement, the Parties expressly consent to Watermaster's performance of the following actions, programs or procedures regarding the Transfer of water:

- (a) Watermaster will ensure that any party to the Judgment may Transfer water in a manner that is consistent with this Agreement, the OBMP and the law. Watermaster shall not approve a Transfer if it is inconsistent with the terms of the Agreement, or will cause any Material Physical Injury to any party to the Judgment or the Basin. Any potential or threatened Material Physical Injury to any party to the Judgment or the Basin caused by the Transfer of water shall be fully and reasonably mitigated as a condition of approval. In the event the Material Physical Injury cannot be fully and reasonably mitigated, the request for Transfer must be denied.
- (b) A party to the Judgment may make application to Watermaster to Transfer water as provided in the Judgment.

- (i) Watermaster shall provide reasonable advance written notice to all the parties to the Judgment of a proposed Transfer, prior to approving the Transfer. The notice shall include the persons engaged in the Transfer, the location of the Production and Watermaster's analysis of the potential for Material Physical Injury, if any;
- (ii) Watermaster shall approve the Transfer of water as provided in the Judgment so long as the individual Transfer does not result in any Material Physical Injury to any party to the Judgment or the Basin. Watermaster may approve a proposed Transfer with conditions that fully and reasonably mitigate any threatened or potential Material Physical Injury;
- (iii) There shall be a rebuttable presumption that the Transfer and the Production by the transferee does not result in Material Physical Injury to a party to the Judgment or the Basin;
- (iv) In the event any party to the Judgment, or Watermaster, objects to a proposed Transfer and submits evidence that there may be Material Physical Injury to any party to the Judgment or the Basin, Watermaster shall hold a Public Hearing and allow the objecting party to the Judgment a reasonable opportunity to be heard;
- (v) Watermaster shall base any decision to approve or disapprove any proposed Transfer upon the record after considering potential impacts associated with the individual Transfer alone and without regard to impacts attributable to any other Transfers;

- (vi) Any party to the Judgment may seek judicial review of the Watermaster's decision.
- (c) Watermaster shall allow Producers to lease water rights to make up for the lessee's over-Production.
- (d) Except as provided in Section 5.2, Producers shall not be required to file a storage and recovery or recapture plan except when Producing water transferred from a storage account.
- (e) Watermaster shall approve the Transfer or lease of the quantified Production rights of Non-Agricultural Producers within the Non-Agricultural Pool subject to the provisions of paragraph (b) above. The right to Transfer within the pool includes the right to lease water to other members of the Non-Agricultural Overlying Pool. In addition, the parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment for a Desalter or for a Storage and Recovery Program.
- (f) Consistent with the provisions of 88-3, Watermaster shall approve the Transfer of unallocated Safe Yield under-Produced by the Agricultural Pool in Fiscal Year 1998-99, for Transfer to the Appropriative Pool in Fiscal Year 1999-2000, 35,262.452 acre-feet consistent with Watermaster Resolution 88-3. This Transfer shall be in addition to the Early Transfer of the 32,800 acre-feet per year from the Agricultural Pool to the Appropriative Pool referenced below in 5.3(g).
- (g) Watermaster shall approve an "Early Transfer" of water to the Appropriative Pool in an amount not less than 32,800 acre-feet per year that is the expected approximate quantity of water not Produced by the Agricultural Pool. The quantity of water sub-

ject to Early Transfer under this paragraph shall be the greater of (i) 32,800 acre-feet or (ii) 32,800 acre-feet plus the actual quantity of water not Produced by the Agricultural Pool for that Fiscal Year that is remaining after all the land use conversions are satisfied pursuant to 5.3(i) below.

- (i) The Early Transfer water shall be annually allocated among the members of the Appropriative Pool in accordance with their pro-rata share of the initial Safe Yield.
- (ii) The Transfer shall not limit the Production right of the Agricultural Pool under the Judgment to Produce up to 82,800 acre-feet of water in any year or 414,000 acre-feet in any five years as provided in the Judgment.
- (iii) The combined Production of all parties to the Judgment shall not cause a Replenishment assessment on the members of the Agricultural Pool. The Agricultural Pool shall be responsible for any Replenishment obligation created by the Agricultural Pool Producing more than 414,000 acre-feet in any five-year period.
- (iv) The parties to the Judgment and Watermaster shall Produce water in accordance with the Operating Safe Yield and shall procure sufficient quantities of Replenishment Water to satisfy over-Production requirements, whatever they may be, and avoid Material Physical Injury to any party to the Judgment or the Basin;
- (v) Nothing herein shall be construed as modifying the procedures or voting rights within or by the members of the Agricultural Pool.

- (h) The amount of water rights converted for agricultural land to urban use is presently 2.6 acre-feet per acre, with 1.3 acre-feet per acre being allocated collectively to all members of the Appropriative Pool with an initial share of Safe Yield and 1.3 acre-feet per acre being allocated to that appropriator providing service for that urban use. The rate of 2.6 acre-feet per acre shall be changed to a total of 2.0 acre-feet per acre, all of which shall be allocated upon the conversion of the land to that party to the Judgment which is an a member of the Appropriative Pool, on the Effective Date of this Agreement, and whose Sphere of Influence or authorized service area contains the land (purveyor). Upon such conversion of water rights, the purveyor will pledge that amount of water needed for such urban land use, when such urban land use is established, up to 2 acre-feet of water per acre of land per year will be made available for service for such converted land by purveyor under its then-existing standard laws, regulations, rules and policies, or for service arranged by such purveyor, subject only to prohibition of such service by a federal, state agency or court with jurisdiction to enforce such prohibition. The owner of such converted land shall have the right to enforce such pledge by specific performance or writ of mandate under the terms of this Agreement. No monetary damages shall be awarded.
- (i) The members of the Agricultural Pool, including the State of California, shall have the right to engage in a voluntary agreement with an appropriator which has a service area contiguous to or inclusive of the agricultural land, to provide the required water to the overlying land on behalf of the member of the Agricultural Pool unless otherwise prohibited by general law. The appropriator providing service shall be entitled to a credit to off-set Production to the extent it is serving the overlying land up to the amount of the historical maximum annual quantity of water previously used on the property.

5.4 Assessments, Credits, and Reimbursements. After the Effective Date and until the termination of this Agreement, the Parties expressly consent to Watermaster's performance of the following actions, programs or procedures regarding Assessments.

- (a) During the term of this Agreement, all assessments and expenses of the Agricultural Pool including those of the Agricultural Pool Committee shall be paid by the Appropriate Pool. This includes but is not limited to OBMP Assessments, assessments pursuant to Paragraphs 20, 21, 22, 30, 42, 51, 53, 54 both General Administrative Expenses and Special Project Expenses, 55, and Exhibit F (Overlying Agricultural Pool Pooling Plan) of the Judgment except however in the event the total Agricultural Pool Production exceeds 414,000 acre-feet in any five consecutive year period as defined in the Judgment, the Agricultural Pool shall be responsible for its Replenishment obligation pursuant to Paragraph 45 of the Judgment.
- (b) The City of Pomona (Pomona) shall be allowed a credit of up to \$2 (two) million against OBMP Assessments for its installation and operation and maintenance of its existing anion exchange project, which is hereby determined to further the purposes of the OBMP. Pomona's construction and operation of its anion exchange project was not legally compelled and Pomona had no legal duty to construct the project. For the 30 (thirty) year initial Term of this Agreement, Pomona's OBMP Assessment shall be credited \$66,667 per year, not to exceed Pomona's total BMP Assessment attributable to the project's Production for that year. Extension of the Term of this Agreement shall not extend the period of credit.
- (c) Kaiser Ventures (Kaiser) in recognition of its contribution of 25,000 acre-feet to offset Replenishment obligations for the

Desalters shall be allowed a credit of up to \$900,000 (nine hundred thousand dollars) against OBMP Assessments for the Desalters and related facilities. For the 30 (thirty) year initial Term of this Agreement, Kaiser's OBMP Assessment shall be credited up to \$30,000 (thirty thousand dollars) per year, not to exceed Kaiser's OBMP Assessment attributable to Desalters and related facilities. Extension of the Term of this Agreement shall not extend the period of credit. In the event Kaiser Transfers its water rights appurtenant to its overlying land which it owns on the date of execution, the purchaser (Kaiser's successor in interest) shall be entitled one-half (1/2) of the annual credit.

- (d) Watermaster shall adopt reasonable procedures to evaluate requests for OBMP credits against future OBMP Assessments or for reimbursement. Any Producer or party to the Judgment, including but not limited to the State of California, may make application to Watermaster for reimbursement or credit against future OBMP Assessments for any capital or operations and maintenance expenses incurred in the implementation of any project or program, including the cost of relocating ground-water Production facilities, that carries out the purposes of the OBMP including but not limited to those facilities relating to the prevention of subsidence in the Basin, in advance of construction or that is prospectively dedicated to service of the stated goals of the OBMP. Watermaster shall exercise reasonable discretion in making its determination, considering the importance of the project or program to the successful completion of the OBMP, the available alternative funding sources, and the professional engineering and design standards as may be applicable under the circumstances. However, Watermaster shall not approve such a request for reimbursement or credit against future BMP Assessments under this section where the

Producer or party to the Judgment was otherwise legally compelled to make the improvement.

- (e) Any Producer that Watermaster compels to move a groundwater Production facility that is in existence on the Date of Execution shall have the right to receive a credit against future Watermaster assessments or reimbursement up to the reasonable cost of the replacement groundwater Production facility.
- (f) The procurement of Replenishment Water and the levy of assessments shall be consistent with the provisions of Section 5.4(a) above.

5.5 Salt Credits. After the Effective Date and until the termination of this Agreement, the Parties expressly consent to Watermaster's performance of the following actions, programs or procedures regarding Salt Credits. Watermaster shall assign to the members of the Appropriative Pool, salt credits under the OBMP other than those that were previously allocated for the existing Chino I Desalter, or are attributable to a project or program undertaken by the State of California for the benefit of its overlying land and that carry out the purposes of the OBMP.

5.6 Metering. After the Effective Date and until the termination of this Agreement, the Parties expressly consent to Watermaster's performance of the following actions, programs or procedures regarding metering:

- (a) With respect to the obligation to install meters, which is set forth in the Judgment Paragraph 21, any Assessment levied by Watermaster on the members of the Agricultural Pool, regarding metering shall be paid by the Appropriative Pool. Members of the Agricultural Pool, shall have no obligation to install meters hereafter. The obligation to install meters on wells

owned or operated by members of the Agricultural Pool, shall become that of the Watermaster.

- (b) Agricultural Pool meters shall be installed within thirty-six months of the Date of Execution. Watermaster shall be responsible for providing the meter, as well as the cost of any installation, maintenance, inspection, testing and repairing. The members of the Agricultural Pool, shall provide reasonable access during business hours to a location reasonably appropriate for installation, inspection, and repairing of a meter.
- (c) The State of California reserves its right to continue to install, operate, maintain, inspect, test and repair its own meters on wells owned or operated by the State, unless it consents to installation by Watermaster in which case Watermaster assumes the cost.

VI COVENANTS BY THE MEMBERS OF THE AGRICULTURAL POOL

- 6.1 Best Efforts to Support Storage and Recovery. The members and representatives of the Agricultural Pool shall exercise Best Efforts to support the development of any Storage and Recovery Project, once it has been approved by Watermaster, so long as there is no Material Physical Injury to a member of the Agricultural Pool or the Basin.
- 6.2 Covenant of Good Faith and Fair Dealing. The members and representatives of the Agricultural Pool, including the State of California in its capacity as a member and owner of overlying land within the Agricultural Pool, shall be bound by the covenant of good faith and fair dealing, and not oppose or undermine the efforts of Watermaster to secure the development of a Storage and Recovery Program, so

long as there is no potential or threatened Material Physical Injury to a member of the Agricultural Pool or the Basin.

- 6.3 Waiver of Compensation. For the term of this Agreement, the members and representatives of the Agricultural Pool shall waive any claims or rights they might raise or possess, and shall not be entitled, to any compensation from a Storage and Recovery Program irrespective of whether it be in the form of money, revenues, credits, proceeds, programs, facilities, or other contributions (compensation). Further, the members of the Appropriative Pool and the Non-Agricultural Overlying Pool shall have the exclusive rights to any such compensation. This Section shall not apply to the charges adopted by CBWCD for storage and recovery purposes. This paragraph shall not be construed as a limitation on the ability of the State of California to make application to the Watermaster for a Storage and Recovery Program pursuant to Section 5.2.

VII DESALTERS

- 7.1 Need for Desalters. The OBMP requires construction and operation of Desalters. The Desalters shall be owned, operated and maintained by IEUA and WMWD acting independently or in their complete discretion, acting through PC14 consistent with the terms of this Agreement.
- 7.2 Ownership and Operation.
- (a) Chino I Desalter.
- (i) The existing "Chino I Desalter," also known as the "SAWPA Desalter," consisting of extraction wells, transmission facilities for delivery of groundwater to the Chino I Desalter, Desalter treatment and delivery facil-

ities for product water, including pumping and storage facilities, and treatment and disposal capacity in the SARI System, is owned and operated by SAWPA, which has created “The Project Committee No. 14 (PC14)” comprised of SAWPA members, IEUA, WMWD, and OCWD, pursuant to “Project Agreement No. 14” dated April 2, 1991, to exercise all the powers and responsibilities of Section 18 of the SAWPA Joint Exercise of Powers Agreement, which now constitutes the executive authority through which SAWPA acts with respect to the Chino I Desalter and to fund repayment for any loans for construction and operation and maintenance of such Desalter and a “Financing Agreement” dated April 1, 2000.

- (ii) The Chino I Desalter is operated pursuant to (a) “take or pay” agreements with the purchasers of water made available from such Desalter; (b) an agreement with the Metropolitan Water District (MWD) subsidizing that Desalter to reduce the cost of the water made available by that Desalter compared to the alternative cost of uninterruptible treated imported water available from MWD; and (c) an agreement with the Watermaster, all Pools of Producers from the Chino Basin, Kaiser Ventures, Inc., formerly known as Kaiser Resources, Inc. (Kaiser) and the California Regional Water Quality Control Board, Santa Ana Region (RWQB), regarding provision of certain water with which to satisfy the Replenishment obligation for operating the Desalter.

- (b) Chino II Desalter and Chino I Expansion.

IEUA and WMWD acting independently or in their complete discretion through PC14 must own and operate the Chino II

Desalter and the Chino I Expansion in the same manner as the Chino I Desalter, except as otherwise provided in this Agreement.

(c) Future Desalters.

IEUA and WMWD acting independently or in their complete discretion through PC14 must own and operate Future Desalters, if and only if, they can secure funding from state, federal or sources other than the Parties to pay the capital costs required to construct Future Desalters.

7.3 Design and Construction of Chino II Desalter, Chino I Expansion and Future Desalters.

(a) IEUA and WMWD acting independently or in their complete discretion, acting through PC14 shall design and construct the Chino II Desalter on the eastside of the Chino Basin and expand the capacity of the Chino I Desalter already in existence on the Date of Execution, from 8 mgd up to 14 million gallons per day.

(b) The Chino II Desalter shall have an initial capacity of 10 mgd and shall be designed to deliver water to Jurupa Community Services District, the City of Ontario, and if requested, others subject to the limitations of available funding. The existing capacity of the Chino I Desalter shall be expanded by a minimum of 2 mgd and up to 6 mgd, depending on the rate of development and availability of funding and shall be designed to deliver water to the Cities of Chino, Chino Hills and the State of California as provided in this Section.

- (c) There is no minimum initial capacity established for Future Desalters as the size and timing of Future Desalters are dependent upon variables not presently subject to reliable estimates.
 - (i) It is contemplated by the Parties that Future Desalters, and a further expansion of the Chino I Desalter to a capacity greater than the Chino I Expansion or the Chino II Desalter to a capacity greater than 10 mgd may occur;
 - (ii) IEUA and WMWD shall design and construct Future Desalters, whether acting independently, or in their complete discretion, through PC14, provided that their obligation shall be conditioned upon their ability to secure funding from the state or federal sources other than the Parties to pay the capital costs of construction. Absent such funding, the IEUA and WMWD, acting independently or, in their complete discretion, acting through PC14, shall have no obligation to construct Future Desalters;
- (d) The specific location of wells to supply the Chino II Desalter and Future Desalters shall be determined with Watermaster approval and shall be in a location, which is consistent with and shall carry out the purpose of the OBMP. The design and construction of the Chino II Desalter, Chino I Expansion, and Future Desalters shall be in accordance with the OBMP and subject to Watermaster approval. Watermaster approval shall not be unreasonably withheld and shall insure that the operation of the Desalters will implement the OBMP and not result in Material Physical Injury to any party to the Judgment or the Basin.
- (e) Wells operated in connection with the Desalters shall be designed and constructed to Produce water with high total

dissolved solids (TDS) and be located in areas consistent with the purposes of the OBMP.

7.4 Funding.

- (a) The capital costs of the Chino I Desalter are not affected by this Agreement.
- (b) The capital costs of designing and constructing the Chino II Desalter and the Chino I Desalter Expansion shall be partially derived from Proposition 13 funds. The Parties shall exercise their Best Efforts to secure said funds from the appropriate state agencies. However, all unmet capital, operation and maintenance costs relative to the Chino II Desalter shall be paid from the following sources and in the following order of priority:
 - (i) The net amount of funding received by SAWPA from its existing preliminary gross allocation of \$87,000,000 from the \$235,000,000 Proposition 13 bond funding provided for the Santa Ana River Watershed sub-account, which currently includes \$20,000,000-30,000,000 earmarked for the Chino II Desalter and \$5,000,000 for the Chino I Desalter Expansion;
 - (ii) All other eligible Proposition 13 bond funding;
 - (iii) All other available federal, state or SAWPA funding;
 - (iv) MWD subsidies or other funding without committing the storage space of the Chino Basin under any storage and recovery or conjunctive use agreement, such as that secured pursuant to Agreement Number 7658, between MWD, SAWPA, IEUA, WMWD and OCWD dated

December 7, 1995, and entitled “Chino Basin Desalination Program, Phase I, Joint Participation Agreement for Recovery and Utilization of Contaminated Groundwater;”

- (v) Revenue derived from the sale of water made available from the Desalters; and
 - (vi) Any additional revenue arranged by IEUA and WMWD acting independently or in their complete discretion, acting through PC14, pursuant to an agreement substantially similar to or an amendment of the SAWPA PC14 Agreement entered into on or about April 2, 1991.
- (c) IEUA’s and WMWD’s obligation to construct Future Desalters whether acting independently, or in their complete discretion, through PC14, shall be conditioned upon their ability to secure state or federal funding to pay for the capital costs related to such construction. Absent such state and/or federal funding, the IEUA and WMWD, acting independently or, in their complete discretion, acting through PC14, shall have no obligation to construct Future Desalters.
- (i) If, after the earlier of ten years, or the conversion of 20,000 acres of agricultural land, Watermaster, in its discretion, determines that Future Desalters are necessary to implement the OBMP, IEUA or WMWD, acting independently or in their complete discretion acting through PC14, shall have a period up to thirty-six (36) months to secure sufficient funding from State or Federal sources to pay for all the capital costs required to construct “Future Desalters;”

- (ii) If IEUA and WMWD acting independently or, in their complete discretion, acting through PC14 cannot secure the necessary funding, the Parties, other than the Agricultural Pool, will exercise their Best Efforts to negotiate new terms and conditions so as to accomplish the implementation of this portion of the OBMP;
- (iii) If, however, the Parties, other than the Agricultural Pool, are unable to negotiate new terms to this Agreement within twenty-four (24) months from the initiation of negotiations, the Parties may appoint a mutually agreed upon mediator. Failing an agreement, the Parties reserve all legal rights and remedies, provided that the Agricultural Pool shall not be liable for the costs of the Future Desalters. The remainder of this Agreement shall remain in full force and effect.

7.5 Replenishment Water. Replenishment for the Desalters shall be provided from the following sources in the following order of priority.

- (a) Watermaster Desalter Replenishment account composed of 25,000 acre-feet of water abandoned by Kaiser pursuant to the "Salt Offset Agreement" dated October 21, 1993, between Kaiser and the RWQB, and other water previously dedicated by the Appropriative Pool.
- (b) New Yield of the Basin, unless the water Produced and treated by the Desalters is dedicated by a purchaser of the desalted water to offset the price of desalted water to the extent of the dedication;
- (c) Safe Yield of the Basin, unless the water Produced and treated by the Desalters is dedicated by a purchaser of the desalted

water to offset the price of desalted water to the extent of the dedication;

- (d) Additional Replenishment Water purchased by Watermaster, the costs of which shall be levied as an Assessment by Watermaster.

7.6 Sale of Water.

- (a) The terms and conditions for the purchase and sale of water from the Chino I Desalter shall be as provided by separate agreement.
- (b) The terms and conditions for the purchase and sale of desalted water from the Chino II Desalter and Chino I Expansion are as follows.
 - (i) Members of the Appropriative Pool and the State of California shall have the first priority right to purchase desalted water developed by Chino II and Chino I Expansion on an equal basis, pursuant to a water supply contract, which is not a “take or pay” contract but contains a minimum annual quantity of water available to be purchased and is consistent with the provisions of this Agreement.
 - (ii) OCWD shall have the second priority right to purchase desalted water from the Chino II Desalter and the Chino I Expansion provided that IEUA and WMWD have elected to act through PC14.
 - (iii) If the members of the Appropriative pool, the State of California and the OCWD do not contract for the delivery of all desalted water made available by Chino

II Desalter and the Chino I Expansion, other persons may purchase the water.

- (c) The terms and conditions for the purchase and sale of desalted water from Future Desalters are contingent upon IEUA and WMWD acting independently or, in their complete discretion, acting through PC14, securing sufficient funding to pay the capital costs of transporting the desalted water from the Chino II Desalter and Chino I Expansion to other parties to the Judgment that are members of the Appropriative Pool and that desire to purchase desalted water. If sufficient funding is acquired, then other parties to the Judgment that are members of the Appropriative Pool shall have the right to purchase desalted water under the terms and conditions provided in this Article.
- (d) The price of desalted water to the parties to the Judgment that are members of the Appropriative Pool, the State of California and OCWD when purchasing water pursuant to Section 7.6(b)2 above, shall be the actual cost of providing the water but shall not exceed \$375.00 per acre foot, as adjusted by the purchase and sale agreement between IEUA, WMWD, PC14 and the purchasing party, but in no event shall such adjustment exceed the annual consumer's price index for the LA/Anaheim/Riverside Area or the percent increase in the MWD treated water rates, or its equivalent, whichever is less as measured from the Effective Date.
- (i) If a party to the Judgment elects to Produce water for the Chino II Desalter, the Chino I Expansion or Future Desalters they shall be entitled to a credit against the purchase price in an amount equivalent to the cost of alternative Replenishment Water then available from MWD as interruptible, untreated water or the then pre-

vailing value of the avoided Replenishment obligation, whichever is less;

- (ii) If the purchaser is a person other than a party to the Judgment, the price shall be no less than the cost of the alternative water supplies with comparable reliability and quality or if no purchasers are identified then at the highest price that may be attained under the circumstances;
 - (iii) Fifty percent of any annual revenues received by the Project 14 Committee in excess of the actual ongoing operation, maintenance and Replenishment expenses which revenues are derived from sales of water to any person not a Producer under the Judgment, or the OCWD, shall be provided to Watermaster for use as an off-set against any future assessments against the Parties by Watermaster.
- (e) The term of such Water Supply Contract shall be not less than 30 years if requested by a Party to this Agreement.

VIII TERM

- 8.1 Commencement. This Agreement shall become effective on the Effective Date and shall expire on the Termination Date.
- 8.2 Expiration. Unless extended pursuant to paragraph 8.3, this Agreement shall expire and thereupon terminate on December 31 of the thirtieth (30th) calendar year starting on January 1, of the first calendar year following the Effective Date.

8.3 Meet and Confer. The Parties agree to meet and confer during the 25th year of this Agreement to discuss any new or modified terms which may be requested or required by each Party in order to continue the term of this Agreement. However, no Party shall be required to modify or amend a term of this Agreement as a precondition to exercising their right to one thirty (30) year extension as provided in 8.4 below.

8.4 Independent Right to Extend. The term of this Agreement may be extended for a period of an additional thirty (30) years, upon the unilateral election of either the Appropriative or Agricultural Pool, (as a Pool only and not the individual members of either Pool) acting in accordance with Watermaster procedures under the Judgment, prior to the end of the twenty-fifth (25th) year. The election shall be made in writing with a copy to be sent to the Watermaster and all Parties to this Agreement. In the event an election is made to continue this Agreement, the Agreement shall continue for the extended term on the same terms and conditions as existed during the first thirty (30) years of the Agreement.

8.5 Force Majeure.

- (a) If the performance, in whole or in part, of the obligations of the respective Parties is prevented by act or failure to act of any agency other than a Party to this Agreement, court or any other person, by natural disaster or catastrophic event (such as earthquake, fire, drought or flood), contamination, war, strikes, lockouts, acts of God, or acts of civil or military authority, by the operation of applicable law, or by any other cause beyond the control of the affected Party or Parties, whether similar to the causes specified herein or not, the obligation of the affected Party or Parties to perform an act or actions under this Agreement shall be suspended from the time and to the extent that the performance thereof is prevented, but reasonable diligence

shall be observed by the affected Party or Parties, so far as it lies in their power, in performing such respective obligations in whole or in part under this Agreement.

(b) In the event performance is prevented as described above, the Parties agree actively to cooperate and use their Best Efforts to resume performance.

8.6 Only One Mandatory Extension. In no event shall a Party be required to extend performance under this Agreement beyond the first two terms of this Agreement, irrespective of the existence of force majeure. Any further extensions under this Agreement shall be consensual among the Parties to such an agreement.

8.7 Effect of Termination. Upon termination of this Agreement further performance by the Parties under the Agreement shall be excused. Performance under the Agreement shall not be the cause of any action or claim other than as expressly provided herein. Other than as provided in paragraph 8.8, upon termination of this Agreement, the legal rights, remedies, responsibilities and authorities of all Parties regarding the Judgment, interpretation of the Judgment and the powers and authority of Watermaster or the Court, in existence on the Date of Execution, whatever they may be, are expressly reserved and shall be as they existed on the Date of Execution, provided that such rights and remedies shall not be a basis to challenge a Party's performance under this Agreement.

8.8 Rescission of Resolutions 84-2 and 88-3. Upon termination of this Agreement, the members of the Appropriative Pool shall have no obligation to pay the Watermaster Assessments for the members of the Agricultural Pool. The provisions of Resolution 84-2 and 88-3 shall be rescinded and except as provided for in Section V above,

pertaining to “Early Transfers” of Safe Yield during the term of this Agreement, the members of the Appropriative Pool shall not be entitled to further Early Transfers of water from the Agricultural Pool. Upon the termination of this Agreement, the Parties agree that no further Early Transfers of unallocated Safe Yield shall occur. The determination of the Safe Yield as provided for in the Judgment at Paragraph 44 shall be construed to mean that the Appropriative Pool shall receive no Transfers of unallocated Safe Yield from the Agricultural Pool for a period of five (5) consecutive years after the termination of this Agreement, at which time the Appropriative Pool shall receive the difference between 414,000 acre-feet allocated to the Agricultural Pool and the actual water used by the Agricultural Pool for the first five consecutive calendar years immediately following the termination of this Agreement.

8.9 Mediation Upon Failure to Secure Capital Funding for Future Desalters. If IEUA or WMWD have not acquired the funding within thirty-six (36) months of the date of the Watermaster determination regarding the need for the Future Desalters as provided in Article VII, then the members of the Appropriative Pool, Non-Agricultural Pool and IEUA and WMWD will exercise Best Efforts to negotiate new terms and conditions for the capital costs for any such Future Desalters.

8.10 Parties Rights Unaffected Upon Termination. Each Party’s rights shall be unaffected by their having approved, executed or implemented this Agreement pursuant to their mutual consent other than as provided in Section 8.8.

IX CONFLICTS

9.1 Events Constituting a Default by a Party. Each of the following constitutes a "default" by a Party under this Agreement.

- (a) A Party fails to perform or observe any term, covenant, or undertaking in this Agreement that it is to perform or observe and such failure continues for ninety (90) days from a Notice of Default being sent in the manner prescribed in Section 10.13.

9.2 Remedies Upon Default. In the event of a default, each Party shall have the following rights and remedies:

- (a) Specific Performance. Each Party agrees and recognizes that the rights and obligations set forth in this Agreement are unique and of such a nature as to be inherently difficult or impossible to value with money. If one Party does not perform in accordance with the specific wording of any of the provisions in this Agreement applicable to that Party, defaults, or otherwise breaches this Agreement, an action at law for damages or other remedies at law would be wholly inadequate to protect the unique rights and interests of the other Party to the Agreement. Accordingly, in any court controversy concerning this Agreement, the Agreement's provisions will be enforceable in a court of equity by specific performance. This specific performance remedy is not exclusive and is in addition to any other remedy available to the Parties to enforce the terms of this Agreement.
- (b) Injunction. Each Party agrees and recognizes that the rights and obligations set forth in this Agreement are material to another Party and of such a nature that there will be substantial

reliance upon the terms of this Agreement. If one Party does not perform in accordance with specific wording of any of the provisions of this Agreement applicable to that Party, defaults, or otherwise breaches this Agreement, an action at law for damages or other remedies at law would be wholly inadequate to prevent substantial and irreparable harm to another Party to the Agreement. Accordingly, in any court controversy concerning this Agreement, the Agreement's provisions will be enforceable in a court of equity by mandatory and prohibitory injunction. This mandatory and prohibitory injunction remedy is not exclusive and is in addition to any other remedy available to the Parties to enforce the terms of this Agreement.

- (c) Cumulative Rights and Remedies. The Parties do not intend that any right or remedy given to a Party on the breach of any provision under this Agreement be exclusive; each such right or remedy is cumulative and in addition to any other remedy provided in this Agreement or otherwise available at law or in equity. If the non-breaching Party fails to exercise or delays in exercising any right or remedy, the non-breaching Party does not thereby waive that right or remedy. Furthermore, no single or partial exercise of any right, power, or privilege precludes any further exercise of a right, power, or privilege granted by this Agreement or otherwise.

- (d) Attorneys' Fees. In any adversarial proceedings between the Parties other than the dispute resolution procedure set forth below and under the Judgment, the prevailing Party shall be entitled to recover their costs, including reasonable attorneys' fees. If there is no clear prevailing Party, the Court shall determine the prevailing Party and provide for the award of costs and reasonable attorneys' fees. In considering the reasonableness of either Party's request for attorneys' fees as a prevailing Party, the Court shall consider the quality, efficiency, and

value of the legal services and similar/prevaling rate for comparable legal services in the local community.

9.3 Dispute Resolution.

- (a) Scope of Dispute Resolution. Disputes (Disputes) between the Parties other than those constituting a “Default”, or “Exclusion” (defined below), shall be resolved pursuant to the provisions of this Section.
- (b) Exclusions:
 - (i) Emergency. An emergency event which, if not promptly resolved may result in imminent danger to the public health, safety or welfare shall not be subject to dispute resolution.
 - (ii) Complete Discretion. Those matters reserved to the complete discretion of a Party under this Agreement shall not be subject to dispute resolution.
 - (iii) Review Under the Judgment Unaffected. The rights and remedies of the parties to the Judgment to seek review of Watermaster actions shall not be subject to dispute resolution.
- (c) Disputes.
 - (i) Each Party to this Agreement may submit any Dispute related to or arising under this Agreement to non-binding mediation by delivering a Notice of Dispute to the other Party;

- (ii) The written Notice of Dispute prepared by the Party shall be delivered to the other Party in accordance with Section 10.13. The Notice of Dispute shall clearly describe the basis of the dispute and the Sections of the Agreement under which the Dispute arises;
- (iii) The non-binding mediation shall be conducted by Judicial Arbitration Mediation Services (JAMS) or an equivalent mediation service agreed to by the Parties;
- (iv) Unless otherwise agreed, a mediator shall be appointed within forty-five (45) days of the date the Notice of Dispute is delivered to hear the dispute and provide a written determination. The mediator shall be chosen jointly by the Parties. If the Parties cannot agree, the Court shall appoint the mediator. Employees or agents of Watermaster or any Party are ineligible to serve as the mediator;
- (v) The mediation shall be held within ninety (90) days of the date the Notice of Dispute is delivered;
- (vi) Any statute of limitations applicable to any claims, rights, causes of action, suits, or liabilities of whatever kind or nature, in law, equity or otherwise, whether known or unknown, shall be tolled during the mediation process. For purposes of this Section, the mediation process shall commence upon the service of a Notice of Dispute to the other Party pursuant to Section 9.3c(i) above. For purposes of this Section, the mediation process shall be deemed complete ten (10) days after service of the mediator's written notice of the conclusion of the mediation;

X
GENERAL PROVISIONS

- 10.1 Supersedence. Upon execution of this Agreement, any and all existing agreements or contracts between the Parties concerning the precise subject matter of this Agreement are hereby rescinded to the extent that they conflict with express terms herein.
- 10.2 Applicability to Others.
- (a) After the Date of Execution, each Party agrees that any other agreement or contract relating to the subject matter of this Agreement, or the Judgment, to which it is a party, shall be consistent with the provisions of this Agreement, unless all other Parties consent to the inconsistent agreement or contract.
 - (b) After the Date of Execution, each Party reserves complete discretion to enter into other agreements or contracts on subject matter not covered by the terms of this Agreement.
- 10.3 Admissions by Parties. Nothing in this Agreement constitutes an admission of liability by any Party hereto for any prior or past acts that preceded the Date of Execution. This Agreement and any documents prepared in connection herewith may not be used as evidence in any litigation, except as necessary to interpret or enforce the terms of this Agreement.
- 10.4 Construction of Agreement. Each Party, with the assistance of competent legal counsel, has participated in the drafting of this Agreement and any ambiguity should not be construed for or against any Party on account of such drafting.

- 10.5 Each Party Bears Own Costs. Each Party is to bear its own costs, expenses, and attorneys' fees arising out of or in connection with the subject matter of this Agreement and the negotiation, drafting, and execution of this Agreement. Each of the Parties understands that this Agreement includes all claims for loss, expense and attorneys' fees, taxable or otherwise, incurred by it or arising out of any matters leading up to the execution of this Agreement.
- 10.6 Waiver of Breach. No waiver or indulgence of any breach or series of breaches of this Agreement shall be deemed or construed as a waiver of any other breach of the same or any other provision hereof or affect the enforceability of any part or all of this Agreement. No waiver shall be valid unless executed in writing by the waiving Party.
- 10.7 Awareness of Contents/Legal Effect. The Parties expressly declare and represent that they have read the Agreement and that they have consulted with their respective counsel regarding the meaning of the terms and conditions contained herein. The Parties further expressly declare and represent that they fully understand the content and effect of this Agreement and they approve and accept the terms and conditions contained herein, and that this Agreement is executed freely and voluntarily.
- 10.8 Agreement Binding On All. This Agreement shall be binding upon and shall inure to the benefit of each of the Parties, and each of their respective agents, employees, directors, officers, attorneys, representatives, principals, shareholders, sureties, parents, subsidiaries, affiliates, successors, predecessors, assigns, trustees or receivers appointed to administer their assets, and attorneys of any and all such individuals and entities. All the covenants contained in this Agreement are for the express benefit of each and all such persons described in this Section. This Agreement is not intended to benefit any third parties.

- 10.9 Counterparts. This Agreement may be executed in counterparts. This Agreement shall become operative as soon as one counterpart hereof has been executed by each Party. The counterparts so executed shall constitute one Agreement notwithstanding that the signatures of all Parties do not appear on the same page.
- 10.10 Captions. The captions contained herein are included solely for convenience and shall not be construed as part of this Agreement or as full or accurate descriptions of the terms hereof.
- 10.11 Choice of Law. This Agreement shall be construed and enforced pursuant to the laws of the State of California.
- 10.12 Authority to Enter into This Agreement. Each Party represents and warrants that its respective obligations herein are legal and binding obligations of such Party; that each Party is fully authorized to enter into this Agreement, and that the person signing this Agreement hereinafter for each Party has been duly authorized to sign this Agreement on behalf of said Party.
- 10.13 Notice.
- (a) Any notice required under this Agreement shall be written and shall be served either by personal delivery, mail or fax.
 - (b) In the case of service by personal delivery or fax, no additional time, in days, shall be added to the time in which a right may be exercised or an act may be done.
 - (c) In the case of service by mail, notice must be deposited in a post office, mailbox, sub post-office, substation, or mail chute, or other like facility regularly maintained by the United States Postal Service, in a sealed envelope, with postage paid, addressed to the representative(s) of the Party

on whom it is to be served, at their place of business. The service is complete at the time of deposit. Any period of notice and any right or duty to do any act or make any response within any period or on a date certain after service of notice by mail shall be extended five days. Any period of notice and any right or duty to do any act or make any response within any period or on a date certain after service of notice by Express mail or other method of delivery providing for overnight delivery shall be extended by two court days.

10.14 Amendments and/or Changes to Agreement.

- (a) Any amendments and/or changes to this Agreement must be in writing, signed by a duly authorized representative of the Parties hereto, and must expressly state the mutual intent of the Parties to amend this Agreement as set forth herein. The Parties to this Agreement recognize that the terms and conditions of this Agreement, which are set forth herein in the Sections preceding this Section have been arrived at through the collective negotiations by the Parties.
- (b) The Parties hereby agree that no amendments and/or changes may be made to this Agreement without the express written approval of each Party to this Agreement, provided that upon request, no such approval shall be unreasonably withheld.

XI
ACKNOWLEDGMENTS:
CONFIRMATION OF RIGHTS

- 11.1 Each Party's rights to water it presently holds in storage with Watermaster are confirmed and protected.

11.2 The Parties confirm that in addition to the benefits received by the State under this Agreement, including an exemption from the payment of Watermaster Assessments as a member of the Agricultural Pool, the rights of the State of California under the Judgment to Produce water are not modified or altered by this Agreement. For all purposes of the Judgment all future Production by the State or its departments or agencies, including but not limited to the Department of Corrections, Department of Fish and Game, Youth Authority, Department of Parks and Recreation, Department of Toxic Substances Control, and Department of Transportation as set forth in Paragraph 10 of the Judgment, for overlying use on State-owned lands, shall be considered use by the Agricultural Pool. This Agreement is not intended to limit the State or its departments or agencies including but not limited to, the Department of Corrections, Department of Fish and Game, Youth Authority, Department of Parks and Recreation, Department of Toxic Substances Control, and Department of Transportation from exercising the State's rights of future Production for overlying use on State-owned lands as set forth in Paragraph 10 of the Judgment. The Parties agree that they will not oppose the State's exercise of its rights pursuant to the Judgment. The State of California is not executing this Agreement on behalf of the State Water Resources Control Board, the Department of Water Resources, Department of Toxic Substances Control, or the California Regional Water Quality Control Board or the Department of Fish and Game except as stated above. Nothing in this Agreement shall be construed in any way as modifying, altering or limiting the regulatory and trustee obligations, legal rights or duties of any State Agencies, including the Department of Fish and Game, the State Water Resources Control, the California Regional Water Quality Control Boards, the Department of Toxic Substances Control and Department of Water Resources. This Agreement does not limit in any way, and expressly recognizes the rights and ability of the Department of Water Resources to make application to

Watermaster to use groundwater storage space in the Chino Basin as described in Water Code Section 11258 and as provided in Section 5.2(c) herein.

11.3 Nothing in this Agreement shall be construed as modifying, altering, or limiting CBWCD from carrying out its obligations under general law.

IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:

DATED:

7/31/00

CITY OF ONTARIO

By 

DATED:

CITY OF POMONA

By _____

DATED:

CITY OF UPLAND

By _____

[Signatures continued on following pages]

Watermaster to use groundwater storage space in the Chino Basin as described in Water Code Section 11258 and as provided in Section 5.2(c) herein.

11.3 Nothing in this Agreement shall be construed as modifying, altering, or limiting CBWCD from carrying out its obligations under general law.

IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:

DATED:

CITY OF ONTARIO

By _____

DATED:

CITY OF POMONA

7-31-2000

By: 

DATED:

CITY OF UPLAND

By _____

[Signatures continued on following pages]

Watermaster to use groundwater storage space in the Chino Basin as described in Water Code Section 11258 and as provided in Section 5.2(c) herein.

11.3 Nothing in this Agreement shall be construed as modifying, altering, or limiting CBWCD from carrying out its obligations under general law.

IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:

DATED: CITY OF ONTARIO

By _____

DATED: CITY OF POMONA

By _____

DATED: 7/24/00 CITY OF UPLAND

By Robert R. Kalar

[Signatures continued on following pages]

DATED: 8/1/00

STATE OF CALIFORNIA

By Maulyn H. Levin

DATED:

CITY OF CHINO

By _____

DATED:

07/31/00

CUCAMONGA COUNTY
WATER DISTRICT

By James M. Wilson

DATED:

MONTE VISTA WATER
DISTRICT

By _____

DATED: 7-27-2000

FONTANA UNION WATER
COMPANY

By Ronald J. Black

[Signatures continued on following pages]

DATED:

STATE OF CALIFORNIA

By _____

DATED:

CITY OF CHINO

By *Ernie M. Wilcox*

DATED:

CUCAMONGA COUNTY
WATER DISTRICT

By _____

DATED:

MONTE VISTA WATER
DISTRICT

By _____

DATED:

FONTANA UNION WATER
COMPANY

By _____

[Signatures continued on following pages]

DATED:

STATE OF CALIFORNIA

By _____

DATED:

CITY OF CHINO

By _____

DATED:

CUCAMONGA COUNTY
WATER DISTRICT

By _____

DATED: 7/31/00

MONTE VISTA WATER
DISTRICT

By *Maureen King*

DATED:

FONTANA UNION WATER
COMPANY

By _____

[Signatures continued on following pages]

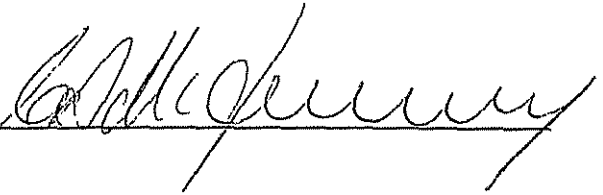
DATED:

CITY OF CHINO HILLS

By _____

DATED:

JURUPA COMMUNITY
SERVICES DISTRICT

By 

DATED:

AGRICULTURAL POOL

By 

DATED:

APPROPRIATIVE POOL

By _____

DATED: 7/27/00

NON-AGRICULTURAL POOL

By 

[Signatures continued on following pages]

DATED: 7/31/00

CITY OF CHINO HILLS

By [Signature]

DATED:

JURUPA COMMUNITY SERVICES DISTRICT

By _____

DATED:

AGRICULTURAL POOL

By _____

DATED:

APPROPRIATIVE POOL

By [Signature]

DATED:

NON-AGRICULTURAL POOL

By _____

[Signatures continued on following pages]

DATED:

July 31, 2000

INLAND EMPIRE UTILITY
AGENCY

By John L. Anderson

DATED:

THREE VALLEYS
MUNICIPAL WATER
DISTRICT

By _____

DATED:

KAISER VENTURES, INC.

By _____

DATED:

WESTERN MUNICIPAL
WATER DISTRICT

By _____

[Signatures continued on following pages]

DATED:

**INLAND EMPIRE UTILITY
AGENCY**

By _____

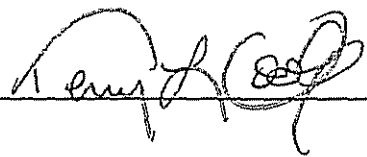
DATED:

**THREE VALLEYS
MUNICIPAL WATER
DISTRICT**

By _____

DATED: 7/31-00

KAISER VENTURES, INC.

By  _____

DATED:

**WESTERN MUNICIPAL
WATER DISTRICT**

By _____

[Signatures continued on following pages]

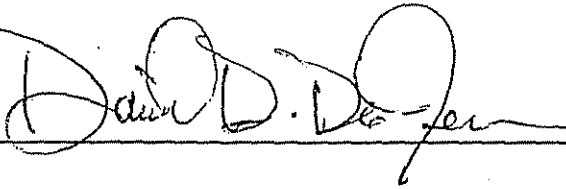
DATED:

**INLAND EMPIRE UTILITY
AGENCY**

By _____

DATED:

**THREE VALLEYS
MUNICIPAL WATER
DISTRICT**

By  _____

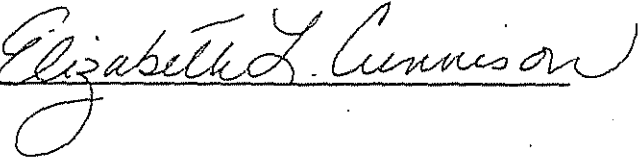
DATED:

KAISER VENTURES, INC.

By _____

DATED:

**WESTERN MUNICIPAL
WATER DISTRICT**

By  _____

[Signatures continued on following pages]

DATED: 7/31/00

SAN ANTONIO WATER
COMPANY

By Tom Thomas

DATED:

CHINO BASIN WATER
CONSERVATION DISTRICT

By _____

DATED:

[Signatures continued on following pages]

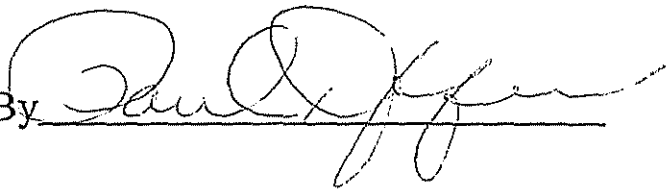
DATED:

**SAN ANTONIO WATER
COMPANY**

By _____

DATED: 7/28/2000

**CHINO BASIN WATER
CONSERVATION DISTRICT**

By  _____

DATED:

[Signatures continued on following pages]

EXHIBIT A

WATERMASTER RESOLUTION

NO. 2000-__

RESOLUTION OF THE CHINO BASIN WATERMASTER TO ADOPT THE GOALS AND PLANS OF THE PHASE I REPORT AS IMPLEMENTED BY THE OBMP IMPLEMENTATION PLAN, CONSISTENT WITH THE PEACE AGREEMENT AS ITS OBMP ("OBMP"), TO ADOPT THE REQUISITE POLICIES AND PROCEDURES TO IMPLEMENT THE PROVISIONS SET FORTH IN ARTICLE V OF THE PEACE AGREEMENT ON OR BEFORE DECEMBER 31, 2000, AND TO APPROVE THE "PEACE AGREEMENT."

WHEREAS, the Judgment in the Chino Basin Adjudication, *Chino Basin Municipal Water District v. City of Chino, et al.*, San Bernardino Superior Court No. 164327, created the Watermaster and directed it to perform the duties as provided in the Judgment or ordered or authorized by the Court in the exercise of the Court's continuing jurisdiction; and

WHEREAS, the Judgment directs Watermaster to develop an OBMP subject to the limitations contained in the Judgment; and

WHEREAS, Watermaster and prepared and submitted a Phase I Report regarding the OBMP to the Court; and

WHEREAS, the Court ordered the Inland Empire Utilities Agency (IEUA) to act as "lead agency" for the purposes of preparing any applicable environmental review for the OBMP in the form of a Programmatic Environmental Impact Report (PEIR) and the Court is exercising continuing jurisdiction over this matter; and

WHEREAS, the parties developed a Memorandum of Principles which articulated a framework of an agreement which the Watermaster Board

articulated a framework of an agreement which the Watermaster Board unanimously approved on May 26, 2000; and

WHEREAS, the parties have reduced the principles into a more definitive agreement and an OBMP Implementation Plan.

WHEREAS, the goals and plans in the Phase I Report implemented consistent with the OBMP Implementation Plan and the Peace Agreement constitute the OBMP; and

WHEREAS, the IEUA has prepared and circulated a draft PEIR and held a public meeting to take public comment on the OBMP on June 28, 2000; and

WHEREAS, the parties to the Peace Agreement and the parties to the Judgment have requested Watermaster to approve the Peace Agreement and the OBMP Implementation Plan and to implement the goals and plans contained in the OBMP Phase I Report in a manner consistent with the Peace Agreement and the OBMP Implementation Plan.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND DETERMINED THAT:

1. The goals and plans in the Phase I Report and their implementation as provided in and consistent with the Implementation Plan and the Peace Agreement are in furtherance of the physical solution set forth in the Judgment and Article X, Section 2 of the California Constitution.

2. Although not a signatory, the Chino Basin Watermaster Board supports and approves the Peace Agreement negotiated by the parties thereto.
3. Subject to the satisfaction of all conditions precedent set forth in the Peace Agreement and the unanimous approval of the Peace Agreement by the Parties thereto no later than August 1, 2000:
 - a. Watermaster adopts the goals and plans of the Phase I Report consistent with the Implementation Plan and the Peace Agreement.
 - b. The Watermaster will proceed in accordance with the OBMP Implementation Plan and the Peace Agreement.
 - c. Watermaster will comply with the conditions described in Article V of the Peace Agreement labeled, "Watermaster Performance" and Watermaster shall adopt all necessary policies and procedures in order to implement the provisions set forth in Article V on or before December 31, 2000, unless an earlier date is specified in the Peace Agreement or the OBMP Implementation Plan.
4. The Watermaster Board will transmit a request to the Court to issue an Order authorizing and directing Watermaster to proceed in accordance with this Resolution.
5. In approving this Agreement, Watermaster is not committing to carry-out any project within the meaning of CEQA unless and until environmental review and assessments required by CEQA

for that defined "project" have been completed. Any future actions that meet the definition of a "project" under CEQA shall be subject to environmental documentation.

EXHIBIT B

Schatz Services

Agreement

Pages 86-87

JOHN J. SCHATZ
ATTORNEY AT LAW
P.O. BOX 7775
LAGUNA NIGUEL, CA. 92607-7775
(949) 683-0398
Facsimile: (949) 305-6865

ATTORNEY- CLIENT FEE AGREEMENT

This Attorney-Client Fee Agreement is entered into by and between John J. Schatz (Schatz) and the Chino Basin Appropriative Pool (Appropriative Pool) for legal services rendered in connection with matters specified herein.

1. **Scope of Services**. Appropriative Pool hires Schatz to provide legal services for purposes of evaluating proceedings and events concerning the transaction addressing the sale or transfer of Overlying (Non-Agricultural) Pool water and providing counsel with respect to actions or responses (including potential litigation) in connection therewith, or for other matters as specifically directed by Appropriative Pool.

2. **Appropriative Pool Duties**. Appropriative Pool agrees to provide Schatz such information, assistance and cooperation as is necessary for Schatz to effectively perform the services under this Agreement. Appropriative Pool shall timely pay bills submitted by Schatz for fees, costs and expenses.

3. **Legal Fees and Billing Practices**. Legal services will be charged on an hourly basis for all time actually expended. Bills will be submitted monthly with payment due within thirty (30) days from the date of the bill. The bills will include the basis of the fees, including hours worked, the billable rate charged and a description of the work performed. The hourly rate for legal services is \$200 per hour.

4. **Costs and Other Charges**. Costs and expenses will be incurred in performing legal services under this Agreement. Appropriative Pool agrees to pay for those costs and expenses in addition to the hourly fees. Costs and expenses include telephone calls (billed at actual time in minutes) and charges, messenger and other delivery fees, postage, parking, photocopying, and other reproduction costs, and computer-assisted research fees. Travel time and charges are limited to fuel cost.

Appropriative Pool/Schatz Legal Services Agreement

5. **Discharge and Withdrawal**. Appropriative Pool may discharge Schatz at any time. Schatz may withdraw from representation at any time, to the extent permitted by law and the Rules of Professional Conduct, upon reasonable notice to Appropriative Pool. In the event of such discharge or withdrawal, Appropriative Pool shall pay Schatz fees and costs in accordance with this Agreement for all work done and costs incurred through the date of discharge or withdrawal.

6. **Professional Liability Insurance**. Pursuant to California Rule of Professional Conduct 3-410, I am informing you in writing that I do not have professional liability insurance.

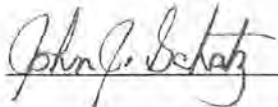
7. **No Waivers**. A waiver by either party of a breach of any of the conditions, terms, or time requirements under this Agreement shall not be construed as a waiver of any succeeding breach of the same or other conditions, terms or time requirements.

8. **Entire Agreement**. This Agreement contains the entire Agreement between Appropriative Pool and Schatz.

9. **Effective Date**. This Agreement will govern all legal services performed by Schatz on behalf of Appropriative Pool effective upon execution of conflict of interest waiver agreements by Appropriative Pool and Western Municipal Water District.

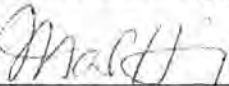
DATE: February 25, 2010

John J. Schatz



DATE: February 25, 2010

Chino Basin Appropriative Pool

By: 

Mark Kinsey, Chairman

Chino Basin Appropriative Pool

EXHIBIT C
Ontario Counsel
Letter
Pages 89-91



ATTORNEYS AT LAW

777 South Figueroa Street
34th Floor
Los Angeles, CA 90017
T 213.612.7800
F 213.612.7801

Frederic A. Fudacz
D 213.612.7823
ffudacz@nossaman.com

Refer To File # 280856-0002

VIA E-MAIL AND FIRST CLASS MAIL

November 30, 2021

Peter Kavounas, P.E.
General Manager
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
Email: pkavounas@cbwm.org

Scott Slater, Esq.
General Counsel, Chino Basin Watermaster
Brownstein Hyatt Farber Schreck
2049 Century Park East, Suite 3550
Los Angeles, California 90067-3217
Email: sslater@bhfs.com

Re: Chino Basin Watermaster, Assessment Invoice for Fiscal Year 2021-2022, Dated November 18, 2021; Special Assessment for Legal Services

Dear Peter and Scott:

The City of Ontario ("Ontario") is in receipt of the above-referenced Watermaster invoice, which includes a special assessment of \$100,000 for Appropriative Pool ("AP") legal services.¹ According to the invoice, the special assessment for AP legal services is being allocated among all AP members including Ontario based upon a formula that considers each AP member's actual Fiscal Year water production and assigned share of Operating Safe Yield. However, issuance of this type of so-called "special assessment" is not supported by any legal authority.

For reasons discussed at length confidentially within the AP, Ontario objects and does not consent to participate in the legal services at issue. Therefore, Ontario cannot be compelled to participate in the legal representation or pay for it. Ontario intends to withhold payment of the special assessment for AP legal services and may seek Court intervention.

Ontario understands that the AP legal services at issue and the payment of corresponding legal expenses is an internal matter of the AP. These costs do not constitute a Watermaster expense for which the AP and its members properly are subject to assessment and, accordingly, Watermaster should not take enforcement actions against any AP members that elect to withhold payment of the special assessment for AP legal services. We are writing to request confirmation of this understanding or clarification of Watermaster's position. Additionally, we respectfully request that Watermaster provide us with a copy of any correspondence from the AP directing Watermaster to include the special assessment for AP legal services in Watermaster's invoice or to make the specific allocation among AP members.

¹ The total amount invoiced to Ontario is \$1,610,244.85, which amount includes \$19,274.89 based upon the special assessment for legal services.

According to Watermaster's invoice, the legal expenses at issue were approved by the AP on October 14, 2021. That statement is incomplete and therefore inaccurate. Ontario objected in closed session to such legal expenses, and Ontario's objection is registered in the public meeting minutes as a vote against the AP's proposed legal budget. The legal services at issue go beyond the narrow scope of Pool legal representation contemplated by the Chino Basin Judgment ("Judgment"), and there is no legal basis under the Judgment or otherwise to compel Ontario to pay such legal expenses.

While Section 20 of the Judgment expressly authorizes Watermaster to retain attorneys to help carry out Watermaster's functions, the Pool Committees lack similarly broad authority. The authority of Pools created under the Judgment, including the AP, to retain attorneys is far more limited than that of Watermaster. Section 38 of the Judgment, especially Section 38(c), establishes the narrow scope of Pool legal representation, as follows:

". . . any Pool Committee shall be entitled to employ counsel and expert assistance in the event Watermaster or such Pool or Advisory Committee seeks Court review of any Watermaster action or failure to act. The cost of such counsel and expert assistance shall be Watermaster expense to be allocated to the affected pool or pools."

This narrow scope of Pool legal representation does not preclude individual Pool members from engaging an attorney to jointly represent them on matters beyond the scope of Section 38(c). However, any such representation must be undertaken carefully in consideration of the professional rules of conduct and ethical duties that govern attorneys, especially the rules that prohibit conflicts of interest.²

Consistent with the limited scope of Pool legal representation under Section 38(c) and the complexities of joint representation, historically the AP functioned without a Pool attorney. The AP started paying a Pool attorney for legal representation of the Pool in 2012, and the AP has always instructed and funded the attorney by consensus of the AP. For reasons discussed confidentially within the AP, Ontario no longer consents to such legal representation and cannot be compelled to participate in or pay for it.

Please let us know Watermaster's position regarding the special assessments for AP legal services. In particular, please advise us whether Watermaster intends to take enforcement actions against any AP members that object to participation in the legal services and do not pay the special assessments after the December 20 due date set forth in Watermaster's invoice. Additionally, please provide copies of any correspondence directing Watermaster to include the special assessment for AP legal services in Watermaster's invoice or to make the specific allocation among AP members. Given the time sensitivity, we respectfully request a response to this letter by December 10.

² Given that individual AP members have divergent interests on a broad range of issues regarding the Chino Basin, going forward any joint representation beyond the narrow scope of Pool legal matters delineated by Section 38(c) of the Judgment must avoid any non-waivable conflicts of interest, must be predicated upon appropriate written disclosures and consents as to potential conflicts, and should provide for orderly withdrawal from the legal representation should actual conflicts develop. (See, e.g., State Bar of California, Rules of Professional Conduct, Rules 1.7, 1.16.)

Feel free to contact us should you have any questions.

Very truly yours,



Fred A. Fudacz
Nossaman LLP



Gina R. Nicholls
Nossaman LLP

cc: John Bosler, Chair for the Appropriative Pool
John Schatz, Attorney for the Appropriative Pool
Appropriative Pool Members
Gene Tanaka, Best Best & Krieger LLP, Attorney for Cucamonga Valley Water District
Steve Anderson, Best Best & Krieger LLP, Attorney for Cucamonga Valley Water District
Jimmy Gutierrez, Attorney for City of Chino
Elizabeth Calciano, Hensley Law Group, Attorney for City of Chino Hills
Tom Bunn, Lagerlof, LLP, Attorney for City of Pomona
Kyle Brochard, Richards, Watson & Gershon PC, Attorney for City of Upland
Tom McPeters, Attorney for San Antonio Water Company and Fontana Union Water Company
Rob Donlan, Ellison Schneider Harris & Donlan, LLP, Attorney for Jurupa Community Services District
Shawnda Grady, Ellison Schneider Harris & Donlan, LLP, Attorney for Jurupa Community Services District
Andrew Gagen, Kidman Gagen Law LLP, Attorney for Monte Vista Water District and Monte Vista Irrigation Company

EXHIBIT D
Unpaid Invoices
& Voting

Pages 93-159



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/1/2022	AP22-03-LEG

BILL TO
CITY OF CHINO ATTN: DAVE CROSLEY PO BOX 667 CHINO CA 91708-0667

TERMS	DUE DATE
Net 30 days	5/1/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$141,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		7,206.39	7,206.39
Appropriative Pool Special Assessment of \$9,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		640.57	640.57
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$7,846.96

Amount outstanding is \$7,424.67. We received payment for \$422.29

Appropriative Pool Legal Expenses \$141,000 - Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 141,000.00 Based On OSY	\$ 141,000.00 Based On Actual FY Production	\$ 141,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 396.72	\$ 198.36
Chino Hills, City Of	1,572.5	2,459.6	\$ 5,429.68	\$ 3,596.66	\$ 4,513.17
Chino, City Of	3,004.2	2,762.4	\$ 10,373.35	\$ 4,039.44	\$ 7,206.39
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 9,307.40	\$ 38,349.59	\$ 23,828.49
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 16,436.30	\$ -	\$ 8,218.15
Fontana Water Company	0.8	13,565.3	\$ 2.76	\$ 19,836.44	\$ 9,919.60
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 1,057.66	\$ 1,571.09	\$ 1,314.37
Jurupa Community Services District	1,535.0	10,609.9	\$ 5,300.36	\$ 15,514.78	\$ 10,407.57
Marygold Mutual Water Company	488.0	840.9	\$ 1,685.07	\$ 1,229.64	\$ 1,457.35
Monte Vista Irrigation Company	503.9	0.0	\$ 1,739.97	\$ -	\$ 869.99
Monte Vista Water District	3,592.2	7,523.3	\$ 12,403.71	\$ 11,001.27	\$ 11,702.49
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 2,561.50	\$ 1,280.75
Nicholson Trust	2.9	0.0	\$ 10.01	\$ -	\$ 5.01
Norco, City Of	150.3	0.0	\$ 518.99	\$ -	\$ 259.49
Ontario, City Of	8,469.8	17,171.1	\$ 29,246.09	\$ 25,109.11	\$ 27,177.60
Pomona, City Of	8,352.2	9,192.2	\$ 28,840.01	\$ 13,441.69	\$ 21,140.85
San Antonio Water Company	1,122.1	676.5	\$ 3,874.62	\$ 989.24	\$ 2,431.93
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 25.15	\$ 12.58
Santa Ana River Water Company	969.0	175.5	\$ 3,345.96	\$ 256.63	\$ 1,801.30
Upland, City Of	2,124.2	2,107.0	\$ 7,334.87	\$ 3,081.05	\$ 5,207.96
West End Consolidated Water Co.	705.6	0.0	\$ 2,436.44	\$ -	\$ 1,218.22
West Valley Water District	479.8	0.0	\$ 1,656.75	\$ -	\$ 828.38
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 141,000.00	\$ 141,000.00	\$ 141,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

The following is reportable action from the Appropriative Pool Confidential meeting of February 17, 2022:

“The Pool approved by 66.688% by volume vote to increase FY 21/22 budget of up to \$150,000 for AP legal counsel services, with the allocation of AP members’ payment as normal, except that the pro-rata share of \$9,000 paid by Ontario/MVWD/MVIC will be allocated to the other AP members; and for the AP to work towards resolution of AP members’ payment of AP legal services.”

Appropriative Pool Legal Expenses \$9,000 - Special Assessment

Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 9,000.00 Based On OSY	\$ 9,000.00 Based On Actual FY Production	\$9,000 50% OSY & 50% Actual FY Production	\$6,462.76 Excludes MVIC, MVWD, and City of Ontario	\$ 2,537.24 Reallocation of Excluded \$'s to Others	\$9,000 Adjusted \$'s Based Upon Reallocation
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 25.32	\$ 12.66	\$ 12.66	\$ 4.97	\$ 17.63
Chino Hills, City Of	1,572.5	2,459.6	\$ 346.58	\$ 229.57	\$ 288.08	\$ 288.08	\$ 113.10	\$ 401.17
Chino, City Of	3,004.2	2,762.4	\$ 662.13	\$ 257.84	\$ 459.98	\$ 459.98	\$ 180.59	\$ 640.57
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 594.09	\$ 2,447.85	\$ 1,520.97	\$ 1,520.97	\$ 597.12	\$ 2,118.09
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 1,049.13	\$ -	\$ 524.56	\$ 524.56	\$ 205.94	\$ 730.50
Fontana Water Company	0.8	13,565.3	\$ 0.18	\$ 1,266.16	\$ 633.17	\$ 633.17	\$ 248.58	\$ 881.74
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 67.51	\$ 100.28	\$ 83.90	\$ 83.90	\$ 32.94	\$ 116.83
Jurupa Community Services District	1,535.0	10,609.9	\$ 338.32	\$ 990.31	\$ 664.31	\$ 664.31	\$ 260.81	\$ 925.12
Marygold Mutual Water Company	488.0	840.9	\$ 107.56	\$ 78.49	\$ 93.02	\$ 93.02	\$ 36.52	\$ 129.54
Monte Vista Irrigation Company	503.9	0.0	\$ 111.06	\$ -	\$ 55.53	\$ 0.00	\$ 0.00	\$ 0.00
Monte Vista Water District	3,592.2	7,523.3	\$ 791.73	\$ 702.21	\$ 746.97	\$ (0.00)	\$ (0.00)	\$ (0.00)
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 163.50	\$ 81.75	\$ 81.75	\$ 32.09	\$ 113.84
Nicholson Trust	2.9	0.0	\$ 0.64	\$ -	\$ 0.32	\$ 0.32	\$ 0.13	\$ 0.45
Norco, City Of	150.3	0.0	\$ 33.13	\$ -	\$ 16.56	\$ 16.56	\$ 6.50	\$ 23.07
Ontario, City Of	8,469.8	17,171.1	\$ 1,866.77	\$ 1,602.71	\$ 1,734.74	\$ 0.00	\$ 0.00	\$ 0.00
Pomona, City Of	8,352.2	9,192.2	\$ 1,840.85	\$ 857.98	\$ 1,349.41	\$ 1,349.41	\$ 529.77	\$ 1,879.17
San Antonio Water Company	1,122.1	676.5	\$ 247.32	\$ 63.14	\$ 155.23	\$ 155.23	\$ 60.94	\$ 216.17
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 1.61	\$ 0.80	\$ 0.80	\$ 0.32	\$ 1.12
Santa Ana River Water Company	969.0	175.5	\$ 213.57	\$ 16.38	\$ 114.98	\$ 114.98	\$ 45.14	\$ 160.12
Upland, City Of	2,124.2	2,107.0	\$ 468.18	\$ 196.66	\$ 332.42	\$ 332.42	\$ 130.51	\$ 462.93
West End Consolidated Water Co.	705.6	0.0	\$ 155.52	\$ -	\$ 77.76	\$ 77.76	\$ 30.53	\$ 108.29
West Valley Water District	479.8	0.0	\$ 105.75	\$ -	\$ 52.88	\$ 52.88	\$ 20.76	\$ 73.63
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 6,462.76	\$ 2,537.24	\$ 9,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

The following is reportable action from the Appropriative Pool Confidential meeting of February 17, 2022:

“The Pool approved by 66.688% by volume vote to increase FY 21/22 budget of up to \$150,000 for AP legal counsel services, with the allocation of AP members’ payment as normal, except that the pro-rata share of \$9,000 paid by Ontario/MVWD/MVIC will be allocated to the other AP members; and for the AP to work towards resolution of AP members’ payment of AP legal services.”



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/14/2022	AP22-70-APL

BILL TO
CITY OF CHINO ATTN: DAVE CROSLEY PO BOX 667 CHINO CA 91708-0667

TERMS	DUE DATE
Net 30 days	11/14/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$250,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on October 13, 2022 \$125,000 for General Legal Services \$25,000 for consultant Tom Harder \$25,000 for legal counsel associated with appeal \$75,000 for appellate counsel		12,777.29	12,777.29
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$12,777.29

Outstanding amount is \$5,110.92. We received payment for \$7,666.37

Appropriative Pool Legal Expenses \$250,000 Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 250,000.00 Based On OSY	\$ 250,000.00 Based On Actual FY Production	\$ 250,000.00 50% OSY & 50% Actual FY Production
Arrowhead Mountain Spring Water Co.	0.0	271.3	\$ -	\$ 703.40	\$ 351.70
Chino Hills, City Of	1,572.5	2,459.6	\$ 9,627.39	\$ 6,377.05	\$ 8,002.22
Chino, City Of	3,004.2	2,762.4	\$ 18,392.46	\$ 7,162.13	\$ 12,777.29
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 16,502.49	\$ 67,995.72	\$ 42,249.10
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 29,142.38	\$ -	\$ 14,571.19
Fontana Water Company	0.8	13,565.3	\$ 4.90	\$ 35,171.00	\$ 17,587.95
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 1,875.28	\$ 2,785.62	\$ 2,330.45
Jurupa Community Services District	1,535.0	10,609.9	\$ 9,397.50	\$ 27,508.48	\$ 18,452.98
Marygold Mutual Water Company	488.0	840.9	\$ 2,987.71	\$ 2,180.22	\$ 2,583.96
Monte Vista Irrigation Company	503.9	0.0	\$ 3,085.05	\$ -	\$ 1,542.53
Monte Vista Water District	3,592.2	7,523.3	\$ 21,992.40	\$ 19,505.80	\$ 20,749.10
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 4,541.66	\$ 2,270.83
Nicholson Trust	2.9	0.0	\$ 17.76	\$ -	\$ 8.88
Norco, City Of	150.3	0.0	\$ 920.19	\$ -	\$ 460.10
Ontario, City Of	8,469.8	17,171.1	\$ 51,854.77	\$ 44,519.69	\$ 48,187.23
Pomona, City Of	8,352.2	9,192.2	\$ 51,134.78	\$ 23,832.78	\$ 37,483.78
San Antonio Water Company	1,122.1	676.5	\$ 6,869.89	\$ 1,753.97	\$ 4,311.93
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 44.60	\$ 22.30
Santa Ana River Water Company	969.0	175.5	\$ 5,932.56	\$ 455.02	\$ 3,193.79
Upland, City Of	2,124.2	2,107.0	\$ 13,005.09	\$ 5,462.86	\$ 9,233.98
West End Consolidated Water Co.	705.6	0.0	\$ 4,319.93	\$ -	\$ 2,159.97
West Valley Water District	479.8	0.0	\$ 2,937.50	\$ -	\$ 1,468.75
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

Action taken by the Appropriative Pool on October 13, 2022 during the Closed Session:

First motion by Pomona, second by JCSD
 Motion to approve AP legal services budget as delineated as follows:
 \$125k for General Legal services
 \$25k for consultant Tom Harder
 \$25k for legal counsel associated with appeal
 \$75k for appellate counsel
 And to issue AP special assessment invoice for a total of \$250k
 Passed (60.401% yes)

Please find the Volume Vote information on the next page.



2022 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2021-2022 (Production Year 2020-2021)

QUORUM MET?
YES

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N		1.847	-1.847	0.000	0.000	0.000
CalMat Co. (Appropriative)	N		0.000	0.000	0.000	0.000	0.000
Chino Hills, City Of	Y	Y	36.004	1.751	37.755	36.004	37.755
Chino, City Of	Y	N	55.596	2.703	58.299	55.596	0.000
Cucamonga Valley Water District	Y	Y	71.996	3.501	75.496	71.996	75.496
Fontana Union Water Company	Y	Y	58.285	2.834	61.119	58.285	61.119
Fontana Water Company	Y	Y	75.362	3.664	79.027	75.362	79.027
Fontana, City Of	N		0.000	0.000	0.000	0.000	0.000
Golden State Water Company	Y	Y	11.066	0.538	11.604	11.066	11.604
Jurupa Community Services District	Y	Y	91.046	4.427	95.473	91.046	95.473
Marygold Mutual Water Company	N		11.701	-11.701	0.000	0.000	0.000
Monte Vista Irrigation Company	Y	N	6.170	0.300	6.470	6.170	0.000
Monte Vista Water District	Y	N	95.217	4.630	99.847	95.217	0.000
NCL Co, LLC	N		0.000	0.000	0.000	0.000	0.000
Niagara Bottling, LLC	N		11.928	-11.928	0.000	0.000	0.000
Nicholson Family Trust	Y	Y	0.035	0.002	0.037	0.035	0.037
Norco, City Of	N		1.840	-1.840	0.000	0.000	0.000
Ontario, City Of	Y	N	220.641	10.728	231.370	220.641	0.000
Pomona, City Of	Y	Y	164.866	8.016	172.883	164.866	172.883
San Antonio Water Company	Y	Y	18.347	0.892	19.239	18.347	19.239
San Bernardino, County of (Shooting Park)	N		0.117	-0.117	0.000	0.000	0.000
Santa Ana River Water Company	N		13.060	-13.060	0.000	0.000	0.000
Upland, City Of	Y	Y	40.358	1.962	42.321	40.358	42.321
West End Consolidated Water Co	Y	Y	8.640	0.420	9.060	8.640	9.060
West Valley Water District	N		5.875	-5.875	0.000	0.000	0.000
			1,000.000	0.000	1,000.000	953.631	604.014

CALCULATE
QUORUM

CALCULATE
VOTES

"YES" VOTES
60.401%

"NO" VOTES
39.599%

PASSED

RESET ALL

RESET VOTES



Assessment Year 2021-2022 (Production Year 2020-2021)

Water Production Summary

	Percent of Operating Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Operating Safe Yield	Net Ag Pool Reallocation	Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Storage and Recovery Program(s)	Total Production and Exchanges	Net Over-Production		Under Production Balances		
												85/15%	100%	Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0	271.3	0.0	271.3	271.3	0.0	271.3	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,726.6	0.0	1,572.5	2,417.9	0.0	0.0	5,716.9	2,459.6	0.0	2,459.6	0.0	0.0	3,257.3	1,572.5	1,684.8
Chino, City Of	7.357%	3,298.4	0.0	3,004.2	11,194.4	0.0	0.0	17,497.0	2,762.4	0.0	2,762.4	0.0	0.0	14,734.6	3,004.2	11,730.4
Cucamonga Valley Water District	6.601%	1,596.4	0.0	2,695.5	2,552.2	35.6	0.0	6,879.7	26,225.7	(20,500.0)	5,725.7	0.0	0.0	1,154.0	1,154.0	0.0
Desalter Authority	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40,114.5	0.0	40,114.5	0.0	40,114.5	0.0	0.0	0.0
Fontana Union Water Company	11.657%	0.0	0.0	4,760.0	3,450.3	(8,210.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	0.002%	0.9	0.0	0.8	834.6	10,229.0	0.0	11,065.3	13,565.3	(2,500.0)	11,065.3	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	323.6	0.0	306.3	222.0	222.5	0.0	1,074.4	1,074.4	0.0	1,074.4	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	3.759%	1,685.3	0.0	1,535.0	16,328.0	0.0	0.0	19,548.3	10,609.9	0.0	10,609.9	0.0	0.0	8,938.4	1,535.0	7,403.4
Marygold Mutual Water Company	1.195%	399.3	0.0	488.0	353.7	0.0	0.0	1,240.9	840.9	0.0	840.9	0.0	0.0	400.0	400.0	0.0
Monte Vista Irrigation Company	1.234%	553.3	0.0	503.9	365.2	0.0	0.0	1,422.4	0.0	0.0	0.0	0.0	0.0	1,422.4	503.9	918.5
Monte Vista Water District	8.797%	3,944.0	0.0	3,592.2	2,709.4	500.0	0.0	10,745.6	7,523.3	0.0	7,523.3	0.0	0.0	3,222.3	3,222.3	0.0
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,751.7	0.0	1,751.7	0.0	1,751.7	0.0	0.0	0.0
Nicholson Family Trust	0.007%	3.1	0.0	2.9	2.1	(6.5)	0.0	1.6	0.0	0.0	0.0	0.0	0.0	1.6	1.6	0.0
Norco, City Of	0.368%	165.0	0.0	150.3	108.9	0.0	0.0	424.2	0.0	0.0	0.0	0.0	0.0	424.2	150.3	273.9
Ontario, City Of	20.742%	9,299.5	0.0	8,469.8	10,807.7	0.0	0.0	28,576.9	17,171.1	0.0	17,171.1	0.0	0.0	11,405.8	8,469.8	2,936.0
Pomona, City Of	20.454%	9,170.3	0.0	8,352.2	6,054.1	0.0	0.0	23,576.6	9,192.2	0.0	9,192.2	0.0	0.0	14,384.5	8,352.2	6,032.3
San Antonio Water Company	2.748%	1,232.0	0.0	1,122.1	813.4	0.0	0.0	3,167.5	676.5	0.0	676.5	0.0	0.0	2,491.0	1,122.1	1,368.9
San Bernardino, County of (Shooting P	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.2	0.0	17.2	17.2	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	1,063.9	0.0	969.0	702.4	0.0	0.0	2,735.3	175.5	0.0	175.5	0.0	0.0	2,559.8	969.0	1,590.8
Upland, City Of	5.202%	2,332.3	0.0	2,124.2	1,539.7	0.0	0.0	5,996.2	2,107.0	0.0	2,107.0	0.0	0.0	3,889.2	2,124.2	1,765.0
West End Consolidated Water Co	1.728%	774.7	0.0	705.6	511.5	0.0	0.0	1,991.8	0.0	0.0	0.0	0.0	0.0	1,991.8	705.6	1,286.2
West Valley Water District	1.175%	526.8	0.0	479.8	347.8	0.0	0.0	1,354.4	0.0	0.0	0.0	0.0	0.0	1,354.4	479.8	874.6
	100.00%	38,095.5	0.0	40,834.0	61,315.2	3,041.6	0.0	143,286.3	136,538.4	(23,000.0)	113,538.4	17.2	41,866.1	71,631.2	33,766.4	37,864.8
Less Desalter Authority Production									(40,114.5)		(40,114.5)		(40,114.5)			
Total Less Desalter Authority Production									96,423.9		73,423.9		1,751.7			
	10A	10B	10C	10D	10E	10F	10G	10H	10I	10J	10K	10L	10M	10N	10O	10P

Notes:
 1) As of July 1, 2020, the total Operating Safe Yield of the Appropriative Pool is 40,834 AF, allocated by percentage of Operating Safe Yield.
 2) In April 2021, Nestle Waters North America Inc., who owns Arrowhead Mountain Spring Water brand, changed its name to BlueTriton Brands, Inc. and requested Watermaster to use the new company name.



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/19/2023	AP23-25-ADM

BILL TO
CITY OF CHINO ATTN: DAVE CROSLEY PO BOX 667 CHINO CA 91708-0667

TERMS	DUE DATE
Net 30 days	5/19/2023

DESCRIPTION	QTY	RATE	AMOUNT
<p>Appropriative Pool Special Assessment of \$100,000 for Appropriative Pool Administrative expenses for FY 2022/23.</p> <p>Action taken by the Appropriative Pool on April 13, 2023 during the Closed Session. Motion passed by volume vote of 62.398%.</p>		5,234.70	5,234.70
<p>If you prefer, a wire transfer can be sent to Bank of America using the following information:</p> <p>Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster</p>			
<p>Prompt payment of invoice is appreciated.</p>		Total	\$5,234.70

Appropriative Pool Administrative Expenses \$100,000 Special Assessment
Production and OSY information based upon 2022-2023 Assessment Package dated November 17, 2022
(Production Year 2021-2022)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 100,000.00 Based On OSY	\$ 100,000.00 Based On Actual FY Production	\$ 100,000.00 50% OSY & 50% Actual FY Production
Arrowhead Mountain Spring Water Co.	0.0	251.6	\$ -	\$ 255.92	\$ 127.96
Chino Hills, City Of	1,572.5	2,628.9	\$ 3,850.96	\$ 2,674.07	\$ 3,262.51
Chino, City Of	3,004.2	3,059.9	\$ 7,356.98	\$ 3,112.42	\$ 5,234.70
Cucamonga Valley Water District	2,695.5	27,281.1	\$ 6,600.99	\$ 27,749.74	\$ 17,175.37
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 11,656.95	\$ -	\$ 5,828.48
Fontana Water Company	0.8	16,387.1	\$ 1.96	\$ 16,668.63	\$ 8,335.30
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,066.1	\$ 750.11	\$ 1,084.42	\$ 917.26
Jurupa Community Services District	1,535.0	11,601.7	\$ 3,759.00	\$ 11,801.02	\$ 7,780.00
Marygold Mutual Water Company	488.0	944.2	\$ 1,195.08	\$ 960.42	\$ 1,077.75
Monte Vista Irrigation Company	503.9	0.0	\$ 1,234.02	\$ -	\$ 617.01
Monte Vista Water District	3,592.2	6,994.9	\$ 8,796.96	\$ 7,115.02	\$ 7,955.99
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,684.0	\$ -	\$ 1,712.93	\$ 856.47
Nicholson Trust	2.9	0.0	\$ 7.10	\$ -	\$ 3.55
Norco, City Of	150.3	0.0	\$ 368.08	\$ -	\$ 184.04
Ontario, City Of	8,469.8	14,390.0	\$ 20,741.91	\$ 14,637.17	\$ 17,689.54
Pomona, City Of	8,352.2	10,183.8	\$ 20,453.91	\$ 10,358.76	\$ 15,406.34
San Antonio Water Company	1,122.1	402.5	\$ 2,747.96	\$ 409.42	\$ 1,578.69
San Bernardino County of (Shooting Park)	0.0	19.8	\$ -	\$ 20.14	\$ 10.07
Santa Ana River Water Company	969.0	103.2	\$ 2,373.02	\$ 104.97	\$ 1,239.00
Upland, City Of	2,124.2	1,312.4	\$ 5,202.04	\$ 1,334.95	\$ 3,268.49
West End Consolidated Water Co.	705.6	0.0	\$ 1,727.97	\$ -	\$ 863.99
West Valley Water District	479.8	0.0	\$ 1,175.00	\$ -	\$ 587.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	98,311.0	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,525.4
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 138,836.4

Action taken by the Appropriative Pool on April 13, 2023 during the Closed Session:

Motion by Chris Berch/JCSD, second by Chris Diggs/City of Pomona

Motion to approve an increase in the AG expense budget to cover upcoming costs of \$100,000 and AP expenses of \$100,000 for forthcoming expenses total of \$200,000 for both.

Passed (62.398% yes)

Please find the Volume Vote information on the next page.



2023 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2022-2023 (Production Year 2021-2022)

QUORUM
MET?
YES

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N	N	1.668	0.000	0.000	0.000
CalMat Co. (Appropriative)	N	N	0.000	0.000	0.000	0.000
Chino Hills, City Of	Y	Y	36.689	36.689	36.689	36.689
China, City Of	Y	N	57.077	57.077	57.077	0.000
Cucamonga Valley Water District	Y	Y	95.130	95.130	95.130	95.130
Fontana Union Water Company	Y	Y	58.285	58.285	58.285	58.285
Fontana Water Company	Y	Y	75.523	75.523	75.523	75.523
Fontana, City Of	N	N	0.000	0.000	0.000	0.000
Golden State Water Company	Y	Y	10.820	10.820	10.820	10.820
Jurupa Community Services District	Y	Y	95.731	95.731	95.731	95.731
Marygold Mutual Water Company	N	N	12.236	0.000	0.000	0.000
Monte Vista Irrigation Company	Y	N	6.170	6.170	6.170	0.000
Monte Vista Water District	Y	N	90.372	90.372	90.372	0.000
NCL Co, LLC	N	N	0.000	0.000	0.000	0.000
Niagara Bottling, LLC	N	N	11.167	0.000	0.000	0.000
Nicholson Family Trust	Y	Y	0.035	0.035	0.035	0.035
Norco, City Of	N	N	1.840	0.000	0.000	0.000
Ontario, City Of	Y	N	199.137	199.137	199.137	0.000
Pomona, City Of	Y	Y	169.803	169.803	169.803	169.803
San Antonio Water Company	N	N	16.409	0.000	0.000	0.000
San Bernardino, County of (Shooting Park)	N	N	0.131	0.000	0.000	0.000
Santa Ana River Water Company	N	N	12.549	0.000	0.000	0.000
Upland, City Of	Y	Y	34.713	34.713	34.713	34.713
West End Consolidated Water Co	Y	Y	8.640	8.640	8.640	8.640
West Valley Water District	N	N	5.875	0.000	0.000	0.000
TOTAL			1,000.000	938.124	938.124	585.869

CALCULATE
QUORUM

RESET ALL

CALCULATE
VOTES

RESET VOTES

YES VOTES
63.398%

NO VOTES
37.602%

PASSED



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/30/2023	AP24-22-APL

BILL TO
CITY OF CHINO ATTN: DAVE CROSLY PO BOX 667 CHINO CA 91708-0667

TERMS	DUE DATE
Net 30 days	11/30/2023

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$260,000 for Appropriative Pool Legal Counsel expenses		13,610.22	13,610.22
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$13,610.22

Appropriative Pool Administrative Expenses \$260,000 Special Assessment
Production and OSY information based upon 2022-2023 Assessment Package dated November 17, 2022
(Production Year 2022-2023)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 260,000.00 Based On OSY	\$ 260,000.00 Based On Actual FY Production	\$ 260,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	251.6	\$ -	\$ 665.40	\$ 332.70
Chino Hills, City Of	1,572.5	2,628.9	\$ 10,012.49	\$ 6,952.57	\$ 8,482.53
Chino, City Of	3,004.2	3,059.9	\$ 19,128.15	\$ 8,092.29	\$ 13,610.22
Cucamonga Valley Water District	2,695.5	27,281.1	\$ 17,162.59	\$ 72,149.33	\$ 44,655.96
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 30,308.08	\$ -	\$ 15,154.04
Fontana Water Company	0.8	16,387.1	\$ 5.09	\$ 43,338.45	\$ 21,671.77
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,066.1	\$ 1,950.29	\$ 2,819.48	\$ 2,384.88
Jurupa Community Services District	1,535.0	11,601.7	\$ 9,773.40	\$ 30,682.65	\$ 20,228.02
Marygold Mutual Water Company	488.0	944.2	\$ 3,107.22	\$ 2,497.10	\$ 2,802.16
Monte Vista Irrigation Company	503.9	0.0	\$ 3,208.45	\$ -	\$ 1,604.23
Monte Vista Water District	3,592.2	6,994.9	\$ 22,872.09	\$ 18,499.06	\$ 20,685.58
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,684.0	\$ -	\$ 4,453.62	\$ 2,226.81
Nicholson Trust	2.9	0.0	\$ 18.47	\$ -	\$ 9.23
Norco, City Of	150.3	0.0	\$ 957.00	\$ -	\$ 478.50
Ontario, City Of	8,469.8	14,390.0	\$ 53,928.96	\$ 38,056.65	\$ 45,992.80
Pomona, City Of	8,352.2	10,183.8	\$ 53,180.17	\$ 26,932.78	\$ 40,056.47
San Antonio Water Company	1,122.1	402.5	\$ 7,144.68	\$ 1,064.48	\$ 4,104.58
San Bernardino County of (Shooting Park)	0.0	19.8	\$ -	\$ 52.36	\$ 26.18
Santa Ana River Water Company	969.0	103.2	\$ 6,169.86	\$ 272.93	\$ 3,221.39
Upland, City Of	2,124.2	1,312.4	\$ 13,525.30	\$ 3,470.86	\$ 8,498.08
West End Consolidated Water Co.	705.6	0.0	\$ 4,492.73	\$ -	\$ 2,246.36
West Valley Water District	479.8	0.0	\$ 3,055.00	\$ -	\$ 1,527.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	98,311.0	\$ 260,000.00	\$ 260,000.00	\$ 260,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,525.4
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 138,836.4

Action taken by the Appropriative Pool on September 14, 2023 during the Closed Session:

Motion by Ron Craig/Chino Hills, second by Cris Fealy/Fontana Water
 Motion to approve John Schatz proposed budget of \$260,000 for the year 2024.

Passed (62.894% yes)

Please find the Volume Vote information on the next page.



2023 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2022-2023 (Production Year 2021-2022)

QUORUM
MET?
YES

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Avail. Votes	Quorum	Total Yes
Blue77 Eau Brands, Inc.	N		1,868	0,000	0,000	0,000
CalMet Co. (Appropriative)	N		0,000	0,000	0,000	0,000
Chino Hills, City Of	Y	Y	36,689	36,689	36,689	36,689
Chino, City Of	Y	N	57,077	57,077	57,077	0,000
Cucamonga Valley Water District	Y	Y	95,130	95,130	95,130	95,130
Fontana Union Water Company	Y	Y	58,285	58,285	58,285	58,285
Fontana Water Company	Y	Y	75,525	75,525	75,525	75,525
Fontana, City Of	N		0,000	0,000	0,000	0,000
Golden State Water Company	Y	Y	10,820	10,820	10,820	10,820
Jurupa Community Services District	Y	Y	95,731	95,731	95,731	95,731
Marygrove Mutual Water Company	N		12,236	0,000	0,000	0,000
Monte Vista Irrigation Company	Y	N	6,170	6,170	6,170	0,000
Monte Vista Water District	Y	N	90,372	90,372	90,372	0,000
NCL Co. LLC	N		0,000	0,000	0,000	0,000
Niagara Bottling, LLC	Y		11,867	0,000	0,000	0,000
Nicholson Family Trust	Y	Y	0,015	0,015	0,015	0,015
Norco, City Of	N		1,840	0,000	0,000	0,000
Ontario, City Of	Y	N	199,157	199,157	199,157	0,000
Pomona, City Of	Y	Y	169,803	169,803	169,803	169,803
San Antonio Water Company	N		16,409	0,000	0,000	0,000
San Bernardino County of (Booker Park)	N		0,111	0,000	0,000	0,000
Santa Ana River Water Company	Y	Y	12,549	12,549	12,549	12,549
Upland, City Of	Y	Y	34,713	34,713	34,713	34,713
West End Consolidated Water Co	Y	Y	8,640	8,640	8,640	8,640
West Valley Water District	N		5,873	0,000	0,000	0,000
TOTALS			1,000,000	930,673	930,673	597,318

YES VOTES
57,89%
PASSED

NO VOTES
0,10%



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
11/18/2021	AP22-10

BILL TO
MONTE VISTA IRRIGATION COMPANY ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763

TERMS	DUE DATE
Net 30 days	12/20/2021

DESCRIPTION	QTY	RATE	AMOUNT
Agricultural Pool Administration Water Reallocation	365.2	7.8055	2,850.57
OBMP - Agricultural Pool Water Reallocation	365.2	16.908	6,174.80
Pomona Credit		822.67	822.67
Recharge Debt Payment		6,528.22	6,528.22
Appropriative Pool Special Assessment of \$100,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on October 14, 2021		617.01	617.01
Agricultural Pool Admin and Legal Expenses allocated to Appropriative Pool based upon Ag Pool SY Reallocation		3,782.62	3,782.62
Refund of Prior Year Recharge Basin O&M expenses (Credit from IEUA) - Appropriative Pool		-201.98	-201.98
Refund of Prior Year Recharge Debt Service Payment expenses (Credit from IEUA) - Appropriative Pool		-1,928.24	-1,928.24
Refund of Prior Assessed Recharge Improvement Project Funds paid by the Appropriative Pool - Refund approved at the AP Pool meeting on June 10, 2021		-15,234.75	-15,234.75
Agricultural Pool prior years expenses paid by the Overlying Non-Agricultural Pool - charge to AP and refund to ONAP approved at the AP Pool meeting on June 10, 2021		707.75	707.75
<p>If you prefer, a wire transfer can be sent to Bank of America using the following information:</p> <p>Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster</p>			
Judgment payments received after due date shall bear interest at 10% annum from the due date thereof.		Total	\$4,118.67

Amount due is \$558.32, we received payment of \$58.69 applied to the \$617.01 for AP Special Assessment

Appropriative Pool Legal Expenses \$100,000 Special Assessment

Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 100,000.00 Based On OSY	\$ 100,000.00 Based On Actual FY Production	\$ 100,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 281.36	\$ 140.68
Chino Hills, City Of	1,572.5	2,459.6	\$ 3,850.84	\$ 2,550.82	\$ 3,200.83
Chino, City Of	3,004.2	2,762.4	\$ 7,356.98	\$ 2,864.85	\$ 5,110.92
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 6,600.99	\$ 27,198.29	\$ 16,899.63
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 11,656.95	\$ -	\$ 5,828.48
Fontana Water Company	0.8	13,565.3	\$ 1.96	\$ 14,068.40	\$ 7,035.18
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 750.11	\$ 1,114.25	\$ 932.18
Jurupa Community Services District	1,535.0	10,609.9	\$ 3,759.12	\$ 11,003.39	\$ 7,381.26
Marygold Mutual Water Company	488.0	840.9	\$ 1,195.08	\$ 872.09	\$ 1,033.59
Monte Vista Irrigation Company	503.9	0.0	\$ 1,234.02	\$ -	\$ 617.01
Monte Vista Water District	3,592.2	7,523.3	\$ 8,796.96	\$ 7,802.32	\$ 8,299.64
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 1,816.67	\$ 908.33
Nicholson Trust	2.9	0.0	\$ 7.10	\$ -	\$ 3.55
Norco, City Of	150.3	0.0	\$ 368.08	\$ -	\$ 184.04
Ontario, City Of	8,469.8	17,171.1	\$ 20,741.91	\$ 17,807.88	\$ 19,274.89
Pomona, City Of	8,352.2	9,192.2	\$ 20,453.91	\$ 9,533.11	\$ 14,993.51
San Antonio Water Company	1,122.1	676.5	\$ 2,747.96	\$ 701.59	\$ 1,724.77
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 17.84	\$ 8.92
Santa Ana River Water Company	969.0	175.5	\$ 2,373.02	\$ 182.01	\$ 1,277.52
Upland, City Of	2,124.2	2,107.0	\$ 5,202.04	\$ 2,185.14	\$ 3,693.59
West End Consolidated Water Co.	705.6	0.0	\$ 1,727.97	\$ -	\$ 863.99
West Valley Water District	479.8	0.0	\$ 1,175.00	\$ -	\$ 587.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00

Page 10.1 (10D)

Page 10.1 (10I)

		\$ 100,000.00
Desalter Authority - Page 10.1 (Column 10I):	<u>40,114.5</u>	\$ 28,191.54
Total Actual Fiscal Year Production - Page 10.1 (Column 10I):	<u><u>136,538.4</u></u>	\$ 71,808.46

Action taken by the Appropriative Pool on October 14, 2021 to invoice \$100,000 in November 2021, and another \$100,000 in May 2022.

From: [Eduardo Espinoza](#)
To: [Anna Nelson](#); [John Bosler](#); [Scott Burton \(sburton@ontarioca.gov\)](mailto:sburton@ontarioca.gov); [Courtney Jones - City of Ontario \(cjones@ontarioca.gov\)](#); [John Schatz \(Jschatz13@cox.net\)](mailto:Jschatz13@cox.net)
Cc: [Vanessa Aldaz](#); [Frank Yoo](#); [Peter Kavounas](#)
Subject: RE: Please REPLY ALL when out of Confidential Session
Date: Thursday, October 14, 2021 11:18:21 AM
Attachments: [image001.jpg](#)

Hi Anna,

Here are the details of today's AP confidential session reportable action:

The Appropriative Pool approved a legal budget of \$200,000 for this fiscal year; a commitment by AP members to meet on clarifying the use of legal counsel and consultants; legal counsel expenses will be assessed semi-annually; and authorization of AP chair to negotiate legal counsel's rate.

No votes: Ontario, MVWD, MVIC

Please let John or I know if you have any questions. Thanks!

Eduardo

Eduardo Espinoza, PE
Assistant General Manager
Cucamonga Valley Water District
909-987-2591

From: Eduardo Espinoza
Sent: Thursday, October 14, 2021 10:54 AM
To: Anna Nelson <truongnelson@cbwm.org>; John Bosler <JohnB@cvwdwater.com>; Scott Burton (sburton@ontarioca.gov) <sburton@ontarioca.gov>; Courtney Jones - City of Ontario (cjones@ontarioca.gov) <cjjones@ontarioca.gov>
Cc: Vanessa Aldaz <valdaz@cbwm.org>; Frank Yoo <FrankY@cbwm.org>; Peter Kavounas <PKavounas@cbwm.org>
Subject: RE: Please REPLY ALL when out of Confidential Session

Hi Anna,

We're ready to come back to open session. Let me know when ready. I'll be coming in for John.
Thanks!

Eduardo

Eduardo Espinoza, PE
Assistant General Manager
Cucamonga Valley Water District
909-987-2591



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/1/2022	AP22-10-LEG

BILL TO
MONTE VISTA IRRIGATION COMPANY ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763

TERMS	DUE DATE
Net 30 days	5/1/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$141,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		869.99	869.99
Appropriative Pool Special Assessment of \$9,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		0.00	0.00
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$869.99

Outstanding amount is \$819.01. We received payment for \$50.98

Appropriative Pool Legal Expenses \$141,000 - Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 141,000.00 Based On OSY	\$ 141,000.00 Based On Actual FY Production	\$ 141,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 396.72	\$ 198.36
Chino Hills, City Of	1,572.5	2,459.6	\$ 5,429.68	\$ 3,596.66	\$ 4,513.17
Chino, City Of	3,004.2	2,762.4	\$ 10,373.35	\$ 4,039.44	\$ 7,206.39
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 9,307.40	\$ 38,349.59	\$ 23,828.49
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 16,436.30	\$ -	\$ 8,218.15
Fontana Water Company	0.8	13,565.3	\$ 2.76	\$ 19,836.44	\$ 9,919.60
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 1,057.66	\$ 1,571.09	\$ 1,314.37
Jurupa Community Services District	1,535.0	10,609.9	\$ 5,300.36	\$ 15,514.78	\$ 10,407.57
Marygold Mutual Water Company	488.0	840.9	\$ 1,685.07	\$ 1,229.64	\$ 1,457.35
Monte Vista Irrigation Company	503.9	0.0	\$ 1,739.97	\$ -	\$ 869.99
Monte Vista Water District	3,592.2	7,523.3	\$ 12,403.71	\$ 11,001.27	\$ 11,702.49
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 2,561.50	\$ 1,280.75
Nicholson Trust	2.9	0.0	\$ 10.01	\$ -	\$ 5.01
Norco, City Of	150.3	0.0	\$ 518.99	\$ -	\$ 259.49
Ontario, City Of	8,469.8	17,171.1	\$ 29,246.09	\$ 25,109.11	\$ 27,177.60
Pomona, City Of	8,352.2	9,192.2	\$ 28,840.01	\$ 13,441.69	\$ 21,140.85
San Antonio Water Company	1,122.1	676.5	\$ 3,874.62	\$ 989.24	\$ 2,431.93
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 25.15	\$ 12.58
Santa Ana River Water Company	969.0	175.5	\$ 3,345.96	\$ 256.63	\$ 1,801.30
Upland, City Of	2,124.2	2,107.0	\$ 7,334.87	\$ 3,081.05	\$ 5,207.96
West End Consolidated Water Co.	705.6	0.0	\$ 2,436.44	\$ -	\$ 1,218.22
West Valley Water District	479.8	0.0	\$ 1,656.75	\$ -	\$ 828.38
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 141,000.00	\$ 141,000.00	\$ 141,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

The following is reportable action from the Appropriative Pool Confidential meeting of February 17, 2022:

“The Pool approved by 66.688% by volume vote to increase FY 21/22 budget of up to \$150,000 for AP legal counsel services, with the allocation of AP members’ payment as normal, except that the pro-rata share of \$9,000 paid by Ontario/MVWD/MVIC will be allocated to the other AP members; and for the AP to work towards resolution of AP members’ payment of AP legal services.”

Appropriative Pool Legal Expenses \$9,000 - Special Assessment

Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 9,000.00 Based On OSY	\$ 9,000.00 Based On Actual FY Production	\$9,000 50% OSY & 50% Actual FY Production	\$6,462.76 Excludes MVIC, MVWD, and City of Ontario	\$ 2,537.24 Reallocation of Excluded \$'s to Others	\$9,000 Adjusted \$'s Based Upon Reallocation
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 25.32	\$ 12.66	\$ 12.66	\$ 4.97	\$ 17.63
Chino Hills, City Of	1,572.5	2,459.6	\$ 346.58	\$ 229.57	\$ 288.08	\$ 288.08	\$ 113.10	\$ 401.17
Chino, City Of	3,004.2	2,762.4	\$ 662.13	\$ 257.84	\$ 459.98	\$ 459.98	\$ 180.59	\$ 640.57
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 594.09	\$ 2,447.85	\$ 1,520.97	\$ 1,520.97	\$ 597.12	\$ 2,118.09
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 1,049.13	\$ -	\$ 524.56	\$ 524.56	\$ 205.94	\$ 730.50
Fontana Water Company	0.8	13,565.3	\$ 0.18	\$ 1,266.16	\$ 633.17	\$ 633.17	\$ 248.58	\$ 881.74
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 67.51	\$ 100.28	\$ 83.90	\$ 83.90	\$ 32.94	\$ 116.83
Jurupa Community Services District	1,535.0	10,609.9	\$ 338.32	\$ 990.31	\$ 664.31	\$ 664.31	\$ 260.81	\$ 925.12
Marygold Mutual Water Company	488.0	840.9	\$ 107.56	\$ 78.49	\$ 93.02	\$ 93.02	\$ 36.52	\$ 129.54
Monte Vista Irrigation Company	503.9	0.0	\$ 111.06	\$ -	\$ 55.53	\$ 0.00	\$ 0.00	\$ 0.00
Monte Vista Water District	3,592.2	7,523.3	\$ 791.73	\$ 702.21	\$ 746.97	\$ (0.00)	\$ (0.00)	\$ (0.00)
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 163.50	\$ 81.75	\$ 81.75	\$ 32.09	\$ 113.84
Nicholson Trust	2.9	0.0	\$ 0.64	\$ -	\$ 0.32	\$ 0.32	\$ 0.13	\$ 0.45
Norco, City Of	150.3	0.0	\$ 33.13	\$ -	\$ 16.56	\$ 16.56	\$ 6.50	\$ 23.07
Ontario, City Of	8,469.8	17,171.1	\$ 1,866.77	\$ 1,602.71	\$ 1,734.74	\$ 0.00	\$ 0.00	\$ 0.00
Pomona, City Of	8,352.2	9,192.2	\$ 1,840.85	\$ 857.98	\$ 1,349.41	\$ 1,349.41	\$ 529.77	\$ 1,879.17
San Antonio Water Company	1,122.1	676.5	\$ 247.32	\$ 63.14	\$ 155.23	\$ 155.23	\$ 60.94	\$ 216.17
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 1.61	\$ 0.80	\$ 0.80	\$ 0.32	\$ 1.12
Santa Ana River Water Company	969.0	175.5	\$ 213.57	\$ 16.38	\$ 114.98	\$ 114.98	\$ 45.14	\$ 160.12
Upland, City Of	2,124.2	2,107.0	\$ 468.18	\$ 196.66	\$ 332.42	\$ 332.42	\$ 130.51	\$ 462.93
West End Consolidated Water Co.	705.6	0.0	\$ 155.52	\$ -	\$ 77.76	\$ 77.76	\$ 30.53	\$ 108.29
West Valley Water District	479.8	0.0	\$ 105.75	\$ -	\$ 52.88	\$ 52.88	\$ 20.76	\$ 73.63
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 6,462.76	\$ 2,537.24	\$ 9,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

The following is reportable action from the Appropriative Pool Confidential meeting of February 17, 2022:

“The Pool approved by 66.688% by volume vote to increase FY 21/22 budget of up to \$150,000 for AP legal counsel services, with the allocation of AP members’ payment as normal, except that the pro-rata share of \$9,000 paid by Ontario/MVWD/MVIC will be allocated to the other AP members; and for the AP to work towards resolution of AP members’ payment of AP legal services.”



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/14/2022	AP22-77-APL

BILL TO
MONTE VISTA IRRIGATION COMPANY ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763

TERMS	DUE DATE
Net 30 days	11/14/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$250,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on October 13, 2022 \$125,000 for General Legal Services \$25,000 for consultant Tom Harder \$25,000 for legal counsel associated with appeal \$75,000 for appellate counsel		1,542.53	1,542.53
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$1,542.53

Appropriative Pool Legal Expenses \$250,000 Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 250,000.00 Based On OSY	\$ 250,000.00 Based On Actual FY Production	\$ 250,000.00 50% OSY & 50% Actual FY Production
Arrowhead Mountain Spring Water Co.	0.0	271.3	\$ -	\$ 703.40	\$ 351.70
Chino Hills, City Of	1,572.5	2,459.6	\$ 9,627.39	\$ 6,377.05	\$ 8,002.22
Chino, City Of	3,004.2	2,762.4	\$ 18,392.46	\$ 7,162.13	\$ 12,777.29
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 16,502.49	\$ 67,995.72	\$ 42,249.10
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 29,142.38	\$ -	\$ 14,571.19
Fontana Water Company	0.8	13,565.3	\$ 4.90	\$ 35,171.00	\$ 17,587.95
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 1,875.28	\$ 2,785.62	\$ 2,330.45
Jurupa Community Services District	1,535.0	10,609.9	\$ 9,397.50	\$ 27,508.48	\$ 18,452.98
Marygold Mutual Water Company	488.0	840.9	\$ 2,987.71	\$ 2,180.22	\$ 2,583.96
Monte Vista Irrigation Company	503.9	0.0	\$ 3,085.05	\$ -	\$ 1,542.53
Monte Vista Water District	3,592.2	7,523.3	\$ 21,992.40	\$ 19,505.80	\$ 20,749.10
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 4,541.66	\$ 2,270.83
Nicholson Trust	2.9	0.0	\$ 17.76	\$ -	\$ 8.88
Norco, City Of	150.3	0.0	\$ 920.19	\$ -	\$ 460.10
Ontario, City Of	8,469.8	17,171.1	\$ 51,854.77	\$ 44,519.69	\$ 48,187.23
Pomona, City Of	8,352.2	9,192.2	\$ 51,134.78	\$ 23,832.78	\$ 37,483.78
San Antonio Water Company	1,122.1	676.5	\$ 6,869.89	\$ 1,753.97	\$ 4,311.93
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 44.60	\$ 22.30
Santa Ana River Water Company	969.0	175.5	\$ 5,932.56	\$ 455.02	\$ 3,193.79
Upland, City Of	2,124.2	2,107.0	\$ 13,005.09	\$ 5,462.86	\$ 9,233.98
West End Consolidated Water Co.	705.6	0.0	\$ 4,319.93	\$ -	\$ 2,159.97
West Valley Water District	479.8	0.0	\$ 2,937.50	\$ -	\$ 1,468.75
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

Action taken by the Appropriative Pool on October 13, 2022 during the Closed Session:

First motion by Pomona, second by JCSD
 Motion to approve AP legal services budget as delineated as follows:
 \$125k for General Legal services
 \$25k for consultant Tom Harder
 \$25k for legal counsel associated with appeal
 \$75k for appellate counsel
 And to issue AP special assessment invoice tor a total of \$250k
 Passed (60.401% yes)

Please find the Volume Vote information on the next page.



2022 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2021-2022 (Production Year 2020-2021)

**QUORUM
 MET?
 YES**

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N		1.847	-1.847	0.000	0.000	0.000
CalMat Co. (Appropriative)	N		0.000	0.000	0.000	0.000	0.000
Chino Hills, City Of	Y	Y	36.004	1.751	37.755	36.004	37.755
Chino, City Of	Y	N	55.596	2.703	58.299	55.596	0.000
Cucamonga Valley Water District	Y	Y	71.996	3.501	75.496	71.996	75.496
Fontana Union Water Company	Y	Y	58.285	2.834	61.119	58.285	61.119
Fontana Water Company	Y	Y	75.362	3.664	79.027	75.362	79.027
Fontana, City Of	N		0.000	0.000	0.000	0.000	0.000
Golden State Water Company	Y	Y	11.066	0.538	11.604	11.066	11.604
Jurupa Community Services District	Y	Y	91.046	4.427	95.473	91.046	95.473
Marygold Mutual Water Company	N		11.701	-11.701	0.000	0.000	0.000
Monte Vista Irrigation Company	Y	N	6.170	0.300	6.470	6.170	0.000
Monte Vista Water District	Y	N	95.217	4.630	99.847	95.217	0.000
NCL Co, LLC	N		0.000	0.000	0.000	0.000	0.000
Niagara Bottling, LLC	N		11.928	-11.928	0.000	0.000	0.000
Nicholson Family Trust	Y	Y	0.035	0.002	0.037	0.035	0.037
Norco, City Of	N		1.840	-1.840	0.000	0.000	0.000
Ontario, City Of	Y	N	220.641	10.728	231.370	220.641	0.000
Pomona, City Of	Y	Y	164.866	8.016	172.883	164.866	172.883
San Antonio Water Company	Y	Y	18.347	0.892	19.239	18.347	19.239
San Bernardino, County of (Shooting Park)	N		0.117	-0.117	0.000	0.000	0.000
Santa Ana River Water Company	N		13.060	-13.060	0.000	0.000	0.000
Upland, City Of	Y	Y	40.358	1.962	42.321	40.358	42.321
West End Consolidated Water Co	Y	Y	8.640	0.420	9.060	8.640	9.060
West Valley Water District	N		5.875	-5.875	0.000	0.000	0.000
			1,000.000	0.000	1,000.000	953.631	604.014

CALCULATE
QUORUM

CALCULATE
VOTES

"YES" VOTES
60.401%

"NO" VOTES
39.599%

PASSED

RESET ALL

RESET VOTES



Assessment Year 2021-2022 (Production Year 2020-2021)

Water Production Summary

	Percent of Operating Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Operating Safe Yield	Net Ag Pool Reallocation	Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Storage and Recovery Program(s)	Total Production and Exchanges	Net Over-Production		Under Production Balances		
												85/15%	100%	Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0	271.3	0.0	271.3	271.3	0.0	271.3	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,726.6	0.0	1,572.5	2,417.9	0.0	0.0	5,716.9	2,459.6	0.0	2,459.6	0.0	0.0	3,257.3	1,572.5	1,684.8
Chino, City Of	7.357%	3,298.4	0.0	3,004.2	11,194.4	0.0	0.0	17,497.0	2,762.4	0.0	2,762.4	0.0	0.0	14,734.6	3,004.2	11,730.4
Cucamonga Valley Water District	6.601%	1,596.4	0.0	2,695.5	2,552.2	35.6	0.0	6,879.7	26,225.7	(20,500.0)	5,725.7	0.0	0.0	1,154.0	1,154.0	0.0
Desalter Authority	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40,114.5	0.0	40,114.5	0.0	40,114.5	0.0	0.0	0.0
Fontana Union Water Company	11.657%	0.0	0.0	4,760.0	3,450.3	(8,210.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	0.002%	0.9	0.0	0.8	834.6	10,229.0	0.0	11,065.3	13,565.3	(2,500.0)	11,065.3	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	323.6	0.0	306.3	222.0	222.5	0.0	1,074.4	1,074.4	0.0	1,074.4	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	3.759%	1,685.3	0.0	1,535.0	16,328.0	0.0	0.0	19,548.3	10,609.9	0.0	10,609.9	0.0	0.0	8,938.4	1,535.0	7,403.4
Marygold Mutual Water Company	1.195%	399.3	0.0	488.0	353.7	0.0	0.0	1,240.9	840.9	0.0	840.9	0.0	0.0	400.0	400.0	0.0
Monte Vista Irrigation Company	1.234%	553.3	0.0	503.9	365.2	0.0	0.0	1,422.4	0.0	0.0	0.0	0.0	0.0	1,422.4	503.9	918.5
Monte Vista Water District	8.797%	3,944.0	0.0	3,592.2	2,709.4	500.0	0.0	10,745.6	7,523.3	0.0	7,523.3	0.0	0.0	3,222.3	3,222.3	0.0
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,751.7	0.0	1,751.7	0.0	1,751.7	0.0	0.0	0.0
Nicholson Family Trust	0.007%	3.1	0.0	2.9	2.1	(6.5)	0.0	1.6	0.0	0.0	0.0	0.0	0.0	1.6	1.6	0.0
Norco, City Of	0.368%	165.0	0.0	150.3	108.9	0.0	0.0	424.2	0.0	0.0	0.0	0.0	0.0	424.2	150.3	273.9
Ontario, City Of	20.742%	9,299.5	0.0	8,469.8	10,807.7	0.0	0.0	28,576.9	17,171.1	0.0	17,171.1	0.0	0.0	11,405.8	8,469.8	2,936.0
Pomona, City Of	20.454%	9,170.3	0.0	8,352.2	6,054.1	0.0	0.0	23,576.6	9,192.2	0.0	9,192.2	0.0	0.0	14,384.5	8,352.2	6,032.3
San Antonio Water Company	2.748%	1,232.0	0.0	1,122.1	813.4	0.0	0.0	3,167.5	676.5	0.0	676.5	0.0	0.0	2,491.0	1,122.1	1,368.9
San Bernardino, County of (Shooting P	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.2	0.0	17.2	17.2	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	1,063.9	0.0	969.0	702.4	0.0	0.0	2,735.3	175.5	0.0	175.5	0.0	0.0	2,559.8	969.0	1,590.8
Upland, City Of	5.202%	2,332.3	0.0	2,124.2	1,539.7	0.0	0.0	5,996.2	2,107.0	0.0	2,107.0	0.0	0.0	3,889.2	2,124.2	1,765.0
West End Consolidated Water Co	1.728%	774.7	0.0	705.6	511.5	0.0	0.0	1,991.8	0.0	0.0	0.0	0.0	0.0	1,991.8	705.6	1,286.2
West Valley Water District	1.175%	526.8	0.0	479.8	347.8	0.0	0.0	1,354.4	0.0	0.0	0.0	0.0	0.0	1,354.4	479.8	874.6
	100.00%	38,095.5	0.0	40,834.0	61,315.2	3,041.6	0.0	143,286.3	136,538.4	(23,000.0)	113,538.4	17.2	41,866.1	71,631.2	33,766.4	37,864.8
Less Desalter Authority Production									(40,114.5)		(40,114.5)		(40,114.5)			
Total Less Desalter Authority Production									96,423.9		73,423.9		1,751.7			
	10A	10B	10C	10D	10E	10F	10G	10H	10I	10J	10K	10L	10M	10N	10O	10P

Notes:
 1) As of July 1, 2020, the total Operating Safe Yield of the Appropriative Pool is 40,834 AF, allocated by percentage of Operating Safe Yield.
 2) In April 2021, Nestle Waters North America Inc., who owns Arrowhead Mountain Spring Water brand, changed its name to BlueTriton Brands, Inc. and requested Watermaster to use the new company name.



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/19/2023	AP23-32-ADM

BILL TO
MONTE VISTA IRRIGATION COMPANY ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763

TERMS	DUE DATE
Net 30 days	5/19/2023

DESCRIPTION	QTY	RATE	AMOUNT
<p>Appropriative Pool Special Assessment of \$100,000 for Appropriative Pool Administrative expenses for FY 2022/23.</p> <p>Action taken by the Appropriative Pool on April 13, 2023 during the Closed Session. Motion passed by volume vote of 62.398%.</p>		617.01	617.01
<p>If you prefer, a wire transfer can be sent to Bank of America using the following information:</p> <p>Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster</p>			
<p>Prompt payment of invoice is appreciated.</p>		Total	\$617.01

Appropriative Pool Administrative Expenses \$100,000 Special Assessment
Production and OSY information based upon 2022-2023 Assessment Package dated November 17, 2022
(Production Year 2021-2022)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 100,000.00 Based On OSY	\$ 100,000.00 Based On Actual FY Production	\$ 100,000.00 50% OSY & 50% Actual FY Production
Arrowhead Mountain Spring Water Co.	0.0	251.6	\$ -	\$ 255.92	\$ 127.96
Chino Hills, City Of	1,572.5	2,628.9	\$ 3,850.96	\$ 2,674.07	\$ 3,262.51
Chino, City Of	3,004.2	3,059.9	\$ 7,356.98	\$ 3,112.42	\$ 5,234.70
Cucamonga Valley Water District	2,695.5	27,281.1	\$ 6,600.99	\$ 27,749.74	\$ 17,175.37
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 11,656.95	\$ -	\$ 5,828.48
Fontana Water Company	0.8	16,387.1	\$ 1.96	\$ 16,668.63	\$ 8,335.30
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,066.1	\$ 750.11	\$ 1,084.42	\$ 917.26
Jurupa Community Services District	1,535.0	11,601.7	\$ 3,759.00	\$ 11,801.02	\$ 7,780.00
Marygold Mutual Water Company	488.0	944.2	\$ 1,195.08	\$ 960.42	\$ 1,077.75
Monte Vista Irrigation Company	503.9	0.0	\$ 1,234.02	\$ -	\$ 617.01
Monte Vista Water District	3,592.2	6,994.9	\$ 8,796.96	\$ 7,115.02	\$ 7,955.99
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,684.0	\$ -	\$ 1,712.93	\$ 856.47
Nicholson Trust	2.9	0.0	\$ 7.10	\$ -	\$ 3.55
Norco, City Of	150.3	0.0	\$ 368.08	\$ -	\$ 184.04
Ontario, City Of	8,469.8	14,390.0	\$ 20,741.91	\$ 14,637.17	\$ 17,689.54
Pomona, City Of	8,352.2	10,183.8	\$ 20,453.91	\$ 10,358.76	\$ 15,406.34
San Antonio Water Company	1,122.1	402.5	\$ 2,747.96	\$ 409.42	\$ 1,578.69
San Bernardino County of (Shooting Park)	0.0	19.8	\$ -	\$ 20.14	\$ 10.07
Santa Ana River Water Company	969.0	103.2	\$ 2,373.02	\$ 104.97	\$ 1,239.00
Upland, City Of	2,124.2	1,312.4	\$ 5,202.04	\$ 1,334.95	\$ 3,268.49
West End Consolidated Water Co.	705.6	0.0	\$ 1,727.97	\$ -	\$ 863.99
West Valley Water District	479.8	0.0	\$ 1,175.00	\$ -	\$ 587.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	98,311.0	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,525.4
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 138,836.4

Action taken by the Appropriative Pool on April 13, 2023 during the Closed Session:

Motion by Chris Berch/JCSD, second by Chris Diggs/City of Pomona

Motion to approve an increase in the AG expense budget to cover upcoming costs of \$100,000 and AP expenses of \$100,000 for forthcoming expenses total of \$200,000 for both.

Passed (62.398% yes)

Please find the Volume Vote information on the next page.



2023 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2022-2023 (Production Year 2021-2022)

QUORUM
MET?
YES

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N	N	1.668	0.000	0.000	0.000
CalMat Co. (Appropriative)	N	N	0.000	0.000	0.000	0.000
Chino Hills, City Of	Y	Y	36.689	36.689	36.689	36.689
China, City Of	Y	N	57.077	57.077	57.077	0.000
Cucamonga Valley Water District	Y	Y	95.130	95.130	95.130	95.130
Fontana Union Water Company	Y	Y	58.285	58.285	58.285	58.285
Fontana Water Company	Y	Y	75.523	75.523	75.523	75.523
Fontana, City Of	N	N	0.000	0.000	0.000	0.000
Golden State Water Company	Y	Y	10.820	10.820	10.820	10.820
Jurupa Community Services District	Y	Y	95.731	95.731	95.731	95.731
Marygold Mutual Water Company	N	N	12.236	0.000	0.000	0.000
Monte Vista Irrigation Company	Y	N	6.170	6.170	6.170	0.000
Monte Vista Water District	Y	N	90.372	90.372	90.372	0.000
NCL Co, LLC	N	N	0.000	0.000	0.000	0.000
Niagara Bottling, LLC	N	N	11.167	0.000	0.000	0.000
Nicholson Family Trust	Y	Y	0.035	0.035	0.035	0.035
Norco, City Of	N	N	1.840	0.000	0.000	0.000
Ontario, City Of	Y	N	199.137	199.137	199.137	0.000
Pomona, City Of	Y	Y	169.803	169.803	169.803	169.803
San Antonio Water Company	N	N	16.409	0.000	0.000	0.000
San Bernardino, County of (Shooting Park)	N	N	0.131	0.000	0.000	0.000
Santa Ana River Water Company	N	N	12.549	0.000	0.000	0.000
Upland, City Of	Y	Y	34.713	34.713	34.713	34.713
West End Consolidated Water Co	Y	Y	8.640	8.640	8.640	8.640
West Valley Water District	N	N	5.875	0.000	0.000	0.000
TOTAL			1,000.000	938.124	938.124	585.869

CALCULATE
QUORUM

CALCULATE
VOTES

YES VOTES
63.398%

RESET ALL

RESET VOTES

NO VOTES
37.602%

PASSED



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/30/2023	AP24-29-APL

BILL TO
MONTE VISTA IRRIGATION COMPANY ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763

TERMS	DUE DATE
Net 30 days	11/30/2023

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$260,000 for Appropriative Pool Legal Counsel expenses		1,604.23	1,604.23
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$1,604.23

Appropriative Pool Administrative Expenses \$260,000 Special Assessment
Production and OSY information based upon 2022-2023 Assessment Package dated November 17, 2022
(Production Year 2022-2023)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 260,000.00 Based On OSY	\$ 260,000.00 Based On Actual FY Production	\$ 260,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	251.6	\$ -	\$ 665.40	\$ 332.70
Chino Hills, City Of	1,572.5	2,628.9	\$ 10,012.49	\$ 6,952.57	\$ 8,482.53
Chino, City Of	3,004.2	3,059.9	\$ 19,128.15	\$ 8,092.29	\$ 13,610.22
Cucamonga Valley Water District	2,695.5	27,281.1	\$ 17,162.59	\$ 72,149.33	\$ 44,655.96
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 30,308.08	\$ -	\$ 15,154.04
Fontana Water Company	0.8	16,387.1	\$ 5.09	\$ 43,338.45	\$ 21,671.77
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,066.1	\$ 1,950.29	\$ 2,819.48	\$ 2,384.88
Jurupa Community Services District	1,535.0	11,601.7	\$ 9,773.40	\$ 30,682.65	\$ 20,228.02
Marygold Mutual Water Company	488.0	944.2	\$ 3,107.22	\$ 2,497.10	\$ 2,802.16
Monte Vista Irrigation Company	503.9	0.0	\$ 3,208.45	\$ -	\$ 1,604.23
Monte Vista Water District	3,592.2	6,994.9	\$ 22,872.09	\$ 18,499.06	\$ 20,685.58
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,684.0	\$ -	\$ 4,453.62	\$ 2,226.81
Nicholson Trust	2.9	0.0	\$ 18.47	\$ -	\$ 9.23
Norco, City Of	150.3	0.0	\$ 957.00	\$ -	\$ 478.50
Ontario, City Of	8,469.8	14,390.0	\$ 53,928.96	\$ 38,056.65	\$ 45,992.80
Pomona, City Of	8,352.2	10,183.8	\$ 53,180.17	\$ 26,932.78	\$ 40,056.47
San Antonio Water Company	1,122.1	402.5	\$ 7,144.68	\$ 1,064.48	\$ 4,104.58
San Bernardino County of (Shooting Park)	0.0	19.8	\$ -	\$ 52.36	\$ 26.18
Santa Ana River Water Company	969.0	103.2	\$ 6,169.86	\$ 272.93	\$ 3,221.39
Upland, City Of	2,124.2	1,312.4	\$ 13,525.30	\$ 3,470.86	\$ 8,498.08
West End Consolidated Water Co.	705.6	0.0	\$ 4,492.73	\$ -	\$ 2,246.36
West Valley Water District	479.8	0.0	\$ 3,055.00	\$ -	\$ 1,527.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	98,311.0	\$ 260,000.00	\$ 260,000.00	\$ 260,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,525.4
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 138,836.4

Action taken by the Appropriative Pool on September 14, 2023 during the Closed Session:

Motion by Ron Craig/Chino Hills, second by Cris Fealy/Fontana Water
 Motion to approve John Schatz proposed budget of \$260,000 for the year 2024.

Passed (62.894% yes)

Please find the Volume Vote information on the next page.



2023 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2022-2023 (Production Year 2021-2022)

QUORUM
MET?
YES

Hover 'Y' or 'N' in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Avail. Votes	Quorum	Total Yes
Blue7 Eden Brands, Inc.	N		1,868	0,000	0,000	0,000
CalMet Co. (Appropriative)	N		0,000	0,000	0,000	0,000
Chino Hills, City Of	Y	Y	36,689	36,689	36,689	36,689
Chino, City Of	Y	N	57,077	57,077	57,077	0,000
Cucamonga Valley Water District	Y	Y	95,130	95,130	95,130	95,130
Fontana Union Water Company	Y	Y	58,285	58,285	58,285	58,285
Fontana Water Company	Y	Y	75,523	75,523	75,523	75,523
Fontana, City Of	N		0,000	0,000	0,000	0,000
Golden State Water Company	Y	Y	10,820	10,820	10,820	10,820
Jurupa Community Services District	Y	Y	95,731	95,731	95,731	95,731
Marygrove Mutual Water Company	N		0,000	0,000	0,000	0,000
Monte Vista Irrigation Company	Y	N	6,170	6,170	6,170	0,000
Monte Vista Water District	Y	N	90,372	90,372	90,372	0,000
NCL Co, LLC	N		0,000	0,000	0,000	0,000
Niagara Bottling, LLC	Y		11,867	0,000	0,000	0,000
Nicholson Family Trust	Y	Y	0,015	0,015	0,015	0,015
Norco, City Of	N		1,840	0,000	0,000	0,000
Ontario, City Of	Y	N	199,157	199,157	199,157	0,000
Pomona, City Of	Y	Y	169,803	169,803	169,803	169,803
San Antonio Water Company	N		0,000	0,000	0,000	0,000
San Bernardino County of (Booting Park)	N		0,000	0,000	0,000	0,000
Santa Ana River Water Company	Y	Y	12,549	12,549	12,549	12,549
Upland, City Of	Y	Y	34,713	34,713	34,713	34,713
West End Consolidated Water Co	Y	Y	8,540	8,540	8,540	8,540
West Valley Water District	N		5,873	0,000	0,000	0,000
TOTALS			1,000,000	930,673	930,673	597,318

CALCULATE
QUORUM

CALCULATE
VOTES

YES VOTES
57,89%

NO VOTES
37,10%

PASSED

RESET ALL

RESET VOTES



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
11/18/2021	AP22-11

BILL TO
MONTE VISTA WATER DISTRICT ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763-0071

TERMS	DUE DATE
Net 30 days	12/20/2021

DESCRIPTION	QTY	RATE	AMOUNT
Administrative Assessments - Appropriative Pool	7,523.3	22.26997	167,543.69
OBMP - Administrative Assessment	7,523.3	48.24994	362,998.79
Agricultural Pool Administration Water Reallocation	2,709.4	7.80451	21,145.54
OBMP - Agricultural Pool Water Reallocation	2,709.4	16.90586	45,804.75
15% Gross Replenishment Assessments		249.16	249.16
85% / 15% Activity - 15% Pro-rated Debits		77,223.33	77,223.33
Cumulative Unmet Replenishment Obligation - (CURO)		1.23	1.23
Pomona Credit		5,864.70	5,864.70
Recharge Debt Payment		46,538.68	46,538.68
RTS Charges from IEUA - Appropriative Pool		4.87	4.87
Appropriative Pool Special Assessment of \$130,000 for Appropriative Pool Legal Counsel expenses		8,299.64	8,299.64
Agricultural Pool Admin and Legal Expenses allocated to Appropriative Pool based upon Ag Pool SY Reallocation		28,059.49	28,059.49
Refund of Prior Year Recharge Basin O&M expenses (Credit from IEUA) - Appropriative Pool		-11,512.70	-11,512.70
Refund of Prior Year Recharge Debt Service Payment expenses (Credit from IEUA) - Appropriative Pool		-13,746.10	-13,746.10
Refund of Prior Assessed Recharge Improvement Project Funds paid by the Appropriative Pool - Refund approved at the AP Pool meeting on June 10, 2021		-108,606.22	-108,606.22
Agricultural Pool prior years expenses paid by the Overlying Non-Agricultural Pool - charge to AP and refund to ONAP approved at the AP Pool meeting on June 10, 2021		5,162.29	5,162.29
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Judgment payments received after due date shall bear interest at 10% annum from the due date thereof.		Total	\$635,031.14

Amount due is \$7,510.14, we received payment of \$789.50 applied to the \$8,299.64 for AP Special Assessment

Appropriative Pool Legal Expenses \$100,000 Special Assessment

Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 100,000.00 Based On OSY	\$ 100,000.00 Based On Actual FY Production	\$ 100,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 281.36	\$ 140.68
Chino Hills, City Of	1,572.5	2,459.6	\$ 3,850.84	\$ 2,550.82	\$ 3,200.83
Chino, City Of	3,004.2	2,762.4	\$ 7,356.98	\$ 2,864.85	\$ 5,110.92
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 6,600.99	\$ 27,198.29	\$ 16,899.63
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 11,656.95	\$ -	\$ 5,828.48
Fontana Water Company	0.8	13,565.3	\$ 1.96	\$ 14,068.40	\$ 7,035.18
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 750.11	\$ 1,114.25	\$ 932.18
Jurupa Community Services District	1,535.0	10,609.9	\$ 3,759.12	\$ 11,003.39	\$ 7,381.26
Marygold Mutual Water Company	488.0	840.9	\$ 1,195.08	\$ 872.09	\$ 1,033.59
Monte Vista Irrigation Company	503.9	0.0	\$ 1,234.02	\$ -	\$ 617.01
Monte Vista Water District	3,592.2	7,523.3	\$ 8,796.96	\$ 7,802.32	\$ 8,299.64
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 1,816.67	\$ 908.33
Nicholson Trust	2.9	0.0	\$ 7.10	\$ -	\$ 3.55
Norco, City Of	150.3	0.0	\$ 368.08	\$ -	\$ 184.04
Ontario, City Of	8,469.8	17,171.1	\$ 20,741.91	\$ 17,807.88	\$ 19,274.89
Pomona, City Of	8,352.2	9,192.2	\$ 20,453.91	\$ 9,533.11	\$ 14,993.51
San Antonio Water Company	1,122.1	676.5	\$ 2,747.96	\$ 701.59	\$ 1,724.77
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 17.84	\$ 8.92
Santa Ana River Water Company	969.0	175.5	\$ 2,373.02	\$ 182.01	\$ 1,277.52
Upland, City Of	2,124.2	2,107.0	\$ 5,202.04	\$ 2,185.14	\$ 3,693.59
West End Consolidated Water Co.	705.6	0.0	\$ 1,727.97	\$ -	\$ 863.99
West Valley Water District	479.8	0.0	\$ 1,175.00	\$ -	\$ 587.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00

Page 10.1 (10D) Page 10.1 (10I)

		\$ 100,000.00
Desalter Authority - Page 10.1 (Column 10I):	<u>40,114.5</u>	\$ 28,191.54
Total Actual Fiscal Year Production - Page 10.1 (Column 10I):	<u><u>136,538.4</u></u>	\$ 71,808.46

Action taken by the Appropriative Pool on October 14, 2021 to invoice \$100,000 in November 2021, and another \$100,000 in May 2022.

From: [Eduardo Espinoza](#)
To: [Anna Nelson](#); [John Bosler](#); [Scott Burton \(sburton@ontarioca.gov\)](mailto:sburton@ontarioca.gov); [Courtney Jones - City of Ontario \(cjones@ontarioca.gov\)](#); [John Schatz \(Jschatz13@cox.net\)](mailto:Jschatz13@cox.net)
Cc: [Vanessa Aldaz](#); [Frank Yoo](#); [Peter Kavounas](#)
Subject: RE: Please REPLY ALL when out of Confidential Session
Date: Thursday, October 14, 2021 11:18:21 AM
Attachments: [image001.jpg](#)

Hi Anna,

Here are the details of today's AP confidential session reportable action:

The Appropriative Pool approved a legal budget of \$200,000 for this fiscal year; a commitment by AP members to meet on clarifying the use of legal counsel and consultants; legal counsel expenses will be assessed semi-annually; and authorization of AP chair to negotiate legal counsel's rate.

No votes: Ontario, MVWD, MVIC

Please let John or I know if you have any questions. Thanks!

Eduardo

Eduardo Espinoza, PE
Assistant General Manager
Cucamonga Valley Water District
909-987-2591

From: Eduardo Espinoza
Sent: Thursday, October 14, 2021 10:54 AM
To: Anna Nelson <truongnelson@cbwm.org>; John Bosler <JohnB@cvwdwater.com>; Scott Burton (sburton@ontarioca.gov) <sburton@ontarioca.gov>; Courtney Jones - City of Ontario (cjones@ontarioca.gov) <cjjones@ontarioca.gov>
Cc: Vanessa Aldaz <valdaz@cbwm.org>; Frank Yoo <FrankY@cbwm.org>; Peter Kavounas <PKavounas@cbwm.org>
Subject: RE: Please REPLY ALL when out of Confidential Session

Hi Anna,

We're ready to come back to open session. Let me know when ready. I'll be coming in for John.
Thanks!

Eduardo

Eduardo Espinoza, PE
Assistant General Manager
Cucamonga Valley Water District
909-987-2591



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/1/2022	AP22-11-LEG

BILL TO
MONTE VISTA WATER DISTRICT ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763-0071

TERMS	DUE DATE
Net 30 days	5/1/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$141,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		11,702.49	11,702.49
Appropriative Pool Special Assessment of \$9,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		0.00	0.00
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$11,702.49

Amount due is \$11,016.73, we received payment of \$685.76

Appropriative Pool Legal Expenses \$141,000 - Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 141,000.00 Based On OSY	\$ 141,000.00 Based On Actual FY Production	\$ 141,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 396.72	\$ 198.36
Chino Hills, City Of	1,572.5	2,459.6	\$ 5,429.68	\$ 3,596.66	\$ 4,513.17
Chino, City Of	3,004.2	2,762.4	\$ 10,373.35	\$ 4,039.44	\$ 7,206.39
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 9,307.40	\$ 38,349.59	\$ 23,828.49
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 16,436.30	\$ -	\$ 8,218.15
Fontana Water Company	0.8	13,565.3	\$ 2.76	\$ 19,836.44	\$ 9,919.60
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 1,057.66	\$ 1,571.09	\$ 1,314.37
Jurupa Community Services District	1,535.0	10,609.9	\$ 5,300.36	\$ 15,514.78	\$ 10,407.57
Marygold Mutual Water Company	488.0	840.9	\$ 1,685.07	\$ 1,229.64	\$ 1,457.35
Monte Vista Irrigation Company	503.9	0.0	\$ 1,739.97	\$ -	\$ 869.99
Monte Vista Water District	3,592.2	7,523.3	\$ 12,403.71	\$ 11,001.27	\$ 11,702.49
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 2,561.50	\$ 1,280.75
Nicholson Trust	2.9	0.0	\$ 10.01	\$ -	\$ 5.01
Norco, City Of	150.3	0.0	\$ 518.99	\$ -	\$ 259.49
Ontario, City Of	8,469.8	17,171.1	\$ 29,246.09	\$ 25,109.11	\$ 27,177.60
Pomona, City Of	8,352.2	9,192.2	\$ 28,840.01	\$ 13,441.69	\$ 21,140.85
San Antonio Water Company	1,122.1	676.5	\$ 3,874.62	\$ 989.24	\$ 2,431.93
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 25.15	\$ 12.58
Santa Ana River Water Company	969.0	175.5	\$ 3,345.96	\$ 256.63	\$ 1,801.30
Upland, City Of	2,124.2	2,107.0	\$ 7,334.87	\$ 3,081.05	\$ 5,207.96
West End Consolidated Water Co.	705.6	0.0	\$ 2,436.44	\$ -	\$ 1,218.22
West Valley Water District	479.8	0.0	\$ 1,656.75	\$ -	\$ 828.38
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 141,000.00	\$ 141,000.00	\$ 141,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

The following is reportable action from the Appropriative Pool Confidential meeting of February 17, 2022:

“The Pool approved by 66.688% by volume vote to increase FY 21/22 budget of up to \$150,000 for AP legal counsel services, with the allocation of AP members’ payment as normal, except that the pro-rata share of \$9,000 paid by Ontario/MVWD/MVIC will be allocated to the other AP members; and for the AP to work towards resolution of AP members’ payment of AP legal services.”

Appropriative Pool Legal Expenses \$9,000 - Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 9,000.00 Based On OSY	\$ 9,000.00 Based On Actual FY Production	\$9,000 50% OSY & 50% Actual FY Production	\$6,462.76 Excludes MVIC, MVWD, and City of Ontario	\$ 2,537.24 Reallocation of Excluded \$'s to Others	\$9,000 Adjusted \$'s Based Upon Reallocation
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 25.32	\$ 12.66	\$ 12.66	\$ 4.97	\$ 17.63
Chino Hills, City Of	1,572.5	2,459.6	\$ 346.58	\$ 229.57	\$ 288.08	\$ 288.08	\$ 113.10	\$ 401.17
Chino, City Of	3,004.2	2,762.4	\$ 662.13	\$ 257.84	\$ 459.98	\$ 459.98	\$ 180.59	\$ 640.57
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 594.09	\$ 2,447.85	\$ 1,520.97	\$ 1,520.97	\$ 597.12	\$ 2,118.09
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 1,049.13	\$ -	\$ 524.56	\$ 524.56	\$ 205.94	\$ 730.50
Fontana Water Company	0.8	13,565.3	\$ 0.18	\$ 1,266.16	\$ 633.17	\$ 633.17	\$ 248.58	\$ 881.74
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 67.51	\$ 100.28	\$ 83.90	\$ 83.90	\$ 32.94	\$ 116.83
Jurupa Community Services District	1,535.0	10,609.9	\$ 338.32	\$ 990.31	\$ 664.31	\$ 664.31	\$ 260.81	\$ 925.12
Marygold Mutual Water Company	488.0	840.9	\$ 107.56	\$ 78.49	\$ 93.02	\$ 93.02	\$ 36.52	\$ 129.54
Monte Vista Irrigation Company	503.9	0.0	\$ 111.06	\$ -	\$ 55.53	\$ 0.00	\$ 0.00	\$ 0.00
Monte Vista Water District	3,592.2	7,523.3	\$ 791.73	\$ 702.21	\$ 746.97	\$ (0.00)	\$ (0.00)	\$ (0.00)
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 163.50	\$ 81.75	\$ 81.75	\$ 32.09	\$ 113.84
Nicholson Trust	2.9	0.0	\$ 0.64	\$ -	\$ 0.32	\$ 0.32	\$ 0.13	\$ 0.45
Norco, City Of	150.3	0.0	\$ 33.13	\$ -	\$ 16.56	\$ 16.56	\$ 6.50	\$ 23.07
Ontario, City Of	8,469.8	17,171.1	\$ 1,866.77	\$ 1,602.71	\$ 1,734.74	\$ 0.00	\$ 0.00	\$ 0.00
Pomona, City Of	8,352.2	9,192.2	\$ 1,840.85	\$ 857.98	\$ 1,349.41	\$ 1,349.41	\$ 529.77	\$ 1,879.17
San Antonio Water Company	1,122.1	676.5	\$ 247.32	\$ 63.14	\$ 155.23	\$ 155.23	\$ 60.94	\$ 216.17
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 1.61	\$ 0.80	\$ 0.80	\$ 0.32	\$ 1.12
Santa Ana River Water Company	969.0	175.5	\$ 213.57	\$ 16.38	\$ 114.98	\$ 114.98	\$ 45.14	\$ 160.12
Upland, City Of	2,124.2	2,107.0	\$ 468.18	\$ 196.66	\$ 332.42	\$ 332.42	\$ 130.51	\$ 462.93
West End Consolidated Water Co.	705.6	0.0	\$ 155.52	\$ -	\$ 77.76	\$ 77.76	\$ 30.53	\$ 108.29
West Valley Water District	479.8	0.0	\$ 105.75	\$ -	\$ 52.88	\$ 52.88	\$ 20.76	\$ 73.63
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 6,462.76	\$ 2,537.24	\$ 9,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

The following is reportable action from the Appropriative Pool Confidential meeting of February 17, 2022:

“The Pool approved by 66.688% by volume vote to increase FY 21/22 budget of up to \$150,000 for AP legal counsel services, with the allocation of AP members’ payment as normal, except that the pro-rata share of \$9,000 paid by Ontario/MVWD/MVIC will be allocated to the other AP members; and for the AP to work towards resolution of AP members’ payment of AP legal services.”



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/14/2022	AP22-78-APL

BILL TO
MONTE VISTA WATER DISTRICT ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763-0071

TERMS	DUE DATE
Net 30 days	11/14/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$250,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on October 13, 2022 \$125,000 for General Legal Services \$25,000 for consultant Tom Harder \$25,000 for legal counsel associated with appeal \$75,000 for appellate counsel		20,749.10	20,749.10
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$20,749.10

Appropriative Pool Legal Expenses \$250,000 Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 250,000.00 Based On OSY	\$ 250,000.00 Based On Actual FY Production	\$ 250,000.00 50% OSY & 50% Actual FY Production
Arrowhead Mountain Spring Water Co.	0.0	271.3	\$ -	\$ 703.40	\$ 351.70
Chino Hills, City Of	1,572.5	2,459.6	\$ 9,627.39	\$ 6,377.05	\$ 8,002.22
Chino, City Of	3,004.2	2,762.4	\$ 18,392.46	\$ 7,162.13	\$ 12,777.29
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 16,502.49	\$ 67,995.72	\$ 42,249.10
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 29,142.38	\$ -	\$ 14,571.19
Fontana Water Company	0.8	13,565.3	\$ 4.90	\$ 35,171.00	\$ 17,587.95
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 1,875.28	\$ 2,785.62	\$ 2,330.45
Jurupa Community Services District	1,535.0	10,609.9	\$ 9,397.50	\$ 27,508.48	\$ 18,452.98
Marygold Mutual Water Company	488.0	840.9	\$ 2,987.71	\$ 2,180.22	\$ 2,583.96
Monte Vista Irrigation Company	503.9	0.0	\$ 3,085.05	\$ -	\$ 1,542.53
Monte Vista Water District	3,592.2	7,523.3	\$ 21,992.40	\$ 19,505.80	\$ 20,749.10
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 4,541.66	\$ 2,270.83
Nicholson Trust	2.9	0.0	\$ 17.76	\$ -	\$ 8.88
Norco, City Of	150.3	0.0	\$ 920.19	\$ -	\$ 460.10
Ontario, City Of	8,469.8	17,171.1	\$ 51,854.77	\$ 44,519.69	\$ 48,187.23
Pomona, City Of	8,352.2	9,192.2	\$ 51,134.78	\$ 23,832.78	\$ 37,483.78
San Antonio Water Company	1,122.1	676.5	\$ 6,869.89	\$ 1,753.97	\$ 4,311.93
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 44.60	\$ 22.30
Santa Ana River Water Company	969.0	175.5	\$ 5,932.56	\$ 455.02	\$ 3,193.79
Upland, City Of	2,124.2	2,107.0	\$ 13,005.09	\$ 5,462.86	\$ 9,233.98
West End Consolidated Water Co.	705.6	0.0	\$ 4,319.93	\$ -	\$ 2,159.97
West Valley Water District	479.8	0.0	\$ 2,937.50	\$ -	\$ 1,468.75
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

Action taken by the Appropriative Pool on October 13, 2022 during the Closed Session:

First motion by Pomona, second by JCSD
 Motion to approve AP legal services budget as delineated as follows:
 \$125k for General Legal services
 \$25k for consultant Tom Harder
 \$25k for legal counsel associated with appeal
 \$75k for appellate counsel
 And to issue AP special assessment invoice tor a total of \$250k
 Passed (60.401% yes)

Please find the Volume Vote information on the next page.



2022 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2021-2022 (Production Year 2020-2021)

**QUORUM
 MET?
 YES**

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N		1.847	-1.847	0.000	0.000	0.000
CalMat Co. (Appropriative)	N		0.000	0.000	0.000	0.000	0.000
Chino Hills, City Of	Y	Y	36.004	1.751	37.755	36.004	37.755
Chino, City Of	Y	N	55.596	2.703	58.299	55.596	0.000
Cucamonga Valley Water District	Y	Y	71.996	3.501	75.496	71.996	75.496
Fontana Union Water Company	Y	Y	58.285	2.834	61.119	58.285	61.119
Fontana Water Company	Y	Y	75.362	3.664	79.027	75.362	79.027
Fontana, City Of	N		0.000	0.000	0.000	0.000	0.000
Golden State Water Company	Y	Y	11.066	0.538	11.604	11.066	11.604
Jurupa Community Services District	Y	Y	91.046	4.427	95.473	91.046	95.473
Marygold Mutual Water Company	N		11.701	-11.701	0.000	0.000	0.000
Monte Vista Irrigation Company	Y	N	6.170	0.300	6.470	6.170	0.000
Monte Vista Water District	Y	N	95.217	4.630	99.847	95.217	0.000
NCL Co, LLC	N		0.000	0.000	0.000	0.000	0.000
Niagara Bottling, LLC	N		11.928	-11.928	0.000	0.000	0.000
Nicholson Family Trust	Y	Y	0.035	0.002	0.037	0.035	0.037
Norco, City Of	N		1.840	-1.840	0.000	0.000	0.000
Ontario, City Of	Y	N	220.641	10.728	231.370	220.641	0.000
Pomona, City Of	Y	Y	164.866	8.016	172.883	164.866	172.883
San Antonio Water Company	Y	Y	18.347	0.892	19.239	18.347	19.239
San Bernardino, County of (Shooting Park)	N		0.117	-0.117	0.000	0.000	0.000
Santa Ana River Water Company	N		13.060	-13.060	0.000	0.000	0.000
Upland, City Of	Y	Y	40.358	1.962	42.321	40.358	42.321
West End Consolidated Water Co	Y	Y	8.640	0.420	9.060	8.640	9.060
West Valley Water District	N		5.875	-5.875	0.000	0.000	0.000
			1,000.000	0.000	1,000.000	953.631	604.014

"YES" VOTES
60.401%

PASSED

"NO" VOTES
39.599%



Assessment Year 2021-2022 (Production Year 2020-2021)

Water Production Summary

	Percent of Operating Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Operating Safe Yield	Net Ag Pool Reallocation	Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Storage and Recovery Program(s)	Total Production and Exchanges	Net Over-Production		Under Production Balances		
												85/15%	100%	Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0	271.3	0.0	271.3	271.3	0.0	271.3	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,726.6	0.0	1,572.5	2,417.9	0.0	0.0	5,716.9	2,459.6	0.0	2,459.6	0.0	0.0	3,257.3	1,572.5	1,684.8
Chino, City Of	7.357%	3,298.4	0.0	3,004.2	11,194.4	0.0	0.0	17,497.0	2,762.4	0.0	2,762.4	0.0	0.0	14,734.6	3,004.2	11,730.4
Cucamonga Valley Water District	6.601%	1,596.4	0.0	2,695.5	2,552.2	35.6	0.0	6,879.7	26,225.7	(20,500.0)	5,725.7	0.0	0.0	1,154.0	1,154.0	0.0
Desalter Authority	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40,114.5	0.0	40,114.5	0.0	40,114.5	0.0	0.0	0.0
Fontana Union Water Company	11.657%	0.0	0.0	4,760.0	3,450.3	(8,210.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	0.002%	0.9	0.0	0.8	834.6	10,229.0	0.0	11,065.3	13,565.3	(2,500.0)	11,065.3	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	323.6	0.0	306.3	222.0	222.5	0.0	1,074.4	1,074.4	0.0	1,074.4	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	3.759%	1,685.3	0.0	1,535.0	16,328.0	0.0	0.0	19,548.3	10,609.9	0.0	10,609.9	0.0	0.0	8,938.4	1,535.0	7,403.4
Marygold Mutual Water Company	1.195%	399.3	0.0	488.0	353.7	0.0	0.0	1,240.9	840.9	0.0	840.9	0.0	0.0	400.0	400.0	0.0
Monte Vista Irrigation Company	1.234%	553.3	0.0	503.9	365.2	0.0	0.0	1,422.4	0.0	0.0	0.0	0.0	0.0	1,422.4	503.9	918.5
Monte Vista Water District	8.797%	3,944.0	0.0	3,592.2	2,709.4	500.0	0.0	10,745.6	7,523.3	0.0	7,523.3	0.0	0.0	3,222.3	3,222.3	0.0
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,751.7	0.0	1,751.7	0.0	1,751.7	0.0	0.0	0.0
Nicholson Family Trust	0.007%	3.1	0.0	2.9	2.1	(6.5)	0.0	1.6	0.0	0.0	0.0	0.0	0.0	1.6	1.6	0.0
Norco, City Of	0.368%	165.0	0.0	150.3	108.9	0.0	0.0	424.2	0.0	0.0	0.0	0.0	0.0	424.2	150.3	273.9
Ontario, City Of	20.742%	9,299.5	0.0	8,469.8	10,807.7	0.0	0.0	28,576.9	17,171.1	0.0	17,171.1	0.0	0.0	11,405.8	8,469.8	2,936.0
Pomona, City Of	20.454%	9,170.3	0.0	8,352.2	6,054.1	0.0	0.0	23,576.6	9,192.2	0.0	9,192.2	0.0	0.0	14,384.5	8,352.2	6,032.3
San Antonio Water Company	2.748%	1,232.0	0.0	1,122.1	813.4	0.0	0.0	3,167.5	676.5	0.0	676.5	0.0	0.0	2,491.0	1,122.1	1,368.9
San Bernardino, County of (Shooting P	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.2	0.0	17.2	17.2	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	1,063.9	0.0	969.0	702.4	0.0	0.0	2,735.3	175.5	0.0	175.5	0.0	0.0	2,559.8	969.0	1,590.8
Upland, City Of	5.202%	2,332.3	0.0	2,124.2	1,539.7	0.0	0.0	5,996.2	2,107.0	0.0	2,107.0	0.0	0.0	3,889.2	2,124.2	1,765.0
West End Consolidated Water Co	1.728%	774.7	0.0	705.6	511.5	0.0	0.0	1,991.8	0.0	0.0	0.0	0.0	0.0	1,991.8	705.6	1,286.2
West Valley Water District	1.175%	526.8	0.0	479.8	347.8	0.0	0.0	1,354.4	0.0	0.0	0.0	0.0	0.0	1,354.4	479.8	874.6
	100.00%	38,095.5	0.0	40,834.0	61,315.2	3,041.6	0.0	143,286.3	136,538.4	(23,000.0)	113,538.4	17.2	41,866.1	71,631.2	33,766.4	37,864.8
Less Desalter Authority Production									(40,114.5)		(40,114.5)		(40,114.5)			
Total Less Desalter Authority Production									96,423.9		73,423.9		1,751.7			
	10A	10B	10C	10D	10E	10F	10G	10H	10I	10J	10K	10L	10M	10N	10O	10P

Notes:
 1) As of July 1, 2020, the total Operating Safe Yield of the Appropriative Pool is 40,834 AF, allocated by percentage of Operating Safe Yield.
 2) In April 2021, Nestle Waters North America Inc., who owns Arrowhead Mountain Spring Water brand, changed its name to BlueTriton Brands, Inc. and requested Watermaster to use the new company name.



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/19/2023	AP23-33-ADM

BILL TO
MONTE VISTA WATER DISTRICT ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763-0071

TERMS	DUE DATE
Net 30 days	5/19/2023

DESCRIPTION	QTY	RATE	AMOUNT
<p>Appropriative Pool Special Assessment of \$100,000 for Appropriative Pool Administrative expenses for FY 2022/23.</p> <p>Action taken by the Appropriative Pool on April 13, 2023 during the Closed Session. Motion passed by volume vote of 62.398%.</p>		7,955.99	7,955.99
<p>If you prefer, a wire transfer can be sent to Bank of America using the following information:</p> <p>Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster</p>			

Prompt payment of invoice is appreciated.	Total	\$7,955.99
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Appropriative Pool Administrative Expenses \$100,000 Special Assessment
Production and OSY information based upon 2022-2023 Assessment Package dated November 17, 2022
(Production Year 2021-2022)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 100,000.00 Based On OSY	\$ 100,000.00 Based On Actual FY Production	\$ 100,000.00 50% OSY & 50% Actual FY Production
Arrowhead Mountain Spring Water Co.	0.0	251.6	\$ -	\$ 255.92	\$ 127.96
Chino Hills, City Of	1,572.5	2,628.9	\$ 3,850.96	\$ 2,674.07	\$ 3,262.51
Chino, City Of	3,004.2	3,059.9	\$ 7,356.98	\$ 3,112.42	\$ 5,234.70
Cucamonga Valley Water District	2,695.5	27,281.1	\$ 6,600.99	\$ 27,749.74	\$ 17,175.37
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 11,656.95	\$ -	\$ 5,828.48
Fontana Water Company	0.8	16,387.1	\$ 1.96	\$ 16,668.63	\$ 8,335.30
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,066.1	\$ 750.11	\$ 1,084.42	\$ 917.26
Jurupa Community Services District	1,535.0	11,601.7	\$ 3,759.00	\$ 11,801.02	\$ 7,780.00
Marygold Mutual Water Company	488.0	944.2	\$ 1,195.08	\$ 960.42	\$ 1,077.75
Monte Vista Irrigation Company	503.9	0.0	\$ 1,234.02	\$ -	\$ 617.01
Monte Vista Water District	3,592.2	6,994.9	\$ 8,796.96	\$ 7,115.02	\$ 7,955.99
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,684.0	\$ -	\$ 1,712.93	\$ 856.47
Nicholson Trust	2.9	0.0	\$ 7.10	\$ -	\$ 3.55
Norco, City Of	150.3	0.0	\$ 368.08	\$ -	\$ 184.04
Ontario, City Of	8,469.8	14,390.0	\$ 20,741.91	\$ 14,637.17	\$ 17,689.54
Pomona, City Of	8,352.2	10,183.8	\$ 20,453.91	\$ 10,358.76	\$ 15,406.34
San Antonio Water Company	1,122.1	402.5	\$ 2,747.96	\$ 409.42	\$ 1,578.69
San Bernardino County of (Shooting Park)	0.0	19.8	\$ -	\$ 20.14	\$ 10.07
Santa Ana River Water Company	969.0	103.2	\$ 2,373.02	\$ 104.97	\$ 1,239.00
Upland, City Of	2,124.2	1,312.4	\$ 5,202.04	\$ 1,334.95	\$ 3,268.49
West End Consolidated Water Co.	705.6	0.0	\$ 1,727.97	\$ -	\$ 863.99
West Valley Water District	479.8	0.0	\$ 1,175.00	\$ -	\$ 587.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	98,311.0	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,525.4
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 138,836.4

Action taken by the Appropriative Pool on April 13, 2023 during the Closed Session:

Motion by Chris Berch/JCSD, second by Chris Diggs/City of Pomona

Motion to approve an increase in the AG expense budget to cover upcoming costs of \$100,000 and AP expenses of \$100,000 for forthcoming expenses total of \$200,000 for both.

Passed (62.398% yes)

Please find the Volume Vote information on the next page.



2023 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2022-2023 (Production Year 2021-2022)

QUORUM
MET?
YES

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N	N	1.668	0.000	0.000	0.000
CalMat Co. (Appropriative)	N	N	0.000	0.000	0.000	0.000
Chino Hills, City Of	Y	Y	36.689	36.689	36.689	36.689
China, City Of	Y	N	57.077	57.077	57.077	0.000
Cucamonga Valley Water District	Y	Y	95.130	95.130	95.130	95.130
Fontana Union Water Company	Y	Y	58.285	58.285	58.285	58.285
Fontana Water Company	Y	Y	75.523	75.523	75.523	75.523
Fontana, City Of	N	N	0.000	0.000	0.000	0.000
Golden State Water Company	Y	Y	10.820	10.820	10.820	10.820
Jurupa Community Services District	Y	Y	95.731	95.731	95.731	95.731
Marygold Mutual Water Company	N	N	12.236	0.000	0.000	0.000
Monte Vista Irrigation Company	Y	N	6.170	6.170	6.170	0.000
Monte Vista Water District	Y	N	90.372	90.372	90.372	0.000
NCL Co, LLC	N	N	0.000	0.000	0.000	0.000
Niagara Bottling, LLC	N	N	11.167	0.000	0.000	0.000
Nicholson Family Trust	Y	Y	0.035	0.035	0.035	0.035
Norco, City Of	N	N	1.840	0.000	0.000	0.000
Ontario, City Of	Y	N	199.137	199.137	199.137	0.000
Pomona, City Of	Y	Y	169.803	169.803	169.803	169.803
San Antonio Water Company	N	N	16.409	0.000	0.000	0.000
San Bernardino, County of (Shooting Park)	N	N	0.131	0.000	0.000	0.000
Santa Ana River Water Company	N	N	12.549	0.000	0.000	0.000
Upland, City Of	Y	Y	34.713	34.713	34.713	34.713
West End Consolidated Water Co	Y	Y	8.640	8.640	8.640	8.640
West Valley Water District	N	N	5.875	0.000	0.000	0.000
TOTAL			1,000.000	938.124	938.124	585.869

CALCULATE
QUORUM

RESET ALL

CALCULATE
VOTES

RESET VOTES

YES VOTES
63.398%

NO VOTES
37.602%

PASSED



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/30/2023	AP24-30-APL

BILL TO
MONTE VISTA WATER DISTRICT ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763-0071

TERMS	DUE DATE
Net 30 days	11/30/2023

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$260,000 for Appropriative Pool Legal Counsel expenses		20,685.58	20,685.58
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$20,685.58

Appropriative Pool Administrative Expenses \$260,000 Special Assessment
Production and OSY information based upon 2022-2023 Assessment Package dated November 17, 2022
(Production Year 2022-2023)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 260,000.00 Based On OSY	\$ 260,000.00 Based On Actual FY Production	\$ 260,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	251.6	\$ -	\$ 665.40	\$ 332.70
Chino Hills, City Of	1,572.5	2,628.9	\$ 10,012.49	\$ 6,952.57	\$ 8,482.53
Chino, City Of	3,004.2	3,059.9	\$ 19,128.15	\$ 8,092.29	\$ 13,610.22
Cucamonga Valley Water District	2,695.5	27,281.1	\$ 17,162.59	\$ 72,149.33	\$ 44,655.96
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 30,308.08	\$ -	\$ 15,154.04
Fontana Water Company	0.8	16,387.1	\$ 5.09	\$ 43,338.45	\$ 21,671.77
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,066.1	\$ 1,950.29	\$ 2,819.48	\$ 2,384.88
Jurupa Community Services District	1,535.0	11,601.7	\$ 9,773.40	\$ 30,682.65	\$ 20,228.02
Marygold Mutual Water Company	488.0	944.2	\$ 3,107.22	\$ 2,497.10	\$ 2,802.16
Monte Vista Irrigation Company	503.9	0.0	\$ 3,208.45	\$ -	\$ 1,604.23
Monte Vista Water District	3,592.2	6,994.9	\$ 22,872.09	\$ 18,499.06	\$ 20,685.58
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,684.0	\$ -	\$ 4,453.62	\$ 2,226.81
Nicholson Trust	2.9	0.0	\$ 18.47	\$ -	\$ 9.23
Norco, City Of	150.3	0.0	\$ 957.00	\$ -	\$ 478.50
Ontario, City Of	8,469.8	14,390.0	\$ 53,928.96	\$ 38,056.65	\$ 45,992.80
Pomona, City Of	8,352.2	10,183.8	\$ 53,180.17	\$ 26,932.78	\$ 40,056.47
San Antonio Water Company	1,122.1	402.5	\$ 7,144.68	\$ 1,064.48	\$ 4,104.58
San Bernardino County of (Shooting Park)	0.0	19.8	\$ -	\$ 52.36	\$ 26.18
Santa Ana River Water Company	969.0	103.2	\$ 6,169.86	\$ 272.93	\$ 3,221.39
Upland, City Of	2,124.2	1,312.4	\$ 13,525.30	\$ 3,470.86	\$ 8,498.08
West End Consolidated Water Co.	705.6	0.0	\$ 4,492.73	\$ -	\$ 2,246.36
West Valley Water District	479.8	0.0	\$ 3,055.00	\$ -	\$ 1,527.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	98,311.0	\$ 260,000.00	\$ 260,000.00	\$ 260,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,525.4
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 138,836.4

Action taken by the Appropriative Pool on September 14, 2023 during the Closed Session:

Motion by Ron Craig/Chino Hills, second by Cris Fealy/Fontana Water
 Motion to approve John Schatz proposed budget of \$260,000 for the year 2024.

Passed (62.894% yes)

Please find the Volume Vote information on the next page.



2023 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2022-2023 (Production Year 2021-2022)

QUORUM
MET?
YES

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Avail. Votes	Quorum	Total Yes
Blue7 Eden Brands, Inc.	N		1,868	0,000	0,000	0,000
CalMet Co. (Appropriative)	N		0,000	0,000	0,000	0,000
Chino Hills, City Of	Y	Y	36,689	36,689	36,689	36,689
Chino, City Of	Y	N	57,077	57,077	57,077	0,000
Cucamonga Valley Water District	Y	Y	95,130	95,130	95,130	95,130
Fontana Union Water Company	Y	Y	58,285	58,285	58,285	58,285
Fontana Water Company	Y	Y	75,523	75,523	75,523	75,523
Fontana, City Of	N		0,000	0,000	0,000	0,000
Golden State Water Company	Y	Y	10,820	10,820	10,820	10,820
Jurupa Community Services District	Y	Y	95,731	95,731	95,731	95,731
Marygrove Mutual Water Company	N		0,000	0,000	0,000	0,000
Monte Vista Irrigation Company	Y	N	6,170	6,170	6,170	0,000
Monte Vista Water District	Y	N	90,372	90,372	90,372	0,000
NCL Co, LLC	N		0,000	0,000	0,000	0,000
Niagara Bottling, LLC	Y		11,867	0,000	0,000	0,000
Nicholson Family Trust	Y	Y	0,015	0,015	0,015	0,015
Norco, City Of	N		1,840	0,000	0,000	0,000
Ontario, City Of	Y	N	199,157	199,157	199,157	0,000
Pomona, City Of	Y	Y	169,803	169,803	169,803	169,803
San Antonio Water Company	N		0,000	0,000	0,000	0,000
San Bernardino County of (Booker Park)	N		0,000	0,000	0,000	0,000
Santa Ana River Water Company	Y	Y	12,549	12,549	12,549	12,549
Upland, City Of	Y	Y	34,713	34,713	34,713	34,713
West End Consolidated Water Co	Y	Y	8,540	8,540	8,540	8,540
West Valley Water District	N		5,873	0,000	0,000	0,000
TOTALS			1,000,000	930,673	930,673	597,318

YES VOTES
57,89%
PASSED

NO VOTES
37,10%



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
11/18/2021	AP22-15

BILL TO
CITY OF ONTARIO ATTN: SCOTT BURTON 1425 S BON VIEW ONTARIO, CA 91761-4406

TERMS	DUE DATE
Net 30 days	12/20/2021

DESCRIPTION	QTY	RATE	AMOUNT
Administrative Assessments - Appropriative Pool	17,171.1	22.27004	382,401.07
OBMP - Administrative Assessment	17,171.1	48.25008	828,507.02
Agricultural Pool Administration Water Reallocation	10,807.7	7.80448	84,348.53
OBMP - Agricultural Pool Water Reallocation	10,807.7	16.90581	182,712.90
15% Gross Replenishment Assessments		568.68	568.68
85% / 15% Activity - 15% Pro-rated Debits		176,254.23	176,254.23
Cumulative Unmet Replenishment Obligation - (CURO)		2.79	2.79
Pomona Credit		13,828.07	13,828.07
Recharge Debt Payment		109,731.20	109,731.20
RTS Charges from IEUA - Appropriative Pool		11.25	11.25
Appropriative Pool Special Assessment of \$100,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on October 14, 2021		19,274.89	19,274.89
Agricultural Pool Admin and Legal Expenses allocated to Appropriative Pool based upon Ag Pool SY Reallocation		111,927.92	111,927.92
Refund of Prior Year Recharge Basin O&M expenses (Credit from IEUA) - Appropriative Pool		-26,944.75	-26,944.75
Refund of Prior Year Recharge Debt Service Payment expenses (Credit from IEUA) - Appropriative Pool		-32,411.24	-32,411.24
Refund of Prior Assessed Recharge Improvement Project Funds paid by the Appropriative Pool - Refund approved at the AP Pool meeting on June 10, 2021		-256,077.09	-256,077.09
Agricultural Pool prior years expenses paid by the Overlying Non-Agricultural Pool - charge to AP and refund to ONAP approved at the AP Pool meeting on June 10, 2021		16,109.38	16,109.38
<p>If you prefer, a wire transfer can be sent to Bank of America using the following information:</p> <p>Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster</p>			
Judgment payments received after due date shall bear interest at 10% annum from the due date thereof.		Total	\$1,610,244.85

Outstanding amount is \$19,274.89 for AP special assessment

Appropriative Pool Legal Expenses \$100,000 Special Assessment

Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 100,000.00 Based On OSY	\$ 100,000.00 Based On Actual FY Production	\$ 100,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 281.36	\$ 140.68
Chino Hills, City Of	1,572.5	2,459.6	\$ 3,850.84	\$ 2,550.82	\$ 3,200.83
Chino, City Of	3,004.2	2,762.4	\$ 7,356.98	\$ 2,864.85	\$ 5,110.92
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 6,600.99	\$ 27,198.29	\$ 16,899.63
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 11,656.95	\$ -	\$ 5,828.48
Fontana Water Company	0.8	13,565.3	\$ 1.96	\$ 14,068.40	\$ 7,035.18
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 750.11	\$ 1,114.25	\$ 932.18
Jurupa Community Services District	1,535.0	10,609.9	\$ 3,759.12	\$ 11,003.39	\$ 7,381.26
Marygold Mutual Water Company	488.0	840.9	\$ 1,195.08	\$ 872.09	\$ 1,033.59
Monte Vista Irrigation Company	503.9	0.0	\$ 1,234.02	\$ -	\$ 617.01
Monte Vista Water District	3,592.2	7,523.3	\$ 8,796.96	\$ 7,802.32	\$ 8,299.64
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 1,816.67	\$ 908.33
Nicholson Trust	2.9	0.0	\$ 7.10	\$ -	\$ 3.55
Norco, City Of	150.3	0.0	\$ 368.08	\$ -	\$ 184.04
Ontario, City Of	8,469.8	17,171.1	\$ 20,741.91	\$ 17,807.88	\$ 19,274.89
Pomona, City Of	8,352.2	9,192.2	\$ 20,453.91	\$ 9,533.11	\$ 14,993.51
San Antonio Water Company	1,122.1	676.5	\$ 2,747.96	\$ 701.59	\$ 1,724.77
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 17.84	\$ 8.92
Santa Ana River Water Company	969.0	175.5	\$ 2,373.02	\$ 182.01	\$ 1,277.52
Upland, City Of	2,124.2	2,107.0	\$ 5,202.04	\$ 2,185.14	\$ 3,693.59
West End Consolidated Water Co.	705.6	0.0	\$ 1,727.97	\$ -	\$ 863.99
West Valley Water District	479.8	0.0	\$ 1,175.00	\$ -	\$ 587.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00

Page 10.1 (10D)

Page 10.1 (10I)

		\$ 100,000.00
Desalter Authority - Page 10.1 (Column 10I):	<u>40,114.5</u>	\$ 28,191.54
Total Actual Fiscal Year Production - Page 10.1 (Column 10I):	<u>136,538.4</u>	\$ 71,808.46

Action taken by the Appropriative Pool on October 14, 2021 to invoice \$100,000 in November 2021, and another \$100,000 in May 2022.

From: [Eduardo Espinoza](#)
To: [Anna Nelson](#); [John Bosler](#); [Scott Burton \(sburton@ontarioca.gov\)](mailto:sburton@ontarioca.gov); [Courtney Jones - City of Ontario \(cjones@ontarioca.gov\)](#); [John Schatz \(Jschatz13@cox.net\)](mailto:Jschatz13@cox.net)
Cc: [Vanessa Aldaz](#); [Frank Yoo](#); [Peter Kavounas](#)
Subject: RE: Please REPLY ALL when out of Confidential Session
Date: Thursday, October 14, 2021 11:18:21 AM
Attachments: [image001.jpg](#)

Hi Anna,

Here are the details of today's AP confidential session reportable action:

The Appropriative Pool approved a legal budget of \$200,000 for this fiscal year; a commitment by AP members to meet on clarifying the use of legal counsel and consultants; legal counsel expenses will be assessed semi-annually; and authorization of AP chair to negotiate legal counsel's rate.

No votes: Ontario, MVWD, MVIC

Please let John or I know if you have any questions. Thanks!

Eduardo

Eduardo Espinoza, PE
Assistant General Manager
Cucamonga Valley Water District
909-987-2591

From: Eduardo Espinoza
Sent: Thursday, October 14, 2021 10:54 AM
To: Anna Nelson <truongnelson@cbwm.org>; John Bosler <JohnB@cvwdwater.com>; Scott Burton (sburton@ontarioca.gov) <sburton@ontarioca.gov>; Courtney Jones - City of Ontario (cjones@ontarioca.gov) <cjjones@ontarioca.gov>
Cc: Vanessa Aldaz <valdaz@cbwm.org>; Frank Yoo <FrankY@cbwm.org>; Peter Kavounas <PKavounas@cbwm.org>
Subject: RE: Please REPLY ALL when out of Confidential Session

Hi Anna,

We're ready to come back to open session. Let me know when ready. I'll be coming in for John.
Thanks!

Eduardo

Eduardo Espinoza, PE
Assistant General Manager
Cucamonga Valley Water District
909-987-2591



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/1/2022	AP22-15-LEG

BILL TO
CITY OF ONTARIO ATTN: SCOTT BURTON 1425 S BON VIEW ONTARIO, CA 91761-4406

TERMS	DUE DATE
Net 30 days	5/1/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$141,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		27,177.60	27,177.60
Appropriative Pool Special Assessment of \$9,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		0.00	0.00
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$27,177.60

Appropriative Pool Legal Expenses \$141,000 - Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 141,000.00 Based On OSY	\$ 141,000.00 Based On Actual FY Production	\$ 141,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 396.72	\$ 198.36
Chino Hills, City Of	1,572.5	2,459.6	\$ 5,429.68	\$ 3,596.66	\$ 4,513.17
Chino, City Of	3,004.2	2,762.4	\$ 10,373.35	\$ 4,039.44	\$ 7,206.39
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 9,307.40	\$ 38,349.59	\$ 23,828.49
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 16,436.30	\$ -	\$ 8,218.15
Fontana Water Company	0.8	13,565.3	\$ 2.76	\$ 19,836.44	\$ 9,919.60
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 1,057.66	\$ 1,571.09	\$ 1,314.37
Jurupa Community Services District	1,535.0	10,609.9	\$ 5,300.36	\$ 15,514.78	\$ 10,407.57
Marygold Mutual Water Company	488.0	840.9	\$ 1,685.07	\$ 1,229.64	\$ 1,457.35
Monte Vista Irrigation Company	503.9	0.0	\$ 1,739.97	\$ -	\$ 869.99
Monte Vista Water District	3,592.2	7,523.3	\$ 12,403.71	\$ 11,001.27	\$ 11,702.49
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 2,561.50	\$ 1,280.75
Nicholson Trust	2.9	0.0	\$ 10.01	\$ -	\$ 5.01
Norco, City Of	150.3	0.0	\$ 518.99	\$ -	\$ 259.49
Ontario, City Of	8,469.8	17,171.1	\$ 29,246.09	\$ 25,109.11	\$ 27,177.60
Pomona, City Of	8,352.2	9,192.2	\$ 28,840.01	\$ 13,441.69	\$ 21,140.85
San Antonio Water Company	1,122.1	676.5	\$ 3,874.62	\$ 989.24	\$ 2,431.93
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 25.15	\$ 12.58
Santa Ana River Water Company	969.0	175.5	\$ 3,345.96	\$ 256.63	\$ 1,801.30
Upland, City Of	2,124.2	2,107.0	\$ 7,334.87	\$ 3,081.05	\$ 5,207.96
West End Consolidated Water Co.	705.6	0.0	\$ 2,436.44	\$ -	\$ 1,218.22
West Valley Water District	479.8	0.0	\$ 1,656.75	\$ -	\$ 828.38
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 141,000.00	\$ 141,000.00	\$ 141,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

The following is reportable action from the Appropriative Pool Confidential meeting of February 17, 2022:

“The Pool approved by 66.688% by volume vote to increase FY 21/22 budget of up to \$150,000 for AP legal counsel services, with the allocation of AP members’ payment as normal, except that the pro-rata share of \$9,000 paid by Ontario/MVWD/MVIC will be allocated to the other AP members; and for the AP to work towards resolution of AP members’ payment of AP legal services.”

Appropriative Pool Legal Expenses \$9,000 - Special Assessment

Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 9,000.00 Based On OSY	\$ 9,000.00 Based On Actual FY Production	\$9,000 50% OSY & 50% Actual FY Production	\$6,462.76 Excludes MVIC, MVWD, and City of Ontario	\$ 2,537.24 Reallocation of Excluded \$'s to Others	\$9,000 Adjusted \$'s Based Upon Reallocation
BlueTriton Brands, Inc.	0.0	271.3	\$ -	\$ 25.32	\$ 12.66	\$ 12.66	\$ 4.97	\$ 17.63
Chino Hills, City Of	1,572.5	2,459.6	\$ 346.58	\$ 229.57	\$ 288.08	\$ 288.08	\$ 113.10	\$ 401.17
Chino, City Of	3,004.2	2,762.4	\$ 662.13	\$ 257.84	\$ 459.98	\$ 459.98	\$ 180.59	\$ 640.57
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 594.09	\$ 2,447.85	\$ 1,520.97	\$ 1,520.97	\$ 597.12	\$ 2,118.09
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 1,049.13	\$ -	\$ 524.56	\$ 524.56	\$ 205.94	\$ 730.50
Fontana Water Company	0.8	13,565.3	\$ 0.18	\$ 1,266.16	\$ 633.17	\$ 633.17	\$ 248.58	\$ 881.74
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 67.51	\$ 100.28	\$ 83.90	\$ 83.90	\$ 32.94	\$ 116.83
Jurupa Community Services District	1,535.0	10,609.9	\$ 338.32	\$ 990.31	\$ 664.31	\$ 664.31	\$ 260.81	\$ 925.12
Marygold Mutual Water Company	488.0	840.9	\$ 107.56	\$ 78.49	\$ 93.02	\$ 93.02	\$ 36.52	\$ 129.54
Monte Vista Irrigation Company	503.9	0.0	\$ 111.06	\$ -	\$ 55.53	\$ 0.00	\$ 0.00	\$ 0.00
Monte Vista Water District	3,592.2	7,523.3	\$ 791.73	\$ 702.21	\$ 746.97	\$ (0.00)	\$ (0.00)	\$ (0.00)
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 163.50	\$ 81.75	\$ 81.75	\$ 32.09	\$ 113.84
Nicholson Trust	2.9	0.0	\$ 0.64	\$ -	\$ 0.32	\$ 0.32	\$ 0.13	\$ 0.45
Norco, City Of	150.3	0.0	\$ 33.13	\$ -	\$ 16.56	\$ 16.56	\$ 6.50	\$ 23.07
Ontario, City Of	8,469.8	17,171.1	\$ 1,866.77	\$ 1,602.71	\$ 1,734.74	\$ 0.00	\$ 0.00	\$ 0.00
Pomona, City Of	8,352.2	9,192.2	\$ 1,840.85	\$ 857.98	\$ 1,349.41	\$ 1,349.41	\$ 529.77	\$ 1,879.17
San Antonio Water Company	1,122.1	676.5	\$ 247.32	\$ 63.14	\$ 155.23	\$ 155.23	\$ 60.94	\$ 216.17
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 1.61	\$ 0.80	\$ 0.80	\$ 0.32	\$ 1.12
Santa Ana River Water Company	969.0	175.5	\$ 213.57	\$ 16.38	\$ 114.98	\$ 114.98	\$ 45.14	\$ 160.12
Upland, City Of	2,124.2	2,107.0	\$ 468.18	\$ 196.66	\$ 332.42	\$ 332.42	\$ 130.51	\$ 462.93
West End Consolidated Water Co.	705.6	0.0	\$ 155.52	\$ -	\$ 77.76	\$ 77.76	\$ 30.53	\$ 108.29
West Valley Water District	479.8	0.0	\$ 105.75	\$ -	\$ 52.88	\$ 52.88	\$ 20.76	\$ 73.63
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 6,462.76	\$ 2,537.24	\$ 9,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

The following is reportable action from the Appropriative Pool Confidential meeting of February 17, 2022:

“The Pool approved by 66.688% by volume vote to increase FY 21/22 budget of up to \$150,000 for AP legal counsel services, with the allocation of AP members’ payment as normal, except that the pro-rata share of \$9,000 paid by Ontario/MVWD/MVIC will be allocated to the other AP members; and for the AP to work towards resolution of AP members’ payment of AP legal services.”



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/14/2022	AP22-82-APL

BILL TO
CITY OF ONTARIO ATTN: SCOTT BURTON 1425 S BON VIEW ONTARIO, CA 91761-4406

TERMS	DUE DATE
Net 30 days	11/14/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$250,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on October 13, 2022 \$125,000 for General Legal Services \$25,000 for consultant Tom Harder \$25,000 for legal counsel associated with appeal \$75,000 for appellate counsel		48,187.23	48,187.23
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$48,187.23

Appropriative Pool Legal Expenses \$250,000 Special Assessment
Production and OSY information based upon 2021-2022 Assessment Package dated November 18, 2021
(Production Year 2020-2021)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 250,000.00 Based On OSY	\$ 250,000.00 Based On Actual FY Production	\$ 250,000.00 50% OSY & 50% Actual FY Production
Arrowhead Mountain Spring Water Co.	0.0	271.3	\$ -	\$ 703.40	\$ 351.70
Chino Hills, City Of	1,572.5	2,459.6	\$ 9,627.39	\$ 6,377.05	\$ 8,002.22
Chino, City Of	3,004.2	2,762.4	\$ 18,392.46	\$ 7,162.13	\$ 12,777.29
Cucamonga Valley Water District	2,695.5	26,225.7	\$ 16,502.49	\$ 67,995.72	\$ 42,249.10
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 29,142.38	\$ -	\$ 14,571.19
Fontana Water Company	0.8	13,565.3	\$ 4.90	\$ 35,171.00	\$ 17,587.95
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,074.4	\$ 1,875.28	\$ 2,785.62	\$ 2,330.45
Jurupa Community Services District	1,535.0	10,609.9	\$ 9,397.50	\$ 27,508.48	\$ 18,452.98
Marygold Mutual Water Company	488.0	840.9	\$ 2,987.71	\$ 2,180.22	\$ 2,583.96
Monte Vista Irrigation Company	503.9	0.0	\$ 3,085.05	\$ -	\$ 1,542.53
Monte Vista Water District	3,592.2	7,523.3	\$ 21,992.40	\$ 19,505.80	\$ 20,749.10
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,751.7	\$ -	\$ 4,541.66	\$ 2,270.83
Nicholson Trust	2.9	0.0	\$ 17.76	\$ -	\$ 8.88
Norco, City Of	150.3	0.0	\$ 920.19	\$ -	\$ 460.10
Ontario, City Of	8,469.8	17,171.1	\$ 51,854.77	\$ 44,519.69	\$ 48,187.23
Pomona, City Of	8,352.2	9,192.2	\$ 51,134.78	\$ 23,832.78	\$ 37,483.78
San Antonio Water Company	1,122.1	676.5	\$ 6,869.89	\$ 1,753.97	\$ 4,311.93
San Bernardino County of (Shooting Park)	0.0	17.2	\$ -	\$ 44.60	\$ 22.30
Santa Ana River Water Company	969.0	175.5	\$ 5,932.56	\$ 455.02	\$ 3,193.79
Upland, City Of	2,124.2	2,107.0	\$ 13,005.09	\$ 5,462.86	\$ 9,233.98
West End Consolidated Water Co.	705.6	0.0	\$ 4,319.93	\$ -	\$ 2,159.97
West Valley Water District	479.8	0.0	\$ 2,937.50	\$ -	\$ 1,468.75
TOTAL PRODUCTION AND EXCHANGES	40,834.0	96,423.9	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,114.5
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 136,538.4

Action taken by the Appropriative Pool on October 13, 2022 during the Closed Session:

First motion by Pomona, second by JCSD
 Motion to approve AP legal services budget as delineated as follows:
 \$125k for General Legal services
 \$25k for consultant Tom Harder
 \$25k for legal counsel associated with appeal
 \$75k for appellate counsel
 And to issue AP special assessment invoice tor a total of \$250k
 Passed (60.401% yes)

Please find the Volume Vote information on the next page.



2022 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2021-2022 (Production Year 2020-2021)

**QUORUM
 MET?
 YES**

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N		1.847	-1.847	0.000	0.000	0.000
CalMat Co. (Appropriative)	N		0.000	0.000	0.000	0.000	0.000
Chino Hills, City Of	Y	Y	36.004	1.751	37.755	36.004	37.755
Chino, City Of	Y	N	55.596	2.703	58.299	55.596	0.000
Cucamonga Valley Water District	Y	Y	71.996	3.501	75.496	71.996	75.496
Fontana Union Water Company	Y	Y	58.285	2.834	61.119	58.285	61.119
Fontana Water Company	Y	Y	75.362	3.664	79.027	75.362	79.027
Fontana, City Of	N		0.000	0.000	0.000	0.000	0.000
Golden State Water Company	Y	Y	11.066	0.538	11.604	11.066	11.604
Jurupa Community Services District	Y	Y	91.046	4.427	95.473	91.046	95.473
Marygold Mutual Water Company	N		11.701	-11.701	0.000	0.000	0.000
Monte Vista Irrigation Company	Y	N	6.170	0.300	6.470	6.170	0.000
Monte Vista Water District	Y	N	95.217	4.630	99.847	95.217	0.000
NCL Co, LLC	N		0.000	0.000	0.000	0.000	0.000
Niagara Bottling, LLC	N		11.928	-11.928	0.000	0.000	0.000
Nicholson Family Trust	Y	Y	0.035	0.002	0.037	0.035	0.037
Norco, City Of	N		1.840	-1.840	0.000	0.000	0.000
Ontario, City Of	Y	N	220.641	10.728	231.370	220.641	0.000
Pomona, City Of	Y	Y	164.866	8.016	172.883	164.866	172.883
San Antonio Water Company	Y	Y	18.347	0.892	19.239	18.347	19.239
San Bernardino, County of (Shooting Park)	N		0.117	-0.117	0.000	0.000	0.000
Santa Ana River Water Company	N		13.060	-13.060	0.000	0.000	0.000
Upland, City Of	Y	Y	40.358	1.962	42.321	40.358	42.321
West End Consolidated Water Co	Y	Y	8.640	0.420	9.060	8.640	9.060
West Valley Water District	N		5.875	-5.875	0.000	0.000	0.000
			1,000.000	0.000	1,000.000	953.631	604.014

CALCULATE
QUORUM

CALCULATE
VOTES

"YES" VOTES
60.401%

"NO" VOTES
39.599%

PASSED

RESET ALL

RESET VOTES



Assessment Year 2021-2022 (Production Year 2020-2021)

Water Production Summary

	Percent of Operating Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Operating Safe Yield	Net Ag Pool Reallocation	Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Storage and Recovery Program(s)	Total Production and Exchanges	Net Over-Production		Under Production Balances		
												85/15%	100%	Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0	271.3	0.0	271.3	271.3	0.0	271.3	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,726.6	0.0	1,572.5	2,417.9	0.0	0.0	5,716.9	2,459.6	0.0	2,459.6	0.0	0.0	3,257.3	1,572.5	1,684.8
Chino, City Of	7.357%	3,298.4	0.0	3,004.2	11,194.4	0.0	0.0	17,497.0	2,762.4	0.0	2,762.4	0.0	0.0	14,734.6	3,004.2	11,730.4
Cucamonga Valley Water District	6.601%	1,596.4	0.0	2,695.5	2,552.2	35.6	0.0	6,879.7	26,225.7	(20,500.0)	5,725.7	0.0	0.0	1,154.0	1,154.0	0.0
Desalter Authority	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40,114.5	0.0	40,114.5	0.0	40,114.5	0.0	0.0	0.0
Fontana Union Water Company	11.657%	0.0	0.0	4,760.0	3,450.3	(8,210.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	0.002%	0.9	0.0	0.8	834.6	10,229.0	0.0	11,065.3	13,565.3	(2,500.0)	11,065.3	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	323.6	0.0	306.3	222.0	222.5	0.0	1,074.4	1,074.4	0.0	1,074.4	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	3.759%	1,685.3	0.0	1,535.0	16,328.0	0.0	0.0	19,548.3	10,609.9	0.0	10,609.9	0.0	0.0	8,938.4	1,535.0	7,403.4
Marygold Mutual Water Company	1.195%	399.3	0.0	488.0	353.7	0.0	0.0	1,240.9	840.9	0.0	840.9	0.0	0.0	400.0	400.0	0.0
Monte Vista Irrigation Company	1.234%	553.3	0.0	503.9	365.2	0.0	0.0	1,422.4	0.0	0.0	0.0	0.0	0.0	1,422.4	503.9	918.5
Monte Vista Water District	8.797%	3,944.0	0.0	3,592.2	2,709.4	500.0	0.0	10,745.6	7,523.3	0.0	7,523.3	0.0	0.0	3,222.3	3,222.3	0.0
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,751.7	0.0	1,751.7	0.0	1,751.7	0.0	0.0	0.0
Nicholson Family Trust	0.007%	3.1	0.0	2.9	2.1	(6.5)	0.0	1.6	0.0	0.0	0.0	0.0	0.0	1.6	1.6	0.0
Norco, City Of	0.368%	165.0	0.0	150.3	108.9	0.0	0.0	424.2	0.0	0.0	0.0	0.0	0.0	424.2	150.3	273.9
Ontario, City Of	20.742%	9,299.5	0.0	8,469.8	10,807.7	0.0	0.0	28,576.9	17,171.1	0.0	17,171.1	0.0	0.0	11,405.8	8,469.8	2,936.0
Pomona, City Of	20.454%	9,170.3	0.0	8,352.2	6,054.1	0.0	0.0	23,576.6	9,192.2	0.0	9,192.2	0.0	0.0	14,384.5	8,352.2	6,032.3
San Antonio Water Company	2.748%	1,232.0	0.0	1,122.1	813.4	0.0	0.0	3,167.5	676.5	0.0	676.5	0.0	0.0	2,491.0	1,122.1	1,368.9
San Bernardino, County of (Shooting P	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.2	0.0	17.2	17.2	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	1,063.9	0.0	969.0	702.4	0.0	0.0	2,735.3	175.5	0.0	175.5	0.0	0.0	2,559.8	969.0	1,590.8
Upland, City Of	5.202%	2,332.3	0.0	2,124.2	1,539.7	0.0	0.0	5,996.2	2,107.0	0.0	2,107.0	0.0	0.0	3,889.2	2,124.2	1,765.0
West End Consolidated Water Co	1.728%	774.7	0.0	705.6	511.5	0.0	0.0	1,991.8	0.0	0.0	0.0	0.0	0.0	1,991.8	705.6	1,286.2
West Valley Water District	1.175%	526.8	0.0	479.8	347.8	0.0	0.0	1,354.4	0.0	0.0	0.0	0.0	0.0	1,354.4	479.8	874.6
	100.00%	38,095.5	0.0	40,834.0	61,315.2	3,041.6	0.0	143,286.3	136,538.4	(23,000.0)	113,538.4	17.2	41,866.1	71,631.2	33,766.4	37,864.8
Less Desalter Authority Production									(40,114.5)		(40,114.5)		(40,114.5)			
Total Less Desalter Authority Production									96,423.9		73,423.9		1,751.7			
	10A	10B	10C	10D	10E	10F	10G	10H	10I	10J	10K	10L	10M	10N	10O	10P

Notes:

- 1) As of July 1, 2020, the total Operating Safe Yield of the Appropriative Pool is 40,834 AF, allocated by percentage of Operating Safe Yield.
- 2) In April 2021, Nestle Waters North America Inc., who owns Arrowhead Mountain Spring Water brand, changed its name to BlueTriton Brands, Inc. and requested Watermaster to use the new company name.



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/19/2023	AP23-37-ADM

BILL TO
CITY OF ONTARIO ATTN: SCOTT BURTON 1425 S BON VIEW ONTARIO, CA 91761-4406

TERMS	DUE DATE
Net 30 days	5/19/2023

DESCRIPTION	QTY	RATE	AMOUNT
<p>Appropriative Pool Special Assessment of \$100,000 for Appropriative Pool Administrative expenses for FY 2022/23.</p> <p>Action taken by the Appropriative Pool on April 13, 2023 during the Closed Session. Motion passed by volume vote of 62.398%.</p>		17,689.54	17,689.54
<p>If you prefer, a wire transfer can be sent to Bank of America using the following information:</p> <p>Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster</p>			
<p>Prompt payment of invoice is appreciated.</p>		Total	\$17,689.54

Appropriative Pool Administrative Expenses \$100,000 Special Assessment
Production and OSY information based upon 2022-2023 Assessment Package dated November 17, 2022
(Production Year 2021-2022)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 100,000.00 Based On OSY	\$ 100,000.00 Based On Actual FY Production	\$ 100,000.00 50% OSY & 50% Actual FY Production
Arrowhead Mountain Spring Water Co.	0.0	251.6	\$ -	\$ 255.92	\$ 127.96
Chino Hills, City Of	1,572.5	2,628.9	\$ 3,850.96	\$ 2,674.07	\$ 3,262.51
Chino, City Of	3,004.2	3,059.9	\$ 7,356.98	\$ 3,112.42	\$ 5,234.70
Cucamonga Valley Water District	2,695.5	27,281.1	\$ 6,600.99	\$ 27,749.74	\$ 17,175.37
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 11,656.95	\$ -	\$ 5,828.48
Fontana Water Company	0.8	16,387.1	\$ 1.96	\$ 16,668.63	\$ 8,335.30
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,066.1	\$ 750.11	\$ 1,084.42	\$ 917.26
Jurupa Community Services District	1,535.0	11,601.7	\$ 3,759.00	\$ 11,801.02	\$ 7,780.00
Marygold Mutual Water Company	488.0	944.2	\$ 1,195.08	\$ 960.42	\$ 1,077.75
Monte Vista Irrigation Company	503.9	0.0	\$ 1,234.02	\$ -	\$ 617.01
Monte Vista Water District	3,592.2	6,994.9	\$ 8,796.96	\$ 7,115.02	\$ 7,955.99
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,684.0	\$ -	\$ 1,712.93	\$ 856.47
Nicholson Trust	2.9	0.0	\$ 7.10	\$ -	\$ 3.55
Norco, City Of	150.3	0.0	\$ 368.08	\$ -	\$ 184.04
Ontario, City Of	8,469.8	14,390.0	\$ 20,741.91	\$ 14,637.17	\$ 17,689.54
Pomona, City Of	8,352.2	10,183.8	\$ 20,453.91	\$ 10,358.76	\$ 15,406.34
San Antonio Water Company	1,122.1	402.5	\$ 2,747.96	\$ 409.42	\$ 1,578.69
San Bernardino County of (Shooting Park)	0.0	19.8	\$ -	\$ 20.14	\$ 10.07
Santa Ana River Water Company	969.0	103.2	\$ 2,373.02	\$ 104.97	\$ 1,239.00
Upland, City Of	2,124.2	1,312.4	\$ 5,202.04	\$ 1,334.95	\$ 3,268.49
West End Consolidated Water Co.	705.6	0.0	\$ 1,727.97	\$ -	\$ 863.99
West Valley Water District	479.8	0.0	\$ 1,175.00	\$ -	\$ 587.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	98,311.0	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,525.4
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 138,836.4

Action taken by the Appropriative Pool on April 13, 2023 during the Closed Session:

Motion by Chris Berch/JCSD, second by Chris Diggs/City of Pomona

Motion to approve an increase in the AG expense budget to cover upcoming costs of \$100,000 and AP expenses of \$100,000 for forthcoming expenses total of \$200,000 for both.

Passed (62.398% yes)

Please find the Volume Vote information on the next page.



2023 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2022-2023 (Production Year 2021-2022)

QUORUM
MET?
YES

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N	N	1.668	0.000	0.000	0.000
CalMat Co. (Appropriative)	N	N	0.000	0.000	0.000	0.000
Chino Hills, City Of	Y	Y	36.689	36.689	36.689	36.689
China, City Of	Y	N	57.077	57.077	57.077	0.000
Cucamonga Valley Water District	Y	Y	95.130	95.130	95.130	95.130
Fontana Union Water Company	Y	Y	58.285	58.285	58.285	58.285
Fontana Water Company	Y	Y	75.523	75.523	75.523	75.523
Fontana, City Of	N	N	0.000	0.000	0.000	0.000
Golden State Water Company	Y	Y	10.820	10.820	10.820	10.820
Jurupa Community Services District	Y	Y	95.731	95.731	95.731	95.731
Marygold Mutual Water Company	N	N	12.236	0.000	0.000	0.000
Monte Vista Irrigation Company	Y	N	6.170	6.170	6.170	0.000
Monte Vista Water District	Y	N	90.372	90.372	90.372	0.000
NCL Co, LLC	N	N	0.000	0.000	0.000	0.000
Niagara Bottling, LLC	N	N	11.167	0.000	0.000	0.000
Nicholson Family Trust	Y	Y	0.035	0.035	0.035	0.035
Norco, City Of	N	N	1.840	0.000	0.000	0.000
Ontario, City Of	Y	N	199.137	199.137	199.137	0.000
Pomona, City Of	Y	Y	169.803	169.803	169.803	169.803
San Antonio Water Company	N	N	16.409	0.000	0.000	0.000
San Bernardino, County of (Shooting Park)	N	N	0.131	0.000	0.000	0.000
Santa Ana River Water Company	N	N	12.549	0.000	0.000	0.000
Upland, City Of	Y	Y	34.713	34.713	34.713	34.713
West End Consolidated Water Co	Y	Y	8.640	8.640	8.640	8.640
West Valley Water District	N	N	5.875	0.000	0.000	0.000
TOTAL			1,000.000	938.124	938.124	585.869

CALCULATE
QUORUM

RESET ALL

CALCULATE
VOTES

RESET VOTES

YES VOTES
63.398%

NO VOTES
37.602%

PASSED



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/30/2023	AP24-34-APL

BILL TO
CITY OF ONTARIO ATTN: SCOTT BURTON 1425 S BON VIEW ONTARIO, CA 91761-4406

TERMS	DUE DATE
Net 30 days	11/30/2023

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$260,000 for Appropriative Pool Legal Counsel expenses		45,992.80	45,992.80
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total \$45,992.80	

Appropriative Pool Administrative Expenses \$260,000 Special Assessment
Production and OSY information based upon 2022-2023 Assessment Package dated November 17, 2022
(Production Year 2022-2023)

PRODUCER	Assigned Share of Operating Safe Yield (OSY)	Actual Fiscal Year Production	\$ 260,000.00 Based On OSY	\$ 260,000.00 Based On Actual FY Production	\$ 260,000.00 50% OSY & 50% Actual FY Production
BlueTriton Brands, Inc.	0.0	251.6	\$ -	\$ 665.40	\$ 332.70
Chino Hills, City Of	1,572.5	2,628.9	\$ 10,012.49	\$ 6,952.57	\$ 8,482.53
Chino, City Of	3,004.2	3,059.9	\$ 19,128.15	\$ 8,092.29	\$ 13,610.22
Cucamonga Valley Water District	2,695.5	27,281.1	\$ 17,162.59	\$ 72,149.33	\$ 44,655.96
Desalter Authority	0.0	0.0	\$ -	\$ -	\$ -
Fontana Union Water Company	4,760.0	0.0	\$ 30,308.08	\$ -	\$ 15,154.04
Fontana Water Company	0.8	16,387.1	\$ 5.09	\$ 43,338.45	\$ 21,671.77
Fontana, City Of	0.0	0.0	\$ -	\$ -	\$ -
Golden State Water Company	306.3	1,066.1	\$ 1,950.29	\$ 2,819.48	\$ 2,384.88
Jurupa Community Services District	1,535.0	11,601.7	\$ 9,773.40	\$ 30,682.65	\$ 20,228.02
Marygold Mutual Water Company	488.0	944.2	\$ 3,107.22	\$ 2,497.10	\$ 2,802.16
Monte Vista Irrigation Company	503.9	0.0	\$ 3,208.45	\$ -	\$ 1,604.23
Monte Vista Water District	3,592.2	6,994.9	\$ 22,872.09	\$ 18,499.06	\$ 20,685.58
NCL Co., LLC	0.0	0.0	\$ -	\$ -	\$ -
Niagara Bottling, LLC	0.0	1,684.0	\$ -	\$ 4,453.62	\$ 2,226.81
Nicholson Trust	2.9	0.0	\$ 18.47	\$ -	\$ 9.23
Norco, City Of	150.3	0.0	\$ 957.00	\$ -	\$ 478.50
Ontario, City Of	8,469.8	14,390.0	\$ 53,928.96	\$ 38,056.65	\$ 45,992.80
Pomona, City Of	8,352.2	10,183.8	\$ 53,180.17	\$ 26,932.78	\$ 40,056.47
San Antonio Water Company	1,122.1	402.5	\$ 7,144.68	\$ 1,064.48	\$ 4,104.58
San Bernardino County of (Shooting Park)	0.0	19.8	\$ -	\$ 52.36	\$ 26.18
Santa Ana River Water Company	969.0	103.2	\$ 6,169.86	\$ 272.93	\$ 3,221.39
Upland, City Of	2,124.2	1,312.4	\$ 13,525.30	\$ 3,470.86	\$ 8,498.08
West End Consolidated Water Co.	705.6	0.0	\$ 4,492.73	\$ -	\$ 2,246.36
West Valley Water District	479.8	0.0	\$ 3,055.00	\$ -	\$ 1,527.50
TOTAL PRODUCTION AND EXCHANGES	40,834.0	98,311.0	\$ 260,000.00	\$ 260,000.00	\$ 260,000.00

Page 10.1 (10D) Page 10.1 (10I)

Desalter Authority - Page 10.1 (Column 10I): 40,525.4
 Total Actual Fiscal Year Production - Page 10.1 (Column 10I): 138,836.4

Action taken by the Appropriative Pool on September 14, 2023 during the Closed Session:

Motion by Ron Craig/Chino Hills, second by Cris Fealy/Fontana Water
 Motion to approve John Schatz proposed budget of \$260,000 for the year 2024.

Passed (62.894% yes)

Please find the Volume Vote information on the next page.



2023 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2022-2023 (Production Year 2021-2022)

QUORUM
MET?
YES

Hover 'Y' or 'N' in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Avail. Votes	Quorum	Total Yes
Blue7 Eden Brands, Inc.	N		1,868	0,000	0,000	0,000
CalMet Co. (Appropriative)	N		0,000	0,000	0,000	0,000
Chino Hills, City Of	Y	Y	36,689	36,689	36,689	36,689
Chino, City Of	Y	N	57,077	57,077	57,077	0,000
Cucamonga Valley Water District	Y	Y	95,130	95,130	95,130	95,130
Fontana Union Water Company	Y	Y	58,285	58,285	58,285	58,285
Fontana Water Company	Y	Y	75,525	75,525	75,525	75,525
Fontana, City Of	N		0,000	0,000	0,000	0,000
Golden State Water Company	Y	Y	10,820	10,820	10,820	10,820
Jurupa Community Services District	Y	Y	95,731	95,731	95,731	95,731
Marygrove Mutual Water Company	N		0,000	0,000	0,000	0,000
Monte Vista Irrigation Company	Y	N	6,170	6,170	6,170	0,000
Monte Vista Water District	Y	N	90,372	90,372	90,372	0,000
NCL Co, LLC	N		0,000	0,000	0,000	0,000
Niagara Bottling, LLC	Y		11,867	0,000	0,000	0,000
Nicholson Family Trust	Y	Y	0,015	0,015	0,015	0,015
Norco, City Of	N		1,840	0,000	0,000	0,000
Ontario, City Of	Y	N	199,157	199,157	199,157	0,000
Pomona, City Of	Y	Y	169,803	169,803	169,803	169,803
San Antonio Water Company	N		0,000	0,000	0,000	0,000
San Bernardino County of (Booker Park)	N		0,000	0,000	0,000	0,000
Santa Ana River Water Company	Y	Y	12,549	12,549	12,549	12,549
Upland, City Of	Y	Y	34,713	34,713	34,713	34,713
West End Consolidated Water Co	Y	Y	8,640	8,640	8,640	8,640
West Valley Water District	N		5,873	0,000	0,000	0,000
TOTALS			1,000,000	930,673	930,673	597,318

YES VOTES
57,89%
PASSED

NO VOTES
0,10%



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
11/18/2021	AP22-10

BILL TO
MONTE VISTA IRRIGATION COMPANY ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763

TERMS	DUE DATE
Net 30 days	12/20/2021

DESCRIPTION	QTY	RATE	AMOUNT
Agricultural Pool Administration Water Reallocation	365.2	7.8055	2,850.57
OBMP - Agricultural Pool Water Reallocation	365.2	16.908	6,174.80
Pomona Credit		822.67	822.67
Recharge Debt Payment		6,528.22	6,528.22
Appropriative Pool Special Assessment of \$100,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on October 14, 2021		617.01	617.01
Agricultural Pool Admin and Legal Expenses allocated to Appropriative Pool based upon Ag Pool SY Reallocation		3,782.62	3,782.62
Refund of Prior Year Recharge Basin O&M expenses (Credit from IEUA) - Appropriative Pool		-201.98	-201.98
Refund of Prior Year Recharge Debt Service Payment expenses (Credit from IEUA) - Appropriative Pool		-1,928.24	-1,928.24
Refund of Prior Assessed Recharge Improvement Project Funds paid by the Appropriative Pool - Refund approved at the AP Pool meeting on June 10, 2021		-15,234.75	-15,234.75
Agricultural Pool prior years expenses paid by the Overlying Non-Agricultural Pool - charge to AP and refund to ONAP approved at the AP Pool meeting on June 10, 2021		707.75	707.75
<p>If you prefer, a wire transfer can be sent to Bank of America using the following information:</p> <p>Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster</p>			
Judgment payments received after due date shall bear interest at 10% annum from the due date thereof.		Total	\$4,118.67

Amount due is \$558.32, we received payment of \$58.69 applied to the \$617.01 for AP Special Assessment



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/1/2022	AP22-10-LEG

BILL TO
MONTE VISTA IRRIGATION COMPANY ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763

TERMS	DUE DATE
Net 30 days	5/1/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$141,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		869.99	869.99
Appropriative Pool Special Assessment of \$9,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		0.00	0.00
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$869.99

Outstanding amount is \$819.01. We received payment for \$50.98



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
11/18/2021	AP22-11

BILL TO
MONTE VISTA WATER DISTRICT ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763-0071

TERMS	DUE DATE
Net 30 days	12/20/2021

DESCRIPTION	QTY	RATE	AMOUNT
Administrative Assessments - Appropriative Pool	7,523.3	22.26997	167,543.69
OBMP - Administrative Assessment	7,523.3	48.24994	362,998.79
Agricultural Pool Administration Water Reallocation	2,709.4	7.80451	21,145.54
OBMP - Agricultural Pool Water Reallocation	2,709.4	16.90586	45,804.75
15% Gross Replenishment Assessments		249.16	249.16
85% / 15% Activity - 15% Pro-rated Debits		77,223.33	77,223.33
Cumulative Unmet Replenishment Obligation - (CURO)		1.23	1.23
Pomona Credit		5,864.70	5,864.70
Recharge Debt Payment		46,538.68	46,538.68
RTS Charges from IEUA - Appropriative Pool		4.87	4.87
Appropriative Pool Special Assessment of \$130,000 for Appropriative Pool Legal Counsel expenses		8,299.64	8,299.64
Agricultural Pool Admin and Legal Expenses allocated to Appropriative Pool based upon Ag Pool SY Reallocation		28,059.49	28,059.49
Refund of Prior Year Recharge Basin O&M expenses (Credit from IEUA) - Appropriative Pool		-11,512.70	-11,512.70
Refund of Prior Year Recharge Debt Service Payment expenses (Credit from IEUA) - Appropriative Pool		-13,746.10	-13,746.10
Refund of Prior Assessed Recharge Improvement Project Funds paid by the Appropriative Pool - Refund approved at the AP Pool meeting on June 10, 2021		-108,606.22	-108,606.22
Agricultural Pool prior years expenses paid by the Overlying Non-Agricultural Pool - charge to AP and refund to ONAP approved at the AP Pool meeting on June 10, 2021		5,162.29	5,162.29
<p>If you prefer, a wire transfer can be sent to Bank of America using the following information:</p> <p>Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster</p>			
Judgment payments received after due date shall bear interest at 10% annum from the due date thereof.		Total	\$635,031.14

Amount due is \$7,510.14, we received payment of \$789.50 applied to the \$8,299.64 for AP Special Assessment



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/1/2022	AP22-11-LEG

BILL TO
MONTE VISTA WATER DISTRICT ATTN: JUSTIN SCOTT-COE PO BOX 71 MONTCLAIR, CA 91763-0071

TERMS	DUE DATE
Net 30 days	5/1/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$141,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		11,702.49	11,702.49
Appropriative Pool Special Assessment of \$9,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		0.00	0.00
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$11,702.49

Amount due is \$11,016.73, we received payment of \$685.76



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
4/1/2022	AP22-03-LEG

BILL TO
CITY OF CHINO ATTN: DAVE CROSLEY PO BOX 667 CHINO CA 91708-0667

TERMS	DUE DATE
Net 30 days	5/1/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$141,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		7,206.39	7,206.39
Appropriative Pool Special Assessment of \$9,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on February 17, 2022		640.57	640.57
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$7,846.96

Amount outstanding is \$7,424.67. We received payment for \$422.29



CHINO BASIN WATERMASTER
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice

DATE	INVOICE NO.
10/14/2022	AP22-70-APL

BILL TO
CITY OF CHINO ATTN: DAVE CROSLEY PO BOX 667 CHINO CA 91708-0667

TERMS	DUE DATE
Net 30 days	11/14/2022

DESCRIPTION	QTY	RATE	AMOUNT
Appropriative Pool Special Assessment of \$250,000 for Appropriative Pool Legal Counsel expenses - Approved by the Appropriative Pool on October 13, 2022 \$125,000 for General Legal Services \$25,000 for consultant Tom Harder \$25,000 for legal counsel associated with appeal \$75,000 for appellate counsel		12,777.29	12,777.29
If you prefer, a wire transfer can be sent to Bank of America using the following information: Routing/ABA Number: 026 009 593 Account Number: 14314-80008 Account Name: Chino Basin Watermaster			
Prompt payment of invoice is appreciated.		Total	\$12,777.29

Outstanding amount is \$5,110.92. We received payment for \$7,666.37

EXHIBIT E

3/22/22 AP

Meeting Vote

Pages 161-164

From: [Eduardo Espinoza](#)
 To: [John Schatz \(Jschatz13@cox.net\)](#)
 Cc: [Chris Diggs \(Chris_Diggs@ci.pomona.ca.us\)](#); [Amanda Coker](#); [Jlwon Seung](#)
 Subject: FW: 3/22 AP Confidential Attendance, Motions, Votes, and Adjournment
 Date: Tuesday, March 22, 2022 2:13:20 PM
 Attachments: [image001.png](#)
[Terms of Agreement.pdf](#)

John,

Here's today's motions. Included is the signed agreement... Note that I made one correction to the spelling of my name on the signature block. Please review and help with reportable action.

Motion by Chris Diggs (Pomona), second by Josh Swift (Fontana Union Water Company). Passed 59.363% voting in affirmative To approve settlement, authorize AP Chair to sign the Terms of Agreement (dated 3/16, signed by Bob Feenstra) and disclose the votes in the report-out.

2022 APPROPRIATIVE POOL VOLUME VOTE							QUORUM
Assessment Year 2021-2022 (Production Year 2020-2021)							MET?
							YES
Enter Y or N in Each Cell							
Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc	N		1,847	-1,847	0,000	0,000	0,000
CalMat Co. (Appropriative)	N		0,000	0,000	0,000	0,000	0,000
Chino Hills, City Of	Y	Y	36,004	0,946	36,950	36,004	36,950
Chino, City Of	Y	N	55,596	1,460	57,056	55,596	0,000
Cucamonga Valley Water District	Y	Y	71,996	1,891	73,887	71,996	73,887
Fontana Union Water Company	Y	Y	58,285	1,531	59,816	58,285	59,816
Fontana Water Company	Y	Y	75,362	1,979	77,342	75,362	77,342
Fontana, City Of	N		0,000	0,000	0,000	0,000	0,000
Golden State Water Company	Y	Y	11,068	-0,291	11,357	11,068	11,357
Jurupa Community Services District	Y	Y	91,046	-2,991	93,437	91,046	93,437
Marygold Mutual Water Company	N		11,701	-11,701	0,000	0,000	0,000
Monte Vista Irrigation Company	Y	N	6,170	0,162	6,332	6,170	0,000
Monte Vista Water District	Y	N	95,217	-1,501	97,718	95,217	0,000
NCL Co, LLC	N		0,000	0,000	0,000	0,000	0,000
Niagara Bottling, LLC	N		11,928	-11,928	0,000	0,000	0,000
Nicholson Family Trust	Y	Y	0,035	0,001	0,036	0,035	0,036
Norco, City Of	Y	Y	1,840	0,048	1,888	1,840	1,888
Ontario, City Of	Y	N	220,641	-5,795	226,437	220,641	0,000
Pomona, City Of	Y	Y	164,866	4,330	169,197	164,866	169,197
San Antonio Water Company	Y	N	18,347	0,482	18,829	18,347	0,000
San Bernardino, County of (Shooting Park)	N		0,117	-0,117	0,000	0,000	0,000
Santa Ana River Water Company	Y	Y	13,060	0,343	13,403	13,060	13,403
Upland, City Of	Y	Y	40,358	1,060	41,418	40,358	41,418
West End Consolidated Water Co	Y	Y	8,640	-0,227	8,867	8,640	8,867
West Valley Water District	Y	Y	5,875	0,154	6,029	5,875	6,029
			1,000,000	0,000	1,000,000	974,406	593,628

CALCULATE QUORUM

CALCULATE VOTES

YES VOTES
59.363%

PASSED

RESET ALL

RESET VOTES

NO VOTES
40.637%

Alternate Motion by Dave Crosley (Chino), second by Christopher Quach (Ontario). Did not pass, 38.754% voting in affirmative Vote on settlement and disclose that the City of Chino, City of Ontario, Monte Vista Water District, and Monte Vista Irrigation Company do not consent to the terms of settlement, want to be excluded from the Terms, and are not obligated to and will not comply with the Terms.



2022 APPROPRIATIVE POOL VOLUME VOTE
Assessment Year 2021-2022 (Production Year 2020-2021)

**QUORUM
 MET?
 YES**

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Avail Votes	Quorum	Total Yes
BlueTriton Brands, Inc.	N		1,847	-1,847	0,000	0,000	0,000
CalMet Co. (Appropriative)	N		0,000	0,000	0,000	0,000	0,000
Chino Hills, City Of	Y	N	36,004	0,946	36,950	36,004	0,000
Chino, City Of	Y	Y	55,596	1,460	57,056	55,596	57,056
Cucamonga Valley Water District	Y	N	71,996	1,891	73,887	71,996	0,000
Fontana Union Water Company	Y	N	58,285	1,531	59,816	58,285	0,000
Fontana Water Company	Y	N	75,362	1,979	77,341	75,362	0,000
Fontana, City Of	N		0,000	0,000	0,000	0,000	0,000
Golden State Water Company	Y	N	11,066	0,291	11,357	11,066	0,000
Jurupa Community Services District	Y	N	91,046	2,391	93,437	91,046	0,000
Marygold Mutual Water Company	N		11,701	-11,701	0,000	0,000	0,000
Monte Vista Irrigation Company	Y	Y	6,170	0,162	6,332	6,170	6,332
Monte Vista Water District	Y	Y	95,217	2,501	97,718	95,217	97,718
NCL Co, LLC	N		0,000	0,000	0,000	0,000	0,000
Niagara Bottling, LLC	N		11,928	-11,928	0,000	0,000	0,000
Nicholson Family Trust	Y	N	0,035	0,001	0,036	0,035	0,000
Norco, City Of	Y	N	1,840	0,048	1,888	1,840	0,000
Ontario, City Of	Y	Y	220,641	5,795	226,437	220,641	226,437
Pomona, City Of	Y	N	164,866	4,330	169,197	164,866	0,000
San Antonio Water Company	Y	N	18,347	0,482	18,829	18,347	0,000
San Bernardino, County of (Shooting Park)	N		0,117	-0,117	0,000	0,000	0,000
Santa Ana River Water Company	Y	N	13,060	0,343	13,403	13,060	0,000
Upland, City Of	Y	N	40,358	1,060	41,418	40,358	0,000
West End Consolidated Water Co	Y	N	8,640	0,227	8,867	8,640	0,000
West Valley Water District	Y	N	5,875	0,154	6,029	5,875	0,000
			1,000,000	0,000	1,000,000	974,406	387,543

"YES" VOTES
38.754%

"NO" VOTES
61.246%

NOT PASSED

MAJORITY OF VOTES REQUIRED

Adjourned 9:59 AM.

Best,

Jiwon Seung
 Assistant Engineer
 Cucamonga Valley Water District
 (909) 483-7440



TERMS OF AGREEMENT

These Terms of Agreement by and between the Chino Basin Appropriative Pool Committee (AP) and Overlying (Agricultural) Pool Committee (Ag Pool) (sometimes herein collectively referred to as the Parties) are for the purpose of comprehensively resolving the current dispute and avoiding future disputes between the Ag Pool and AP (the Parties) with respect to Peace Agreement Section 5.4(a).

These Terms of Agreement are in furtherance of and without abrogation of the provisions of the May 28, 2021, San Bernardino Superior Court Order (the Order).

These Terms of Agreement are made for purposes of settlement within the interpretational parameters of the Order. These Terms of Agreement and the Order shall be construed together.

Payment of the amount of \$370,000 within 60 days of both parties execution of these Terms of Agreement, which amount is being made as a compromise and settlement of disputed issues while recognizing the Order and the December 3, 2021, Court Order. The Parties further acknowledge and stipulate that these Terms of Agreement shall be deemed to constitute conclusive evidence of the good-faith nature of the negotiated settlement and neither party will consider, deem, or suggest that anything in these Terms of Agreement constitutes the other party's admission of liability.

1. The amount of \$102,557.12 which was advanced from Watermaster administrative reserves to cover Ag Pool legal expenses, will be returned to Watermaster by the Ag Pool within 30 days after said payment to the Ag Pool is made.
2. For Fiscal Year 2021/2022 through the initial term of the Peace Agreement, the AP agrees to pay Ag Pool expenses pursuant to the Order, which may include the payment of a specific amount as agreed-upon for the conduct of the Ag Pool's regular business, such as meetings and review of Watermaster documents and reports.
3. The Ag Pool and AP, represented by at least two members from each Pool, shall meet and confer at least quarterly. These meetings are intended to:
 - a. Review the Ag Pool's known and forecasted expenses;
 - b. Develop solutions to improve Watermaster efficiencies for the mutual benefit of the Parties; and,
 - c. Address any other issues or concerns, which if not raised beforehand shall be considered per se adverse to the AP, including prior to the Ag Pool's expenditure of efforts or funds for any matter that is or is likely to be disputed as adverse to the AP.
4. The AP and Ag Pool agree to explore opportunities to undertake technical basin studies and other basin related working together as it relates to Watermaster business that may impact the Ag Pool.
5. Ag Pool agrees to the following, upon execution of this Terms of Agreement:
 - a. To dismiss its appeal of the December 3, 2021, Court Order.

- b. To dismiss the storage contests, as amended, in their entirety with prejudice.
 - c. To support or not oppose storage applications and transfers, the OBMP Update, the Safe Yield Reset, and grant funding opportunities unless the Ag Pool determines following notice to and after consultation with the AP, that support or non-opposition is adverse to the Ag Pool.
6. The Parties agree to abide by the Order. The Agreement is not and shall not be asserted to abrogate or be deemed to be a waiver of the rights of the Ag Pool or AP. Specifically, and consistent with the Order, the Parties agree to the following:
- a. The AP shall not be responsible for the payment of any Ag Pool expenses associated with any lawsuit or contested proceeding filed by the Ag Pool against the AP, any individual members of the AP, or Watermaster where the Ag Pool's position is adverse to the AP.
 - b. The Ag Pool shall submit all invoices to be paid by the AP to Watermaster in a form that enables a determination by the AP that all invoiced expenses are not adverse to the AP and benefits the Ag Pool, and are in accordance with the Order. Watermaster shall allow the AP the opportunity to review said invoices for 30 days prior to processing payment. At the expiration of the 30 days period, and without objection, invoices shall be paid.
 - c. In the event of a disputed invoice either because of form or content, the Parties shall appoint two representatives to negotiate a good faith resolution. In the event a Court order is sought by either or both Parties, the losing Party shall be responsible for the cost of the prevailing Party's attorney's fees and expenses.

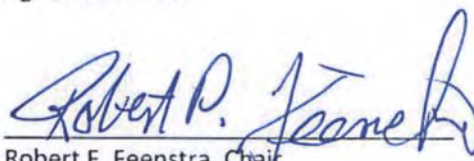
Appropriative Pool


 Eduardo Espinoza P.E., Chair

Date:

3/22/2022

Agricultural Pool


 Robert F. Feenstra, Chair

Date:

3-18-2022

EXHIBIT F

4/22/22

Trial Court

Order

Pages 166-197

FEE EXEMPT

1 SCOTT S. SLATER (State Bar No. 117317)

sslater@bhfs.com

2 BRADLEY J. HERREMA (State Bar No. 228976)

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3 LAURA K. YRACEBURU (State Bar No. 333085)

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4 **BROWNSTEIN HYATT FARBER SCHRECK, LLP**

1021 Anacapa Street, 2nd Floor

Santa Barbara, CA 93101-2102

Telephone: 805.963.7000

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7 Attorneys for

CHINO BASIN WATERMASTER

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SAN BERNARDINO

11 CHINO BASIN MUNICIPAL WATER
12 DISTRICT,

13 Plaintiff,

14 v.

15 CITY OF CHINO, ET AL.,

16 Defendants.

Case No. RCV RS 51010

[Assigned for All Purposes to the
Honorable Stanford E. Reichert]

NOTICE OF ORDER

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1021 Anacapa Street, 2nd Floor
Santa Barbara, CA 93101-2711

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TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that, on April 22, 2022, the Honorable Stanford E. Reichert, having considered the briefing submitted and all supporting documents filed concurrently therewith, and having heard any oral argument from counsel, entered its ORDER and RULINGS re City of Chino Motion and Corrected Motion for Reimbursement of Attorney Fees and Expenses Paid to the Agricultural Pool, a copy of which is attached to this Notice as **Exhibit A**.

Dated: April 27, 2022

BROWNSTEIN HYATT FARBER
SCHRECK, LLP



By: _____
SCOTT S. SLATER
BRADLEY J. HERREMA
LAURA K. YRACEBURU
Attorneys for
CHINO BASIN WATERMASTER

24090777.1

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT

APR 22 2022

BY Kimberly Behan
KIMBERLY BEHAN, DEPUTY

SUPERIOR COURT FOR THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

CHINO BASIN MUNICIPAL WATER)
DISTRICT,)
Plaintiff,)
vs.)
CITY OF CHINO, et al.,)
Defendants)

CASE NO. RCV 51010

ORDER and RULINGS re City of Chino
Motion and Corrected Motion for
Reimbursement of Attorney Fees and
Expenses Paid to the Agricultural Pool

Date: April 22, 2022
Time: 1:30 pm
Department: S35

I. RULING: For the reasons set forth herein, the court denies the City of Chino (Chino) motion and corrected motion for reimbursement of attorney fees and expenses paid to the Agricultural Pool. In short, the court finds that the Terms of Agreement settlement is valid, binding on all App Pool members, and resolves all issues of Chino's motion and corrected motion.

II. Documents reviewed: Miscellaneous rulings

A. Motion and responses

1. Dated December 31, 2021, City of Chino (Chino) motion for reimbursement of attorney fees and expenses paid to the Agricultural Pool (AgPool) and the corrected motion also dated December 31, 2021.

1 2. Dated January 24, 2022, Watermaster's response to Chino corrected
2 motion, including declaration of Joseph Joswiak.

3 3. Dated January 24, 2022, Appropriative Pool (App Pool) response to
4 Chino corrected motion.

5 4. Dated January 24, 2022, AgPool opposition to Chino's corrected
6 motion; declaration of Tracy Egoscue in support.

7 5. Dated January 28, 2022, Chino reply to AgPool opposition

8 B. Joinders in Chino motion

9 1. Dated January 6, 2022, Monte Vista Water District and Monte Vista
10 Irrigation Company.

11 a. Dated January 24, 2022, AgPool opposition.

12 i. AgPool argues the Monte Vista Water District and Monte Vista
13 Irrigation Company joinder was untimely and provided no additional
14 evidence or argument.

15 (a) Dated January 24, 2022, State of California (AgPool member)
16 joinder in AgPool opposition to the joinder by Monte Vista
17 Water District and Monte Vista Irrigation Company.

18 (1) RULING: State of California joinder granted

19 ii. RULING: The court grants the joinder of Monte Vista Water
20 District and Monte Vista Irrigation Company.

21 2. Dated January 10, 2022, City of Ontario (Ontario) joinder in Chino
22 motion.

23 a. Ontario's joinder seeks:

24 i. Ontario's share of \$61,132 of the \$300,000 assessed and paid for
25 AgPool attorney fees and expenses for fiscal year 2019-20;

26 ii. Ontario's share of \$63,314 assessed and paid for AgPool special
27 projects for fiscal year 2019-20 that was transferred by Watermaster
28 to the AgPool's legal budget to pay for AgPool attorney fees and

1 expenses for fiscal year 2019-20 as calculated by Watermaster;
2 iii. Reimbursement from AgPool for \$102,557 to Watermaster's
3 administrative reserve funds that were used to pay AgPool's legal
4 expenses for fiscal year 2020-21.

5 b. Dated January 24, 2022, AgPool objection and opposition to Ontario's
6 joinder

7 i. Aside from the appellate stay argument, the AgPool argues that the
8 joinder was untimely and seeks different relief than that of Chino.
9 The AgPool incorporates as arguments from its opposition to
10 Chino's corrected motion.

11 c. Dated January 28, 2022, Ontario's reply:

12 i. Ontario argues there has been no waiver and the AgPool cannot
13 establish the elements of estoppel.

14 d. RULING: The court grants the joinder. The court will address the
15 substantive issues below.

16 3. Dated January 24, 2022, State of California (California) joinder in
17 AgPool's opposition to the Monte Vista Water District and Monte Vista
18 Irrigation Company joinder in Chino's corrected motion

19 a. RULING: The court grants the joinder.

20 4. Dated January 24, 2022, California joinder in AgPool's opposition to
21 Chino's corrected motion.

22 a. RULING: The court grants the joinder.

23 C. Contested settlement documents

24 1. Dated March 24, 2022, AgPool and App Pool joint statement regarding
25 their settlement

26 2. Dated April 1, 2011, Ontario, Chino, Monte Vista Water District and
27 Monte Vista Irrigation Company (the parties/dissenters) rebuttal brief and
28 objections re joint statement including declaration of Scott Burton and

1 declaration of Jimmy Gutierrez

2 3. Dated April 6, 2022, Watermaster limited response to rebuttal brief and
3 objection re joint statement, etc., including declaration of Peter Kavounas

4 4. Dated April 14, 2022, the parties/dissenters' surrebuttal to
5 Watermaster's limited response

6 5. Dated April 18, 2022, Watermaster response to the parties/dissenters'
7 surrebuttal to Watermaster's limited response.

8 6. Dated April 14, 2022, App Pool's surrebuttal to rebuttal and objections
9 re settlement including declarations of John Bosler, Chris Diggs, and John
10 Schatz

11 7. Dated April 14, 2022, AgPool's surrebuttal to rebuttal brief and
12 objections re: joint statement including declaration of Tracey Egoscue

13 8. Dated April 18, 2022, the parties reply to App Pool and AgPool
14 surrebuttals including declarations of D. Crosley, A. Robles, and S. Burton

15
16
17 III. Chino motion--Summary/Analysis

18 A. On behalf of the Appropriative Pool (App Pool), Chino seeks reimbursement
19 of the assessments to the App Pool for the AgPool's attorney fees and expenses
20 totaling \$483,202.55 for fiscal years 2019-20 and 2020-21.

21 B. Also on behalf App Pool, Chino seeks reimbursement of assessments to
22 Watermaster \$102,557.12, or, in the alternative, to order Watermaster to refrain from
23 seeking the collection of \$102,557.12 from the App Pool members including Chino.

24 1. The \$102,557.12 is what Watermaster paid to the AgPool from
25 Watermaster reserve funds for which Watermaster seeks reimbursement
26 from either the App Pool or the AgPool.

27 2. The court notes that Watermaster has released the escrow funds,
28 according to the AgPool's opposition to Chino's original motion, dated

1 January 24, page 8.

2 C. Chino argues that the AgPool 1) never showed any invoices that 2)
3 demonstrate that the AgPool's legal services were of benefit to the App Pool or at
4 least not adverse to the App Pool.

5 1. For fiscal year 2019-20, the App Pool submitted a \$300,000 budget for
6 legal services. There was no specification for the amount payable by each
7 App Pool member.

8 a. Page 5 of Chino's motion and page 5 of Chino's corrected motion has a
9 breakdown of the contribution of each App Pool member for the
10 \$300,000.

11 b. On December 13, 2019, Chino paid \$447,841.58 for its total
12 Watermaster assessment for fiscal year 2019-20, which included Chino's
13 portion of the App Pool \$300,000 legal budget. According to page 6, line
14 1, Chino paid \$16,379 as its portion of the 2019-20 AgPool \$300,000 legal
15 budget.

16 c. Later in fiscal year 2019-20, the AgPool increased its 2019-20 legal
17 services expenditures or budget by \$229,008.75. Watermaster then
18 transferred \$63,314 from the AgPool special projects fund (8471) into the
19 AgPool legal fund (8467) and invoicing the difference of \$165,694.75 to
20 the App Pool.

21 i. In response, some App Pool members deposited their allocated
22 amounts totaling \$161,070.09 into an escrow account held by
23 Watermaster.

24 ii. Marygold, Norco, SAWC and WVWD up paid a total of \$4624.66
25 directly to Watermaster.

26 iii. At the hearing on November 5, 2021, Watermaster agreed to return
27 the \$161,070.09 to the App Pool members whose deposits made up
28 that amount. The court did not address the \$4624.66 owed to the 4

1 appropriators.

2 d. So the total fiscal year 2019-20 amount looks to the court like the
3 amount set forth on page 6 on the corrected motion:

4 \$300,000	5 Paid for the 2019-20 AgPool legal services budget
6 \$63,314	7 Transferred from the AgPool special projects 8 fund (8471) to the AgPool legal fund (8467)
9 \$4624.66	10 Made by the 4 members of the App Pool to 11 Watermaster
12 Total: \$367,938.66	

13 e. Ontario's joinder contained this chart of AgPool legal expenses for
14 fiscal year 2019-20 (amounts rounded to the nearest dollar):

15 AgPool 16 legal 17 expense 18 budget	19 Assessmen 20 ts issued 21 by 22 Watermast 23 er for Ag 24 legal 25 expenses	26 Payments 27 made for Ag 28 legal expenses	Ontario's share of payments made	Explanation of Ontario's share of payments made
\$300,000 Initial budget	\$300,000	\$300,000	\$61,132	Ontario paid these assessments to Watermaster Watermaster did not separately itemize the \$300,000 on assessment invoices; the motion calculates share using

				information from Watermaster
\$229,008	N/A	\$63,314	Watermaster should provide Ontario's share	AgPool special projects fund is funded by Watermaster assessments on App Pool members, including Ontario
Retroactive legal budget increases, formally objected to by App Pool		Transferred by Watermaster from AgPool special projects fund to AG pool legal budget		
	\$165,000	\$4625	\$0.00	Ontario paid its share of these additional assessments into escrow: funds in escrow were addressed by the December 3, 2021 court order
		\$161,070		
		Paid into escrow by App Pool members		

2. For fiscal year 2020-21 the AgPool submitted a \$500,000 budget for legal services. Watermaster allocated the \$500,000 budget to App Pool members and invoiced each member.
- a. Additionally, for fiscal year 2020-21, Watermaster paid \$102,557.12 for AgPool legal expenses from Watermaster administrator reserve funds, for which Chino now seeks reimbursement on behalf of Watermaster.
- i. Chino argues that the App Pool is not obligated to refund the \$102,557.12 because the AgPool 1) never showed any invoices that

1 2) demonstrate that the AgPool's legal services were of benefit to
2 the App Pool or at least not adverse to the App Pool. [This is the
3 same argument Chino uses generally.]

4 ii. Some App Pool members refused to pay the Watermaster
5 assessment for the \$500,000 budget, others paid.

6 iii. Pages 7-8 -of the original and corrected motions have a breakdown
7 of the contribution of each App Pool member to the \$500,000
8 AgPool budget, showing a total of \$115,263.89. Chino again makes
9 its general argument that it is not obligated to pay the AgPool legal
10 expenses.

11 iv. The reimbursement claim for fiscal year 2020-21 is \$115,263.89
12 representing the total amount the 11 App Pool members paid for
13 legal services to the AgPool.

14 b. Chino also cites the court's May 28, 2021 order and as the basis for its
15 motion, and argues that the AgPool has waived its right to the fees due to
16 its failure to comply with the court's May 28, 2021 order.

17 3. Chino's total amount claimed breaks down as follows:

18		
19	\$300,000	Fiscal year 2019-20 AgPool legal budget
20	\$63,314	Fiscal year 2019-20: Transferred from special projects 21 fund (8471) to AG pool legal budget/fund (8467)
22	\$4624.66	Fiscal year 2019-20: paid by 4 App Pool members 23 directly to Watermaster
24	\$115,263.89	Fiscal year 2020-2021: paid by 11 App Pool members 25 for the AgPool legal budget.
26	Total: \$483,202.55	
27	Additionally, for fiscal year 2020-21, on behalf of Watermaster, Chino seeks	
28	the \$102,557.12 which Watermaster paid for AgPool legal expenses from Watermaster administrator reserve funds	

4. Ontario's joinder, has the following chart for AgPool Legal expenses for fiscal year 2020-21 rounded to the nearest dollar:

AgPool legal expense budget	Assessments issued by Watermaster	Payments made for Ag legal expenses	Ontario's share of payments made	Explanation of Ontario's share of payments made
\$500,000 Initial budget	\$500,000	\$115,264	\$0.00	Watermaster separately itemized the \$500,000 on assessment invoices; Ontario - withheld payment pending resolution of the dispute
		\$102,557 Watermaster used funds from Watermaster's administrative reserves (Ontario seeks this amount in repayment)	Uncertain	Watermaster has indicated that it will look to the AgPool or App Pool to repay the transferred funds; Watermaster administrative reserves are funded by assessments on the App Pool and Nonagricultural Pool, but not the AgPool

D. Ontario's initial motion filing on September 13, 2020, page 10, has the following chronology based on the declaration of Scott Burton and the request for judicial notice.

- The Storage Contests challenge applications for Local Storage Agreements submitted by certain members of the App Pool. Initially the AgPool opposed approval of the applications asserting that the Safe Yield

1 reset was pending and water in storage accounts exceeds the safe storage
2 capacity of the Basin which the AgPool argued would cause a material
3 physical injury to the Basin. The Storage Contests were consolidated for
4 hearing and assigned to Mr. Kurt Berchtold as the Hearing Officer.

5 2. The AgPool incurred significant legal and expert expenses to prosecute
6 the Storage Contests against certain App Pool members contributing to an
7 overrun of the AgPool's Watermaster approved budget for the present Fiscal
8 Year 2019-20. The overrun resulted in the AgPool's then recent request to
9 Watermaster for a budget increase and transfer to cover unpaid legal and
10 other expenses of the AgPool.

11 a. The AgPool requested this increase for its Fiscal Year 2020-21 for legal
12 expenses upward from the previously approved amount of \$300,000 to
13 \$500,000. Burton concludes that this increase request reflected the
14 AgPool's "intent to continue with the same conduct resulting in excessive
15 charges to the App Pool."

16 3. Despite resolution of the Pools' 2009 dispute the AgPool has continued
17 to assert an unreasonably broad interpretation of Section 5.4(a) in connection
18 with the present dispute. Specifically the AgPool asserts that the App Pool
19 must pay all legal and expert expenses incurred by the AgPool for any
20 purpose whatsoever. The AgPool also takes the position that redacted details
21 of the expenses need not be revealed to the payor, *i.e.*, the App Pool because
22 of attorney-client privilege.

23 a. The court again notes that the resolution of the 2009 dispute is
24 irrelevant to the instant motion and ruling.

25 4. On June 30, 2020 the AgPool took action demanding that the App Pool
26 pay the AgPool's unbudgeted legal and expert expenses in the amount of
27 approximately \$167,000. According to the AgPool pursuant to the terms of
28 the Peace Agreement, Section 5.4(a), all assessments and expenses of the

1 AgPool shall be paid by the App Pool. The AgPool further demands that
2 Watermaster amend the AgPool budget as appropriate and necessary to
3 cover all pending invoices.

4 5. Objecting to the unbudgeted legal and expert expenses and the overrun
5 and without any detail regarding the basis of such fees and expenses App
6 Pool members asked Watermaster to provide the appropriately redacted
7 supporting documentation and objected to Watermaster's payment of the
8 AgPool's invoices until the App Pool had an opportunity to review the
9 information. Watermaster responded that it treats AgPool legal invoices as
10 attorney-client privileged communications and as such Watermaster neither
11 reviews AgPool legal invoices nor would it release the invoices (redacted or
12 otherwise) to the payor of said invoices (i.e. the App Pool).

13 6. The App Pool members then directed their request for appropriately
14 redacted invoices to the AgPool. The chairman of the AgPool Committee
15 responded on the AgPool's behalf. His letter stated that the AgPool will not
16 provide the redacted invoices and that if the App Pool does not pay its
17 expenses then the AgPool will sue the App Pool members. On September
18 10, 2020, the Watermaster acknowledged during an App Pool meeting that
19 the AgPool provided no hackup for its claimed expenses and Watermaster
20 did not ask for any. Thus the App Pool has been denied any opportunity to
21 review the basis of the expenses being passed on to determine whether the
22 expenses are appropriate as contemplated under Section 5.4(a).

23 7. On August 25, 2020 the Watermaster Board voted to issue invoices to
24 the App Pool for the \$165,694.75 that the Ag Pool incurred in legal and
25 expert fees in excess of its budget. The AgPool's response to the App Pool
26 and the resulting Watermaster-issued invoice necessitated the App Pool
27 members' instant motion.

28 IV. Watermaster response to Chino corrected motion--Summary/Analysis

1 A. The purpose of Watermaster's filing is to provide the court with an accurate
2 statement of facts regarding Watermaster's accounting for the funds at issue.

3 B. On December 7, 2021, Watermaster issued a refund for \$161,070.90 to 15
4 members of the App Pool.

5 C. From July 2022 December 2020, Watermaster paid \$217,821 to the AgPool
6 legal counsel only after receipt of the necessary information as to the invoices to be
7 paid and direction from the AgPool chair. \$102,557.12 is the difference between the
8 \$217,821 paid to AgPool legal counsel and \$115,263.88 collected from the
9 November 19, 2020, assessment invoices paid by the App Pool.

10 D. Watermaster expects that Watermaster's administrative reserve funds will be
11 refunded \$102,557.12, paid from Watermaster administrative reserve funds for
12 AgPool attorney fees and expenses for fiscal year 2020-21. The funding may come
13 from either the App Pool or the AgPool, depending upon the court's ruling. (As
14 noted, the refund has been made.)

15 E. Regarding the \$63,314:

16 1. In fiscal year 2019-20, when the AgPool increased its 2019-20 legal
17 services expenditures budget by \$229,008.75, Watermaster did *not* transfer
18 \$63,314 from the AgPool special projects fund (8471) into the AgPool legal
19 fund (8467). The AgPool controls both these accounts and directed this
20 transfer, but with the \$63,314 being spent on legal expenses during fiscal year
21 2019-20.

22 F. Regarding the \$161,070.09 deposited into the escrow account, and the
23 \$4624.66 paid in fiscal year 2019-20:

24 1. The App Pool paid \$161,070.09 and \$4624.66 to Watermaster and from
25 there into AgPool funds.

26 2. 15 parties gave instructions to place the funds in escrow, but 4 did not
27 (totaling \$4624.66). App Pool gave clear instructions that the parties needed
28 to indicate whether they wanted funds deposited to escrow or whether they

1 wanted the funds deposited directly into AgPool funds.

2 V. App Pool response to Chino motion--Summary/Analysis

3 A. The App Pool supports Chino's motion.

4 VI. AgPool opposition¹--Summary/Analysis

5 A. The AgPool argues that

6 1. Chino seeks reimbursements that exceed the court's May 28, 2021, and
7 December 21, 2021, orders.

8 a. The AgPool points out that the only support for this proposition is
9 Chino's opposition to the AgPool's original motion filed September 17,
10 2020 and the App Pool's opposition thereto.

11 i. Chino is inappropriately attempting to reach back in time to recoup
12 assessments not in issue.

13 2. Chino has not appropriately pled the reimbursement process for the
14 \$4624.66 paid by the 4 App Pool members.

15 3. Chino has waived any right to payments it approved and authorized
16 prior to the dispute and is estopped from claiming reimbursement.

17 a. The AgPool points to paragraph seven of the court's order filed May
18 28, 2021. In that order, the court noted that the court concluded the
19 AgPool and the App Pool had been agreeing to a determination about
20 payments of "litigation expense." Furthermore, the court stated "now that
21 the dispute has arisen, the procedure should include the AgPool providing
22 the Appropriate Pool with the AgPool's attorney fee bills."

23 4. Chino first objected to the AgPool's expenses in August 2020, which
24 was after the Appropriate Pool authorized the \$300,000 for the budget of
25 fiscal year 2019-20.

26 a. In Ontario's motion filed September 13, 2020, memorandum of points
27 and authorities, page 10, line 20, Ontario notes that "on June 30, 2020, the
28

¹ With the AgPool's abandonment of its appeal, the court will not address that issue.

1 AgPool took action demanding that the App Pool pay the AgPool's legal
2 and expert expenses in the amount of approximately \$167,000."

3 i. The court concludes that was about then that the legal basis started
4 to take shape for the AgPool's attorney fee motion filed August 2,
5 2021 under the Peace I Agreement, paragraph §5.4(a). It is that
6 motion that started the legal basis and procedure upon which the
7 court is ruling in the instant order.

8 5. The AgPool also points out paragraph 5 of the court's May 28, 2021
9 order in which the court states "the ruling of the court on the instant motion
10 for attorney fees is intended to apply only to the specific attorney fee dispute
11 between the AgPool and the App Pool. It is not intended to have any
12 general effect on any other party or pool, or to give the App Pool any legal
13 basis to object to any other aspect or any other budget item."

14 6. The AgPool also points out the order paragraph 8.C.II. which states:
15 If the AgPool does not file its motion on or before July 25, 2021, as
16 ordered, then the court will consider the AgPool to have waived its
17 current claims for attorney fees and expenses, and the court will order
18 vacated the assessments subject to the current dispute reimbursed to
19 the paying party.

20 (a) The court notes exhibit A to the declaration of John Schatz filed
21 May 24, 2021, "Appropriative Pool Special Assessment of
22 \$165,694.75" which appears to the court to itemize the
23 assessments to App Pool members, and the court would use that
24 list as the basis of the reimbursements.

25 7. The AgPool also argues that Chino waived its right to repayments for
26 the 2019-20 fiscal year budget because the payment issue for that fiscal year
27 has been concluded and therefore cannot be litigated in the instant motion.
28

1 VII. Chino reply--Summary/Analysis²

2 A. Chino argues that its motion targets reimbursement for the payments made by
3 the App Pool for fiscal years 2019-20 and 2020-21 because the AgPool did not
4 produce invoices for those years.

5 B. Chino also argues that the AgPool has failed to establish any right to retain the
6 payments of the App Pool members.

7 C. Chino also argues that the AgPool failure to produce the invoices denies
8 fundamental fairness and due process to pay the AgPool expenses under Peace
9 Agreement paragraph 5.4(a).

10 D. Chino also argues to refute the AgPool position that the prior orders of the
11 court do not require the AgPool to reimburse App Pool members beyond the funds
12 in escrow.

13 1. Chino points out that the court's May 28 order refers to the Schatz
14 declaration about the special assessments of \$165,000 that the court would
15 consider for reimbursement, but the order does not set a limit on what
16 payments are reversible.

17 2. Chino argues that paragraph 7 of the May 28 order does not make a
18 statement about reimbursement or preclude reimbursement for a particular
19 period.

20 3. Chino argues that paragraph 5 of the May 28 order does not limit the
21 scope of the App Pool reimbursement motion to \$165,694.75.

22 a. Chino argues that this limitation would frustrate the courts purpose in
23 authorizing Chino to bring its motion for reimbursement.

24 b. Chino points out that the court asked Mr. Gutierrez, Chino's attorney,
25 to address any money that somehow got paid that is not in escrow.

26 [Transcript page 33:1-6.]

27 4. Chino argues that the court did not limit its motion to \$4624.66.
28

² Again, because the AgPool abandoned its appeal, the court will not address Chino's arguments regarding the state.

1 5. Chino argues that there is no evidence to support waiver or estoppel
2 because Chino's December 13, 2019 payment of Watermaster's 2019-20 total
3 invoice for \$447,841. The invoice did not show the portion attributable to
4 the AgPool's special project in legal expenses.

5 a. Chino further argues that the payment of the 2019-20 Watermaster is
6 not a basis for estoppel.
7

8 VIII. Joint statement regarding settlement between App Pool and AgPool regarding
9 Peace Agreement paragraph 5.4(a)--Summary/Analysis

10 A. Chino's motion was originally scheduled for hearing on February 4, 2022. It
11 was continued to April 8, due to the parties telling the court that settlement
12 negotiations were underway. Then on April 8, upon being told that there were
13 objections to the settlement, the court continued the hearing to April 22.

14 B. Dated March 24, 2022, Tracy Egoscue, attorney for the AgPool, and John
15 Schatz, attorney for the App Pool, submitted the joint statement regarding
16 settlement. The joint statement contains "terms of agreement (TOA)." App Pool
17 Chair Eduardo Espinoza signed the agreement on 3/22/22, and AgPool Chair
18 Robert Feenstra signed the agreement on 3/18/22. There were no other signatories
19 to the agreement.

20 IX. Rebuttal brief and objections re: joint statement regarding settlement between
21 App Pool and AgPool including declarations of Scott Burton and Jimmy Gutierrez--
22 Summary/Analysis

23 A. Ontario, Chino, and Monte Vista Water District and Monte Vista Irrigation
24 Company (the parties or the dissenters) filed this brief.

25 1. The parties voted against the terms of agreement (TOA) and "registered
26 their objections to it on the record."

27 B. The parties argue that the TOA provides for payment of many hundreds of
28 thousands of dollars for legal expenses for which the AgPool has never complied

1 with the court's May 28 order.

2 C. The parties argue that the App Pool members themselves are not parties to
3 the reimbursement motion and the App Pool has no authority to settle on behalf of
4 the parties.

5 1. The parties point out that App Pool member agencies, not the App
6 Pool, brought the original motion filed September 18, 2020. The result of
7 this motion was the court's order of May 28, 2021.

8 2. The May 28, 2021 order set the rules which the court would apply to
9 determine whether the AgPool (really the AgPool members) would be
10 entitled to reimbursement of their attorney fees and expenses pursuant to the
11 Judgment Paragraph 5.4(a).

12 3. The parties point out that there is no basis in law or in the Judgment by
13 which membership in the App Pool can compel App Pool members to abide
14 by the TOA.

15 a. The parties also point out that the parties individually signed the Peace
16 Agreements, the TOA would constitute an amendment to the Peace
17 Agreement, and unanimous approval is required to amend the Peace
18 Agreement.

19 i. The parties note even though a majority of the App Pool and the
20 AgPool members voted for the TOA, it is not binding on all the
21 member parties for the reasons the parties list, such as no legal basis
22 to compel all the App Pool members to abide by the TOA, that is,
23 to bind the parties.

24 4. The parties also point out that they were not involved in any settlement
25 negotiations with the AgPool. The TOA was negotiated with other members
26 of the App Pool.

27 5. The parties also objected to the TOA because;

28 a. They did not consent to it;

1 b. There is no legal authority authorizing the App Pool to enter into an
2 agreement on their behalves;

3 c. It is a modification of the court's May 28 order.

4 d. Its terms are vague.

5 6. The parties also objected to the joint statement because:

6 a. It falsely characterizes the App Pool as the "sole obligor" under Peace
7 Agreement, paragraph 5.4(a);

8 b. It purports to be a complete resolution of the fee issues, when it does
9 not.

10 c. It purports to be a comprehensive resolution of the AgPool's appeal,
11 when it is not.

12 X. Watermaster limited response to rebuttal brief and objections re joint
13 statement, etc., including declaration of Peter Kavounas--Summary/Analysis

14 A. Watermaster argues that each of the pools has acted in a representative
15 capacity since their entry into and the court's approval of the Peace Agreement. If
16 individual members of the App Pool believe their rights are harmed, then the
17 member or members can pursue remedies under the Peace Agreement or seek review
18 of Watermaster's actions.

19 1. The court agrees with the statement that App Pool members can seek
20 remedies through the court under the Peace Agreement. The parties are
21 doing so here.

22 B. The parties argue that unanimity is a requirement for the App Pool, or any
23 pool to act, allowing a party to "opt out" of a proposed action.

24 1. Watermaster argues that if an appropriator can "opt out" of a pool
25 proposed action, then the Restated Judgement cannot be managed efficiently
26 and cost-effectively.

27 XI. The parties' surrebuttal to Watermaster's limited response--Summary/Analysis

28 A. The parties argue that Watermaster's argument gives the App Pool "carte

1 blanche” to act in a representative capacity for its members and bind members to the
2 TOA without their consent.

- 3 1. They argue that there is no support for Watermaster’s position in the
4 Judgement or the Peace agreement.
- 5 2. They point out Peace Agreement Section 10.14 that “no amendments’
6 may be made to this [Peace] Agreement without the express written approval
7 of each Party to this Agreement.”
- 8 3. Their response contains an analysis of Paragraph 38, 41, and 43 of the
9 Judgment.
- 10 4. They also argue that Watermaster’s interpretation would unlawfully
11 expand the pools’ function and repeat that the TOA would result in an illegal
12 gift of public funds. There is also an argument that the TOA is against
13 public policy.

14 XII. Watermaster response to moving parties’ surrebuttal to Watermaster’s limited
15 response--Summary/Analysis

16 A. Watermaster points out that the App Pool is a party to the Peace [I]
17 Agreement, paragraph 5.4(a), which provides that the AgPool invoices will be “paid
18 by the App Pool.”

- 19 1. The parties each voted in favor of Resolution No. 2000.09 which
20 authorized the App Pool’s execution of the Peace Agreement and
21 participation as a “Party.”
- 22 2. Watermaster’s role re Section 5.4(a) is ministerial, as the court has
23 previously ruled. Watermaster notes that the parties’ position that the App
24 Pool had the authority to instruct how the provision would be implemented
25 but not how to resolve a dispute arising the same clause is difficult to
26 reconcile.
 - 27 a. The court re-affirms that Watermaster’s role re Section 5.4(a) is
28 ministerial.

1 XIII. App Pool's surrebuttal to rebuttal and objections re settlement including
2 declarations of John Bosler, Chris Diggs, and John Schatz--Summary/Analysis

3 A. The App Pool argues that Peace Agreement, section 5.4(a) expressly makes the
4 App Pool the sole obligor for payment of the AgPool's attorney fees and costs.

5 1. The Judgment App Pool pooling plan enables the App Pool to act
6 collectively and thereby empowers its members by majority vote to exercise
7 the App Pool's authority to enter the TOA.

8 a. The court orders did not address the permissible scope of settlement or
9 an administrative process for considering and processing AgPool expenses
10 set forth in the TOA.

11 2. The court orders addressed a motion for attorney fees under Peace I,
12 not a settlement agreement.

13 3. The parties'/dissenters' position regarding the lack of App Pool's
14 binding authority would nullify provisions of the Judgment, namely §§15, 31,
15 38, 41, 43-46, and exhibit H.

16 4. The parties'/dissenters' public policy arguments lack legal basis.

17 5. The App Pool's surrebuttal reprises a history of the case.

18 XIV. AgPool surrebuttal to rebuttal brief and objections re: joint statement
19 including declaration of Tracy Egoscue--Summary/Analysis

20 A. The AgPool argues that the TOA settles the fee dispute and makes further
21 proceedings moot. The TOA does not limit any individual appropriator's rights and
22 also is not an unlawful gift of public funds.

23 B. The AgPool surrebuttal outlines the procedure in which the pools reached the
24 TOA.

25 C. The AgPool argues that the settlement TOA is consistent with the court's May
26 28 order and is an appropriate remedy for the dispute between the App Pool and the
27 AgPool. It also resolves the reimbursement of \$4624.66 not currently held in
28 escrow.

1 D. The TOA is also consistent with the Peace Agreement and the court orders.

2 E. Finally, the settlement is valid and preserves the rights of the pools' and their
3 members. It also provides for flexibility to maximize the beneficial use of the Chino
4 Basin water.

5 XV. The parties/dissenters reply to App Pool and AgPool surrebuttals including
6 declarations of D. Crosley, S. Robles, and S. Burton--Summary/Analysis

7 A. The parties/dissenters still object because they have not received any of the
8 bills from the AgPool. They still consider the TOA to be essentially a blank check.
9 They still argue that the TOA is an unprecedented overreach of the pools' limited
10 power under the judgment and pooling plan.

11 B. The parties/dissenters argue that imposing the TOA on them will bring a new
12 era of basin governance by re-imagining that pools' governing bodies with
13 unforeseen superpowers to enter into contracts on behalf of their members in
14 violation of the law when their members include indicated governmental entities.

15
16
17 RULINGS AND ANALYSIS

18 I. Ruling: For the reasons set forth herein, the court denies the Chino motion and
19 corrected motion for reimbursement of attorney fees and expenses paid to the
20 AgPool. As set forth above, the court finds that the TOA settlement is valid,
21 binding on all App Pool members, and resolves all issues of Chino's motion and
22 corrected motion.

23 II. Ruling analysis

24 A. The original AgPool motion filed August 2, 2021, sought reimbursement of
25 \$460,723.63 as reasonable attorney fees to the AgPool and \$102,557.12 paid to the
26 Watermaster administrative reserve account for a total of \$563,280.75.

27 III. After the court's May 28, 2021 order which outlined the legal procedure and
28 requirements that the AgPool had to follow to seek reimbursement of its attorney

1 expenses, on August 2, the AgPool filed its motion for attorney fees. On December
2 3, 2021, the court signed the order which denied the AgPool's motion entirely.

3 A. At the hearing where the court denied the AgPool's attorney fee motion, it
4 appeared to the court that there might be additional attorney fees which parties had
5 paid for AgPool attorney expenses, but which should be reimbursed pursuant to the
6 court's decision and order. The court suggested the City of Chino file that motion,
7 and the result was Chino's filing of the motion and the corrected motion for
8 reimbursement under consideration in this order.

9 1. The court notes some confusion in the amounts the various parties
10 have been seeking.

11 a. In its motion, the AgPool sought legal expenses of \$460,723.63 plus
12 \$102,557.12 from the Watermaster administrative reserve account for a
13 total of \$563,280.75.

14 b. In this motion, Chino sought reimbursement of 483,202.25 for fiscal
15 years 2019-20 and 2020-21 and reimbursement to Watermaster
16 \$402,557.12.

17 c. The charts set forth above in sections III.C.1, III.C.2, III.C.3, and
18 III.C.4 above were not much help to the court in resolving its confusion.

19 2. Because the court is finding that the settlement agreement between the
20 AgPool and the App Pool resolves all these issues, the court does not need to
21 reconcile the figures.

22 IV. The TOA resolves the issues of the Chino's motion and corrected motion, and
23 the court finds that the TOA is valid because:

24 1. The App Pool and the AgPool who signed the TOA are also signatories
25 and thereby recognized as parties in the Peace I Agreement.

26 2. The court finds that the TOA does not contradict the court's
27 interpretation of Section 5.4(a) for the following reasons:

28 a. The court's May 28 ruling applied to set rules and procedures for the

1 AgPool to follow if the AgPool sought the court's approval of its attorney
2 fees and expenses. The court's ruling did not address any issue of
3 settlement of the AgPool and the App Pool regarding the AgPool's
4 attorney fees and expenses (attorney fees). The court has not prohibited
5 any settlement between the AgPool and the App Pool.

6 3. The TOA addresses a dispute that has arisen only between the Ag Pool
7 and the App Pool regarding the AgPool's attorney fees and expenses. The
8 TOA does not affect any other parties or Pool on any other issue. Therefore,
9 the TOA is not an amendment to the Peace Agreement.

10 4. The court finds that the TOA does not contradict the court's
11 interpretation of Section 5.4(a) for the following reasons:

12 a. The court's May 28 ruling applied to set rules and procedures for the
13 AgPool to follow if the AgPool sought the court's approval of its attorney
14 fees and expenses. The court's ruling did not address any issue of
15 settlement of the AgPool and the App Pool regarding the AgPool's attorney
16 fees and expenses (attorney fees). The court has not prohibited any
17 settlement between the AgPool and the App Pool.

18 b. Section 5.4(a) provides that the App Pool pay the AgPool's legal fees
19 any expenses. There is no further specification of a payor, so the court
20 concludes that the App Pool, qua pool, pays the AgPool's attorney fees.
21 The court May 28 order was only one way to accomplish this, and the court
22 did not rule out any other procedure or method, such as settlement.

23 5. The court concludes that the parties/dissenters must contribute as App
24 Pool members to the settlement of the AgPool attorney fees for the following
25 reasons:

26 a. The June 29, 2000 Peace Agreement was signed not only by the
27 individual parties but also by representatives of the AgPool and the App
28 Pool (not to mention the Non-Agricultural Pool). To the court, this

1 demonstrates that the Peace Agreement recognized the AgPool and the
2 App Pool as parties to the agreement.

3 1) The Peace Agreement's recognition of the App Pool as a party is
4 also demonstrated by the simple reference of the App Pool in
5 Section 5.4(a.).

6 b. So, for the last 20+ years, the court concludes that all the parties,
7 including the pools themselves, and the members of the respective pools,
8 recognized the 3 pools. Those pools have developed legal relationships
9 over the years not only among the members of the pools but also between
10 the pools themselves.

11 6. The court concludes that the App Pool has been paying the AgPool
12 legal expenses for the 20+ years since the Peace Agreement went into effect, or
13 at least the App Pool had the legal obligation to do so. Except for one
14 objection to the 2019-20 budget, there has been silence about those legal
15 relationships until now. Now the parties/dissenters have challenged the legal
16 relationships between the pools and their members.

17 a. The court concludes that the parties/dissenters challenge is
18 substantively a challenge to the amount of the AgPool's legal expenses.
19 The parties/dissenters continually raise the issue that they have never seen
20 the AgPools legal fee bills. The court challenge of the parties/dissenters
21 started with the amount of the bills and the budget that increased greatly
22 between fiscal years 2019-20 and 2020/21. That remains one of the
23 parties/dissenters' arguments that the TOA is invalid.

24 b. There was no follow up to the objection to the 2019-20 budget. In
25 order for the objection to have any legal effect, the objector would have to
26 file a motion with the court. There was no such motion, and the instant
27 motion is an untimely remedy for that one objection, even without the
28 TOA.

1 7. The court concludes that the basis of the parties/dissenters objections
2 to the TOA, and everything else about the AgPool's legal expenses, is a
3 quantative one, not a legal qualitative one because they App Pool has never
4 sought the court's intervention for more than 20 years.

5 8. Furthermore, the length of time that the parties/dissenters have failed
6 to raise their qualitatively legal objections in court to the App Pool's payment
7 of the AgPool's legal expenses has the following consequences:

- 8 a. They are barred by laches.
- 9 b. They are waived.

10 9. The App Pool might not have all the legal elements for a legal estoppel,
11 but the court finds the parties/dissenters are estopped from raising their legal
12 arguments now because all the parties and pool have not changed their
13 positions over the last 20+ years in reliance on the App Pool paying the
14 AgPool legal expense pursuant to the Peace Agreement. To the court, that is
15 the essence of an equitable estoppel.

16 10. Furthermore, with the standard operating procedures of the parties in
17 place from the Peace agreement for more than 20 years, without objection
18 raised to the court, and such things as the innumerable assessment packages
19 and the operational involvement of Watermaster, the court finds a basis for an
20 implied-in-fact contract that the App Pool members abide by the majority vote
21 on decisions of the App Pool. Furthermore, in the context this 40 year old
22 case including such things as the Judgment, Peace Agreement I and Peace
23 Agreement II, the court judgments and rulings, the OBMP, the court finds an
24 implied-in-law contract that the App Pool members abide and are bound by
25 the majority vote on decisions of the App Pool.

- 26 a. The court finds that the only way, in reason and in law, that the App
27 Pool can act qua pool pursuant to Peace I is through the weighted voting
28 system currently in place.

- 1) The App Pool surrebuttal brief, dated April 14, 2022, starting on page 6, outlines the how votes are assessed in the App Pool.
- a) The App Pool is not governed on the proposition that it is merely the sum of its members each exercising equal rights. Rather the Pooling Plan: assigns voting power to each member according to its share in the Operating Safe Yield (OSY) and assessments paid to Watermaster; appoints an advisory committee representative for each major appropriator and two representatives for the remaining appropriators; apportions assessments according to different formulas for each member's water production; and reallocates unallocated OSY water to the members based on their different operations. The App Pool argues that all App Pool members are bound by the judgment, including is voting provisions.
- (1) In a footnote on page 6, the App Pool points out that regarding the voting power assigned to each member, the Exhibit H to the Judgment, Section 3, states in relevant part:
- (a) The total voting power of the pool committee shall be 1000 votes. Of these, 500 shall be allocated in proportion to decreed shares in Operating Safe Yield. The remaining 500 votes shall be allocated proportionally on the basis of assessments paid to Watermaster during the preceding year Affirmative action of the Committee shall require a majority vote of the voting power of the members in attendance, provided that it includes concurrence by at least one-third of its total members.
- 2) The App Pool surrebuttal brief, dated April 14, 2022, starting on page 7 outlines the procedure followed by the App Pool in approving the TOA.
- a) Beginning May 10, 2021, principals of the AgPool and principals

1 of certain App Pool members conducted five settlement
2 meetings. Ontario [one of the parties/dissenters] was
3 represented in each of the meetings, and Monte Vista's [also
4 one of the parties/dissenters] representative helped draft
5 substantive provisions of the Terms of Agreement. . . . In the
6 late stages of the negotiations, each Pool appointed negotiators,
7 but the App Pool gave instructions to its negotiators in
8 confidential meetings in which all App Pool members and their
9 counsel were given a chance to participate.

10 b) Ultimately, the AgPool and App Pool resolved their dispute
11 regarding the AgPool's attorney's fees and other expenses
12 which underpinned the attorney fee motions for App Pool,
13 AgPool, and Chino. On March 18, 2022, the AgPool approved
14 the Terms of Agreement. On March 22. The App Pool
15 approved the Terms of Agreement by 59.363% of the weighted
16 votes of thirteen App Pool members, which is substantially
17 more than the required concurrence by 33% of the App Pool
18 members.

19 3) The declaration of App Pool Chair John Bossler, dated April 13,
20 2022, shows that Scott Burton representing Ontario and Monte
21 Vista Water District General Manager Justin Scott-Coe were
22 involved in the settlement discussions. The court must conclude
23 that the Chino's voice was also heard during the settlement
24 negotiations (either directly or indirectly).

25 4) Pomona City Water Resources Director Chris Diggs states in his
26 declaration dated April 12, 2022 that all App Pool members,
27 including the parties/dissenters, were provided an opportunity to
28 participate in the confidential App Pool settlement meetings; and

1 the parties/dissenters input was fully considered in working out the
2 TOA.

- 3 5) Additional details of the vote are contained in the declaration of
4 Chino City Utilities Engineering and Operations Manager David
5 Crosley, dated April 18, 2022. He states that on March 22, 2022,
6 he attended the App Pool Committee meeting where the TOA was
7 discussed and voted on. On behalf of Chino, he voted against the
8 TOA. There were a total of 974,406 weighted votes cast, and
9 593,628 weighted votes of App Pool member votes were in favor
10 of the TOA, that is, 59.363%. Crosley notes that in addition to the
11 public entity votes App Pool member votes in favor of the TOA,
12 there were an additional 178,739 App Pool member votes in favor
13 of the TOA.

14 Public Entities voting in favor of the TOA	
15 Chino Hills City	36.950
16 Cucamonga Valley Water District	73.887
17 Jurupa Community Services District	93.437
18 Pomona City	167.197
19 Upland City	41.418
20 Total Public Entity Votes in Favor of the TOA	414.889

21 b. With the votes of other public entities in favor of the TOA, the court
22 must conclude that the legal arguments raised by the parties/dissenters are
23 disputed by other public agencies such as Chino Hills, Pomona, and
24 Upland, and other water districts such as Cucamonga Valley Water District
25 and Jurupa Community Water District.

26 11. The TOA resolves all the issues raised by Chino's motion and corrected
27 motion.

28 a. The TOA references the court's May 28, 2021 order and addresses the
reimbursement of the \$102,557.12 to Watermaster.

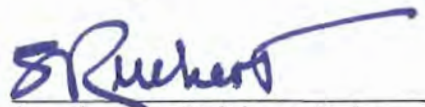
- b. It states it is a compromise and settlement of disputed issues.
- c. It dismisses the storage contests, which the court concludes were the genesis of all the AgPool attorney fee issues.
- d. Paragraph 6 of the TOA tracks the court's May 28, 2021 order.
- e. It provides a procedure for the resolution of future disputes.

12. The court also finds that the TOA is consistent with the Judgment and the Peace Agreements.

V. The court finds unpersuasive any arguments not specifically addressed above.

Therefore, IT IS ORDERED, ADJUDGED, and DECREED,
That the motion and corrected motion of the City of Chino for reimbursement of attorneys fees and expense paid to the Agricultural Pool IS DENIED.

Dated: April 22, 2022



Stanford E. Reichert, Judge

CHINO BASIN WATERMASTER

Case No. RCVRS 51010

Chino Basin Municipal Water District v. City of Chino, et al.

PROOF OF SERVICE

I declare that:

I am employed in the County of San Bernardino, California. I am over the age of 18 years and not a party to the within action. My business address is Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California 91730; telephone (909) 484-3888.

On April 27, 2022 I served the following:

1. NOTICE OF ORDER

BY MAIL: in said cause, by placing a true copy thereof enclosed with postage thereon fully prepaid, for delivery by United States Postal Service mail at Rancho Cucamonga, California, addresses as follows:

See attached service list: Master Email Distribution List

BY PERSONAL SERVICE: I caused such envelope to be delivered by hand to the addressee.

BY FACSIMILE: I transmitted said document by fax transmission from (909) 484-3890 to the fax number(s) indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting fax machine.

BY ELECTRONIC MAIL: I transmitted notice of availability of electronic documents by electronic transmission to the email address indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting electronic mail device.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on April 27, 2022 in Rancho Cucamonga, California.

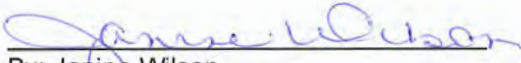

By: Janine Wilson
Chino Basin Watermaster

EXHIBIT G

Monte Vista

Chino Letters

Pages 199-208



September 26, 2022

Joseph S. Joswiak, MBA
Chief Financial Officer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Deferred Payment of Special Assessment Invoice AP22-57-AGL

Dear Mr. Joswiak,

Monte Vista Irrigation Company (Company) is deferring payment of Special Assessment Invoice AP22-57-AGL (Invoice) received from Chino Basin Watermaster (Watermaster) on September 9, 2022.

On May 28, 2021, the San Bernardino Superior Court (Court) issued an order (Order) regarding Overlying Agricultural Pool (OAP) legal and other expenses. The Order finds, in part, that “No reasonable person would make a contract that would obligate that person to pay another party’s expenses without limit and without knowledge of the nature of the expenses, including the expenses of a lawsuit against the paying person, i.e., no reasonable person would pay to finance a lawsuit against himself or herself. ... It is fundamentally unfair to compel a party to pay expenses over which the party has no control and no specific, detailed knowledge.” The Order then establishes a process, consistent with the Chino Basin Judgment and the Peace Agreement, for the OAP to be reimbursed for its legal expenses by members of the Appropriative Pool (AP) under Paragraph 5.4(a) of the Peace Agreement.

The cover email for the Invoice states, “During the Agricultural Pool Closed Session held on September 8, 2022, the Agricultural Pool unanimously approved a budget for Legal Services of \$250,000 for the current fiscal year. The invoice for your allocated amount is attached, along with the calculation worksheet (ATTACHMENT A).” Attachment A provides an allocation breakdown by AP member, but no specific, detailed information is provided regarding the nature of this expense, including whether or not it may be used in a lawsuit against the paying parties (i.e., the AP members).

10575 Central Avenue, Montclair, CA 91763 • (909) 624-0035 • Fax (909) 624-4725

Sandra S. Rose
President

G. Michael Milhiser
Vice President

Manny Martinez
Board Auditor

Philip L. Erwin
Director

Tony Lopez
Director

*Deferred Payment of Special Assessment Invoice AP22-57-AGL
September 26, 2022*

As set forth in the Order, the process for the OAP to be reimbursed for its legal expenses by members of the AP is as follows:

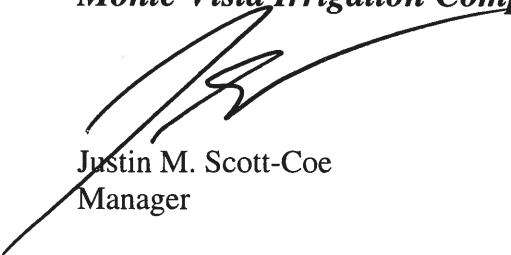
1. The OAP approves the attorneys' fees upon an express finding that it benefits the OAP.
2. The OAP attorneys' fees, as a Special Project Expense, are submitted to the AP for payment. The submitted attorneys' fees bills must provide sufficient knowledge of the expense to determine if fees are for actions benefitting the OAP and are not adverse to the paying parties (i.e., the AP members).
3. Either (a) the OAP and the AP agree to a determination about payment of attorneys' fees (Special Project Expense), or (b) the Court orders payment of the attorneys' fees upon motion by the OAP.

The Company respectfully defers payment of the Invoice until sufficient information is provided and we receive confirmation that the process in the Court Order has been followed.

Please call me at (909) 267-2125 if you have any questions.

Sincerely,

Monte Vista Irrigation Company



Justin M. Scott-Coe
Manager

Attachments

cc: Peter Kavounas, General Manager, Chino Basin Watermaster



Justin Scott-Coe, PhD
GENERAL MANAGER

September 26, 2022

Joseph S. Joswiak, MBA
Chief Financial Officer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Deferred Payment of Special Assessment Invoice AP22-58-AGL

Dear Mr. Joswiak,

Monte Vista Water District (District) is deferring payment of Special Assessment Invoice AP22-58-AGL (Invoice) received from Chino Basin Watermaster (Watermaster) on September 9, 2022.

On May 28, 2021, the San Bernardino Superior Court (Court) issued an order (Order) regarding Overlying Agricultural Pool (OAP) legal and other expenses. The Order finds, in part, that “No reasonable person would make a contract that would obligate that person to pay another party’s expenses without limit and without knowledge of the nature of the expenses, including the expenses of a lawsuit against the paying person, i.e., no reasonable person would pay to finance a lawsuit against himself or herself. ... It is fundamentally unfair to compel a party to pay expenses over which the party has no control and no specific, detailed knowledge.” The Order then establishes a process, consistent with the Chino Basin Judgment and the Peace Agreement, for the OAP to be reimbursed for its legal expenses by members of the Appropriative Pool (AP) under Paragraph 5.4(a) of the Peace Agreement.

The cover email for the Invoice states, “During the Agricultural Pool Closed Session held on September 8, 2022, the Agricultural Pool unanimously approved a budget for Legal Services of \$250,000 for the current fiscal year. The invoice for your allocated amount is attached, along with the calculation worksheet (ATTACHMENT A).” Attachment A provides an allocation breakdown by AP member, but no specific, detailed information is provided regarding the nature of this expense, including whether or not it may be used in a lawsuit against the paying parties (i.e., the AP members).



Sandra S. Rose
PRESIDENT

G. Michael Milhiser
VICE PRESIDENT

Manny Martinez
DIRECTOR / BOARD AUDITOR

Philip L. Erwin
DIRECTOR

Tony Lopez
DIRECTOR

*Deferred Payment of Special Assessment Invoice AP22-58-AGL
September 26, 2022*

As set forth in the Order, the process for the OAP to be reimbursed for its legal expenses by members of the AP is as follows:


1. The OAP approves the attorneys' fees upon an express finding that it benefits the OAP.
2. The OAP attorneys' fees, as a Special Project Expense, are submitted to the AP for payment. The submitted attorneys' fees bills must provide sufficient knowledge of the expense to determine if fees are for actions benefitting the OAP and are not adverse to the paying parties (i.e., the AP members).
3. Either (a) the OAP and the AP agree to a determination about payment of attorneys' fees (Special Project Expense), or (b) the Court orders payment of the attorneys' fees upon motion by the OAP.

The District respectfully defers payment of the Invoice until sufficient information is provided and we receive confirmation that the process in the Court Order has been followed.

Please call me at (909) 267-2125 if you have any questions.

Sincerely,

Monte Vista Water District



Justin M. Scott-Coe
General Manager

Attachments

cc: Peter Kavounas, General Manager, Chino Basin Watermaster

RECEIVED

DEC 19 2022



OFFICE OF THE GM/BOARD

EUNICE M. ULLOA
Mayor

MARC LUCIO
Mayor Pro Tem

KAREN C. COMSTOCK
CHRISTOPHER FLORES
WALT POCKOCK
Council Members

DR. LINDA REICH
City Manager

CITY of CHINO

December 13, 2022

Eduardo Espinoza
AP Chair
Cucamonga Valley Water District
10440 Ashford Street
Rancho Cucamonga, CA 91730

Peter Kavounas General
Manager Chino Basin
Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Re: **Claim Against the City of Chino**
Invoice No. AP22-70-APL for AP Legal Expenses

Dear Mr. Espinoza and Mr. Kavounas,

The City of Chino (City) is in receipt of the above invoice (Invoice) dated October 14, 2022 for legal expenses in the amount of \$12,777.29 incurred by the Appropriate Pool (AP) to prepare and support the "Terms of Agreement" between the AP and the Agricultural Pool dated March 22, 2022. Dave Crosley, the City's Utilities Engineering & Operations Manager, notified you by letter dated November 10, 2022 as to why certain such expenses are inappropriate to charge the City. However, the Chino Basin Watermaster (Watermaster) has not rescinded that Invoice.

The City treats the Invoice attributable to objectionable AP legal expenses as a claim against the City under the Government Claims Act. Notice is hereby given that the claim submitted by you on October 14, 2022 is hereby **allowed** as to the amount of **\$7,666.37** for the City's share of consultant expenses.

Notice is further provided that the claim submitted on October 14, 2022 is **rejected** as to the amount of **\$5,110.92**. Investigation into the matter revealed that these expenses were adverse to the City's interest and, therefore, the City is not liable for the damages, as described in Mr. Crosley's November 10, 2022 letter, a copy of which is enclosed.

WARNING

Subject to certain exceptions, you have six (6) months from the date this notice was deposited in the mail to file a court action in the Superior Court of the State of California on this claim. See Government Code Section 945.6. You may seek the advice of an attorney of our choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

Respectfully,

Angela Robles
City Clerk

Attachments: Declaration of Mailing
November 10, 2022 letter from Dave Crosley



DECLARATION OF MAILING

I am employed in the County of San Bernardino, State of California. I am over the age of 18 years, and not a party to the within case of claim. My business address is 13220 Central Avenue, Chino, California 91710.

On November 28, 2022, I served the foregoing document(s) described as:

Notice of Rejection

by placing the original or a true copy thereof, enclosed in a sealed envelope(s), and addressed as follows:

Eduardo Espinoza
AP Chair
Cucamonga Valley Water District
10440 Ashford Street
Rancho Cucamonga, CA 91730

Peter Kavounas
General Manager
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

By Regular mail; I am "readily familiar" with the City's practice of collection and processing correspondence for mailing, under which it would be deposited with the U.S. Postal Service on that same day, with postage thereon fully prepaid, at Chino, California. I am aware that, on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one (1) day after deposit of mailing affidavit.

I caused such envelope(s) to be deposited in the mail at Chino, California. The envelope was mailed with postage thereon fully prepaid.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on December 13, 2022, in Chino, California.


Angela Robles

EUNICE M. ULLOA
Mayor



KAREN C. COMSTOCK
CHRISTOPHER FLORES
WALT POCKOCK
Council Members

MARC LUCIO
Mayor Pro Tem

DR. LINDA REICH
City Manager

CITY of CHINO

November 10, 2022

Eduardo Espinoza
AP Chair
Cucamonga Valley Water District
10440 Ashford Street
Rancho Cucamonga, CA 91730

Peter Kavounas
General Manager
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Re: Invoice No. AP22-70-APL for AP Legal Expenses

Dear Mr. Espinoza and Mr. Kavounas,

The City of Chino ("Chino") consistently has requested it not be billed for legal expenses incurred by the Appropriative Pool (AP) to prepare and support the "Terms of Agreement" between the AP and the Agricultural Pool dated March 22, 2022. Likewise, Chino has requested it not be billed for legal expenses to be incurred by the AP in responding to Chino's appeal of Judge Reichert's order dated April 22, 2022. Chino has so requested, because the AP's Terms of Agreement is adverse to Chino's interests and sovereignty, as was Judge Reichert's order that upheld the Terms of Agreement and denied Chino's Motion for Reimbursement.

Unfortunately, the AP has refused to accede to Chino's requests. Furthermore, the AP has requested Watermaster to invoice Chino for legal expenses incurred or to be incurred by the AP.

Due to AP's refusal, Chino hereby objects to the AP's attempt to impose its legal expenses on Chino and to Watermaster's invoices to Chino for the AP legal expenses. This objection is based on all available grounds including but not limited to the following:

1. The AP is granted no authority under Paragraphs 38(a) and 38(c) of the Judgment to impose its legal expenses on an appropriator.
2. Legal expenses do not constitute "costs of replenishment and other aspects of the physical solution" permissible costs under Paragraph 43 of the Judgment
3. Legal expenses are not authorized by Paragraph 46 of the Judgment by which the AP Pooling Plan (Exhibit H to the Judgment) is adopted.
4. Legal expenses are not authorized by Paragraph 3 of the AP Pooling Plan.
5. Legal expenses do not constitute "costs of administration" under Paragraph 6 of the AP Pooling Plan.
6. The AP Pooling Plan does not authorize an award of legal expenses in litigation between the AP and an appropriator.



13220 Central Avenue, Chino, California 91710
Mailing Address: P.O. Box 667, Chino, California 91708-0667
(909) 334-3250 • (909) 334-3720 Fax
Web Site: www.cityofchino.org

Page 2 of 2

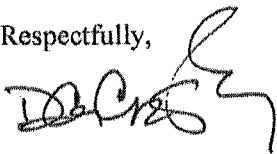
Subject: Invoice No. AP22-70-APL for AP Legal Expenses

November 10, 2022

7. It is inequitable and unconscionable for the AP to attempt to impose its legal expenses in litigation adverse to an appropriator – especially where the appropriator is paying its own legal expenses for the litigation.
8. Chino, as a public entity member of the AP, has not approved any agreement that requires Chino to pay for the AP legal expenses.

Based upon all available legal grounds including the above articulated grounds, Chino respectfully requests the AP and Watermaster to rescind AP22-70-APL to Chino for AP legal expenses.

Respectfully,



David G. Crosley PE
Utilities Engineering & Operations Manager



April 24, 2023

Joseph S. Joswiak, MBA
Chief Financial Officer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Deferred Payment of Special Assessment Invoices AP23-32-ADM and AP23-53-AG

Dear Mr. Joswiak,

Monte Vista Irrigation Company (Company) is deferring payment of Special Assessment Invoices AP23-32-ADM and AP23-53-AG (Invoices) received from Chino Basin Watermaster (Watermaster) on April 19 and 20, 2023.

On May 28, 2021, the San Bernardino Superior Court issued an order (Order) which finds, in part, that “no reasonable person would pay to finance a lawsuit against himself or herself.” Attachment A to both Invoices state that the Appropriative Pool (AP) approved on April 13, 2023 during Closed Session by majority vote a motion “to approve an increase in the AG expense budget to cover upcoming costs of \$100,000 and AP expenses of \$100,000 for forthcoming expenses total of \$200,000 for both.” While this motion does not mention what areas of expense will be covered by funds collected via these Invoices, it is our understanding that we are being asked to fund legal activities by both pools that are adverse to the Company. Accordingly, the Company voted “no” to the motion.

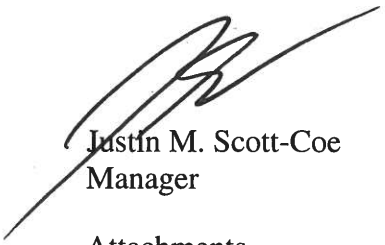
We request that Watermaster only invoice the Company for legal expenses that are not adverse to the Company, consistent with the Order.

Please call me at (909) 267-2125 if you have any questions.

*Deferred Payment of Special Assessment Invoices AP23-32-ADM and AP23-53-AG
April 24, 2023*

Sincerely,

Monte Vista Irrigation Company



Justin M. Scott-Coe
Manager

Attachments

cc: Peter Kavounas, General Manager, Chino Basin Watermaster
Chris Diggs, Chair, Chino Basin Watermaster Appropriative Pool

EXHIBIT H
Attorney Fees
Declarations

DECLARATION OF MITCHELL C. TILNER

I, Mitchell C. Tilner, declare as follows:

1. I am an attorney licensed to practice law in California and a partner in the law firm of Horvitz & Levy LLP (H&L), counsel of record for Chino Basin Appropriative Pool (App Pool) in the recently concluded appeal in this case, *Chino Basin Municipal Water District v. City of Chino*, Fourth Appellate District, Division Two, No. E079052 (the Appeal). I submit this declaration to support App Pool's motion under Civil Code section 1717 to recover attorney fees App Pool paid H&L for services related to the Appeal.

2. I was actively involved in the Appeal and had principal responsibility for briefing and arguing the appeal on behalf of App Pool. If called as a witness, I could and would competently testify, based on my personal knowledge and my review of the record, that each of the facts set forth in this declaration is true and correct.

Attorney Experience

3. In April 2022, anticipating City of Chino's appeal from the trial court's April 22, 2022 order on City of Chino's "Motion for Reimbursement of Attorney Fees and Expenses Paid to the Agricultural Pool," App Pool's counsel John Schatz asked H&L to represent App Pool on the Appeal. On May 2, 2022, App Pool formally retained H&L.

4. H&L is a 38-lawyer firm specializing in civil appeals. H&L is well-known in the California legal community and is, to my knowledge, the largest private firm in the nation devoted exclusively to handling civil appeals. As of June 22, 2024, a Westlaw search for cases bearing our firm's name in the California appellate courts and the Ninth Circuit U.S. Court of Appeals since January 1, 2020 yields 281 cases.

5. I have been actively involved in the Appeal from the inception of our retention. My partner Lisa Perrochet has also been actively involved in the Appeal from its inception.

6. I joined H&L as an associate in 1988 and have been a partner at the firm since 1992. I have handled or supervised more than 400 appeals and writ proceedings involving a broad range of substantive areas, including water law. I am a member of the American and California Academies of Appellate Lawyers. I have given numerous presentations to clients and attorney groups on appellate process and briefing. In Chambers USA's Directory of Leading Lawyers, I was ranked in Appellate Litigation and/or Insurance Law in California for 2007-2024. Super Lawyers named me as one of the Top 100 lawyers in Southern California for 2014-2017. For more information, please see my [bio](#) on H&L's website, which I incorporate here by reference.

7. Lisa Perrochet has been practicing as an appellate lawyer at the firm since 1987, and her experience is comparable to mine. She has received numerous awards and accolades for her work, including two California Lawyer of the Year (CLAY) awards. Super Lawyers named her as one of the top 50 female lawyers in Southern California for 2006-2023. For more information, please see her [bio](#) on H&L's website, which I incorporate here by reference.

Rates

8. Both Ms. Perrochet and I billed our time for work on the Appeal at an hourly rate of \$720, which is a reduced rate discounted as a courtesy from the significantly higher rates we charge commercial entities. Based on my experience and knowledge of the market for appellate services in Southern California, the hourly rate we charged is reasonable and comparable to, if not lower than, the rates charged to non-commercial entities, such as App Pool, by other appellate lawyers with similar levels of experience and expertise.

9. We were assisted in our work on the Appeal by several paralegals, whose hourly rate was \$160.

Case History and Appeal

10. To give the court a sense for the overall scope of our work and the challenge posed by this assignment, I briefly review the case's long and complex

history, which we were required to learn for purposes of representing App Pool on the Appeal.

11. The case began almost 50 years ago, when Chino Basin Municipal Water District sued City of Chino and others to adjudicate the parties' rights and obligations with respect to the water in the Chino Groundwater Basin. In 1978, following three years of negotiations, the court entered the parties' stipulated Judgment, over which it retained and continues to exercise jurisdiction to this day. The Judgment spans 87 pages, including exhibits.

12. The Judgment established a structure to manage the many stakeholders' competing water rights in the Chino Groundwater Basin. Toward that end, the Judgment created three groups, called Pools, each representing stakeholders with generally aligned interests. App Pool and Overlying (Agricultural) Pool (Ag Pool) were two of those pools.

13. The appellants in the Appeal—City of Chino, City of Ontario, Monte Vista Water District, and Monte Vista Irrigation Company (collectively, Appellants)—were signatories to the stipulated Judgment. They were and remain members of App Pool.

14. In 2000, App Pool and Ag Pool signed a contract known as the Peace Agreement, in which, for reasons not relevant here, App Pool agreed to pay Ag Pool's legal expenses for the 30-year term of the Peace Agreement. Appellants were parties to the Peace Agreement and, as App Pool members, contributed their share of Ag Pool's legal expenses without objection for nearly 20 years.

15. The Peace Agreement included the following attorney fees provision, on which App Pool bases its current motion: "Attorneys' Fees. In any adversarial proceedings between the Parties other than the dispute resolution procedure set forth below and under the Judgment, the prevailing Party shall be entitled to recover their costs, including reasonable attorneys' fees. If there is no clear prevailing Party, the Court shall determine the prevailing Party and provide for the award of costs and reasonable attorneys' fees. In considering the reasonableness of either Party's request for attorneys' fees as a prevailing Party, the Court shall

consider the quality, efficiency, and value of the legal services and similar/prevaling rate for comparable legal services in the local community.”

16. A dispute arose between the two Pools over the scope of App Pool’s payment obligation under the Peace Agreement. With the trial court’s encouragement, the Pools negotiated and settled the dispute. The settlement agreement, known as the Terms of Agreement or TOA, was approved by a majority of App Pool members.

17. Appellants, however, voted against the TOA and then refused to yield to the majority’s decision, announcing they would not comply with the TOA. Appellants later urged this court to invalidate the TOA, arguing the Pool lacked authority to enter into the agreement and the majority could not bind them.

18. In a detailed 29-page order filed April 22, 2022, this court rejected Appellants’ position. The court concluded that, along with the Pool’s acknowledged authority to enter the Peace Agreement and to incur the payment obligation in the first place, the Pool necessarily had the authority—when approved by a majority of the members—to negotiate and resolve any dispute over the scope of that obligation. Based on the TOA, the court denied a then-pending motion by Appellants seeking reimbursement of certain legal expenses App Pool had previously paid Ag Pool under the Peace Agreement.

19. Appellants appealed from the court’s April 22 order. They raised numerous issues. The principal issue was “whether a committee of parties with appropriative water rights formed under the Judgment, specifically, the Appropriative Pool Committee . . . holds the power to bind individual members of the Appropriative Pool to a contract without the consent or approval of the parties purportedly bound.” (Appellants’ Opening Brief of City of Ontario, Monte Vista Water District, and Monte Vista Irrigation Company p. 10.)

20. On March 12, 2024, the Court of Appeal filed its opinion, now final, affirming the order from which Appellants appealed. A true and correct copy of the opinion is attached to this Declaration as Exhibit A.

Overview of H&L Services

21. Appellants filed a 14-volume, 4,582-page appendix in the Appeal. Ms. Perrochet and I were required to familiarize ourselves with the contents of the appendix to understand the case history and the proceedings that spawned the Appeal. We were also required to review a 2-volume, 476 page reporter's transcript of 11 separate hearings in this court.

22. We were required to review two opening briefs, one filed by City of Chino and the other filed jointly by City of Ontario, Monte Vista Water District, and Monte Vista Irrigation Company. The two briefs collectively comprised a total of about 120 pages.

23. We were also required to conduct legal research and to prepare the respondent's brief on behalf of App Pool.

24. We were also required to review Appellants' two reply briefs, which collectively comprised about 97 pages. We were also required to review briefs filed by the two other respondents, Ag Pool and Chino Basin Watermaster. Those two briefs comprised a total of about 74 pages.

25. We were then required to prepare for and present the oral argument on behalf of App Pool, which I presented in the Court of Appeal on March 5, 2024.

26. While performing all the tasks mentioned above, we regularly consulted by telephone and by email with App Pool's counsel, and our co-counsel on appeal, John Schatz. These conversations enabled us to expedite our review of the record and helped us understand the case history and issues presented. We also had occasion to consult with counsel for our co-respondents Ag Pool and Chino Basin Watermaster.

Specific Tasks and Time Spent

27. The attorneys and paralegals who worked on this case kept contemporaneous time records detailing the services performed and the time spent, in minimum units of 0.1 hours. The services and time spent were then reflected in the invoices we sent to App Pool. To prepare this declaration, I reviewed all the invoices we sent to App Pool. They reflect that we performed the services described

in subparagraphs A. through F. below and spent the time shown at the end of each description.

A. Services and time from inception of retention through August 31, 2022.

Attorneys: Initial review of numerous pleadings and documents provided by J. Schatz to understand the case's procedural history and to provide preliminary advice on the merits of the anticipated appeal and other issues, including whether the court must issue a statement of decision, whether the ruling would be stayed pending appeal, whether appellants must pay amounts they owed pending appeal, and the likely scope of Court of Appeal's decision; draft the respondent's designation of record on appeal and related tasks regarding record designation; prepare memo re the timing of a motion for attorney fees incurred litigating issues adverse to Appellants in the trial court; analyze Appellants' contention that App Pool was not a proper respondent on appeal; consult with J. Schatz and draft responses to the Court of Appeal's settlement conference information form; multiple emails and telephone calls with J. Schatz regarding all the foregoing matters: **57 hours**.

Paralegal: Download minute orders from superior court website to confirm all hearings needed for the Appeal were included in the record designations; prepare a shell of the respondent's brief; prepare a shell of the association of counsel: **1.5 hours**.

B. Services and time from September 1, 2022 through March 29, 2023.

Attorneys: Multiple calls and emails with J. Schatz concerning the budget for the Appeal, the schedule, possible means for enforcing Appellants' obligation to pay Ag Pool invoices for legal services pending appeal, strategy for briefing and extensions, and the record on appeal; analyze the scope of App Pool authority; prepare and revise the statement of facts for App Pool's respondent's brief; evaluate and consult on Appellants' motion to correct the caption to remove Watermaster as a respondent and App Pool's possible joinder in opposition to the motion; review and analyze Appellants' two opening briefs; further consultation with J. Schatz re

Appellants' failure to pay sums owed pending appeal and possible recourse; legal research responses to issues Appellants raised concerning laches and equitable estoppel; consult with J. Schatz on strategy for respondent's brief; draft respondent's brief (legal arguments: TOA valid and binding; TOA consistent with Judgment, Peace Agreement, and court orders; responses to Appellants' miscellaneous arguments; Introduction); complete edit of respondent's brief; review and analysis of reporter's transcript of various hearings; review and comment on drafts of Ag Pool's and Watermaster's respondent's briefs; revise respondent's brief per J. Schatz comments and cite-checkers' corrections: **146.1 hours**.

Paralegals: Cite-check draft of respondent's brief: **20.4 hours**.

C. Services and time from March 30, 2023 through July 31, 2023.

Attorneys: Review and analyze City of Chino's and City of Ontario's reply briefs; consult with J. Schatz on reply briefs and possible recourse for Appellants' continuing failure to pay assessments pending appeal; consult with J. Schatz re App Pool's role in appeal number E080533 and City of Chino's motion to dismiss App Pool as a respondent in that appeal: **11.70 hours**.

Paralegal: Prepare draft stipulation to dismiss parties as respondents for J. Schatz use in appeal number E080533: **1.4 hours**.

D. Services and time from August 1, 2023 through March 31, 2024.

Attorneys: Review briefs, prepare notes, and multiple telephone conferences with J. Schatz and other respondents' counsel in preparation for oral argument; travel to and from Court of Appeal, present oral argument; consult with J. Schatz re timing, basis for motion for attorney fees incurred by App Pool in trial court and on appeal; review Court of Appeal favorable opinion and consult with J. Schatz re next steps and enforcement of Appellants' payment obligations: **27.20 hours**.

E. Services and time from April 1, 2024 through April 30, 2024.

Attorneys: Telephone calls and correspondence with J. Schatz re status, Appellants' payment of outstanding amounts due, motion for attorney fees, bases for App Pool fee recovery: **1.60 hours**.

F. Services and time from May 1, 2024 through May 31, 2024.

Attorneys: Telephone calls and correspondence with J. Schatz re strategy and deadlines for recovering attorney fees and costs incurred on appeal, format and contents of motion needed to recover same; draft and revise this declaration in support of App Pool's motion for attorney fees: **13.5. hours**.

G. Services and time from June 1, 2024 to date.

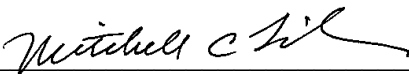
Attorneys: Telephone calls and correspondence with J. Schatz re strategy, arguments, structure and evidence supporting App Pool's motion for attorney fees and costs on incurred on appeal; review and edit draft of motion for attorney fees and costs prepared by J. Schatz; telephone calls with J. Schatz re Appellants' payment of certain outstanding sums due and need to modify motion accordingly: **9.8. hours**.

28. The above summaries show that from the inception of our retention through the date of this declaration, the Attorneys spent a total of 266.9 hours on the Appeal. At \$720 per hour, the fees for attorney services amounted to \$192,168. Paralegals spent a total of 23.3 hours on the Appeal. At \$160 per hour, the fees for paralegal services amounted to \$3,728. The combined total of attorney and paralegal fees was \$195,896. App Pool has paid the fees for all services rendered through April 30, 2024. Fees for services rendered in May 2024, \$9,720, were billed on June 14, 2024 and are currently due. Fees for services rendered and to be rendered in June 2024 have not yet been billed.

29. Based on all the foregoing information, App Pool asks the court to award it a total of \$195,896 in fees incurred by H&L for services on the Appeal. In my experience, this total is reasonable for the services of experienced appellate attorneys, considering the size of the record, the nature and complexity of the

issues, and the scope of the briefing on the Appeal. I also note that this amount is within a few thousand dollars of the budget for the Appeal that H&L provided, and App Pool approved, early during our engagement.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct and that this declaration was executed in Burbank, California on June 24, 2024.



Mitchell C. Tilner

EXHIBIT A

NOT TO BE PUBLISHED IN OFFICIAL REPORTS

California Rules of Court, rule 8.1115(a), prohibits courts and parties from citing or relying on opinions not certified for publication or ordered published, except as specified by rule 8.1115(b). This opinion has not been certified for publication or ordered published for purposes of rule 8.1115.

IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

FOURTH APPELLATE DISTRICT

DIVISION TWO

CHINO BASIN MUNICIPAL WATER
DISTRICT,

Plaintiff,

v.

CITY OF CHINO, et al.,

Defendants and Appellants;

CHINO BASIN APPROPRIATIVE
POOL, et al.,

Defendants and Respondents;

CHINO BASIN WATERMASTER,

Objector and Respondent.

E079052

(Super.Ct.No. RCVRS51010)

OPINION

APPEAL from the Superior Court of San Bernardino County. Stanford E.
Reichert, Judge. Affirmed.

Colantuono, Highsmith & Whatley, Michael G. Colantuono, Michael D. Campion
and Conor W. Harkins, for Defendant and Appellant City of Chino.

Nossaman, Frederic A. Fudacz, Jennifer L. Meeker and Gina R. Nicholls, for Defendants and Appellants, City of Ontario, Monte Vista Water District and Monte Vista Irrigation Company.

Horvitz & Levy, Lisa Perrochet, Mitchell C. Tilner; and John J. Schatz for Defendant and Respondent, Appropriative Pool.

Egoscue Law Group, Tracy J. Egoscue and Tarren A. Torres, for Defendant and Respondent, Chino Basin Overlying (Agricultural) Pool Committee.

Brownstein Hyatt Farber Schreck, Scott S. Slater, Bradley J. Herrema, Matthew L. Hofer and Laura K. Yraceburu, for Objector and Respondent, Chino Basin Watermaster.

In 1978, defendants and appellants City of Chino (Chino), City of Ontario (Ontario), Monte Vista Water District and Monte Vista Irrigation Company (collectively, Monte Vista), along with several other parties, stipulated to a judgment (Judgment), which manages competing water rights in the Chino Groundwater Basin (Basin). The Judgment established the Basin's governance structure, provided judicial oversight via continuing jurisdiction provisions, and created the Watermaster. The Judgment further organized the parties into three "Pools" (Overlying (Agricultural or Ag) Pool, Overlying (Non-agricultural or Non-Ag) Pool, and Appropriative (Ap or App) Pool) to administer and allocate responsibility for various aspects of the Judgment and the adopted physical solution to groundwater management. Appellants are members of the Ap Pool.

In 2000, the Ap Pool and the Ag Pool executed the Peace Agreement (sometimes referred to as the Agreement) which governs, *inter alia*, responsibility for certain Basin-related expenses. Subsequently, a dispute arose between these two Pools over the extent

of the Ap Pool's obligation to pay for the Ag Pool's legal expenses. Following the Ag Pool's unsuccessful attempt to obtain a court order requiring the Ap Pool to pay, appellants filed motions seeking reimbursement of the legal expenses paid for fiscal years 2019-2020 and 2020-2021. Simultaneously, the Pools sought resolution of their dispute, and over appellants' objection, they entered into a settlement agreement (Terms of Agreement or TOA) which committed the Ap Pool members to pay a portion of the legal expenses they were contesting. Appellants' motions were heard on April 22, 2022; the superior court denied them as moot based on the TOA. The court found that the Pools had authority under the Judgment to settle their inter-Pool disputes (here through the TOA) and appellants are bound by the Pools' action.

On appeal, appellants challenge the superior court's denial of their reimbursement motions via separate briefing. Ontario and Monte Vista contend the "central question in this appeal is whether a committee of parties with appropriative water rights formed under the Judgment, specifically, the [Ap Pool], holds the power to bind individual members of the [Ap Pool] to a contract without the consent or approval of the parties purportedly bound." In particular, they argue the court erred by (1) determining the TOA moots the monetary claims asserted by individual appellants, and (2) misreading the Judgment and Peace Agreement. Separately, Chino contends the court's order "holds Chino to an implied contract forbidden by controlling authority, established by unspecified evidence." It argues this appeal raises a question of law, namely, whether the court "properly conclude[d] a majority of the [Ap Pool] Committee could settle Chino's [reimbursement] motion over Chino's objections."

As we explain, we conclude the superior court correctly interpreted the Judgment and the Peace Agreement in denying appellants' motions for reimbursement on the grounds the TOA resolved the dispute between the two Pools.

I. PROCEDURAL BACKGROUND AND FACTS

In 1975, Chino Basin Municipal Water District (CBMWD) initiated this action against several parties to adjudicate their rights and obligations with respect to groundwater in the Basin. Three years later, the parties stipulated to the Judgment which established a "physical solution" and allowed the superior court to retain and exercise jurisdiction. The Judgment, including all amendments, was restated and reentered in 2012; this restated judgment is "the official and legally operative copy of the Judgment in [this] case."¹ Appellants are signatories to the Judgment.

The Judgment established the rights of three "Pools" of parties with water interests in the Basin: They include (1) the Ag Pool (the State of California and all overlying producers who produce water for other than industrial or commercial purposes); (2) the Non-Ag Pool (overlying producers who produce water for industrial or commercial purposes); and (3) the Ap Pool (owners of appropriative water rights not appurtenant to land ownership, principally public entities and water companies who pump water for municipal customer uses). Each Pool has a committee that administers its internal affairs, employs its own separate counsel, may seek judicial review of any Watermaster action or

¹ Unless otherwise indicated, all further references and citations to the judgment are to the 2012 restated judgment.

failure to act, and—along with an Advisory Committee—provides advice and assistance to Watermaster on the administration of the Judgment. Each Pool has a Pooling Plan that controls its respective operations. Under the Ap Pool’s Pooling Plan, “[a]ffirmative action of the [Pool] Committee shall require a majority of the voting power of members in attendance, provided that it includes concurrence by at least one-third of its total members.”²

Watermaster administers and enforces the Judgment and any subsequent instructions or orders of the superior court. Watermaster is authorized to assess the Pools for its general administrative expenses, as defined, and to assess a specific Pool for its special project expenses, as defined, if certain conditions are satisfied. Initially, plaintiff CBMWD was appointed as Watermaster; however, in 1998, the superior court replaced CBMWD with a nine-member Board, comprised of representatives of the parties to the Judgment, including at least one representative from each Pool. Also in 1998, the court directed Watermaster to prepare an Optimum Basin Management Program (OBMP) to address water quality issues.

The OBMP was divided into two phases: Phase I (the report) was adopted in 1999, and Phase II (implementation plan) was submitted to the court for approval in 2000. The OBMP was subject to intensive settlement negotiations that led to various

² The “voting power” of the Pool Committee consists of 1,000 total votes. Of that total, 500 votes are allocated to members proportionally to their percentage shares in the Basin’s water, as specified elsewhere in the Judgment, and 500 votes are allocated to members “proportionally on the basis of assessments paid to Watermaster during the preceding year.” “Action by affirmative vote of a majority of the entire voting power of any Pool Committee . . . shall constitute action by such committee.”

parties to the Judgment (including appellants) executing the Peace Agreement in June 2000. The Peace Agreement resolved the parties' disputes regarding "a number of matters pertaining to the power and authority of the Court and Watermaster under the Judgment" It addresses implementation of the OBMP for the Basin and allows Watermaster to administer transfers, recharge, and storage/recovery of water. On July 13, 2000, the superior court accepted the Peace Agreement and ordered Watermaster to proceed in accordance with its terms.

To avoid overtaxing the Basin, the Judgment set its initial safe yield at 140,000 acre-feet per year (AFY). The "safe yield" is "the maximum quantity of water which can be withdrawn annually from a ground water supply under a given set of conditions without causing an undesirable result.' The phrase 'undesirable result' is understood to refer to a gradual lowering of the ground water levels resulting eventually in depletion of the supply." (*City of Los Angeles v. City of San Fernando* (1975) 14 Cal.3d 199, 278, disapproved on other grounds in *City of Barstow v. Mojave Water Agency* (2000) 23 Cal.4th 1224, 1248.) In 2017, the superior court reset it to 135,000 AFY.

Pursuant to the Judgment, unproduced Ag Pool water is made available for reallocation to members of the Ap Pool on a five-year schedule. According to Traci Stewart, a former Chief of Watermaster Services for the Basin, the Peace Agreement accelerated this schedule by making unproduced Ag Pool water available for reallocation to members of the Ap Pool on an annual basis (Early Transfer). Because members of the Ap Pool are only entitled to share in the remaining safe yield of water after satisfaction of overlying rights and the rights of the State of California, a reduction in the safe yield

means a reduction only in the remaining share of the safe yield of water that the members of the Ap Pool are entitled to. The Early Transfer of the Ag Pool's unproduced share of safe yield is an economic benefit to the Ap Pool and the consideration for its agreement to pay the Ag Pool's expenses. This arrangement was formalized in the Peace Agreement.

Significant to the issue presented in this appeal is the language in section 5.4(a) of the Peace Agreement wherein the Ap Pool agrees to pay "all assessments and expenses of the Agricultural Pool Committee . . . [, including but not] limited to OBMP Assessments, assessments pursuant to Paragraphs 20, 21, 22, 30, 42, 51, 53, 54 both General Administrative Expenses and Special Project Expenses, 55, and Exhibit F (Overlying Agricultural Pool Pooling Plan) of the Judgment. . . ." ³ Stewart explains this language formalized the Ap Pool's practice of paying the Ag Pool's assessments and expenses,

³ This same language was the subject of a prior dispute that was resolved via a Special Joint Pool Committee. According to that resolution, documented in the 2009 Memorandum of the Joint Special Pool Committee (the "2009 Memo"), "[T]he Agricultural Pool agrees to participate in the regular Watermaster Budget Process and present an annual budget in the same form and fashion as the other Pools. This will include: legal fees, consultant fees, meeting fees and projects. All of the budgets will be reviewed through the Pool process, approved and submitted by the Advisory Committee to the Watermaster. [¶] Only Watermaster is authorized to undertake Special Project expense under Judgment Section 54 and Section 27. Such expense can only be allocated to a specific Pool if the Pool agrees or the court so orders, but this is not an authorization for the Pool to undertake such expense on its own initiative. (See e.g. Judgment section 54 and Peace Agreement Section 5.4(a).) Under Section 38 (a) Pool Committees are limited to 'developing policy recommendations for administration of its particular Pool.' Special Project expense necessarily must be part of the Physical Solution which is under the control of the Court and its Court appointed Watermaster. While the Pool Committees are there to provide advice and assistance to Watermaster they may not supplant Watermaster's Physical Solution authority under Section 41."

including legal fees. According to Joseph S. Joswiak, Watermaster’s Chief Financial Officer, this practice continued uninterrupted and without controversy, and the Ap Pool members—including appellants—were assessed to cover those costs.

Between 2010 and 2017, the Ag Pool’s annual legal expenses never exceeded \$300,000; however, for fiscal year 2019-2020, its expenses increased to \$529,009. In September 2020, the Ag Pool increased its 2020-2021 budget for legal expenses to \$500,000. This increase prompted certain Ap Pool members, including appellants, to file a motion seeking a judicial determination to limit the expenses the Ap Pool will be required to pay on behalf of the Ag Pool under the Peace Agreement. The moving parties also sought a refund of legal expenses previously paid relating to an action initiated by the Ag Pool to challenge certain Ap Pool members’ applications for local water storage (Storage Contests).

On May 28, 2021, the superior court ruled that section 5.4(a) of the Peace Agreement does not obligate the Ap Pool to pay unlimited Ag Pool expenses “without knowledge of the nature of the expenses.” Instead, the court established a default procedure (when the parties could not agree on the payment of the legal expenses) that the Ag Pool had to follow to recoup its legal expenses. Specifically, the Ag Pool had to demonstrate the legal expenses incurred were for services that benefitted it and were not adverse to the Ap Pool, and the Ag Pool could not redact its attorney’s bills so as to make them meaningless for review by opposing counsel and determination by the court. The May 28, 2021 order did not rule out settlement as another procedure or method of accomplishing payment of the Ag Pool’s legal expenses. Further, the court deferred

ruling on the moving parties' claim for refund of Storage Contests payments to allow the Ag Pool the opportunity to seek recovery of those expenses using the sanctioned legal procedure.

Subsequently, principals of both the Ag Pool and the Ap Pool held a series of five meetings wherein they were unsuccessful in resolving the Ag Pool's request for payment of its legal expenses. Thus, in August 2021, the Ag Pool filed a motion to require the Ap Pool to reimburse the Ag Pool's legal expenses exceeding \$563,000.⁴ Appellants and other Ap Pool members opposed the motion, arguing it failed to comply with the requirements set forth by the superior court. They also sought reimbursement of \$746,830 previously paid in the preceding two fiscal years. The Ag Pool's motion was denied on December 3, 2021, on the grounds it had not satisfied the default procedure established by the May 2021 order. Also, the court authorized Chino to file "a motion as to the procedure for reimbursement of any assessments . . . that may be due to the paying party." The Ag Pool appealed the court's order.

In January 2022, appellants (separately) moved for reimbursement of \$483,202.55 in legal expenses the Ap Pool paid to the Ag Pool in fiscal years 2019-2020 and 2020-2021 (reimbursement motion). Appellants argued the conditions established in the May

⁴ The Ag Pool claimed the Ap Pool was required to pay legal expenses of \$460,723.63 directly to the Ag Pool and \$102,557.12 to the Watermaster Administrative Reserve Account (the fees related to the Storage Contests incurred in fiscal year 2020-2021). According to Robert Feenstra, chair of the Ag Pool, the increase in the Ag Pool's legal fees started in 2014 and was a "direct result of the actions of the [Ap] Pool that were adverse to the Basin and Watermaster's efforts towards safe Basin management – starting with the Safe Yield Reset process in 2014."

2021 order applied retroactively and the Ag Pool had not satisfied them in fiscal years 2019-2020 and 2020-2021. Also, appellants asserted the Ag Pool should reimburse Watermaster the sum of \$102,557.12 that it advanced in fiscal year 2020-2021 for the Ag Pool's legal expenses. In response, the Ag Pool argued appellants have waived, or were estopped to assert, any right to reimbursement of legal expenses previously paid without objection or reservation. The Ap Pool also weighed in to indicate it supported the superior court's determination of the issues raised by appellants. Watermaster's reply sought "to clarify and provide context to certain issues raised" to assist the court in reaching a ruling.

Before the superior court could hear the appellants' motions, principals of the Ap Pool and the Ag Pool reached a settlement, the TOA. A majority of the Ap Pool's voting power (59.363%) approved the TOA, which was signed by the Ap Pool's chair. According to the TOA, the two Pools agreed to abide by the court's May 2021 order imposing conditions on the Ag Pool's right to recoup legal expenses. Toward that end, the Ag Pool agreed to submit all attorney's invoices for which it sought payment to Watermaster in a form that would allow the Ap Pool to determine whether the invoiced expenses benefitted the Ag Pool and were not adverse to the Ap Pool. The Ag Pool also agreed (1) to dismiss its appeal from the December 3, 2021 order denying its motion for legal expenses (case No. E078377), and (2) to dismiss its Storage Contests. In return, the Ap Pool agreed—as authorized by a majority vote of its members—to pay the Ag Pool \$370,000 as a compromise of the disputed legal expenses. The Ag Pool would, in turn, use some of that money to repay Watermaster the disputed \$102,557.12 previously

advanced from its administrative reserves. The Ag Pool's agreement to repay that sum was one of the principal demands in appellants' motion. The Ap Pool also agreed to pay specified Ag Pool expenses from fiscal year 2021-2022 through the end of the initial 30-year term of the Peace Agreement.

On March 24, 2022, representatives of the two settling Pools submitted the "Joint Statement Regarding Settlement Agreement Between Appropriative Pool and Agricultural Pool Regarding Peace Agreement 5.4(a)," which notified the superior court of the settlement and included a copy of the TOA. At the court's request, the settling Pools refiled the document on April 11, 2022. All interested parties thereafter filed supplemental briefs, along with supporting declarations, addressing the impact of the TOA on appellants' pending motion and related issues. Watermaster's general manager, Peter Kavounas, declared that each Pool "has acted in a representative capacity in accordance with its respective Pooling plan, where it has been necessary or convenient." Examples of the type of Pool activity sanctioned via representative capacity include: retention of legal counsel and direction to Watermaster in the proper way to invoice members for paying such counsel, direction on the manner in which members fund recharge improvement projects, and entering into agreements with other Pools or parties to the Judgment.

On April 22, 2022, the superior court denied appellants' reimbursement motions on multiple grounds, including (1) the TOA settlement is valid; (2) the doctrines of waiver and laches apply because the Ap Pool previously paid the Ag Pool's legal expenses without objection; and (3) there is an implied-in-fact contract under which the

Ap Pool members agreed to be bound by a majority decision of the voting power. On appeal, appellants challenge the court’s denial of their motions, along with its finding that they are bound by the TOA.

II. DISCUSSION

According to appellants, the superior court’s April 2022 order approving the TOA gives power to other groundwater appropriators, and *carte blanche* authority to the Ap Pool, to impose its agreements on public entities and to spend their ratepayers’ money. They contend the TOA is not valid and binding on all members of the Ap Pool because (1) the Ap Pool lacked authority to execute the TOA, and (2) the TOA is inconsistent with the Judgment, the Peace Agreement, and the court’s May 28 and December 3, 2021 orders. Appellants further assert the court’s affirmance of the TOA holds them to an implied contract forbidden by controlling authority. We are not persuaded.

A. The Ap Pool was Authorized to Execute the TOA.

Citing the Judgment, appellants maintain the functions of the Pools are limited to advising and assisting Watermaster in the “administration of, and for the allocation of responsibility for, and payment of, costs of replenishment water and other aspects of [the] Physical Solution.” They add the Judgment incorporates a “pooling plan” for each Pool which controls the Pool’s operations and may be modified only by amending the Judgment “pursuant to the Court’s continuing jurisdiction.” Accordingly, appellants argue the Ap Pool is not authorized to usurp the power and authority held by individual members—such as government entities—and enter into contracts such as the TOA.

1. *The Judgment establishes a collective decision-making governance structure.*

“When interpreting the stipulated judgment, we use ordinary contract principles and, in the absence of extrinsic evidence, we may interpret it as a matter of law.

[Citation.]” (*Needelman v. DeWolf Realty Co., Inc.* (2015) 239 Cal.App.4th 750, 758.)

“[T]he primary object of all interpretation is to ascertain and carry out the intention of the parties.” (*City of Manhattan Beach v. Superior Court* (1996) 13 Cal.4th 232, 238.)

Here the Judgment directs Watermaster to “cause committees of producer representatives to be organized to act as Pool Committees for each of the several pools created under the Physical Solution.” Paragraph 43 established three separate Pools as entities with rights and obligations separate from their members. Each Pool has a committee of representatives (the Pool Committee) that acts on its behalf. Contrary to appellants’ assertion, the functions of the Pool Committees are not limited to “developing policy **recommendations** for administration of its particular pool,” seeking trial court orders, challenging Watermaster action, and employing counsel for litigation. Rather, they include the power to take action. (See *Robings v. Santa Monica Mountains Conservancy* (2010) 188 Cal.App.4th 952, 964 [“in the absence of express restrictions, implied powers may arise as well from the purposes for which the agency was created”]; see also *id.* at p. 966 [affirming trial court finding that recognized entity’s status is separate from its constituent members].) Paragraph 38(a) of the Judgment provides, “*All actions and recommendations of any Pool Committee which require Watermaster implementation shall first be noticed to the other two pools.*”

Additionally, Pool Committees pay Watermaster's assessments of the costs of water replenishment or supplementation. According to paragraph 54, the expenses of administration of the physical solution are categorized as either general Watermaster administrative expenses, or special project expenses. Special project expenses include *litigation expenses* and must "be allocated to a specific pool, or any portion thereof, only upon the basis of prior express assent and finding of benefit by the Pool Committee, or pursuant to written order of the Court." As the Ap Pool notes, the Judgment granted each Pool a measure of control over its obligation to pay litigation expenses incurred by other Pools or Watermaster (see paragraph 54(b)), the power and responsibility to pay the costs of replenishment water and other enumerated expenses (see paragraph 43), and the power to seek judicial review (see paragraph 15).

Pool Committees are composed as specified in their respective pooling plans, which also dictate their voting power; each Pool's pooling plan is attached to the Judgment. According to paragraph 35, "[a] majority of the voting power" of a Pool Committee constitutes a quorum for transaction of the Pool Committee's affairs, and "[a]ction by affirmative vote of a majority of the entire voting power of any Pool Committee or the Advisory Committee shall constitute action by such committee." Moreover, "[a]ny action . . . of a Pool Committee . . . shall be transmitted to Watermaster in writing, together with a report of any dissenting vote or opinion."

As relevant here, the pooling plan for the Ap Pool authorizes the Ap Pool Committee to take action on behalf of its members pursuant to a "majority of the voting power of members in attendance, provided that it includes concurrence by at least one-

third of its total members.” By agreeing to the Judgment, members of each Pool accepted the possibility that implementation of the OBMP through the collective decision-making of their Pool may result in taking action they (individually) do not support. As the superior court observed, “chaos would ensue” if the Pools employed a decision-making process untethered to the majority rule voting system.

Similarly, the Peace Agreement acknowledged and affirmed the Ap Pool’s power to resolve disputes over the Pool’s obligations via a majority vote. In executing the Agreement, appellants stated their desire “to resolve issues by consent under [its] express terms and conditions.” Section 1.1(gg) defines “[p]arty or [p]arties” as a party to the Judgment and/or a party to the Agreement; appellants are parties to the Judgment, and Chino, Ontario, Monte Vista Water District, and the Ap Pool are parties to the Agreement. Section 1.2(a)(v) defines “includes” and “including” as “*not limiting*.” Section 5.4(a) identifies the Ap Pool as the sole party responsible for paying the Ag Pool’s expenses: “During the term of this Agreement, all assessments and expenses of the Agricultural Pool including those of the Agricultural Pool Committee *shall be paid by the Appropriative Pool*.” Because section 5.4(a) did not specify any other payor, the superior court correctly concluded that the “App Pool, qua pool,” bore the obligation. Also, section 8.4 provides the Ap or Ag Pool “(as a Pool only and not the individual members of either Pool)” each with the unilateral right to extend the term of the Peace Agreement for an additional 30 years, prior to the end of the 25th year. Consequently, the Ap Pool possessed the authority, with a majority of its members’ consent, to take action such as extending the term of the Agreement or resolving disputes over its

contractual obligations, including payment of the Ag Pool's legal expenses. Such resolution could be via non-binding mediation or settlement negotiations. (*Robings v. Santa Monica Mountains Conservancy, supra*, 188 Cal.App.4th at p. 964 ["in the absence of express restrictions, implied powers may arise as well from the purposes for which the agency was created"].)

In short, the governance structure embodied within the Judgment, coupled with the Peace Agreement, enables administration of the Judgment through collective decision making by each Pool.

2. *The Pools' longstanding practice recognized their ability to take binding representative action.*

For more than 40 years, the Pools have taken actions in a representative capacity on behalf of their members. Watermaster notes the following examples of such actions: (1) retaining of counsel and consultants; (2) directing Watermaster in the proper way to invoice Pool members for paying legal counsel; (3) directing refinancing of Watermaster debt; (4) determining of manner in which members fund groundwater recharge improvement projects in the Basin; (5) determining representatives on the Advisory Committee and Watermaster Board; (6) appealing superior court orders; and (7) initiating storage contests. The parties' conduct and extensive course of dealing clarify any uncertainty in whether the Pools may act in a representative capacity. (*Alameda County Flood Control & Water Conservation Dist. v. Department of Water Resources* (2013) 213 Cal.App.4th 1163, 1202-1203 ["assuming plaintiffs have tendered an ambiguity regarding allocation of the proceeds or value of system power pool sales or trades, the

long course of dealing between the parties clarifies that ambiguity against them”]; *Orange Cove Irrigation Dist. v. Los Molinos Mutual Water Co.* (2018) 30 Cal.App.5th 1, 12-13 [““The mutual intention to which the courts give effect is determined by objective manifestations of the parties’ intent, including the words used in the agreement, as well as extrinsic evidence of such objective matters as the surrounding circumstances under which the parties negotiated or entered into the contract; the object, nature and subject matter of the contract; and the subsequent conduct of the parties.””]; see *Moreno Mutual Irrigation Co. v. Beaumont Irrigation Dist.* (1949) 94 Cal.App.2d 766, 783-784 [passage of time and course of dealing bar subsequent assertion of public policy and constitutional claims under a contract for stipulated judgment.] Moreover, the Peace Agreement was specifically approved and executed by the Pools acting in their representative capacity. In the resolution approving the Agreement, the Ap Pool “authorize[d] the Chairman to execute the Peace Agreement on behalf of the Appropriative Pool.”

Given the 40-plus year history of representative actions by the Pools, coupled with appellants’ consent or acquiescence, we reject appellants’ characterization of its Pool’s role as a powerless “administrative and advisory” body. As Watermaster aptly notes, a single representative voice from each Pool is “wise, balanced, and useful in optimizing the efficient use of water in the Basin, facilitates compromise, and affords all individual parties a voice in the process while preserving their remedy to challenge Watermaster actions.”

B. The TOA is Consistent with the Judgment, the Peace Agreement, and the Superior Court's Orders.

Appellants contend the TOA is inconsistent with the Judgment, the Peace Agreement, and the court's May 28 and December 3, 2021 orders because it alters the extent of the Ap Pool members' obligation under section 5.4(a) of the Agreement and the methodology for ascertaining the amount of that obligation.

As previously noted, the Judgment, the Peace Agreement, and the parties repeated acquiescence in the representative actions by the Pools, acknowledged each Pool's right to act upon the consent of a majority of its members. The Peace Agreement established the Ap Pool's commitment to pay the Ag Pool's legal expenses. As parties to the Agreement, appellants consented to such commitment. For decades, they fulfilled this commitment, spending public funds to do so. However, when the Ag Pool's legal expenses nearly doubled, appellants challenged the amount requested via judicial intervention. On May 28, 2021, the superior court found merit in their challenge and ruled that section 5.4(a) of the Peace Agreement does not obligate the Ap Pool to pay unlimited Ag Pool expenses "without knowledge of the nature of the expenses." Rather, when challenged, the Ag Pool must demonstrate that the expenses were for services that benefitted it and were not adverse to the Ap Pool. However, nothing in the May 28, 2021 order proscribed settlement of the disputed amount as a means of resolution.

Nonetheless, Ontario argues the TOA violates due process as determined in the May 28, 2021 order by committing the Ap Pool to pay legal expenses that may not have complied with the procedure prescribed by the superior court. Not so. As the Ap Pool

notes, this procedure applies only “[i]f the parties cannot come to an agreement themselves (as the court states they may do in paragraph 7).” Paragraph 7, in relevant part, provides, “Judgment ¶54 and Peace I § 5.4(a) mean that, of course, the Ag Pool and the [Ap] Pool can agree to a determination to [*sic*] about payment of ‘litigation expense.’” In reaching the TOA, the parties employed the procedure contemplated by the court in its May 28 order. The TOA states that it is “in furtherance of and without abrogation of the provisions of the May 28, 2021, San Bernardino Superior Court Order (the Order)[,]” and that it is “made for purposes of settlement within the interpretational parameters of the Order. These Terms of Agreement and the Order shall be construed together.” Moreover, the TOA included the same conditions on payment the court had described in its May 28 order. Thus, the TOA is consistent with the May 28, 2021 order.

Likewise, the TOA is not inconsistent with the superior court’s December 3, 2021 order denying the Ag Pool’s motion for attorney fees. The court denied the motion “in its entirety, on the basis that all fees sought by the [Ag] Pool are either for activities that were adversarial to the [Ap] Pool *or, in the alternative*, the Court could not determine whether the claimed fees were fair, reasonable, appropriate, and consistent with the Court’s May 28, 2021 Order, due to the level of redaction of the invoices supporting such claimed fees.” Specifically, the court “found redactions to be so extensive to make most of the bills meaningless for review by the opposing counsel and a determination by The Court.” Like the May 28, 2021 order, nothing in the December 3, 2021 order proscribed settlement of the disputed amount as a means of resolution. Again, the TOA manifests the agreement between the two Pools regarding the amount of 2020-2021 legal expenses

the Ap Pool was obligated to pay the Ag Pool according to the terms of the Peace Agreement. It does not impose any additional obligation on appellants, or require them to pay any expenses they had not already agreed to pursuant to the Peace Agreement.

C. Appellants' Remaining Arguments are Nothing More Than Red Herrings.

Appellants' remaining arguments challenging the superior court's denial of their motions for reimbursement include: (1) A majority of the Ap Pool may not bind a public agency; (2) There is no implied contract authorizing the Ap Pool to bind appellants⁵; (3) The equities do not support a quasi-contract; (4) Imposition of the TOA violates public policy and denies appellants their right to seek judicial review; and (5) The court erroneously relied on equitable doctrines to preclude appellants' reimbursement motions. As we explain, these arguments amount to nothing more than red herrings.

Appellants are parties to the Judgment and the Peace Agreement, both of which set forth their rights and obligations. Nothing in the TOA imposed any additional financial obligation on any public agency that it had not already agreed the Ap Pool would pay (funded by its members) according to the Peace Agreement. However, since the annual amount of this obligation was not specified nor limited in the Peace Agreement, appellants rightly sought judicial intervention when the Ag Pool sought \$563,000 in fees (including more than \$102,000 to reimburse Watermaster's administrative reserves). In

⁵ Having found the TOA to be consistent with the Judgment, the Peace Agreement, and the superior court's prior orders, we reject appellants' challenge to the finding of an implied contract that authorizes the Ap Pool to bind them by the majority vote on its decisions. Moreover, as the Ap Pool points out, the implied contract theory was an alternative ground cited by the court in support of its ruling.

response, on May 28, 2021, the superior court ruled that section 5.4(a) of the Peace Agreement does not obligate the Ap Pool to pay unlimited Ag Pool expenses “without knowledge of the nature of the expenses.” Rather, the Ag Pool must show that the claimed fees are fair, reasonable, and appropriate. If the Ag Pool satisfies this showing, the Ap Pool pays the amount requested. If not, the two Pools may negotiate an acceptable amount. If negotiations are unsuccessful, then the Ap Pool may seek judicial intervention where the Ag Pool will have to prove to the court its right to the requested fees.

Here, although the two Pools engaged in settlement discussions throughout 2021,⁶ when no settlement was reached, the Ag Pool sought judicial intervention. The superior court denied the Ag Pool’s request for fees, and it appealed. In response, the Pools continued to seek a resolution of their dispute. Simultaneously, appellants filed their motions for reimbursement. By the time their motions were heard by the court, the Pools had reached a compromise. According to the TOA—which was approved by a majority vote of each Pool’s membership according to the Judgment—the Ap Pool agreed to pay \$370,000 of the disputed \$563,000. Of the \$370,000, the Ag Pool would pay \$102,557.12 to reimburse Watermaster’s administrative reserves. In exchange for the Ap Pool’s agreement to pay \$370,000, the Ag Pool agreed to dismiss its appeal.

⁶ According to John Bosler, General Manager of the Cucamonga Valley Water District (a member of the Ap Pool) and Chair of the Ap Pool in 2021, the Ap Pool, the Ag Pool, and other representatives (including from Ontario) met several times from May through September 2021, to engage in good faith discussions regarding potential terms and conditions of a comprehensive settlement agreement to resolve the Ag Pool’s disputed expenses.

Additionally, the TOA clarified the Peace Agreement—specifically the Ap Pool’s obligation to pay for the Ag Pool’s legal expenses—by defining the procedures for processing the Ag Pool’s requests going forward.

Contrary to Chino’s assertion, the TOA has not denied them their right to judicial review. In denying appellants’ reimbursement motions, the superior court reviewed the relevant documents and considered appellants’ arguments. Nonetheless, it concluded the TOA was valid, binding on all Ap Pool members, and resolved all issues raised. Appellants have appealed the court’s order, and, after reviewing the record and considering the parties’ arguments, we conclude the superior court correctly denied their motions. There has been no denial of any party’s right to judicial review.

Likewise, we do not agree the TOA violates public policy or rises to an unlawful gift of public funds. Appellants are liable for their share of the Ag Pool’s expenses as members of the Ap Pool. The issue was not whether the Ap Pool must pay the Ag Pool’s request of \$563,000, but how much it must pay. Facing the Ag Pool’s appeal of the superior court’s order denying its request for payment, the Ap Pool engaged in settlement discussions and was able to resolve the good faith dispute via the TOA. As the Ap Pool notes: “The settlement of a good faith dispute between the State and a private party is an appropriate use of public funds and not a gift because the relinquishment of a colorable legal claim in return for settlement funds is good consideration and establishes a valid public purpose.” (*Jordan v. Department of Motor Vehicles* (2002) 100 Cal.App.4th 431, 450; *id.* at pp. 450-451 [unlawful gift where attorneys had no colorable claim to fees in excess of \$18 million]; see *Orange County Foundation v. Irvine Co.* (1983) 139

Cal.App.3d 195, 200-201 [holding that, when state funds are used to satisfy “wholly invalid claim[s]” “no ‘public purpose’ is achieved[.]”]

Finally, the superior court did not erroneously rely on equitable doctrines to preclude appellants’ reimbursement motions. As respondents aptly note, it is not the delay in the filing of appellants’ reimbursement motions that gives rise to laches. Rather, it is the late change in their position regarding their responsibility for paying the Ag Pool’s legal expenses (which they have done for 20 years), along with their acquiescence in the representative structure of the Pools for more than 40 years. As the superior court stated, “the length of time that the parties/dissenters have failed to raise their qualitatively legal objections in court to the [Ap] Pool’s payment of the Ag Pool’s legal expenses has the following consequences: [¶] a. They are barred by laches. [¶] b. They are waived.” (*In re Marriage of Fogarty & Rasbeary* (2000) 78 Cal.App.4th 1353, 1359 [“Laches is an equitable defense to the enforcement of stale claims. It may be applied where the complaining party has unreasonably delayed in the enforcement of a right, and where that party has either acquiesced in the adverse party’s conduct or where the adverse party has suffered prejudice thereby that makes the granting of relief unfair or inequitable.”].) Similarly, appellants may not challenge the amount of any prior payment (2019-2020) by the Ap Pool to the Ag Pool, which was assessed, reviewed, approved, and paid without objection. Since appellants failed to raise a timely objection, the court correctly found that they had waived any challenge.

D. Conclusion.

For more than 40 years, disputes over Watermaster decisions, Pool actions, and party actions have fallen within the superior court’s continuing jurisdiction, and they continue to do so. Here, appellants have used their dispute over the propriety of the Ag Pool’s invoices—sanctioned by the Peace Agreement—to challenge the Ap Pool’s authority to act in a representative capacity under the Judgment. In denying their reimbursement motions based on a finding that the Pools executed a valid settlement, the TOA, the superior court correctly concluded that neither the Judgment nor the Peace Agreement requires the Ap Pool to obtain unanimous consent of its members to act. To hold otherwise would disrupt the efficient management of the Basin as provided for in the Judgment.

III. DISPOSITION

The order is affirmed. Respondents are to recover costs on appeal.

NOT TO BE PUBLISHED IN OFFICIAL REPORTS

McKINSTER
Acting P. J.

We concur:

MILLER
J.

CODRINGTON
J.

DECLARATION OF JOHN J. SCHATZ

I, John J. Schatz, declare as follows:

1. I am an attorney licensed to practice law in California continuously for 35 years and counsel of record for Chino Basin Appropriative Pool (AP) in the recently concluded appeal in this case, *Chino Basin Municipal Water District v. City of Chino*, Fourth Appellate District, Division Two, No. E079052 (the Appeal). I submit this declaration to support AP's motion under Civil Code section 1717 to recover attorney fees AP paid me for services related to the Appeal.

2. I was actively involved in the Appeal and extensively participated with co-counsel Horvitz & Levy in the briefing and preparation for arguing the appeal on behalf of AP. If called as a witness, I could and would competently testify, based on my personal knowledge and my review of the record, that each of the facts set forth in this declaration is true and correct.

Attorney Experience

3. I have been a member of the California Bar since 1989, and am admitted to the United States District Court in the Central and Southern Districts. I have extensive experience representing various clients in water rights matters and adjudications, including in particular working for and with Chino Basin Judgment parties since 1984. I was involved in the negotiation of the Peace Agreement in 2000. I have been counsel to the AP since 2010. I have participated in AP meetings and discussions, and with members of the Pool and their counsels over a broad range of issues. I have made trial court appearances as AP counsel in several matters, including the series of court proceedings leading up to and including this Appeal.

Rates

4. When I was engaged by the AP in 2010, my hourly rate was and remained at \$200 until, effective September 2023, it was increased to \$300/hour. Based on published or known rates for other attorneys representing entities and Chino Basin Judgment parties, this is a below market rate reflecting my low

overhead costs as a sole practitioner. Based on my experience and knowledge of the market for appellate services in Southern California, the hourly rate I charged in connection with the Appeal is lower than the rates charged by other attorneys in appellate matters.

Case History and Appeal

5. For efficiency, the case history and overall scope of work in this matter is included in Mitchell Tilner's declaration, that attaches as an exhibit a copy of the Court of Appeal opinion.

Overview of Schatz Services

6. For efficiency, a description of the documents in this Appeal are included in Mitchell Tilner's declaration.

7. I reviewed and provided documents, notes, historical information regarding the Judgment, Peace Agreement and strategic input relevant to responding to the Appeal in connection with working closely with Horvitz & Levy. This also included generating and reviewing documents related to all of the briefs, correspondence and proceedings leading up to the Appeal. This included the specific documents and other items referenced in Mitchell Tilner's Declaration.

8. Additionally, I regularly communicated with the AP and members of the Pool regarding the Appeal, conduct of the Pool's business, Watermaster and Ag Pool counsel relating to the Appeal and related matters.

Specific Tasks and Time Spent

9. I kept contemporaneous time records detailing the services performed and the time spent, based on actual time. The services and time spent were then reflected in the invoices I sent to the AP Chair. To prepare this declaration, I reviewed all the invoices I sent to the Chair. They reflect that I performed the services described in subparagraphs below and spent the time shown at the end of each description.

May 2022

Reviewed documents and exchanged correspondence regarding appeal; Reviewed correspondence regarding Ag Pool settlement agreement and AP members

payments; Reviewed correspondence regarding Ag Pool legal expenses; Exchanged correspondence regarding AP member payments to Watermaster; Prepared initial and final drafts of law and motion documents and action regarding Ag Pool expenses litigation; Drafted correspondence regarding Ag Pool expenses payment; Drafted and reviewed Ag Pool settlement agreement payments and deadline correspondence; Drafted and exchanged correspondence regarding AP legal expenses, appeal and scheduled meetings; exchanged correspondence regarding legal expenses; phone calls with AP members, Watermaster and counsel; and, reviewed and compiled files for May.

22 hours + 16.53 hours phone = 38.53 hours @ \$200/hour = \$7,706

June 2022

Reviewed and drafted correspondence regarding Ontario appeal; Exchanged correspondence regarding appeal and attorneys call; Exchanged correspondence regarding AP legal counsel; Exchanged correspondence regarding appeal and related matters, and reviewed Appeal documents; Reviewed appeal Register of Actions; Drafted correspondence regarding appeal issues; Prepared and filed Respondents Notice Designating Appeal Record; exchanged correspondence regarding appeal Register of Actions; Exchanged correspondence regarding Ag Pool settlement payment; Transmitted correspondence regarding appeal and trial court Order; Reviewed files, appeal court filings and exchanged related correspondence; and phone calls with AP members, Watermaster and counsel.

23.25 hours + 15.03 hours phone = 38.28 hours @ \$200/hour = \$7,656

July 2022

Reviewed and formulated Ag Pool invoice protocol; Exchanged correspondence regarding Ag Pool invoice; Reviewed and exchanged correspondence regarding Court of Appeal filing default notice; Reviewed files and exchanged correspondence regarding 6/09/22 AP confidential session reportable action; Exchanged correspondence regarding appeal and related matters; Reviewed trial court minute order and exchanged related correspondence; Reviewed correspondence regarding record of appeal and information statement filings; Reviewed trial court minute orders; and, reviewed Watermaster correspondence regarding appeal court filing; Exchanged correspondence regarding trial court minute orders in connection with appeal transcript; Reviewed appeal court settlement conference form and exchanged related correspondence; Drafted correspondence regarding appeal court parties listing; Exchanged correspondence regarding appeal court parties listing and appeal settlement conference form and participants; and, exchanged correspondence regarding conference with appellate counsel; Exchanged correspondence regarding appeal settlement conference form and related matters; Exchanged correspondence

regarding Ag Pool invoices; Reviewed notes and drafted correspondence regarding Court of Appeal Settlement Conference Program questionnaire; Exchanged correspondence regarding appeal settlement conference program; and, phone calls with AP members, Watermaster and counsel.

10.75 hours + 7.31 hours phone = 18.06 hours @ \$200/hour = \$3,612

August 2022

Finalized COA settlement program filing and exchanged related correspondence; reviewed correspondence regarding AP expenses payment; Drafted correspondence regarding Ag Pool settlement payment deadline; exchanged correspondence regarding COA settlement program filing; Exchanged correspondence regarding status of payments for AP expenses; Exchanged correspondence regarding AP expenses nonpayment; exchanged correspondence regarding TOA litigation including COA docket; Reviewed correspondence regarding transfer of payment money to Ag Pool special fund; Reviewed Court rules and exchanged correspondence regarding payment of transcript re COA; Reviewed correspondence regarding AP Pool payment; Reviewed correspondence regarding AP expenses allocation; Exchanged correspondence regarding application of Chino payment for AP expenses; exchanged correspondence regarding Ag Pool invoices and payment; and, phone calls with AP members, Watermaster and counsel.

TOA: 8.25 hours + 10.18 hours phone = \$18.43 hours @ \$200/hour = \$3,686

September 2022

Exchanged correspondence regarding Ag Pool invoices protocol in connection with TOA/settlement agreement; Reviewed correspondence and documents regarding TOA litigation; Reviewed Ag Pool legal services payment record; Reviewed correspondence regarding status of AP expenses payment; Reviewed and drafted correspondence regarding AP expenses budgeting; Reviewed files and exchanged correspondence regarding AP legal representation; Reviewed documents and exchanged correspondence regarding Ag Pool invoices and payment protocol; Reviewed correspondence regarding AP expenses authorization; and phone calls with AP members, Watermaster and counsel.

TOA: 6 hours + 3.11 hours phone = 9.11 hours @ \$200/hours = \$1,822

October 2022

Exchanged correspondence regarding TOA litigation issues; reviewed correspondence regarding AP expense categories and expenses payment; and, phone calls with AP members, Watermaster and counsel.

TOA: 2.75 hours + 1.47 hours phone = 4.22 hours @ \$200/hour = \$844

November 2022

Reviewed documents exchanged correspondence regarding TOA litigation; and, phone calls with AP members, Watermaster and counsel.

TOA: 3.75 hours + 3.11 hours phone = 6.86 hours phone @ \$200/hour = \$1,373

December 2022

Reviewed and drafted correspondence regarding TOA litigation and AP expenses; and, phone calls with AP members, Watermaster and counsel.

TOA: 12.25 hours + 8.24 hours phone = 20.49 hours @ \$200/hour = \$4,097

January 2023

Reviewed and exchanged correspondence regarding TOA appeal issues and proceedings; Reviewed stipulation for extension of time to file Respondents' brief regarding TOA appeal and exchanged related correspondence; reviewed Ag Pool opposition to motion to correct caption re TOA appeal; Reviewed correspondence regarding execution of stipulation to extend time to file Respondents brief (TOA) Reviewed Chino Tort Claims letter and prior related correspondence; Researched and exchanged correspondence regarding Respondent's appeal issue (TOA); and, phone calls with AP members, Watermaster and counsel.

TOA: 7.75 hours + 7.05 hours phone = 14.8 hours @ \$200/hour = \$2,960

February 2023

Exchanged correspondence regarding TOA appeal and reviewed related documents; and, reviewed Court of Appeal Order regarding Watermaster respondent status and exchanged related correspondence; Reviewed correspondence regarding respondent's brief (TOA); and, phone calls with AP members, Watermaster and counsel.

TOA: 2.25 hours + 1.74 hours phone = 3.99 hours @ \$200/hour = \$797

March 2023

Exchanged correspondence regarding status of AP respondent's brief; Preliminarily reviewed and transmitted draft AP respondent's brief; Reviewed draft revisions to

AP respondent's brief; Reviewed COA courtesy notice regarding respondents' brief filing; Exchanged correspondence regarding draft AP respondent's brief; Reviewed draft respondent's brief and exchanged related correspondence; Reviewed COA notice regarding failure to file respondent's brief exchanged correspondence regarding respondent's brief and filing; Reviewed correspondence regarding COA filings and prior pleadings; and, exchanged correspondence regarding reply extension stipulation; Reviewed correspondence regarding execution of reply extension stipulation; Reviewed and drafted correspondence regarding appellate counsel budget; and, phone calls with AP members, Watermaster and counsel.

TOA: 20.25 hours + 9.37 hours phone = 29.62 hours @ \$200/hour = \$5,924

April 2023

No Billable Activity

May 2023

Drafted correspondence regarding trial court motion and TOA appeal; Exchanged correspondence regarding reply time extension (TOA) and COA notice; Reviewed correspondence regarding AP members payment reconciliation; Exchanged correspondence regarding appellants reply brief; Reviewed appellants reply brief; Reviewed Watermaster notice regarding Court filings (TOA); exchanged correspondence regarding appellants reply brief; and, phone calls with AP members, Watermaster and counsel.

TOA: 3.75 hours + 3.09 hours phone = 6.84 hours @ \$200/hour = \$1,368

June 2023

Exchanged correspondence regarding reply briefs; Reviewed correspondence regarding conference call concerning appellants reply briefs; Reviewed COA and related documents; Attended meeting regarding COA issues and related matters; Reviewed correspondence regarding TOA litigation expense; Exchanged correspondence regarding COA proceedings and related matters; Prepared for conference call regarding COA proceedings and related matters (TOA); Reviewed litigation history regarding Ag Pool invoices and following proceedings; and, phone calls with AP members, Watermaster and counsel.

TOA: 10.5 hours + 3.62 hours phone = 14.12 hours @ \$200/hour = \$2,823

July 2023

No Billable Activity

August 2023

No Billable Activity

September 2023

No Billable Activity

October 2023

Exchanged correspondence regarding COA schedule for TOA case

TOA: 0.25 hours + 0.12 hours phone = 0.37 hours @ \$300/hour = \$111

November 2023

No Billable Activity

December 2023

No Billable Activity

January 2024

Exchanged correspondence regarding meeting with appellate counsel; Reviewed tentative COA TOA decision and exchanged related correspondence; Attended AP meeting; Attended meeting with appellate counsel; reviewed COA request for oral argument; exchanged correspondence regarding COA tentative; Exchanged correspondence regarding COA tentative and related matters; Reviewed and drafted correspondence regarding COA oral argument filings and related matters; Reviewed and compiled files for January; and, phone calls with AP members, Watermaster and counsel.

TOA: 10.25 hours + 6.4 hours phone = 16.65 hours @ \$300/hour = \$4,995

February 2024

Reviewed COA calendar notice and exchanged related correspondence; Exchanged correspondence regarding Court of Appeal oral argument; Exchanged correspondence regarding COA hearing call; Reviewed tentative COA opinion in connection with preparation for oral argument; Reviewed correspondence regarding COA oral argument preparation; Reviewed Chino COA motion and correspondence to the Court; Reviewed COA tentative order and related documents in preparation

for oral argument; Reviewed Chino and other Court filings in preparation for oral argument; Reviewed documents and Court filings and exchanged related correspondence preparatory to oral argument; Prepared for COA oral argument; Exchanged correspondence regarding COA hearing and related matters; Reviewed Court document and exchanged correspondence regarding COA oral argument and related matters; reviewed and compiled files for February; and, phone calls with AP members, Watermaster and counsel.

TOA: 16.75 hours + 7.33 hours phone = 24.08 hours @ \$300/hour = \$7,224

March 2024

Reviewed appellate counsel invoices and related correspondence; Exchanged correspondence regarding Watermaster invoice payment and appellate counsel payment; Reviewed and compiled files for TOA Litigation; and, phone calls with AP members, Watermaster and counsel.

TOA: 18.5 hours + 11.64 hours phone = 30.14 hours @ \$300/hour = \$9,042

April 2024

Reviewed appellate counsel invoices and related correspondence; Exchanged correspondence regarding Watermaster invoice payment and appellate counsel payment; Reviewed and compiled files for TOA Litigation; and, phone calls with AP members, Watermaster and counsel.

TOA: 2.25 hours + 1.24 hours phone = 3.49 hours @ \$300/hour = \$1,047

May 2024

Reviewed correspondence regarding unpaid AP invoices; Drafted correspondence regarding Chino Ag Pool expense approval; Reviewed appellate counsel April invoice; Reviewed correspondence regarding post-Court of Appeal costs; Reviewed and prepared draft correspondence regarding attorneys' fees in connection with TOA appeal and related proceedings; Prepared draft and exchanged related correspondence regarding attorneys' fees and costs on appeal; Reviewed COA Remittitur and related documents and costs/fees recovery and exchanged related correspondence; Reviewed AP special assessment invoices expenses; Exchanged correspondence regarding attorneys' fees motion; and, reviewed and prepared statements; Reviewed files and prepared documents in connection with TOA litigation expenses; Exchanged correspondence regarding appeal costs and fees Exchanged correspondence regarding Ag Pool legal fees; Prepared files regarding TOA attorney fees; Reviewed TOA attorney fees memorandum and exchanged related correspondence; Reviewed files and drafted correspondence regarding TOA

expenses and attorney fees; and, phone calls with AP members, Watermaster and counsel.

TOA: 11.75 hours + 5.37 hours phone = 17.12 hours @ \$300/hour = \$5,136

June 2024 Through Date Motion Filed

Conducted legal research regarding costs, including attorney fees on appeal concerning Civil Code Section 1717 and related statutes and caselaw; drafted motion provisions for fees recovery and exchanged related correspondence with appeal co-counsel.

TOA: 15 hours @ \$300/hour = \$4,500

10. The above summaries show that through June 25, 2024, I spent a total of 330.20 hours on the Appeal. At a combination of \$200 per hour and then \$300 per hour starting with the October 2023 invoice, my fees for attorney services amounted to \$76,723.

11. In addition to the tasks and time described above, I spent another five (5) hours @ \$300/hour = \$1,500 preparing this declaration.

12. Based on all the foregoing information, AP asks the court to award it a total of \$81,223 in fees incurred by AP Counsel Schatz for services on the Appeal. In my experience, this total is reasonable for the services of appellate attorneys, considering the size of the record, the nature and complexity of the issues, and the scope of the briefing on the Appeal. App Pool has paid the fees for all services rendered through April 30, 2024. Fees for services rendered in May 2024, will be billed in June. Fees for services rendered and to be rendered in June 2024 have not yet been billed.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct and that this declaration was executed in Laguna Niguel, California on June 25, 2024.



John J. Schatz

DECLARATION OF TRACY J. EGOSCUE

I, Tracy J. Egoscue, declare as follows:

1. I submit this declaration in support of the motion for attorneys' fees pursuant to California Code of Civil Procedure section 1717 filed by the Appropriative Pool. I represented Respondent Overlying (Agricultural) Pool in the matter, *Chino Basin Municipal Water District v. City of Chino*, Fourth Appellate District, Division Two, No. E079052 (Appeal).
2. I am an attorney licensed to practice law in the states of California and Connecticut. I am also admitted to practice before the U.S. District Court for the Central and Southern Districts of California, and the U.S. Court of Appeals for the Ninth Circuit.
3. I am currently serving as general counsel to the Overlying (Agricultural) Pool. I have served in this capacity since 2011. I along with Tarren A. Torres were the attorneys that represented the Overlying (Agricultural) Pool during the Appeal.
4. I am the President of Egoscue Law Group, Inc. My resume is attached to this declaration as Exhibit A. Prior to Egoscue Law Group, Inc., I was Of Counsel at Paul Hastings. Before that I served as the Executive Officer of the California Regional Water Quality Control Board, Los Angeles Region. I have also served as the Executive Director of the Santa Monica Baykeeper, and as a Deputy Attorney General in the California Department of Justice.
5. I received a J.D. from George Washington University in 1997. Before law school I received a B.A. in Law and Society from the University of California at Santa Barbara.

Hourly Rates Sought

6. The hourly rate I seek in this case is \$600. Based upon my experience, this hourly rate is within the range for attorneys with similar years of experience practicing in this field in San Bernardino County.

My involvement in the litigation and my claimed hours

7. As the general counsel for Respondent Overlying (Agricultural) Pool I have been involved in all litigation matters involving the Overlying (Agricultural) Pool since 2011.
8. The Appropriative Pool has paid all the Overlying (Agricultural) Pool's legal fees and costs for the Appeal pursuant to contract, and has filed a motion to recover fees and costs of which this declaration is supportive.
9. It is the practice of Egoscue Law Group, Inc.'s litigating attorneys to keep and maintain

contemporaneous time records setting forth the amount of time spent on each task in a case in which a fee award is possible, along with a description of each task.

10. For the Appeal, Appellants filed a 14-volume, 4,582-page appendix in the Appeal. We reviewed two opening briefs, one filed by City of Chino and the other filed jointly by City of Ontario, Monte Vista Water District, and Monte Vista Irrigation Company. We conducted legal research and prepared a respondent's brief on behalf of the Overlying (Agricultural) Pool. We also reviewed Appellants' two reply briefs, and briefs filed by the two other respondents, the Appropriative Pool and the Chino Basin Watermaster.
11. The work on the Appeal included regular meetings and consultation with the Overlying (Agricultural) Pool including the Chair, Vice Chair, and individual members of the Pool Committee. The Appeal also required consultation with counsel for the Appropriative Pool and the Chino Basin Watermaster. I also attended the oral argument on behalf of the Overlying (Agricultural) Pool, which occurred at the Court of Appeal in Riverside on March 5, 2024.
12. I have carefully reviewed each line of the timesheets for all timekeepers for work on the Appeal. From July 2022 until present, I billed 106.25 hours at \$600 per hour for a total of \$63,750. From June 2022 until July 2023, Tarren A. Torres billed 149.25 hours at a billing rate of \$350 per hour for a total of \$52,237.50.
13. In sum, the Appropriative Pool seeks recovery of 255.50 hours of Overlying (Agricultural) Pool attorney time from May 2022 to present for a total of \$115,988 in attorneys' fees demanded.
14. My legal fee invoices that include detailed entries of my time spent on the Appeal as shown in the invoices submitted to the Appropriative Pool were approved by both the Agricultural (Overlying Pool) Chair and the Appropriative Pool and have been paid by the Appropriative Pool. This declaration provides a summary of my time for the Appeal as shown on the invoices.

I declare under penalty of law that the facts set forth in this declaration are true and correct, based on my personal knowledge, and if called as a witness, I could and would competently testify thereto under oath. Executed on June 25, 2024, in Long Beach, CA.



Tracy J. Egoscue



**Tracy J. Egoscue, Esq.
Egoscue Law Group, Inc.**

Tracy J. Egoscue is the founder and President of Egoscue Law Group, Inc. Her distinctive range of experiences as a former regulator, private sector employee and public interest attorney make her uniquely situated to understand and analyze complex environmental matters from a multitude of perspectives.

Prior to forming Egoscue Law Group in 2012, Ms. Egoscue worked as Of Counsel in the Environmental practice group for the international law firm of Paul Hastings LLP. Ms. Egoscue has served as the Executive Officer of the State of California Regional Water Quality Control Board - Los Angeles Region and as the Executive Director of the Santa Monica Baykeeper (now known as LA Waterkeeper). While at the Santa Monica Baykeeper, Ms. Egoscue achieved one of the largest Clean Water Act settlements in the history of the Clean Water Act against the City of Los Angeles for sewage spills. This landmark \$5 billion-dollar settlement led to an ambitious 10-year sewer pipeline rehabilitation program, which led to an 80% reduction in raw sewage spills.

Ms. Egoscue has also practiced environmental litigation as a Deputy Attorney General for the California Department of Justice, where her work focused on the defense of various state agencies including the Department of Parks and Recreation; Department of Fish and Wildlife; California Air Resources Board; Regional Water Quality Control Boards; and State Water Resources Control Board. Ms. Egoscue's litigation experience encompasses both civil and administrative law proceedings.

Throughout her career, Ms. Egoscue has been appointed to serve on numerous agencies and Boards including the California Climate Action Registry by Governor Davis, the Technical Advisory Committee for the California Office of Oil Spill Prevention and Response by the Speaker of the Assembly, and the Harbor Safety Committee for the Los Angeles and Long Beach Harbor Complex.

Tracy has also served as a distinguished visiting scholar at California State University at Long Beach, teaching environmental policy and law.

In 2014, Ms. Egoscue was appointed to serve on the Long Beach Board of Harbor Commissioners for the Port of Long Beach, the 2nd largest port in the U.S., responsible for 50,000 jobs in the region and \$200 billion in national and international trade. In 2018 Ms. Egoscue was elected as Board President by her colleagues to represent the Port in business dealings with international shipping lines such as Yang Ming, Evergreen, Maersk, MSC, Hapag Lloyd, Hamburg Sud, OOCL and Cosco. The Harbor Commission is responsible for the oversight of the Harbor Department of the City of Long Beach with 500 staff and an annual \$800 million budget. As a member of the Board, she worked to ensure fiduciary oversight of the development of the Port's 3,230 acres serving 140 shipping lines connecting to 217 seaports worldwide moving more than 7 million containers each year. During her tenure Ms. Egoscue worked with her fellow commissioners to expand the community mitigation and sponsorship programs. Ms. Egoscue also oversaw the multi-year \$4 billion capital program for a new state-of-the-art zero emissions terminal, the Gerald Desmond Bridge replacement, and other Port development projects.

Ms. Egoscue also serves on the Board of Directors of Mujeres de la Tierra, and the Bay Foundation. Her service on the Boards of these community organizations reflects her commitment to creating support for a better environment for all.

Ms. Egoscue received her J.D. from George Washington University in Washington, D.C. and her B.A. from the University of California at Santa Barbara. She is a member of the State Bar of California and is also licensed to practice in Connecticut. Ms. Egoscue splits her time between Long Beach and Los Osos, California.



CHINO BASIN WATERMASTER

Case No. RCVRS 51010

Chino Basin Municipal Water District v. City of Chino, et al.

PROOF OF SERVICE

I declare that:

I am employed in the County of San Bernardino, California. I am over the age of 18 years and not a party to the action within. My business address is Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California 91730; telephone (909) 484-3888.

On June 26, 2024 I served the following:

1. DECLARATION OF JOHN J. SCHATZ IN SUPPORT OF APPROPRIATIVE POOL NOTICE OF MOTION AND MOTION FOR AWARD OF EXPENSES, INCLUDING ATTORNEY FEES PER CONTRACT AND CIVIL CODE SECTION 1717; MEMORANDUM OF POINTS AND AUTHORITIES

/ X / BY MAIL: in said cause, by placing a true copy thereof enclosed with postage thereon fully prepaid, for delivery by the United States Postal Service mail at Rancho Cucamonga, California, addresses as follows:
See attached service list: Mailing List 1

/ ___ / BY PERSONAL SERVICE: I caused such envelope to be delivered by hand to the addressee.

/ ___ / BY FACSIMILE: I transmitted said document by fax transmission from (909) 484-3890 to the fax number(s) indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting fax machine.

/ X / BY ELECTRONIC MAIL: I transmitted notice of availability of electronic documents by electronic transmission to the email address indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting electronic mail device.
See attached service list: Master Email Distribution List

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on June 26, 2024 in Rancho Cucamonga, California.



By: Ruby Favela Quintero
Chino Basin Watermaster

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