

DEC 01 2004

Brenda Caro

FEE EXEMPT

1 Scott S. Slater (State Bar No. 117317)  
2 Michael T. Fife (State Bar No. 203025)  
3 HATCH & PARENT, A LAW CORPORATION  
4 21 East Carrillo Street  
5 Santa Barbara, CA 93101  
6 Telephone No. (805) 963-7000  
7 Facsimile No. (805) 965-4333

8 Attorneys For  
9 CHINO BASIN WATERMASTER

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 FOR THE COUNTY OF SAN BERNARDINO - RANCHO CUCAMONGA DIVISION

12 CHINO BASIN MUNICIPAL WATER  
13 DISTRICT,

14 Plaintiff,

15 vs.

16 CITY OF CHINO, et al.,

17 Defendants.

Case No. RCV 51010

[Assigned for All Purposes to the Hon. J. Michael Gunn]

SUPPLEMENTAL TRANSMITTAL RE  
MOTION FOR AN ORDER DIRECTING  
WATERMASTER TO PROCEED IN  
ACCORDANCE WITH THE PEACE  
AGREEMENT AS AMENDED BY THE  
FIRST AMENDMENT TO THE PEACE  
AGREEMENT

Hearing Date: December 2, 2004  
Hearing Time: 2:30 p.m.  
Dept: R8

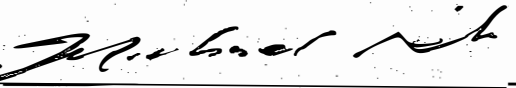
18 On October 13, 2004, Watermaster filed a Motion for an Order Directing Watermaster to  
19 Proceed in Accordance with the Peace Agreement as Amended by the First Amendment to the  
20 Peace Agreement. A copy of the First Amendment to the Peace Agreement was attached to that  
21 pleading as Exhibit "B." At the time of the filing of the Motion, the First Amendment had not yet  
22 been executed by all of the necessary parties. The Motion provided a chart showing the  
23 signatures received as of the date of the Motion, and provided a schedule for the remaining  
24 signatures to be obtained. (See Motion pages 9-10.)  
25  
26  
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HATCH & PARENT, A LAW CORPORATION  
21 East Carrillo Street  
Santa Barbara, CA 93101

1 Attached to this pleading as Exhibit "A" is a true and correct copy of the executed  
2 signature pages for the necessary parties to make the First Amendment effective. The only  
3 signature not yet obtained is that for the State of California. Watermaster Counsel has consulted  
4 with counsel for the State and believes that a signature from the State will be received prior to the  
5 December 2, 2004 hearing. If it is not received, Watermaster Counsel's understanding is that  
6 counsel for the State will be present at the hearing.

7  
8  
9 Dated: Nov 30, 2004

HATCH & PARENT, A LAW CORPORATION

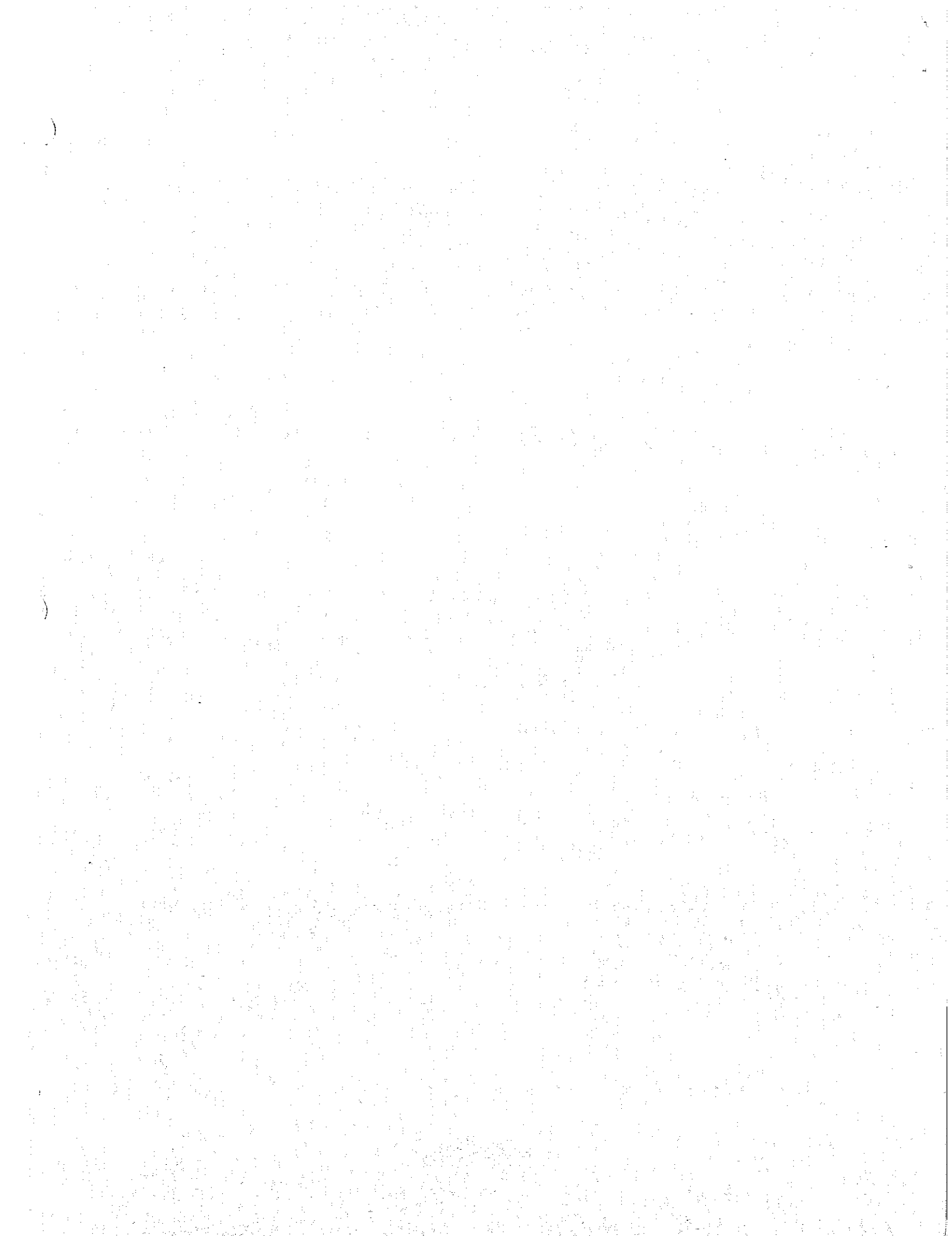
10  
11 By: 

12 Scott S. Slater  
13 Michael T. Fife  
14 Attorneys for  
15 CHINO BASIN WATERMASTER  
16  
17  
18  
19  
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HATCH & PARENT, A LAW CORPORATION

21 East Camillo Street  
Santa Barbara, CA 93101

**EXHIBIT "A"**



## FIRST AMENDMENT TO PEACE AGREEMENT CHINO BASIN

THIS FIRST AMENDMENT TO PEACE AGREEMENT ("Agreement") is dated the 2<sup>nd</sup> of September 2004 regarding the Chino Groundwater Basin.

### RECITALS

A. The Parties entered into that certain "Peace Agreement" dated June 29, 2000. The Peace Agreement was approved by the Court in San Bernardino Superior Court Case No. RCV 51010.

B. Section 5.5 of the Peace Agreement provided for Watermaster assignment of "Salt Credits." Certain parties to the Peace Agreement contend that Salt Credits were intended as a benefit to compensate non-discharging Appropriators for their obligation under Section 7.5(b) of the Peace Agreement to provide their share of the storm flow Recharge component of New Yield for Desalter Replenishment. The storm flow Recharge component of New Yield has been established by Watermaster at 12,000 acre-feet per annum.

C. Pursuant to that contention, Monte Vista Water District brought a "Motion for an Order Compelling Watermaster to Establish a Program to Equitably Allocate Benefits from Water Quality Mitigation Measures Under the Physical Solution" on March 11, 2004.

D. The Parties have agreed that if the obligation to dedicate the storm flow Recharge component of New Yield for Desalter Replenishment is eliminated from the Peace Agreement, then Salt Credits can be eliminated from the Peace Agreement. The Parties intend that the storm flow Recharge component of New Yield will remain assigned to the individual Appropriators as a component of Safe Yield, and will not be independently dedicated to Desalter Replenishment, even if it subsequently becomes determined to be part of the Safe Yield in accordance with Section 4.5 of the Peace Agreement and Sections 6.2 and 6.5 of the Watermaster Rules and Regulations.

E. Except as set forth herein, the Parties to the Peace Agreement have agreed that Desalter Replenishment will continue to be provided for as set forth in Section 7.5 of the Peace Agreement, as amended, with Desalter Replenishment being provided from the following sources in order of priority: (a) the 25,000 acre-feet of Kaiser water; (b) New Yield other than the 12,000 acre-feet of storm flow Recharge; (c) Safe Yield and (d) Additional Replenishment Water purchased by Watermaster.

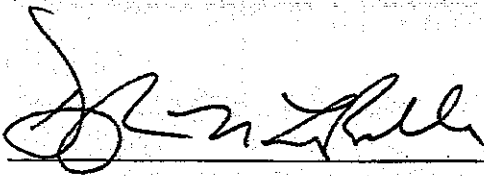
1. **Salt Credits Deleted.** Sections 1.1(rr) and 5.5 of the Peace Agreement are hereby deleted.

2. **Stormwater Component of New Yield Dedicated to Appropriators.**  
The 12,000 acre-feet of storm flow Recharge determined by Watermaster to be part of New Yield shall be allocated to the Appropriators according to their percentages of Safe Yield under the Judgment. Notwithstanding section 7.5(c) of the Peace Agreement, those amounts will continue to be dedicated in those percentages to the Appropriators if that storm flow Recharge is subsequently determined to be Safe Yield. Section 7.5(b) of the Peace Agreement is hereby amended to read:

"New Yield, other than the storm flow Recharge component thereof, 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."

3. **Effect of Amendment.** Except as amended hereby, the Peace Agreement remains in full force and effect and nothing in this First Amendment shall be construed to require Watermaster to levy the Replenishment Assessment contemplated by subdivision(d) of Section 7.5 thereof separately against the Parties that receive desalted water

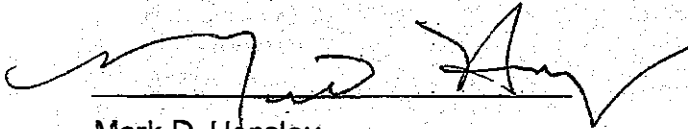
IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:



Douglas N. La Belle  
City Manager

9/28/04

Date



Mark D. Hensley  
City Attorney

9/28/04

Date

**AGREEMENT**

1. **Salt Credits Deleted.** Sections 1.1(rr) and 5.5 of the Peace Agreement are hereby deleted.

2. **Stormwater Component of New Yield Dedicated to Appropriators**

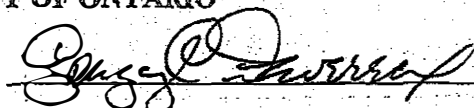
The 12,000 acre-feet of storm flow Recharge determined by Watermaster to be part of New Yield shall be allocated to the Appropriators according to their percentages of Safe Yield under the Judgment. Notwithstanding section 7.5(c) of the Peace Agreement, those amounts will continue to be dedicated in those percentages to the Appropriators if that storm flow Recharge is subsequently determined to be Safe Yield. Section 7.5(b) of the Peace Agreement is hereby amended to read:

"New Yield, other than the storm flow Recharge component thereof, 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."

3. **Effect of Amendment.** Except as amended hereby, the Peace Agreement remains in full force and effect and nothing in this First Amendment shall be construed to require Watermaster to levy the Replenishment Assessment contemplated by subdivision (d) of Section 7.5 thereof separately against the Parties that receive desalted water

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

DATED: STATE OF CALIFORNIA  
BY: \_\_\_\_\_

DATED: CITY OF ONTARIO  
BY:  \_\_\_\_\_

DATED: CITY OF UPLAND  
BY: \_\_\_\_\_

DATED: CITY OF POMONA  
BY: \_\_\_\_\_

[Signatures continued on following pages]

DATED: CITY OF CHINO  
BY: \_\_\_\_\_

[Signatures continued on following pages]

NOW THEREFORE, in consideration of the covenants and conditions herein contained, and for other good and valuable consideration the receipt of which is hereby acknowledged, the Parties agree as follows:

### AGREEMENT

1. Salt Credits Deleted. Sections 1.1(rr) and 5.5 of the Peace Agreement are hereby deleted.

2. Stormwater Component of New Yield Dedicated to Appropriators.


The 12,000 acre-feet of storm flow Recharge determined by Watermaster to be part of New Yield shall be allocated to the Appropriators according to their percentages of Safe Yield under the Judgment. Notwithstanding section 7.5(c) of the Peace Agreement, those amounts will continue to be dedicated in those percentages to the Appropriators if that storm flow Recharge is subsequently determined to be Safe Yield. Section 7.5(b) of the Peace Agreement is hereby amended to read:

" New Yield, other than the storm flow Recharge component thereof, 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."

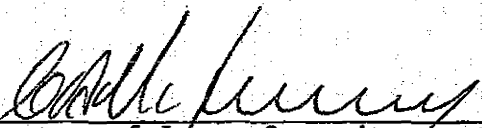
3. Effect of Amendment. Except as amended hereby, the Peace Agreement remains in full force and effect and nothing in this First Amendment shall be construed to require Watermaster to levy the Replenishment Assessment contemplated by subdivision (d) of Section 7.5 thereof separately against the Parties that receive desalted water

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

Dated: October 12, 2004

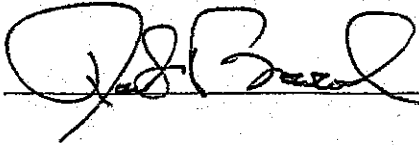
  
\_\_\_\_\_  
President of Jurupa Community Services  
District Board of Directors

Attest:

  
\_\_\_\_\_  
Secretary of Jurupa Community Services  
District Board of Directors



DATED: NON-AGRICULTURAL POOL

BY: 

DATED: INLAND EMPIRE UTILITY  
AGENCY

9/15/04

BY: 

DATED: THREE VALLEYS MUNICIPAL  
WATER DISTRICT

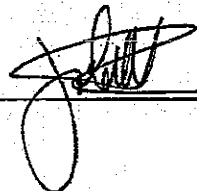
BY: 

DATED: KAISER VENTURES, INC.

BY: \_\_\_\_\_

DATED: WESTERN MUNICIPAL  
WATER DISTRICT

10/28/04

BY: 

[Signatures continued on following pages]

DATED:

CITY OF UPLAND

BY: \_\_\_\_\_

DATED:

STATE OF CALIFORNIA

BY: \_\_\_\_\_

DATED:

CITY OF CHINO

BY: \_\_\_\_\_

DATED:

CUCAMONGA COUNTY WATER DISTRICT

BY: \_\_\_\_\_

DATED: 10/6/04

MONTE VISTA WATER DISTRICT

BY: Maed. F. J.

[Signatures continued on following pages]

DATED:

CITY OF UPLAND

BY: \_\_\_\_\_

DATED:

STATE OF CALIFORNIA

BY: \_\_\_\_\_

DATED:

CITY OF CHINO

BY: \_\_\_\_\_

DATED:

October 26, 2004

CUCAMONGA VALLEY WATER  
DISTRICT

BY: Henry J. Stoy  
President of Board of Directors

DATED:

MONTE VISTA WATER  
DISTRICT

BY: \_\_\_\_\_

[Signatures continued on following pages]

DATED:

CITY OF UPLAND

BY:

*John V. Pomeiski*

DATED:

STATE OF CALIFORNIA

BY: \_\_\_\_\_

DATED:

CITY OF CHINO

BY: \_\_\_\_\_

DATED:

CUCAMONGA COUNTY WATER DISTRICT

BY: \_\_\_\_\_

DATED:

MONTE VISTA WATER DISTRICT

BY: \_\_\_\_\_

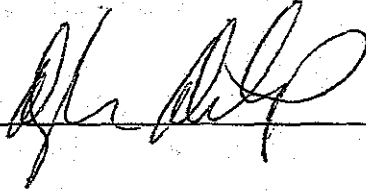
[Signatures continued on following pages]

DATED: CITY OF UPLAND

BY: \_\_\_\_\_

DATED: CITY OF POMONA

10/6/04

BY:  \_\_\_\_\_

DATED: CITY OF CHINO

BY: \_\_\_\_\_

DATED: CUCAMONGA COUNTY WATER DISTRICT

BY: \_\_\_\_\_

DATED: MONTE VISTA WATER DISTRICT

BY: \_\_\_\_\_

[Signatures continued on following pages]

DATED: CUCAMONGA COUNTY WATER DISTRICT

BY: \_\_\_\_\_

DATED: MONTE VISTA WATER DISTRICT

BY: \_\_\_\_\_

DATED: FONTANA UNION WATER COMPANY

BY: Ronald G. Black

DATED: CITY OF CHINO HILLS

BY: \_\_\_\_\_

DATED: JURUPA COMMUNITY SERVICES DISTRICT

BY: \_\_\_\_\_

DATED: AGRICULTURAL POOL

BY: Matthew DeWitt

DATED: APPROPRIATIVE POOL

BY: M. J. [Signature]

DATED: NON-AGRICULTURAL POOL

BY: \_\_\_\_\_

DATED: INLAND EMPIRE UTILITY AGENCY

BY: \_\_\_\_\_

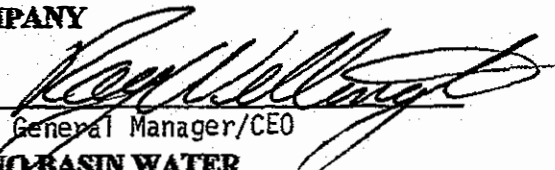
DATED: THREE VALLEYS MUNICIPAL WATER DISTRICT

BY: \_\_\_\_\_

[Signatures continued on following pages]

**DATED:** 9/21/04

**SAN ANTONIO WATER  
COMPANY**

**BY:**   
General Manager/CEO

**DATED:**

**CHINO BASIN WATER  
CONSERVATION DISTRICT**

**BY:** \_\_\_\_\_

DATED:

**SAN ANTONIO WATER  
COMPANY**

BY: \_\_\_\_\_

DATED:

**CHINO BASIN WATER  
CONSERVATION DISTRICT**

BY: Bennett Kell



**CHINO BASIN WATERMASTER**  
**Case No. RCV 51010**  
**Chino Basin Municipal Water District v. The City of Chino**

**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 December 1, 2004 I served the following:

**SUPPLEMENTAL TRANSMITTAL RE MOTION FOR AN ORDER DIRECTING  
WATERMASTER TO PROCEED IN ACCORDANCE WITH THE PEACE AGREEMENT AS  
AMENDED BY THE FIRST AMENDMENT TO THE PEACE AGREEMENT**

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:**  
Mailing List 1

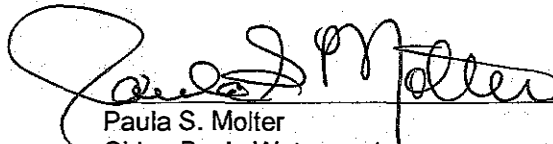
BY PERSONAL SERVICE: I caused such envelope to be delivered by hand to the addressee.

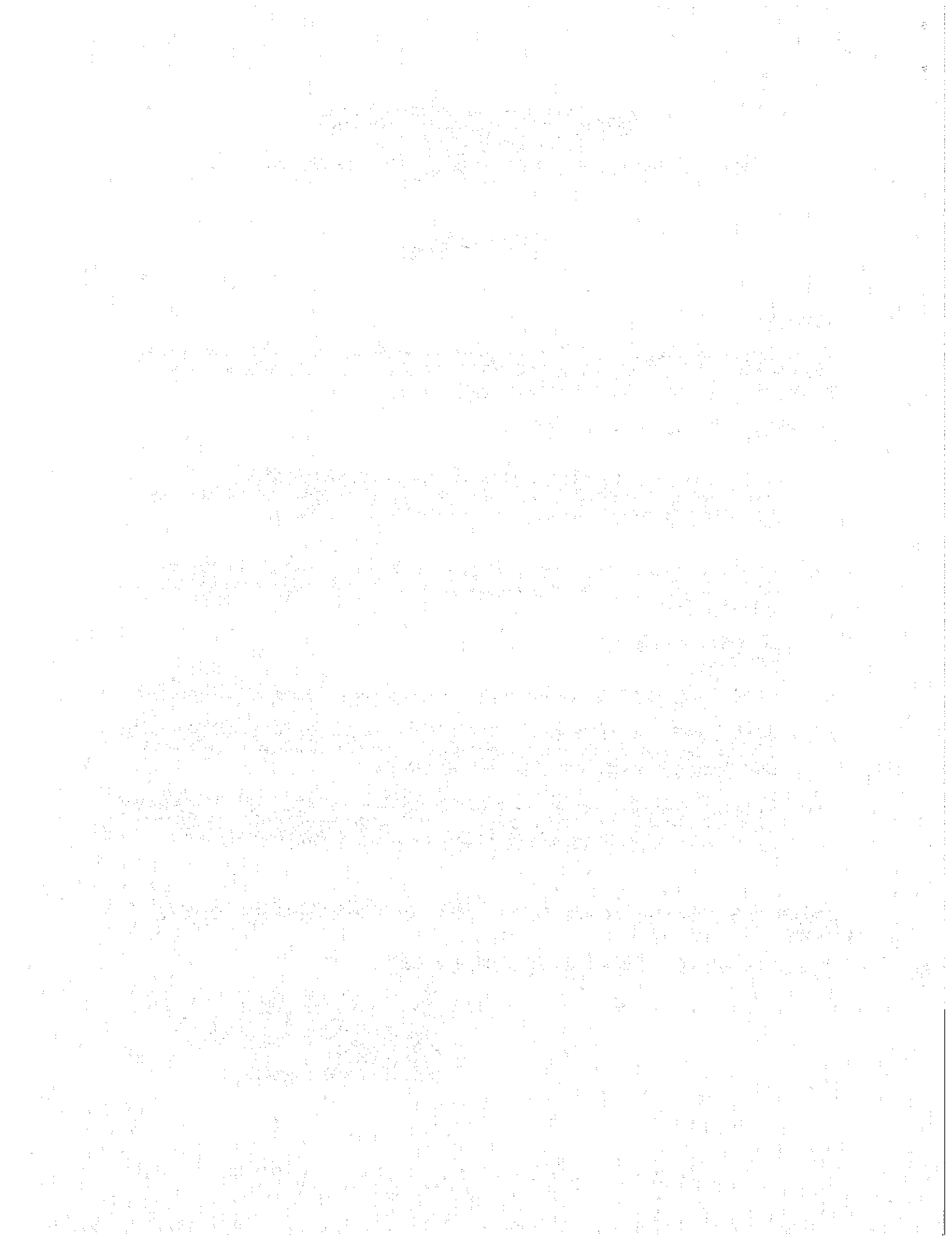
BY FACSIMILE: I transmitted said document by fax transmission from (909) 484-3890 to the fax number(s) indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting fax machine.

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 December 1, 2004 in Rancho Cucamonga, California.

  
\_\_\_\_\_  
Paula S. Molter  
Chino Basin Watermaster



RICHARD ANDERSON  
1365 W. FOOTHILL BLVD  
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COSTA MESA, CA 92626-1931

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COUNTY OF SAN BERNARDINO FCD  
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SAN BERNARDINO, CA 92415-0835

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CHINO HILLS, CA 91709

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STATE OF CA CDC  
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SACRAMENTO, CA 95814

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CONSULTANT TO SENATOR SOTO  
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& GIRARD  
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ONTARIO, CA 91761-7903

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11TH FLOOR N TOWER  
LOS ANGELES, CA 90013-1232

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STATE OF CA YTS  
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CHINO, CA 91710

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COUNSEL – COUNTY OF SAN  
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WALNUT VALLEY WATER DISTRICT  
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WALNUT, CA 91789

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CHINO, CA 91710-9242

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CITY OF HESPERIA  
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HESPERIA, CA 92345

RICK REES  
GEOMATRIX  
2450 EAST RINCON STREET  
CORONA, CA 92879

ROBERT REITER  
SAN BERNARDINO VALLEY MWD  
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SAN BERNARDINO, CA 92412-5906

LES RICHTER  
CALIFORNIA SPEEDWAY  
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FONTANA, CA 92334-9300

DAVID RINGEL  
MONTGOMERY WATSON  
PO BOX 7009  
PASADENA, CA 91109-7009

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CBWM BOARD  
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RIVERSIDE, CA 92509

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KRIEGER & STEWART  
ENGINEERING  
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RIVERSIDE, CA 92501

SENATOR NELL SOTO  
STATE CAPITOL  
ROOM NO 4066  
SACRAMENTO, CA 95814

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MARYGOLD MUTUAL WATER CO  
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BLOOMINGTON, CA 92316-1637

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MOBILE COMMUNITY MGMT CO  
1801 E EDINGER AVE, SUITE 230  
SANTA ANA, CA 92705

CRAIG STEWART  
GEOMATRIX CONSULTANTS INC  
330 W BAY ST, SUITE 140  
COSTA MESA, CA 92627

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LOS SERRANOS COUNTRY CLUB  
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CHINO HILLS, CA 91709

CHRIS SWANBERG  
DEPT OF CORRECTIONS – LEGAL  
AFFAIRS DIVISION  
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SACRAMENTO, CA 94283-0001

SWRCB  
PO BOX 2000  
SACRAMENTO, CA 95809-2000

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SPACE CENTER MIRA LOMA INC  
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MIRA LOMA, CA 91752-1126

JOHN THORNTON  
PSOMAS AND ASSOCIATES  
3187 RED HILL AVE, SUITE 250  
COSTA MESA, CA 92626

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PRAXAIR  
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ONTARIO, CA 91761

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CBWM BOARD MEMBER  
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CHINO, CA 91710

SYBRAND VANDER DUSSEN  
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ONTARIO, CA 91761

SYP VANDER DUSSEN  
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CHINO, CA 91710

JOHN ANDERSON  
CBWM BOARD ALTERNATE  
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CHINO, CA 91710

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CALIMESA, CA 92320

VIC BARRION  
11559 PEMBROOKE  
LOMA LINDA, CA 92354

ERIC WANG  
SUNKIST GROWERS  
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ONTARIO, CA 91761

ROBERT NEUFELD  
CBWM BOARD CHAIRMAN  
14111 SAN GABRIEL CT  
RANCHO CUCAMONGA, CA 91739