

FEE EXEMPT

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9 Attorneys for OVERLYING
10 (AGRICULTURAL) POOL

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

13 CHINO BASIN MUNICIPAL WATER
14 DISTRICT,
15 Plaintiff,
16 v.
17 CITY OF CHINO et al.,
18 Defendants.

19 Case No. RCVRS 51010
20 Assigned for All Purposes to the
21 Honorable Stanford E. Reichert
22 DECLARATION OF TRACY J.
23 EGOSCUE IN SUPPORT OF
24 AGRICULTURAL POOL'S MOTION
25 FOR ATTORNEY'S FEES
26 Hearing date: October 8, 2021
27 Hearing Time: 1:30 p.m.

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DECLARATION OF TRACY J. EGOSCUE

I, Tracy J. Egoscue, declare as follows:

1. I am an attorney licensed to practice in the State of California. Based upon my own personal knowledge and experience, I can competently attest to the following facts.

2. I was admitted to the California State Bar in 1997.

3. I am the President of the law firm Egoscue Law Group, Inc.

4. Egoscue Law Group, Inc. serves as legal counsel for the Chino Basin Overlying (Agricultural) Pool Committee (hereafter “Agricultural Pool”) and this Declaration is made in support of the Agricultural Pool’s Motion for Attorney’s Fees.

5. As legal counsel, fees invoiced by Egoscue Law Group, Inc. to the Agricultural Pool are derived from performance of legal counsel providing advice to the Pool Committee as to its rights and obligations under the Judgment and state laws and regulations. Pool counsel also advises in a manner as to protect the Pool member’s pumping rights and the health and stability of the groundwater Basin. This work entails staffing all Pool meetings, and advice and counsel on all Watermaster related matters.

6. Tarren Alicia Torres is an attorney employed by Egoscue Law Group, Inc. and is engaged with the Agricultural Pool when appropriate. Ms. Torres was admitted to the California State Bar in 2011.

7. The Agricultural Pool, similarly to the other two Chino Basin Pools, has retained legal counsel and associated expenses are included in the Pool’s annual budget in a Legal Services Account #8467.

8. Watermaster processes invoices for each Pool’s legal services in the same manner and are paid only after they have been reviewed and approved by the respective Pool Chairperson who verifies that the work billed is responsive to the Pool’s direction.

9. The Agricultural Pool has initiated a storage contest in an effort to protect the Agricultural Pool’s production rights. The Agricultural Pool’s storage contest challenges the approval of applications of storage without mitigating conditions which the Agricultural Pool

1 believes would avoid the potential to cause MPI to the Basin. The Agricultural Pool's initial
2 storage contest explicitly states that the Agricultural Pool submitted the storage contest "in good
3 faith and with the intention of acting to preserve the best interests of Chino Basin and all those
4 who rely upon its groundwater resources (including but not limited to the Ag Pool)." A true and
5 correct copy of the Agricultural Pool's original 2017 storage contest is attached hereto as **Exhibit**
6 **A.**

7 10. The Agricultural Pool's storage contest is not directed at any one Pool and must be
8 answered by Watermaster staff.

9 11. The Appropriative Pool has not been granted party status to the storage contest.

10 12. The Agricultural Pool has directed legal counsel to engage technical experts to
11 investigate, review, evaluate and report to the Pool on the Chino Basin Safe Yield recalculation,
12 basin storage management, and storage applications noticed by the Watermaster.

13 13. Stratecon, Inc. was engaged by me on behalf of the Agricultural Pool as technical
14 expert relating to valuations of storage and water rights within the Basin. True and correct copies
15 of Stratecon invoices are attached hereto as **Exhibit B.**

16 14. Stratecon prepared a report for the Agricultural Pool that found that evidence shows
17 that the Agricultural Pool's Early Transfer of water resulted in an economic benefit of \$172.8
18 million dollars to members of the Appropriative Pool. A true and correct copy of the report by
19 Stratecon is attached hereto as **Exhibit C.**

20 15. GSI Environmental was engaged by Egoscue Law Group, Inc. on behalf of the
21 Agricultural Pool as technical expert relating to Safe Yield recalculation and Basin storage
22 management. True and correct copies of relevant GSI invoices are attached hereto as **Exhibit D.**

23 16. Egoscue Law Group, Inc. served as legal counsel for the Agricultural Pool for the
24 entirety of Fiscal Year 2019/20. True and correct copies of Egoscue Law Group, Inc. invoices for
25 legal services rendered from January 2020 to June 2020 are attached hereto as **Exhibit E.**

26 17. The time billed by Agricultural Pool counsel for Fiscal Year 2019/20 FY 2020/21, and
27 FY 2021/22 includes a wide range of issues in the Basin, such as the 2020 Safe Yield reset, Pool
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1 meetings, storage, and water delivery issues to dairies and farms involving the Agricultural Pool
2 members.

3 18. In May 2020, the City of Ontario sent letters indicating that recycled water would stop
4 being delivered to agricultural users. The City of Ontario's actions forced the Agricultural Pool's
5 counsel to expend extra time discussing the matter with dairymen and women during this time.

6 19. On June 30, 2020, the Agricultural Pool amended its budget pursuant to standard
7 Watermaster budget procedures to cover outstanding legal expenses.

8 19. The outstanding legal expenses in the amount of \$165,694.75 include, inter alia, costs
9 related to the storage contest and 2020 Safe Yield reset. See Exhibit E.

10 20. The cost related to the storage contest, including expert consultant fees, is
11 \$100,542.50.

12 21. Pursuant to Section 5.4(a) of the Peace Agreement (and twenty years of pattern and
13 practice), the Watermaster issued a staff report on July 9, 2020 to the Appropriative Pool
14 members requesting direction regarding the method by which to allocate and invoice the
15 Agricultural Pool legal expenses.

16 22. Member agencies of the Appropriative Pool filed and served the Motion of
17 Appropriative Pool Member Agencies' Re: Agricultural Pool Legal and Other Expenses on
18 September 18, 2020.

19 23. Egoscue Law Group, Inc. served as legal counsel for the Agricultural Pool for the
20 entirety of Fiscal Year 2020/21. True and correct copies of Egoscue Law Group, Inc. invoices for
21 legal services rendered from July 2020 to June 2021 are attached hereto as **Exhibit F**.

22 24. Legal Counsel for the Agricultural Pool has had to make a number of filings and
23 appearances in response to the Appropriative Pool's objections to compliance with Section 5.4(a)
24 and the Appropriative Pool Member Agencies' motion filed on September 18, 2020. The majority
25 of the legal fees for the past few months were incurred as a result of defending the Agricultural
26 Pool in response to the Appropriative Pool Member Agencies' motion.

27 25. Despite the Court's 2021 Expenses Order and the affirmation of the Appropriative
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1 Pool's contractual obligation to pay the expenses of the Agricultural Pool, Members of the
2 Appropriative Pool have continued to refuse to pay any legal expenses of the Agricultural Pool.

3 26. The Agricultural Pool has used its reserve account to cover the expenses the
4 Appropriative Pool has refused to pay.

5 27. Due to the unexpected shortfall and outstanding balance, funds from the
6 Watermaster's Administrative Reserve were also used to cover the shortfall in the amount of
7 \$102,557.12. A true and correct copy of an accounting of Agricultural Pool funds is attached
8 hereto as **Exhibit G**.

9 28. The Chino Basin Watermaster maintains rules and regulations referred to as the "2019
10 Update to the 2001 Chino Basin Watermaster Rules and Regulations," but herein referred to as
11 "Watermaster Rules." A true and correct copy of the Watermaster Rules is attached hereto as
12 **Exhibit H**.

13 I declare under penalty of perjury that the foregoing is true and correct. Executed this 23rd
14 day of July 2021 in the City of Long Beach and County of Los Angeles, State of California.


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16 By: 
17 TRACY J. EGOSCUE
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Exhibit A

Agricultural Pool's 2017 Storage Contest

To: Chino Basin Watermaster
Advisory Committee
Chino Basin Watermaster Board

From: Overlying (Agricultural) Pool Committee
Chair Bob Feenstra
Vice Chair Jeff Pierson

Date: May 3, 2017

Re: Overlying (Agricultural) Pool Committee's Contest to Application for Storage Agreements

OVERLYING (AGRICULTURAL) POOL COMMITTEE'S CONTEST TO
APPROPRIATIVE POOL APPLICATION FOR EXCESS CARRYOVER WATER STORAGE
AGREEMENTS

Pursuant to Chino Basin Watermaster Rules and Regulations §10.13, the Overlying (Agricultural) Pool Committee (Ag Pool) respectfully submits this Contest to the Appropriative Pool Application for Excess Carryover Water Storage Agreements in response to the Chino Basin Watermaster's (Watermaster) notice of applications received for Local Storage Agreements.

Local Storage Agreements

On February 3, 2017 Watermaster provided notice of consideration of the following applications for Local Storage Agreements:

- Storage of Excess Carryover Water by members of the Overlying (Non-Agricultural) Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Storage of Supplemental Water by members of the Overlying (Non-Agricultural) Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Storage of Excess Carryover Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Storage of Supplemental Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016. (Attachment A, Notice.)

Notice Rescission

On February 13, 2017, Watermaster sent an email notifying parties that the February 3, 2017 notice was rescinded in response to a request from the Appropriative Pool. (Attachment B, February 13, 2017, Email from Anna Truong). As stated in the rescission email, the purpose was to allow for meetings between the Appropriative Pool and Ag Pool to "explore and directly address any issues of concern." There was no objection to the rescission.

Subsequent to the original notice and Pool meetings, various meetings and communications regarding the storage applications and storage management ensued between representatives of all three Pools of the Chino Basin Watermaster. Unfortunately, before a consensus could be reached on the matter, the Appropriative Pool unilaterally directed Watermaster to notice the storage applications for the May 2017 Advisory Committee meeting.¹ In response to the Appropriative Pool direction, on April 24, 2017 Watermaster sent notice of the resumption of the storage application process with consideration and possible action by the Advisory Committee at its May 18, 2017 meeting. (Attachment C, April 24, 2017 Email from Anna Truong.) The notice also indicated that Watermaster Board consideration and action was scheduled for the May 25, 2017 meeting. Pursuant to the Watermaster Rules and Regulations §10.13, any contest of storage applications is due a minimum of fourteen (14) days prior to the date scheduled for Advisory Committee consideration and possible action. Thus, in compliance with §10.13, this contest is filed on May 3, 2017 and Watermaster is hereby requested to provide notice of this Contest to the Active Parties. (Watermaster Rules and Regulations §10.13.)

Contest Requirements and Rules

Watermaster Rules and Regulations allow any party to the Judgment to file a contest to applications for storage agreements. (Watermaster Rules and Regulations, §10.13.) A contest must be submitted in writing and describe the basis for the contest and the underlying facts and circumstances. (*Ibid.*)

The Ag Pool submits this Contest in good faith and with the intention of acting to preserve the best interests of Chino Basin and all those who rely upon its groundwater resources (including but not limited to the Ag Pool). To this end, the Ag Pool reminds all Parties, the Advisory Committee, and the Watermaster Board that the Pool has consistently registered concern regarding storage while also acting to extend support for consensus regarding storage management. During discussions leading up to and including the submittal of Watermaster's unsuccessful Safe Yield Reset Agreement (SYRA) motion to the Court, the Ag Pool has expressed an opinion regarding storage and the negative impacts on the Basin absent wise and careful management.² Additionally, during the February 9, 2017 Pool meeting, the Ag Pool objected to the storage applications. As such, the Parties have been on notice of the Ag Pool's position very recently and as early as 2014.

Basis for Contest

The Ag Pool contests the application for Storage of Excess Carryover Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016. Watermaster has not determined whether the allocation and use of storage of the proposed Local Storage Agreements for Excess Carryover by Members of the Appropriative Pool are in excess of safe storage capacity requiring that mitigation be defined and resources committed to mitigation prior to allocation and use. Because a Safe Storage Management Plan or other appropriate mitigation has not been established and implemented, in light of the evidence from Watermaster's Engineer, including modeling and other technical documents, the proposed Local Storage Agreements present a Material Physical Injury to the Chino Basin requiring a plan for mitigation. Also, the storage of

¹ The Ag Pool objects to this unilateral action because the decision to resume the storage application process should have started with a noticed agenda item presented to all three Pools during their regularly noticed meetings for action.

² The Ag Pool was the only Pool to file in support of Watermaster's SYRA motion, in large part due to the Safe Storage Management portion.

Excess Carryover Water has been procedurally flawed and impermissible due to the absence of valid agreements with Watermaster.

Watermaster has developed voluminous evidence of the projected Material Physical Injury that will result through pumping of stored Excess Carryover water. Therefore, the Ag Pool formally contests the Applications for Local Storage Agreements identified above and requests that they be set aside or denied until a mitigation plan is developed and implemented.

Watermaster Rules and Regulations §10.14 Contents of a Contest

- (a) This contest is filed by the Overlying (Agricultural) Pool of the Chino Basin Watermaster (Contestant). The address of the Contestant is as follows:

Chair Bob Feenstra, Overlying (Agricultural) Pool
Chino Basin Watermaster
9641 San Bernardino Road, Rancho Cucamonga Ca., 91730.
Electronic Mail: bobfeenstra@gmail.com.

Notices and correspondence regarding this Contest should also be directed to counsel for the Ag Pool:

Tracy Egoscue, Esq.
Egoscue Law Group
3777 Long Beach Blvd, Suite 280
Long Beach CA, 90807
Electronic Mail: tracy@egoscuelaw.com.

The Contestant has read the application and the related notice.

- (b) The Ag Pool contests the application for Storage of Excess Carryover Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016. The Contest is based upon an allegation that the proposed action will result in Material Physical Injury to both a party to the Judgment (Ag Pool) and the Basin. The allegations of the specific injuries to both the Ag Pool and the Basin are set forth below, and the available evidence to support the allegation is provided herein. All documentary evidence is from Watermaster documents and files and therefore there is no need to specially serve the Applicant Appropriative Pool. Watermaster will serve notice of this Contest. In the event Watermaster or any Party to the Judgment, including but not limited to the Applicants, provide new and/or contradictory evidence in response to this Contest, the Contestant reserves the right to provide expert testimony and evidence in rebuttal and upon appropriate notice. "New evidence" would be engineering evidence or documentation not already in the record or in Watermaster files. It is the reasonable assumption of the Ag Pool that Watermaster and the Applicants will not dispute or otherwise contradict the model, files, and documents of the Watermaster Engineer, Mark Wildermuth. However, in the event this occurs, Watermaster Rules and Regulations do not forbid or otherwise bar rebuttal evidence and the Ag Pool hereby reserves its rights in this regard. Members of the Ag Pool utilize and depend upon groundwater throughout the Basin, and although Wildermuth has found projected Material Physical Injury concentrated to certain areas of the Basin as detailed

below, the Ag Pool is asserting injury to the entire Basin; therefore, no specific location of injury is described in this Contest.

- (c) The Contest is based upon an assertion of projected Material Physical Injury and the illegal and impermissible storage of Excess Carryover Water without a valid agreement with Watermaster.
- (d) A full evaluation and mitigation of the storage agreements would result in withdrawal of the Contest.

Storage Requirements

The court-approved Chino Basin Peace Agreement (Peace Agreement) requires a formal agreement with the Watermaster for the storage and recovery of stored water in the Basin, with reasonable advanced notice of the proposed Local Storage agreement to all interested parties prior to approval. (Peace Agreement § 5.2; OBMP Implementation Plan, Exhibit B, part (b)(iii) at p. 39.) Watermaster may not approve an application to store and recover water if it is inconsistent with the terms of the Peace Agreement or will cause any Material Physical Injury to any party to the Judgment or the Basin. (Peace Agreement § 5.2(a)(iii).) Any potential or threatened Material Physical Injury to any Party or the Basin caused by the storage and recovery of water must be reasonably and fully mitigated as a condition of approval. (*Ibid.*) In the event the Material Physical Injury cannot be mitigated, the request for storage and recovery must be denied. (*Ibid.*)

Watermaster Rules and Regulations Forbid Accumulation of Storage Without Agreements

Article VIII of Watermaster Rules and Regulations governs storage. Rule 8.1(e) regarding Storage of Safe Yield as Carry-Over Water provides that “any member of the Appropriative Pool or member of the Non-Agricultural Pool who Produces less than its assigned share of Operating Safe Yield or Safe Yield, respectively, may carry such unexercised right forward for exercise in subsequent years.” Importantly, the rules require as a “condition of preserving” the Excess Carry-Over Water that the Applicant must “execute a Local Storage Agreement with Watermaster.” (Rules and Regulations, §8.1(e).) The Ag Pool asserts that all Excess Carry-Over Water that has been accounted for by Watermaster as storage through the relevant assessment packages and without a valid Local Storage Agreement violates the Judgment and Watermaster’s own Rules and Regulations and is therefore *per se* invalid. In short, just because vast amounts of storage have been illegally accumulating, does not justify rushing through applications without sufficient evaluation and mitigation of the Material Physical Injury that is predicted to occur to the Basin in violation of the Judgment, Peace Agreements, and Watermaster Rules and Regulations. At a minimum, it is questionable as to whether such storage can now be legitimized due to the invalid nature of its existence sans storage agreements. This threshold question may even prevent the need to consider the projected Material Physical Injury and implement mitigation as the storage is not *procedurally* valid.

Underlying Facts and Circumstances of Material Physical Injury

History

When the Safe Yield of the Chino Basin was originally determined, all the inflows to the Chino Basin were estimated while also subtracting the pumping by the various parties and the outflows to the Santa Ana River. This calculation resulted in the net safe yield of 140,000 acre feet per year. One of the major inflows to the Chino Basin at the time was agriculture return flows, which was estimated at 64,000 acre feet per year. However, over the last 40 years the basin has shifted from heavy agriculture production to a predominantly urban pumping basin. A Safe Yield recalculation (and reduction) was recently ordered by the Court,³ which in part accounts for this change in land use.

As agriculture production has diminished over the decades—currently at less than 40,000 acre-feet per year—agriculture return flows have also diminished and, therefore, the estimated agriculture return flows have not remained at the 64,000 acre-feet per year estimated during the original Safe Yield calculation. Water consumed by an urban population produces return flows at a lower rate than agricultural use.

While the Judgment originally set the Safe Yield at 140,000 acre-feet, it expressly allowed for changes to the Safe Yield to be made after 10 years of operation of the Physical Solution. As noted above, a recalculation of the Chino Basin's Safe Yield recently resulted in a 5,000 AFY reduction to better reflect actual basin conditions.

Modeling Evidence of the Impact of Storage on the Basin and Material Physical Injury

At the July 10, 2014 meeting of the Ag Pool, Watermaster engineer Mark Wildermuth presented the findings of his extensive modeling effort to determine the Safe Yield of the Chino Basin in support of the safe yield recalculation effort. The materials presented by Wildermuth are not part of the meeting package for the July 10, 2014 as it appears on the Watermaster website, however the recording of the meeting is available⁴ and a copy of the materials are attached for ease of reference. (Attachment D, July 2014 Ag Pool Meeting Handout.) During this Ag Pool meeting, Wildermuth demonstrated that since 1978, the first year of the Judgment, through 2010, production of water (outflow) exceeded inflow into the Basin by 560,000 acre feet, resulting in overdraft of the Basin, and creating a significant drop in water levels in certain parts of the Basin. Of these 560,000 acre feet of overdraft, 345,000 acre feet were authorized by the Court, but 215,000 acre feet of overdraft was “unexpected” or unauthorized overdraft. In addition, the Wildermuth model predicts additional future overdraft based on the pumping plans submitted by the Parties, using both their established water rights and the water currently listed in storage accounts (there is nearly 350,000 acre feet of unpumped water accounted for in storage accounts).

As part of the discussion with the Ag Pool, Mr. Wildermuth was asked what his definition of

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<http://www.cbwm.org/docs/WatermasterCourtFilings/20170428%20Notice%20of%20Rulings%20After%20Hearing%20on%20WM%20Motion%20re%202015%20SYRA,%20Amendment%20of%20Restated%20Judgment,%20Paragraph%206.pdf>

⁴ <http://www.cbwm.org/docs/agpoolagendmin/recordings/2014/20140710%20Agricultural%20Pool%20Meeting.mp3>

“harm” would be in the context of storage and safe yield, and he responded by saying “unexplained changes in storage that are negative.” (July 10, 2014 Ag Pool Meeting Recording, at 19:50.) This harm as defined by Wildermuth is exactly what is projected to happen. By the year 2045 another 612,000 acre feet of overdraft is predicted to occur, of which only 255,000 is authorized, resulting in another significant drop in water levels. As demonstrated at the July 10, 2014 meeting of the Ag Pool, modeling used to develop pumping/production plans predicts that by 2043 approximately 604,000 acre-feet of water will be removed from the Chino Basin resulting in a significant drop in Basin water levels. *This includes 357,000 acre-feet of unauthorized overdraft that has not been addressed or otherwise mitigated.* On behalf of Watermaster, Wildermuth created a graphic illustration of the impact that this unauthorized and unmitigated pumping will have in the future as the Excess Carryover Water currently in storage is pumped or produced. Over a 40-year period, water levels go down about 60 feet in Pomona alone. (See Attachment D at p.14, Map.)

Watermaster Board September 16, 2014 Workshop

The Watermaster Board has also been advised of this issue. Wildermuth’s model indicates that the actual annual safe yield (called developed yield) of the Basin was higher than 140,000 acre feet in the early years of the Judgment and dropped below 140,000 in the mid 1990’s. A chart presented at the Watermaster Board Workshop on September 16, 2014 identifies the difference between the developed yield and the Judgment safe yield for the period from 2001 to 2013 as 184,000 acre feet. (Attachment E, Chino Basin Watermaster, Board Workshop, September 16, 2014 Workshop Handout) Some of this developed yield created Appropriative Pool Excess Carryover Water that is listed in storage.

To date, Watermaster has not successfully addressed the impacts of storage, or required mitigation or replenishment, and the Basin producers will continue to draw down the volume of water in the Chino Basin by more than 600,000 acre feet over the next 30 years, including unauthorized overdraft.

Wildermuth’s Safe Storage Memorandum

Accumulation of water in storage that is not representative of physical water is a problem illustrated and explained in Wildermuth’s Safe Storage Management Technical Memorandum (SSMTM)(Attachment F), developed as part of the process to recalculate Safe Yield:

“Using methodology consistent with prudent professional standards, short term actual measured net recharge during 2000-2014 was less than total rights allocated to the Parties to the Judgment to produce groundwater without incurring a replenishment assessment over the period 2000-2014 by a quantity potentially as high as 130,000 AF.” (Attachment F, SSMTM page 6, footnote 8.)

For the period 2000 to 2014, water rights were allocated in excess of Basin recharge. Page two (2) and table one (1) of the SSMTM documents that more than 186,000 acre feet of storage was accumulated in the Appropriative Pool Excess Carryover account from 2001 to 2014.

Wildermuth's 2013 Chino Basin Groundwater Model Update

The Wildermuth report titled “2013 Chino Basin Groundwater Model Update and Recalculation of Safe Yield Pursuant to the Peace Agreement—Draft Report” prepared by Wildermuth Environmental, dated January 2014⁵, documents in Table 7-4 that for the period fiscal year ending 2001 to fiscal year ending 2011, the developed yield to the basin averaged approximately 130,252 acre feet per year while water rights were allocated based on a safe yield of 140,000 AF. (Attachment G, Draft 2013 Groundwater Model Update, Table 7-4.) Because of this discrepancy, *approximately 107,232 AF of safe yield allocated for this period was not representative of physical water.* Storage accumulated in Appropriative Pool Excess Carryover accounts during this same period was approximately 100,793 acre feet per year.⁶ *Therefore, 100,793, of the water accumulated in Appropriative Pool Excess Carryover storage accounts for this period is not representative of physical water.* The final model report deletes this discussion and tabulation of developed yield without an explanation. (See Attachment H, 2013 Groundwater Model Update, Table 7-4.)

Even without the developed yield tabulation, the final modeling report, Wildermuth's report titled “2013 Chino Basin Groundwater Model Update and Recalculation of Safe Yield Pursuant to the Peace Agreement—Final Report, prepared by Wildermuth Environmental, dated October 2015⁷ paints the picture in stark terms:

“The groundwater level changes shown in Figures 7-5a to 7-5d and Table 7-7 indicate that groundwater levels are generally constant with local exceptions through about 2030 and then decline sharply thereafter. Recall from Table 7-5 that the volume of water in storage accounts is projected to increase to about 457,000 acre-ft in 2023, slightly decline to about 402,000 acre-ft in 2030, and then decline sharply to zero by 2044. The change in groundwater levels reflected in Figures 7-5a to 7-5d and Table 7-7 tracks the storage change shown in Table 7-5. The declining groundwater level changes in the Cities of Ontario, Pomona, and Upland, and the MVWD services area are not sustainable sometime after 2030 as they will likely exacerbate land subsidence. The declining groundwater levels in the JCSD area may contribute to production sustainability challenges for the JCSD and the CDA.” (2013 Chino Basin Groundwater Model Update and Recalculation of Safe Yield Pursuant to the Peace

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<http://www.cbwm.org/FTP/Safe%20Yield%20Reset/20140128%20Draft%202013%20CBWM%20Model%20Update%20and%20Recalc%20of%20Safe%20Yield%20Report/20140128%20Draft%202013%20CBWM%20Model%20Update%20and%20Recalc%20of%20Safe%20Yield%20Report.pdf>

⁶ Exhibit E to the Safe Yield Reset Agreement, SSMTM, Table 1.

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http://www.cbwm.org/docs/engdocs/WEI%202013%20CBWM%20Recalculation%20Model%20Update/20151005_WEI_2013_CBWM_Recal_Model_Final_low.pdf

As found by Watermaster's own Engineer, Material Physical Injury will result, in some areas of the Basin more than others. This projected Material Physical Injury to large portions of the Basin is not new to Watermaster and in fact has been discussed for some time. This is not sustainable Basin management and is a sufficient basis to sustain a contest to storage applications that are projected to cause Material Physical Injury without mitigation.

Insufficiency of Storage Applications Staff Report and Support

As part of the storage applications, the Watermaster staff report states that there is accurate accounting, however as part of the storage application, Watermaster did not provide additional information on modeling results that would justify a finding of no Material Physical Injury – a serious omission considering Wildermuth's documents and the evidence referenced above. The Ag Pool argues that any additional information would have to necessarily contradict Wildermuth.

Consequences of the accumulation of a water right in storage that is not representative of physical water are as follows:

- Future recovery of water included in storage accounts but not representative of physical water will result in a relative water level decline.
- Such future water level declines will result in Material Physical Injury or undesirable results, depending on the conditions of pumping (location, intensity, and location).

SYRA and Storage Management

Watermaster has not evaluated the potential for Material Physical Injury or undesirable results from pumping water that has been accrued in storage accounts but is not representative of physical water, despite Watermaster's acknowledgement through the Safe Yield recalculation process of the potential impact as a "precipitous drop in water levels and undesirable results" (SSMTM, p.1). Pursuant to SYRA, Watermaster proposed preparing a safe storage management plan to address the concern about storage but that plan was ultimately denied by the Court. The Court was presented with a proposed Safe Storage Management Plan, which allowed time for the development of solutions to address the large amounts of accumulated water in storage, projected Material Physical Injury, and any unauthorized overdraft. The Court declined to approve the Safe Storage Management Plan along with most the SYRA as presented; however the Court did reply upon Watermaster's engineer to order a recalculation and reduction in the Safe Yield of the Basin to 135,000 AFY. It is the Ag Pool's assertion that the Court will similarly reply upon the Watermaster Engineer and his model, reports and documents, in reviewing the merits of this contest. When presented with evidence of the history and projected Material Physical Injury caused by the Appropriative Pool Excess Carryover Water storage, and assuming Watermaster fails to act in advance, mitigation will be required. As such, the Ag Pool urges the Advisory Committee, and the Watermaster Board to decline the storage application until a mitigation plan is completed and presented as part of the application process.

Conclusion

Any potential or threatened Material Physical Injury to any Party or the Basin caused by the storage and recovery of water must 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. (Peace Agreement § 5.2(a)(iii).) As explained above, and based upon the Watermaster Engineer's own analysis, without mitigation, pumping of Excess Carryover storage will cause Material Physical Injury. Also, the storage at issue is impermissible due to the lack of valid agreements with Watermaster. Accordingly, approval of the Local Storage Agreements at issue should be denied until a storage management plan or other appropriate mitigation is developed to ensure that there is no Material Physical Injury to the Ag Pool or the Basin, now or in the future.

Respectfully submitted.

Attachment A

From: Janine Wilson JWilson@cbwm.org
Subject: Chino Basin Watermaster Notice of Application for Local Storage Agreement
Date: February 3, 2017 at 1:40 PM
To:



Please click on the link below to view and/or download the following Notice of Application for a Local Storage Agreement:

1. 20170203 Notice of Storage Application;
<http://www.cbwm.org/FTP/Current%20Water%20Transactions/20170203%20Notice%20of%20Storage%20Application.pdf>.

Thank you,

Janine Wilson, CAP-OM
Senior Accountant
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Office: 909.484.3888
Fax: 909.484.3890
Web: www.cbwm.org



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NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **February 1, 2017** Date of this notice: **February 3, 2017**

Please take notice that the following Application(s) has been received by Watermaster:

- Consideration of Local Storage Agreements –Storage of Excess Carryover Water by members of the Overlying (Non-Agricultural) Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Consideration of Local Storage Agreements – Storage of Supplemental Water by members of the Overlying (Non-Agricultural) Pool in amounts as shown in the Assessment Package Approved November 17, 2016
- Consideration of Local Storage Agreements – Storage of Excess Carryover Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Consideration of Local Storage Agreements – Storage of Supplemental Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool:	February 9, 2017
Non-Agricultural Pool:	February 9, 2017
Agricultural Pool:	February 9, 2017

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Tel: (909) 484-3888
 Fax: (909) 484-3890

CHINO BASIN WATERMASTER

NOTICE OF APPLICATION FOR A LOCAL STORAGE AGREEMENT

Notification Dated: February 3, 2017

A party to the Judgment has submitted a proposed Application for a Local Storage Agreement for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.2(b)(v) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the storage agreement. Watermaster staff is not aware of any evidence to suggest that this storage agreement would cause material physical injury and hereby provides this notice to advise interested persons that this storage agreement will come before the Watermaster Board on March 23, 2017. The attached staff report will be included in the meeting package at the time the storage agreement begins the Watermaster process (comes before Watermaster).

Attachment B

From: Anna Truong ATruong@cbwm.org
Subject: Advisory and Watermaster Board Storage Applications Consideration - Extension of Timeframe
Date: February 13, 2017 at 4:43 PM
To: Anna Truong ATruong@cbwm.org



Good afternoon to all,

This is to inform you that the Appropriative Pool has requested that Watermaster rescind the applications for storage agreements that were noticed on February 3, 2017, and extend the time for the Advisory Committee and Board consideration and potential adoption of Storage Agreements for Supplemental and Carry-Over water. The Overlying Non-Agricultural Pool and Overlying Agricultural Pools do not object.

The purpose of the present rescission and extension is to enable representatives of the Overlying (Agricultural) and Appropriative Pools to meet to explore and directly address any issues of concern. The intended purpose of the item is to bring existing stored water in the Basin into compliance with the Judgment; a consensus among stakeholders on the intended approach is highly desirable. However, the absence of valid Storage Agreements may impede the storage and recovery of water in the interim.

Questions can be addressed to Peter Kavounas (PKavounas@cbwm.org).

Thank you,
Anna

Anna Truong, CAP-OM-TA
Executive Services Director
Board Clerk
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730


Office: 909.484.3888
Fax: 909.484.3890
Web: www.cbwm.org



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Attachment C

From: Anna Truong ATruong@cbwm.org 
Subject: NOTICE: Chino Basin Watermaster Notice of Application for Local Storage Agreements (May 2017 Advisory Committee and Watermaster Board Approval)
Date: April 24, 2017 at 10:05 AM
To: Anna Truong ATruong@cbwm.org



NOTICE:

This is to inform you that **each of the four applications** for storage agreements for Non-Agricultural Pool and Appropriative Pool Excess Carry Over and Supplemental water **in amounts shown in the Assessment Package approved November 17, 2016, which was noticed on February 3, 2017 (see attached email and Attachment 1 PDF)**, will be scheduled for consideration and possible action by the Advisory Committee at its May 18, 2017 meeting, and possible Watermaster Board consideration and action on May 25, 2017.

Each of these **four applications** were considered by all three Pool Committees during the Committees' February 9, 2017 meetings. The consideration by the Advisory Committee that would have ordinarily occurred in March was extended, as described in the attached February 13, 2017 email. Any contest to **any of these applications must** be consistent with the requirements of Rules and Regulations Section 10.13.

Thank you,
Anna

Anna Truong, CAP-OM-TA
Executive Services Director
Board Clerk
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Office: 909.484.3888
Fax: 909.484.3890
Web: www.cbwm.org



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CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

DATE: May 18, 2017

TO: Watermaster Interested Parties

SUBJECT: Summary and Analysis of Proposed Local Storage Agreements

Summary –

There does not appear to be a potential material physical injury to a party or to the basin from the proposed agreements as presented.

Issue –

- Consideration of Local Storage Agreements –Storage of Excess Carryover Water by members of the Overlying (Non-Agricultural) Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Consideration of Local Storage Agreements – Storage of Supplemental Water by members of the Overlying (Non-Agricultural) Pool in amounts as shown in the Assessment Package Approved November 17, 2016
- Consideration of Local Storage Agreements – Storage of Excess Carryover Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Consideration of Local Storage Agreements – Storage of Supplemental Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016.

Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the agreements as presented.

Fiscal Impact – None.

BACKGROUND

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for a Local Storage Agreement is attached with the notice of consideration.

- Consideration of Local Storage Agreements –Storage of Excess Carryover Water by members of the Overlying (Non-Agricultural) Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Consideration of Local Storage Agreements – Storage of Supplemental Water by members of the Overlying (Non-Agricultural) Pool in amounts as shown in the Assessment Package Approved November 17, 2016
- Consideration of Local Storage Agreements – Storage of Excess Carryover Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016.
- Consideration of Local Storage Agreements – Storage of Supplemental Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016.

Notice of the consideration identified above was mailed on February 3, 2017.

DISCUSSION

Watermaster has consistently tracked water in storage accounts and reported account balances in the annual assessment packages. Accounting for stored water is accurate and complete. However, the Judgment and Peace Agreement require more. There need to be actual agreements with Watermaster for storage and recovery of stored water. (Peace Agreement §5.2; Restated Judgment, Exhibit G, Non-Agricultural Pool Pooling Plan ¶7; Restated Judgment Exhibit H, Appropriative Pool Plan ¶12.) The following accounts need to have agreements executed to bring Watermaster in compliance with the storage management requirements: Appropriative Pool parties' Excess Carry-Over, Recycled Water, and some Supplemental (Post-2000) Water accounts; and Non-Agricultural Pool Excess Carry-Over and Supplemental Water accounts.

To establish valid agreements for storage accounts, refresh expired agreements, and fully recognize the investments made in the stored water supplies, Watermaster has prepared proposed standard agreements for each account that requires a valid agreement for the parties' review.

The agreements would cover the amount of water that each account holder has in each account, shown in the latest approved annual Assessment Package. Agreements would be valid for the duration of the Peace Agreement, and quantities in storage would be automatically updated when new Assessment Packages are approved in the future, as long as the cumulative amount in storage is less than the Safe Storage Capacity, and without Material Physical Injury.

The 500,000 ac-ft Safe Storage Capacity threshold analyzed in the OBMP Implementation Plan PEIR would need to be re-examined as part of a comprehensive storage management plan. In the meantime it may be possible to consider temporary excursions of the cumulative amount in storage above the threshold based on a review of potential environmental impacts or MPI, if any.

Per the Peace Agreements, standard losses will be applied to all water placed into this Local Supplemental Storage Account in a similar manner to all other water in storage.

APPLICATION FOR LOCAL STORAGE AGREEMENT

APPLICANT

Watermaster Non-Agricultural and Appropriative Pool Parties With Stored Water Accounts - see attached table

Name of Party

February 1, 2017

Date Requested

Date Approved

Various

Street Address

Amount shown in latest approved Assessment Pkg. Acre-feet

Amount Requested

Acre-feet

Amount Approved

Various

City

CA

State

Various

Zip Code

Telephone: Various

Facsimile: Various

TYPE OF WATER TO BE PLACED IN STORAGE

[] Excess Carry Over [] Local Supplemental or Imported [x] Both

PURPOSE OF STORAGE - Check all that may apply

- [x] Stabilize or reduce future water costs/assessments.
[x] Facilitate utilization of other available sources of supply.
[x] Facilitate replenishment under certain well sites.
[x] Preserve pumping right for a changed future potential use.
[x] Other, explain Any other purpose not listed above and as approved by Watermaster.

METHOD AND LOCATION OF PLACEMENT IN STORAGE - Check and attach all that may apply

- [] Recharge (Form 2)
[] Transfer of Right to Water in Storage (Form 3)
[] Transfer from another party to the Judgment (Form 5)
[N/A] This water has already been accounted for in the annual Assessment Package.

METHOD AND LOCATION OF RECAPTURE FROM STORAGE - Check and attach all that may apply

- [] Pump from my wells (Form 4)
[] Transfer to another party to the Judgment (Form 3)
The Method and Location of Recapture from Storage varies by party and is subject to the provisions of the storage agreement.

WATER QUALITY AND WATER LEVELS

What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?

The latest existing water quality and water levels throughout the basin are shown in the latest State of the Basin Report.

MATERIAL PHYSICAL INJURY

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [x]

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

ADDITIONAL INFORMATION ATTACHED

Yes [] No []

Various Parties
Applicant

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

Exhibit B

Stratecon, Inc. Invoices



Invoice

March 31, 2020

Egoscue Law Group, Inc.
3834 Pine Avenue
Long Beach, CA 90807
Phone: 562.988.5978
Via email: donnam@egoscuelaw.com
Cc: tracy@egoscuelaw.com

Project: Chino Basin Ag Pool
Period: March 2020

For Professional Services per attached breakdown

Summary of March Invoice		
Due: Upon Receipt		

Rod Smith	30.25 hours @ \$450 per hour	\$13,612.50
Research Associate (M Weismann)	2.75 hours @ \$125 per hour	\$343.75
Total amount due this invoice		\$13,956.25

Summary of Outstanding Invoices		
---------------------------------	--	--

None		\$0.00
Total amount due from Outstanding Invoices		\$0.00
Total amount owed		\$13,956.25

Remit payment to:
Stratecon Inc.
3400 Inland Empire Blvd, Suite 101
Ontario, CA 91764

Tax ID 95-3883154
Payments past due will be charged a 1.5% per month late fee

Project: Chino Basin Ag Pool
Client: Egoscue Law Group

<i>Date</i>	<i>Task</i>	<i>Hours</i>
Rod Smith		
3/18/2020	Review of structure of 2009 opinion, updating attachment 1 and 2	1.50
3/19/2020	Updating attachments 3 to 5, price and production forecasts, update model	2.50
3/23/2020	Research on reallocation/audit model	1.25
3/24/2020	Revision of production model, drafting of opinion letter	2.50
3/25/2020	Update appropriator gain model, drafting of opinion letter	3.75
3/26/2020	Audit of Calculations of Reallocated groundwater rights	3.50
3/27/2020	Compile reallocations from assessment packages	3.50
3/28/2020	Completion of draft of opinion	3.50
3/30/2020	Review of Chino groundwater storage regulations and management plan	5.00
3/31/2020	Assessment of Demand for Groundwater Storage in S Cal	3.25
	<i>Total hours - Rod Smith</i>	<i>30.25</i>
	<i>Amount due - Rod Smith</i>	<i>\$13,612.50</i>
Marta Weismann (Research associate)		
3/24/2020	Obtain and review storage information on CBWM website	1.25
3/26/2020	Obtain storage regulations from CBWM website; review annual report for data on who is creating storage and attempt to contact CBWM for clarifications	1.5
	<i>Total hours - Marta Weismann</i>	<i>2.75</i>
	<i>Amount due - Marta Weismann</i>	<i>\$343.75</i>
	<i>Total amount due</i>	<i>\$13,956.25</i>



Invoice

April 30, 2020

Egoscue Law Group, Inc.
3834 Pine Avenue
Long Beach, CA 90807
Phone: 562.988.5978
Via email: donnam@egoscuelaw.com
Cc: tracy@egoscuelaw.com

Project: Chino Basin Ag Pool
Period: April 2020

For Professional Services per attached breakdown

Summary of April Invoice		
Due: Upon Receipt		

Rod Smith	31.5 hours @ \$450 per hour	\$14,175.00
Reduction for excess hours	see attached page for accounting of the reduction	-\$3,131.25
Total amount due this invoice		\$11,043.75

Summary of Outstanding Invoices		
---------------------------------	--	--

None		\$0.00
Total amount due from Outstanding Invoices		\$0.00
Total amount owed		\$11,043.75

Remit payment to:
Stratecon Inc.
3400 Inland Empire Blvd, Suite 101
Ontario, CA 91764

Tax ID 95-3883154
Payments past due will be charged a 1.5% per month late fee

Project: Chino Basin Ag Pool
Client: Egoscue Law Group

<i>Date</i>	<i>Task</i>	<i>Hours</i>
Rod Smith		
4/6/2020	Review of 1978 Judgment for Discussion of Storage	2.00
4/8/2020	Initial Review of Watermaster Reports	5.00
4/13/2020	Initial Review of Assessment Packages	2.00
4/16/2020	Review 2020 Storage Management Plan	1.50
4/23/2020	Compiling data from Watermaster documents	2.00
4/28/2020	Compiling data from Watermaster documents/preparation of attachments	7.00
4/29/2020	Drafting letter	7.00
4/30/2020	Revision of letter to final	5.00
	<i>Total hours - Rod Smith</i>	<i>31.50</i>
	<i>Amount due - Rod Smith</i>	<i>\$14,175.00</i>

Accounting of adjustment to stay within maximum billing under contract

Bill date 4/30/2020	\$14,175.00	
Bill date 3/31/2020	\$13,956.25	
Total	\$28,131.25	
Cap on fees	\$25,000.00	
Reduction for Excess Hours	-\$3,131.25	
Adjusted April billing	\$11,043.75	
	<i>Total amount due</i>	\$11,043.75

Exhibit C

Stratecon, Inc. Economic Valuation of the Early
Transfer of Agricultural Groundwater Rights Under
the Chino Basin Adjudication



March 31, 2020

VIA EMAIL

Tracy Egoscue
Egoscue Law Group

RE: Economic Valuation of the Early Transfer of Agricultural Groundwater Rights under the Chino Basin Adjudication

Dear Ms. Egoscue:

On behalf of the Agricultural Pool, you requested *Stratecon Inc.* update its economic valuation of the early transfer of agricultural groundwater rights under the Chino Basin Adjudication. As discussed more extensively below, the “early transfer” of agricultural water rights occurred in two phases:

- a) Fiscal Year (“FY”) 1987-88 when the appropriators agreed to pay the Agricultural Pool Assessments in exchange for a change in the method of allocating the unused portion of the Agricultural Pool’s water rights;
- b) When the Peace Agreement was signed.

Based on the information and analysis presented below, *Stratecon* estimates that the appropriators have received an economic benefit of \$172.8 million from the early transfer of agricultural groundwater rights. The current value of economic benefits received by the appropriators is \$113.0 million. Of this amount, the cumulative value of annual economic benefits from FY 1984-85 through FY 2019-20 equals \$49.1 million and the cumulative accrued interest (to account for the timing of annual benefits) equals \$63.9 million. Given that agricultural groundwater production is anticipated to continue declining long term, the present value of early transfer of agricultural groundwater rights in future years, as of June 30, 2019, is worth an additional \$59.8 million.

Before turning to the basis of *Stratecon*’s valuation, I want to make an important point about *Stratecon*’s valuation. *Stratecon* considers only one element of the various agreements that the Agricultural Pool has entered into regarding the Chino Basin. By focusing on only one component, *Stratecon* is not examining other dimensions of the Chino Basin Adjudication that impact members of the Agricultural Pool. That is, *Stratecon*’s scope of work did not include an

economic valuation of the comprehensive package of programs and projects related to the Chino Basin Adjudication.

The presentation of *Stratecon's* valuation is as follows: review of Judgment and the historical record of reallocations, description of valuation method and related data, and presentation of conclusions.

Judgment and Historical Record of Reallocations

The Agricultural Pool received a fixed allocation of the Safe Yield of the Chino Basin of 414,000 acre-feet (“AF”) in any five consecutive years.¹ Exhibit H addresses the allocation of unused agricultural water: “to the extent that, in any five years, any portion of the share of Safe Yield allocated to the Overlying (Agricultural) Pool is not produced, such water shall be available for reallocation to members of the Appropriative Pool . . .”² The Judgment does not provide any further guidance about the calculation of the reallocation.

Attachment 1 provides the historic record of agricultural production and reallocation of unused agricultural groundwater rights.³ The first year of reallocation, FY 1984-85 was based on agricultural groundwater production for FY 1983-84, the sixth full fiscal year of the Judgment. During each of the five consecutive prior fiscal years, agricultural production was less than 82,800 AF/year. The cumulative underproduction was 81,027 AF, an average of 16,205 AF per year. The amount reallocated in FY 1983-84 was 26,355 AF, which bears no obvious relation to the amount of the under use of agricultural rights in the prior five-year period.⁴ For the following two fiscal years (FY 1984-85 and FY 1985-86), the amount of groundwater reallocated equaled the amount specified in Exhibit H in the Judgment (82,800 AF less the five-year running average of agricultural groundwater production). After FY 1987-88, when the appropriators agreed to pay the Agricultural Pool Assessments, the amount reallocated in a year generally equaled the amount

¹ Paragraph 44 of 1978 Judgment.

² The cited language then establishes priorities for the allocation, first to compensate for any reduction in Operating Safe Yield, second to land conversion, and third to act as a supplement to Operating Safe Yield for appropriators.

³ Compiled from Chino Basin Watermaster Assessment Packages.

⁴ In preparation of *Stratecon's* 2009 opinion, I met with Ms. Sherri Rojo, Chief Financial Officer/Assistant General Manager of the Chino Basin Watermaster on April 13, 2009 to discuss the watermaster's calculations of the reallocation of unused agricultural water rights. We discussed most of Attachment 1 (the final column in Attachment 1 was not part of the table at the time of the meeting). The calculation of the reallocation during FY 1983-84 through FY 1987-88 predated her tenure at watermaster. She believed that the calculations during that time period were done by hand. In a follow-up email transmitted on April 17, 2009, she indicated that she found documentation indicating that, generally, the watermaster reallocated agricultural water rights based on the five-year running average of agricultural groundwater production.

of unused agricultural water rights in the prior fiscal year.⁵ After FY 1999-2000, when the Peace Agreement was signed, the amount reallocated in a year generally equals the amount of unused agricultural groundwater rights in the current year.⁶

The last column in Attachment 1 shows, in any year, the average amount of underproduction in the prior five years. On May 30, 1984, the Chino Basin watermaster adopted Resolution 84-2 stating that the amount of agricultural water rights reallocated was based on the average amount of underproduction in the prior five years. Resolution 84-2 was rescinded in 1988 by Resolution 88-3 when the appropriators agreed to pay the Agricultural Pool Assessments.

Valuation Method and Related Data

Stratecon's uses the standard formula to calculate the current value of a stream of past and future cash flows (see below). The valuation method has four building blocks. First, determine the amount of water subject to accelerated/early transfer by comparing the time profile of reallocations reflecting the changes in reallocation method to the annual reallocations under the 1978 Judgment without the changes. Second, value the additional groundwater allocations at the watermaster's Gross Replenishment Water Rate. Third, determine the current value of the extra water historically reallocated to appropriators by cumulating the annual benefits (the quantity of water in step 1 multiplied by the value of water in step 2) and adjusting for the timing of annual benefits ("accrued interest"). Fourth, calculate the present value of expected future value of extra water reallocated to appropriators.

Current Value of Early Transfer Water = Cumulative past annual values + Accrued Interest on past annual values + Present Value of Expected Future Cash Flows

Amount of Extra Water from Accelerated/Early Transfer. The amount of water reallocated to appropriators depends on two factors: (1) time profile of agricultural production and (2) the "rules" used to reallocate unused agricultural water. For FY 1984-85 through FY 2018-19, the amount of extra water from Accelerated/Early transfer of groundwater equals the difference between the amount reallocated in a fiscal year and the amount the agricultural pools 82,800 AF groundwater right exceeds the running average of agricultural production in the prior five years. For future fiscal years, the amount of extra water from Accelerated/Early transfer of groundwater equals the difference between (i) the projected amount future agricultural groundwater production is less than 82,800 AF per year ("existing rule") and (ii) the projected amount the running average of agricultural groundwater production in the five prior years is less than 82,800 AF per year ("original rule").

⁵ Note that there is a one-time jump in the reallocation in FY 1987-88.

⁶ Note that there is a one-time jump in the amount reallocated in the first fiscal year after the Peace Agreement.

Attachment 2 shows annual agricultural groundwater production from fiscal year 1974-75 through fiscal year 2018-19. Agricultural groundwater production has been declining since the 1970s. Since FY 1983-84, when the watermaster initiated reallocation of groundwater rights, agricultural groundwater production has been declining at an annual rate of 2.3%.⁷

Attachment 3 shows the time profile of reallocated unused agricultural water rights under two rules through FY 2018-19: “Existing” (the current situation reflecting the two changes in the administration of the 1978 Judgment), and “Running Average” (reallocations based on how much the average annual groundwater production in the five prior years fell short of 82,800 AF). Since FY 1983-84, the watermaster reallocated a cumulative total of 1,594,765 AF through FY 2018-19 from the agricultural pool to the appropriators. This amount exceeded by 78,434 AF the cumulative amount agricultural groundwater production was less than 82,800 AF per year (1,516,331 AF). The amount reallocated exceeded by 192,752 AF the cumulative amount the five-year running average of agricultural groundwater production was less than 82,800 AF per year (1,401,013 AF). In comparison to keeping with the original administration of the 1978 Judgment, the Existing rule generates water sooner, especially in the fiscal years when changes in the reallocation method occurred (see Attachment 4).

Attachment 5 shows trend and adjusted trend models for annual agricultural groundwater production for the historical period FY 1983-84 to FY 2018-19 and forecast through FY 2074-75.⁸

⁷ Estimated by a statistical model relating the natural logarithm of annual agricultural groundwater production to a trend variable (the year in Attachment 2). The estimated equation is the following:

$$\text{Ln}(\text{GW}_t) = 55.72 (20.59) - 0.023 * \text{Year}_t (-16.68), R^2 = .89, \sigma = 0.084$$

where $\text{Ln}(\text{GW}_t)$ = natural logarithm of annual agricultural groundwater production in year “t”
 Year_t = the year in Attachment 2

numbers in parentheses are t-statistics, a measure of the statistical significances of the estimated coefficients, 55.72 and -0.023. Given the large magnitudes of the T-Statistics, the probabilities that the estimated coefficients, 55.72 and -.023, are truly zero is minuscule (the respective probabilities are 9.0×10^{-21} and 6.2×10^{-18})

R^2 is a measure of the proportion of the annual variation in the natural logarithm of annual agricultural groundwater production is explained by the trend variable, year.

σ is the estimated standard error for the residual (actual less the model’s predicted value of annual agricultural groundwater production) of the statistical model

⁸ The trend model is the exponential transformation of the predicted natural logarithm of the statistical model in the previous footnote. The formula is $\text{PGW}_t = \exp(55.72 - 0.023 \text{ Year}_t + .5 \sigma^2)$, where PGW_t = predicted annual agricultural groundwater production for year “t”. The adjusted trend model is based on the estimated statistical model for annual agricultural groundwater production and the estimated trend model:

$$\text{GW}_t = 1035 (0.41) + 0.89 * \text{PWG}_t (16.21), R^2 = .89, \sigma = 3419$$

For the historical period, the adjusted trend model more closely tracks the level of actual agricultural groundwater production than the trend model. The level of groundwater production in FY 2018-19, 21,786 AF, is a substantial departure from trend. In forecasting future agricultural groundwater production, Stratecon assumes that groundwater production will return to the (declining) adjusted trend. With projected groundwater production returning to trend, this would reduce the projected volume of early transfer water for the next five years (see Attachment 6). Thereafter, the volume of early transfer water will jump to 1,602 AF by FY 2024-25 and then continue declining as the magnitude of the difference between annual groundwater production and the five-year running average of groundwater production diminishes over time.

Watermaster's Gross Replenishment Water Rate. What is reallocated groundwater worth to the appropriators? There are two perspectives. To the extent that reallocated groundwater is de facto permanent, the relevant economic comparable would be the value of permanent groundwater rights. However, until the reallocation is permanent, the reallocated groundwater is not as good as a permanent groundwater right. From this perspective, the value of reallocated groundwater, at least in the short term, reflects the fact that, in any year, more reallocated groundwater means a smaller replenishment obligation.

For the purpose of its assignment, *Stratecon* believes that the relevant valuation for reallocated groundwater is the watermaster's Gross Replenishment Water Rate. The reasoning is two-fold. First, *Stratecon* is asked to value a change in the *timing* of reallocation of unused agricultural groundwater rights, not the existence of the permanent reallocation of agricultural groundwater rights that is part and parcel of the 1978 Judgment. The difference in reallocation rules involve how they interface with the decline in agricultural groundwater production in the short run. Second, the value of accelerating the amount of groundwater reallocated in the short run means smaller annual replenishment obligations.

Attachment 7 shows the history of Gross Replenishment Water Rates from FY 1984-85, when the watermaster commenced reallocation of agricultural groundwater rights, through FY 2019-20.⁹ The Gross Replenishment Water Rate increased at a cumulative annual growth rate of 4.60%.¹⁰ Over the same time period, the Consumer Price Index increased at a cumulative annual

where the numbers in parentheses are t-statistics. The small t-statistic for the coefficient 1035 suggests that this coefficient may be truly zero with a probability of 68%. The large t-statistic for the coefficient 0.89 suggests that the probability that the true value was zero is minuscule (1.45×10^{-17}).

⁹ Compiled from Chino Basin Watermaster 42nd Annual Report, Exhibit O.

¹⁰ Formula for Cumulative Annual Growth Rate ("CAGR") is the following:

$$\text{CAGR} = (\text{WR}_{\text{FY 2018-2019}} / \text{WR}_{\text{FY 1984-85}})^{(1/Y)} - 1$$

growth rate of 2.61%.¹¹ In other words, the Gross Replenishment Water Rate increased faster than inflation (“real rate”) by 1.94% per year over the almost four decades since the watermaster commenced reallocation of agricultural groundwater rights.¹²

Stratecon’s valuation uses the actual Gross Replenishment Water Rates through FY 2019-20 and projected Gross Replenishment Water Rates for FY 2020-21 and thereafter. The projection of future water rates is based on the historic real rate of increase in the Gross Replenishment Water Rate, 1.94% adjusted by expected inflation (1.74%) implied by the difference in yields on nominal 10-year Treasury Notes and 10-Year Treasury Inflation Protected Securities (“TIPS”)—see Attachment 8.¹³ Under these assumptions, the Gross Replenishment Water Rate is projected to increase by 3.71% annually.¹⁴

Valuation Date. Since alternative reallocation rules generate different time profiles for the availability reallocated groundwater rights, a valuation must decide on a valuation date. *Stratecon* decided to state its conclusion in terms of FY 2019-2020 (the most recent year where actual data is available) because *Stratecon* was requested to opine on the benefits received by appropriators historically. Therefore, it makes sense to base a valuation on actual outcomes. *Stratecon’s* valuation date is July 1, 2019.

Attachment 9 shows the history of the 10-Year Treasury Notes since the Chino Basin Adjudication. The Judgment was entered in January 1978, on the eve of the breakout in inflation and high interest rates started during the Carter Administration. Interest rates peaked in 1982 when a shift in monetary policy broke the back of the Carter inflationary legacy. Interest rates have steadily declined ever since. With the advent of the financial crisis in September 2008, the yield on treasuries further declined. In its valuation, *Stratecon* uses the actual July yield on 10-Year Treasury Notes to accrue interest from the earlier years to July 2019 and the yield in July 2019 in the calculation of the present value of future cash flows.

where WR = Gross Replenishment Water Rate and Y = number of years between FY 1983-84 and FY 2018-19 (thirty-seven)

¹¹ The Consumer Price Index from U.S. Bureau of Labor Statistics, <https://data.bls.gov/pdq/SurveyOutputServlet>.

¹² Calculation in text based on the Fisher Equation expressing the relation among nominal growth (“n”), inflation (“ π ”) and real rate (“r”): $(1+n) = (1+\pi)(1+r)$.

¹³ TIPS are indexed to inflation, <https://www.investopedia.com/terms/t/tips.asp>. Therefore, the yield on TIPS is a market statement of the real interest rate in the Fisher Equation: $(1+i) = (1+r)(1+\pi)$, where i = the nominal yield, r = real rate, and π = expected inflation. So, $\pi = (i-r)/(1+r)$

¹⁴ Using the Fisher Equation, $(1+n) = (1+r)(1+\pi)$, where n = nominal growth, r = real rate, and π = expected inflation, or $i = r + \pi + r\pi$

Conclusion

Stratecon concludes that the acceleration/early transfer of agricultural groundwater rights provided a \$171.8 million benefit to appropriators as of July 1, 2019 (see below).¹⁵ Given that the two changes in reallocation of rights discussed above had significant, one-time increases in the amount of water reallocated years ago, the accrued interest on past annual benefits is significant. At the same time, agricultural groundwater production is anticipated to continue its decline. Given the historic record of rapid, sustained increases in the watermaster’s Gross Replenishment Water Rate faster than inflation (see above), the present value of these anticipated future benefits is material.

**Components of the Economic Benefits for the Appropriators Pool
from the Acceleration/Early Transfer of Agricultural Groundwater Rights
(Millions)**

<i>Cumulative Annual Value</i>	<i>Accrued Interest</i>	<i>Sub-Total</i>	<i>Present Value of Future Reallocations</i>	<i>Total</i>
\$49.1	\$63.9	\$113.0	\$59.8	\$172.8

The administration of the Chino Basin Adjudication has evolved into regulatory complexity on many matters, including the early transfer of unused agricultural groundwater rights to the Appropriative Pool. As is often the case with regulatory complexity, changes have material economic impacts. The changes in the reallocation of unused agricultural groundwater since the 1978 Judgment has accelerated the amounts of water reallocated, with significant reallocations in the years that agreements were implemented. Getting more water sooner is economically valuable for appropriators. As of July 1, 2019, the economic value of past and anticipated future accelerated/early transfer of agricultural groundwater rights under the Chino Basin Adjudication has reached \$172.8 million.


¹⁵ Cumulative Annual Value: the cumulative sum of the of annual transfers (Attachment 4) multiplied by the nominal Gross Replenishment Water Rate (Attachment 7).

Accrued Interest: Interest rate for a year (“*i*”) (Attachment 8) multiplied by the cumulative sum of annual transfers through the prior fiscal year plus annual transfer for fiscal year multiplied by 6 month interest rate (“*i*₆”), where $i_6 = (1+i)^{.5}-1$

Present Value of Future Reallocations: present value of the value of future reallocations, where the value of future reallocations equal Projected Future Early Water Transfers (Attachment 6) multiplied by the projected future Water Replenishment Water Rate is based on the rate for FY 2019-2020 (\$743/AF) escalated at an annual rate of 3.71%. The calculation of present value uses a nominal interest rate of 2.06% (see Attachment 9) and assumes that the economic benefits are realized at the beginning of each fiscal year.

Thanks for the opportunity to review the changes in the administration of the Chino Basin Adjudication. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. T. Smith', with a large, stylized initial 'R' on the left and a long, horizontal flourish extending to the right.

Rodney T. Smith
President

Attachment 1
Historical Record of Agricultural Groundwater Production and Reallocation
(Acre Feet)

<i>Fiscal Year Ending</i>	<i>Agricultural Production</i>	<i>Reallocation Next Fiscal Year</i>	<i>82,800 AF less Ag Production</i>	<i>82,800 AF less running average of prior 5 years</i>
1975	96,567		-13,767	
1976	95,349		-12,549	
1977	91,450		-8,650	
1978*	83,934		-1,134	
1979	73,688		9,112	
1980	69,369		13,431	
1981	68,040		14,760	
1982	65,117		17,683	
1983	56,759		26,041	
1984	59,033	26,355	23,767	16,205
1985	55,543	19,136	27,257	19,136
1986	52,061	21,902	30,739	21,902
1987	59,847	37,144	22,953	25,097
1988**	57,865	78,489	24,935	26,151
1989	46,762	24,935	36,038	25,930
1990	48,420	36,038	34,380	28,384
1991	48,085	34,382	34,715	29,809
1992	44,682	34,715	38,118	30,604
1993	44,092	38,118	38,708	33,637
1994	44,298	38,707	38,502	36,392
1995	55,022	38,502	27,778	36,885
1996	43,639	27,778	39,161	35,564
1997	44,809	39,161	37,991	36,453
1998	43,345	37,991	39,455	36,428
1999	47,538	39,455	35,262	36,577
2000***	44,401	73,662	38,399	35,929
2001	39,954	42,846	42,846	38,054
2002	39,495	43,306	43,305	38,791
2003	37,457	45,343	45,343	39,853
2004	41,978	40,822	40,822	41,031
2005	34,450	48,350	48,350	42,143
2006	33,900	48,900	48,900	44,133
2007	37,295	45,505	45,505	45,344

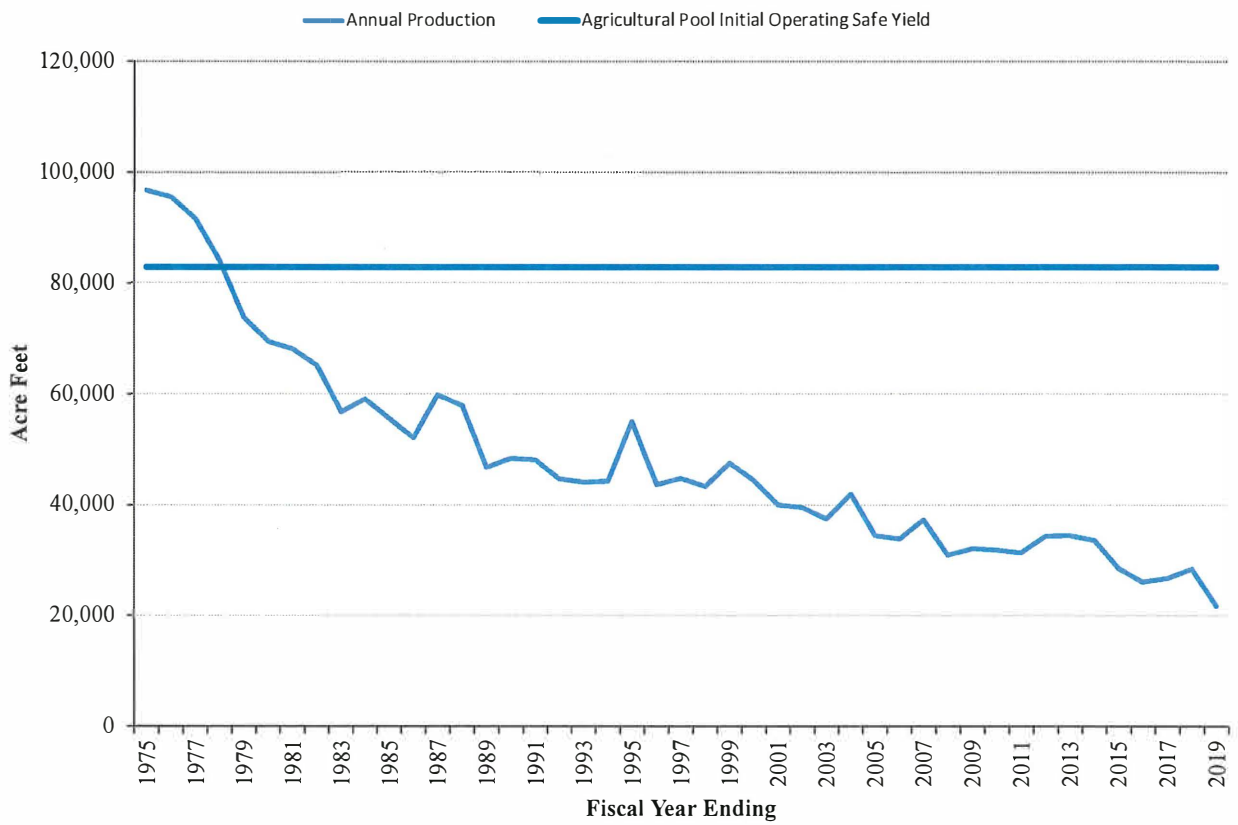
<i>Fiscal Year Ending</i>	<i>Agricultural Production</i>	<i>Reallocation Next Fiscal Year</i>	<i>82,800 AF less Ag Production</i>	<i>82,800 AF less running average of prior 5 years</i>
2008	30,910	51,910	51,890	45,784
2009	32,143	50,757	50,657	47,093
2010	31,855	50,945	50,945	49,060
2011	31,342	51,458	51,458	49,579
2012	34,353	48,447	48,447	50,091
2013	34,458	48,342	48,342	50,679
2014	33,639	49,161	49,161	49,970
2015	28,521	54,279	54,279	49,671
2016	26,167	56,633	56,633	50,337
2017	26,863	55,937	55,937	51,372
2018	28,461	54,937	54,339	52,870
2019	21,786	61,014	61,014	54,070
Cumulative	1,464,469	1,560,081	1,516,331	1,401,013

* first fiscal year of Judgment (partial year)

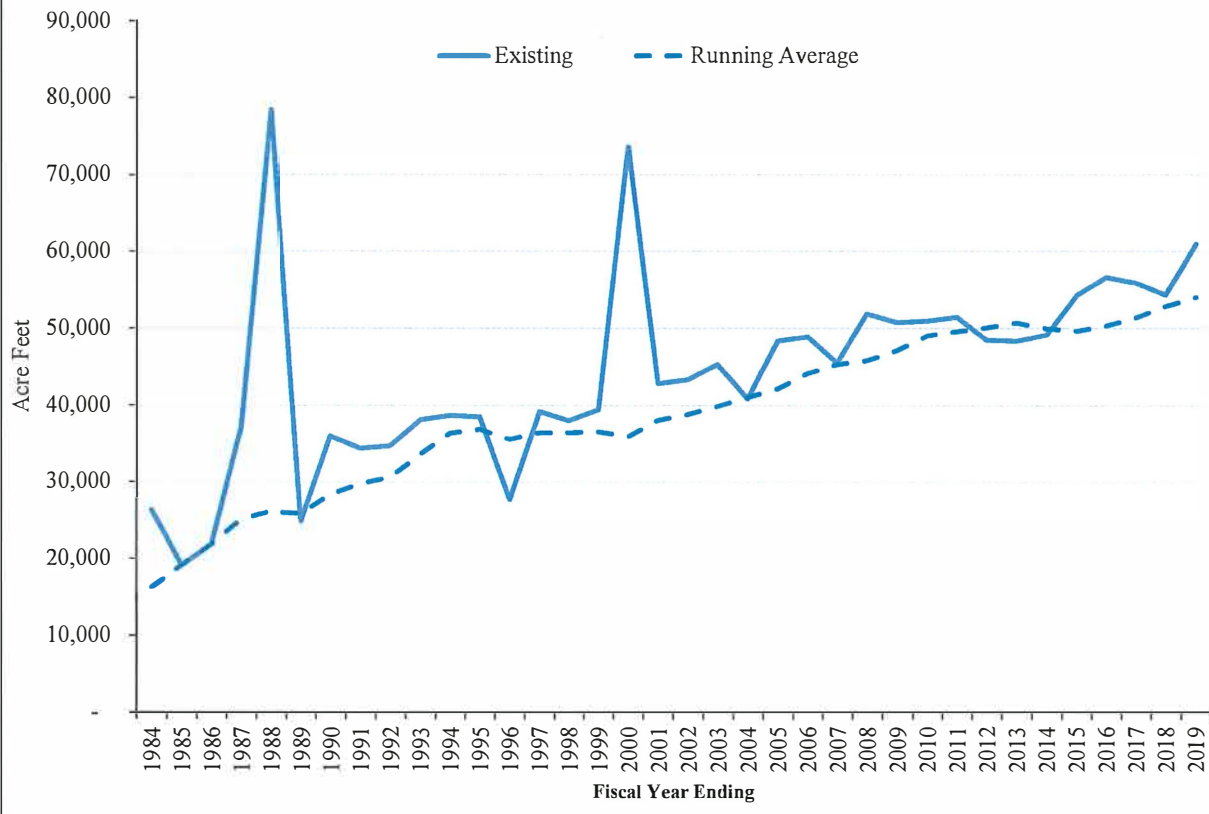
** Appropriators agree to pay agriculture's fees

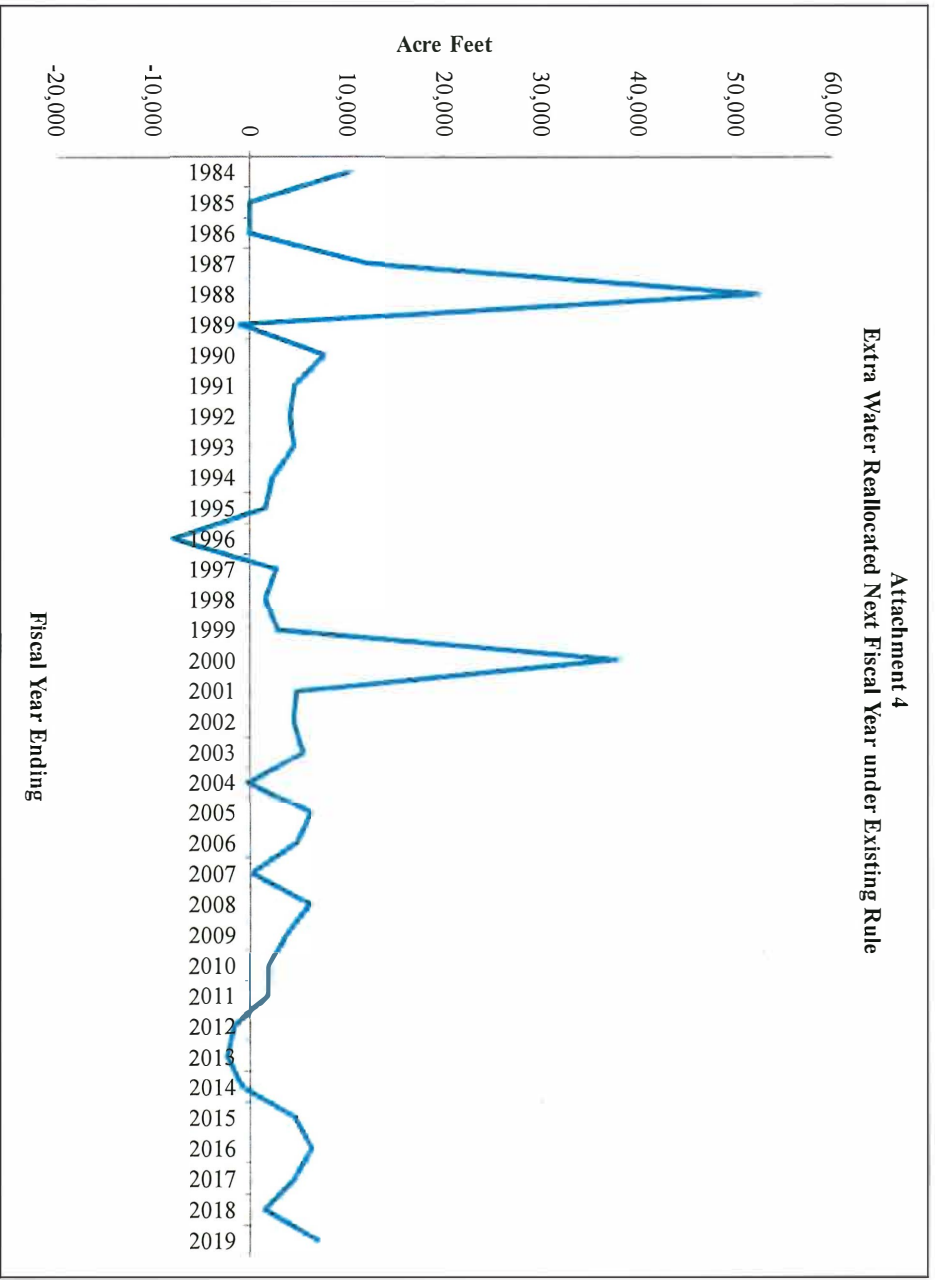
*** Peace Agreement

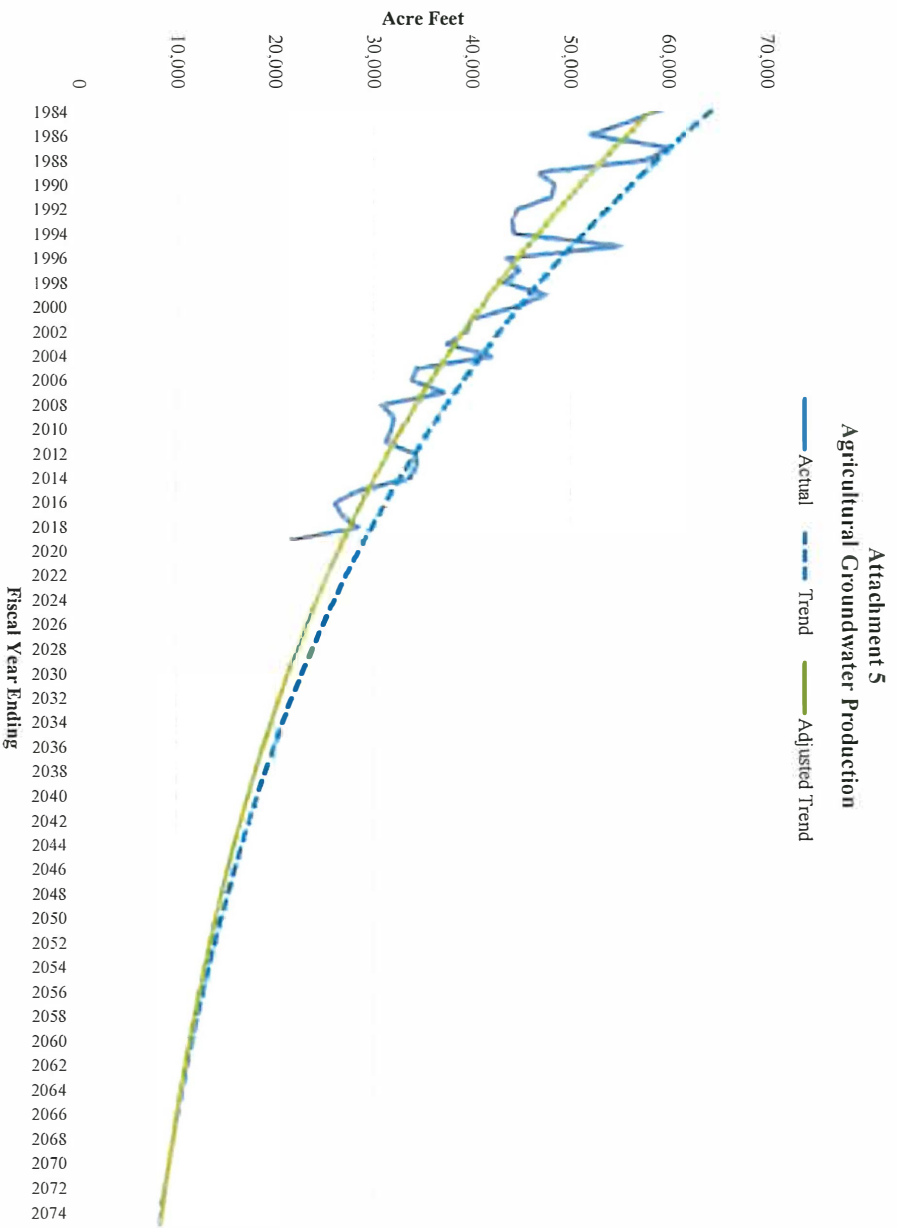
**Attachment 2
Agricultural Groundwater Production**



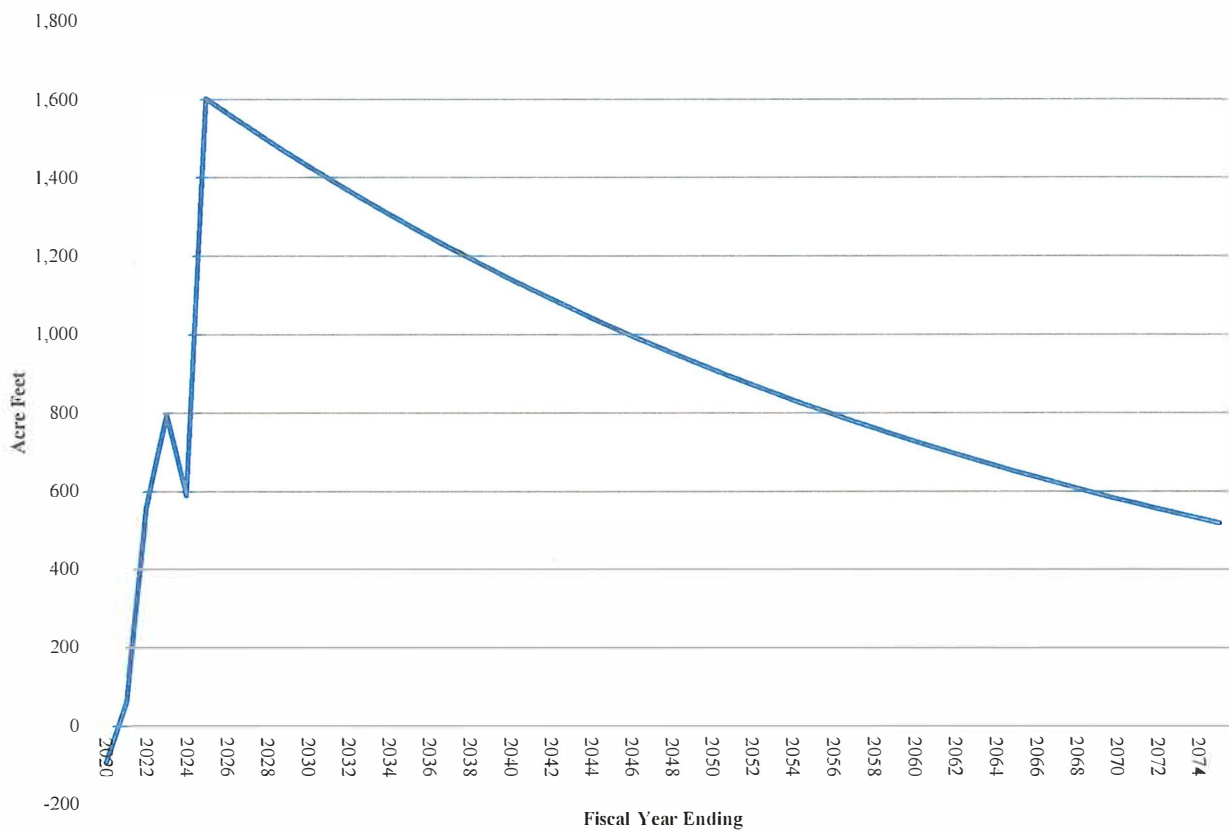
**Attachment 3
 Reallocation of Water to Appropriators Next Fiscal Year under Alternative Rules**



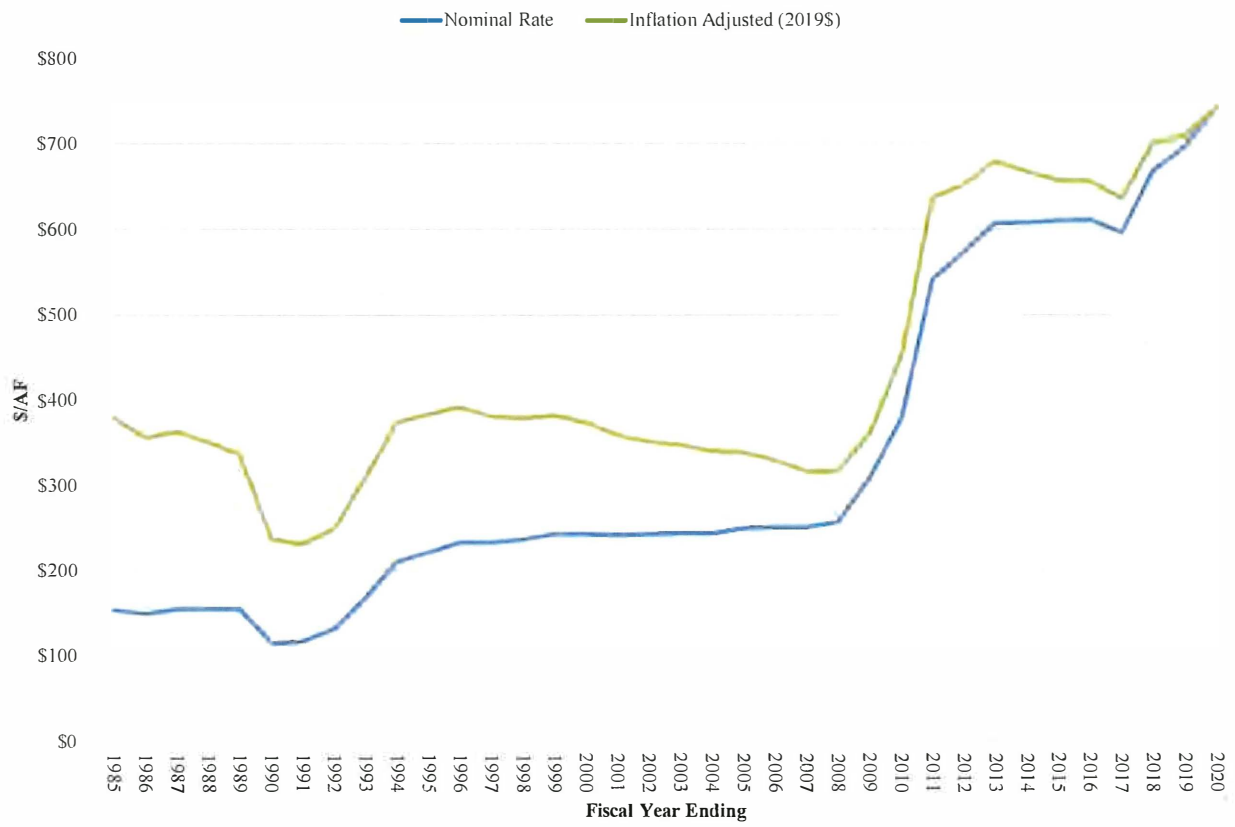




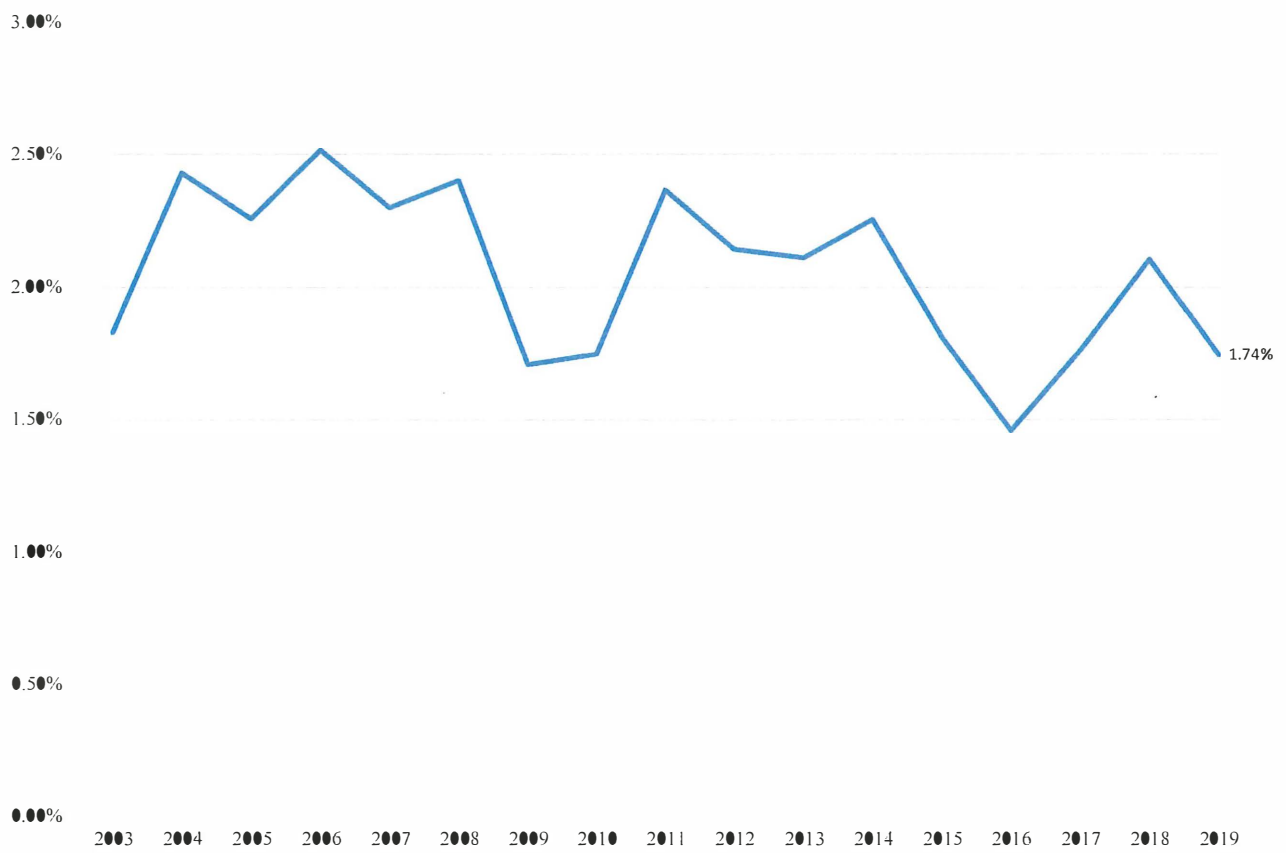
**Attachment 6
Projected Future Early Water Transfer**



**Attachment 7
Chino Basin Watermaster Gross Replenishment Water Rate**



Attachment 8
Expected Inflation Implied by July Yields on 10-Year Nominal Treasury Notes and TIPS



Attachment 9
July Nominal Interest Rate for 10-Year Treasury Notes

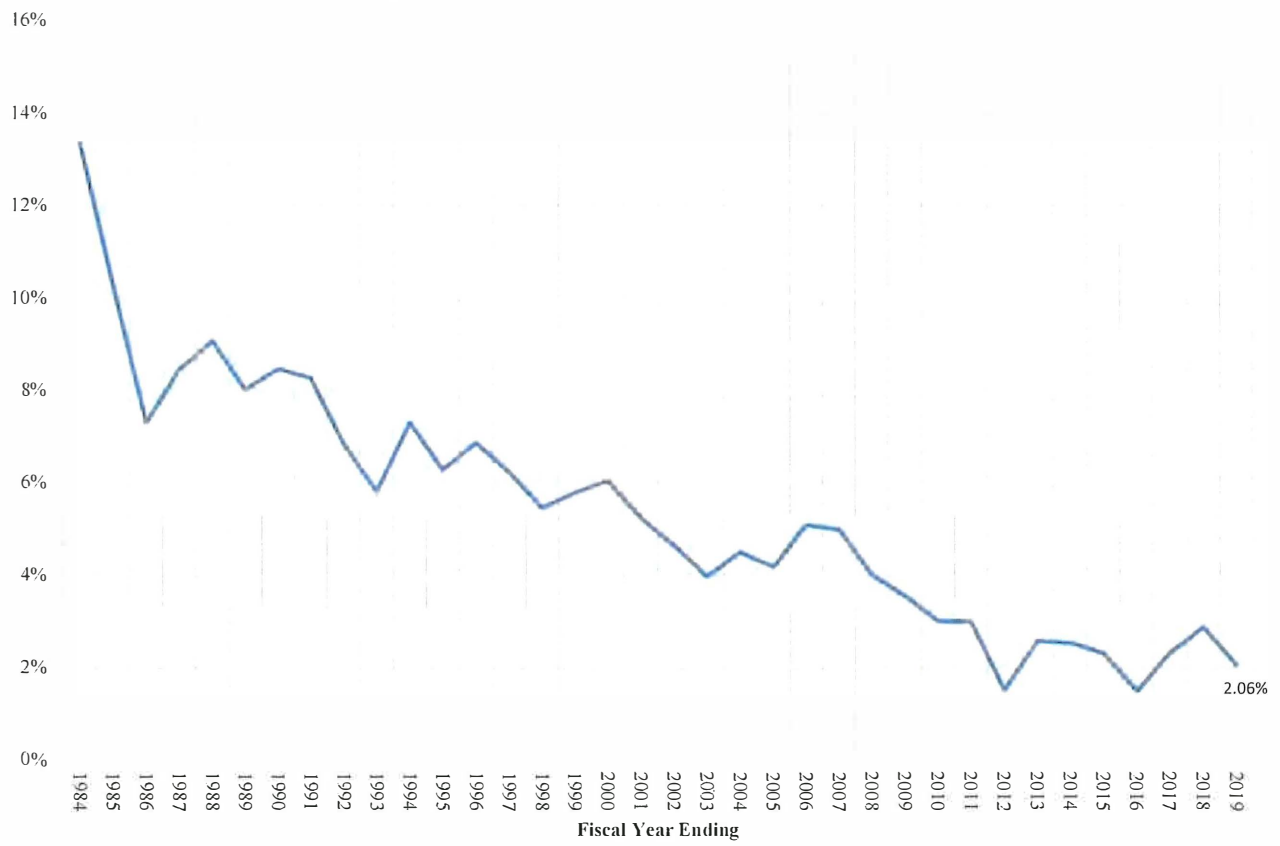


Exhibit D

GSI Environmental Invoices



GSI Environmental Inc.
2211 Norfolk Street, Suite 1000
Houston, TX 77098-4054
713-522-6300

Egoscue Law Group
Tracy Egoscue, Esq
3834 Pine Avenue
Long Beach, CA 90807

Invoice number 25590
Date 06/11/2020

Project **5476 CHINO BASIN AG POOL**

Professional Services Through May 31, 2020

tracy@egoscuelaw.com

Description of Services: Evaluate Safe Yield recalculation and Storage Management Plan for the Chino Basin to support ELG and the Agricultural Pool. Develop Bases for Contest.

Invoice Summary

Description	Current Billed
5476 Chino Basin Ag Pool	39,010.00
Total	39,010.00

LABOR:

CHINO BASIN AG POOL

	Hours	Rate	Billed Amount
Principal II			
Sorab Panday	96.00	275.00	26,400.00
Timothy F. Wood	23.25	275.00	6,393.75
Principal III			
Anthony D. Daus	3.00	355.00	1,065.00
Senior ESG I			
Kate E. Richards	32.00	185.00	5,920.00
Labor: subtotal	154.25		39,778.75
		Invoice subtotal	39,778.75
		Rate adjustment	-768.75
		Invoice total	39,010.00

TERMS: NET 30 DAYS
Backup on following pages

Electronic Deposit:
Frost National Bank
100 W Houston
San Antonio, TX 78205
Tel: 713-388-7600
ABA Routing No. 114000093
Swift Code: FRSTUS44
GSI Account No. 530003808



ENVIRONMENTAL

GSI Environmental Inc.
2211 Norfolk Street, Suite 1000
Houston, TX 77098-4054
713-522-6300

Egoscue Law Group
Tracy Egoscue, Esq
3834 Pine Avenue
Long Beach, CA 90807

Invoice number 25843
Date 07/17/2020
Project **5476 CHINO BASIN AG POOL**

Professional Services Through June 30, 2020

tracy@egoscuelaw.com

Description of Services: Evaluate Safe Yield recalculation and Storage Management Plan for the Chino Basin to support ELG and the Agricultural Pool. Submit bases for Contest.

Invoice Summary

Description	Current Billed
5476 Chino Basin Ag Pool	12,120.00
Total	12,120.00

LABOR:

CHINO BASIN AG POOL

	Hours	Rate	Billed Amount
Principal II			
Sorab Panday	24.00	275.00	6,600.00
Timothy F. Wood	12.00	275.00	3,300.00
Senior ESG I			
Kate E. Richards	12.00	185.00	2,220.00
Labor: subtotal	48.00		12,120.00
		Invoice total	12,120.00

TERMS: NET 30 DAYS
Backup on following pages

Electronic Deposit:
Frost National Bank
100 W Houston
San Antonio, TX 78205
Tel: 713-388-7600
ABA Routing No. 114000093
Swift Code: FRSTUS44
GSI Account No. 530003808

Exhibit E

Egoscue Law Group, Inc Invoices
January 2020 to June 2020



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$36,975.00
Last Payment Received	\$15,075.00
Previous Balance	\$36,975.00
Current Charges	\$17,550.00
Total Due	\$54,525.00
Contest Fees	\$2150.00

Egoscue Law Group, Inc.

3834 Pine Avenue
 Long Beach, California 90807
 Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
 Rancho Cucamonga, CA 91730

Invoice Date: February 04, 2020
 Invoice Number: 12620
 Invoice Amount: \$17,550.00

Matter: General Counsel

Attorney's Fees

1/1/2020	[REDACTED]	T.J.E.	.25	\$137.50
1/2/2020	File amended storage contest; teleconference with B. Herrema regarding amended contest timeline and [REDACTED] related email to B. Feenstra and J. Pierson; revise storage contest timeline; teleconference with B. Feenstra regarding contest, [REDACTED] teleconference with J. Schatz regarding contest	T.J.E.	2.25	\$1,237.50
			.50	\$550.00
1/3/2020	Teleconference with B. Herrema regarding contest	T.J.E.	.50	\$275.00
1/6/2020	Update Contest timeline	T.A.T.	.50	\$150.00
1/6/2020	[REDACTED] conference with T. Torres regarding contest timeline and necessary revisions to same; [REDACTED] review revised contest timeline with edits	T.J.E.	1.50	\$825.00
			.50	\$275.00
1/7/2020	Teleconference with B. Feenstra regarding [REDACTED] and discussion about contest timeline	T.J.E.	.25	\$137.50
1/8/2020	[REDACTED]; teleconference with B. Herrema regarding contest schedule letter.	T.J.E.	.50	\$275.00
			.25	\$137.50
1/9/2020	Review email from A. Nelson with contest letter from P. Kavounas with related to client and communication with B. Herrema; [REDACTED]	T.J.E.	8.25	\$4,537.50
			.25	\$137.50

	[REDACTED]			
1/9/2020	Review Watermaster letter regarding contest procedure; update Contest timeline regarding same	T.A.T.	.25	\$75.00
1/10/2020	Teleconference with J. Schatz regarding contest timeline and [REDACTED]	T.J.E.	.50	\$275.00
			.25	\$137.50
1/14/2020	[REDACTED]	T.J.E.	.50	\$275.00
1/15/2020	Teleconferences with B. Herrema regarding [REDACTED] contest status with related email to client;	T.J.E.	1.25	\$687.50
	[REDACTED]			
1/17/2020	[REDACTED]	T.J.E.	.50	\$275.00
1/20/2020	[REDACTED]	T.J.E.	.25	\$137.50
1/22/2020	[REDACTED]	T.J.E.	1.25	\$687.50
	[REDACTED]			
1/23/2020	[REDACTED] on; review email from A. Nelson regarding Contest hearing officers with related communication to client	T.J.E.	.75	\$412.50
			.25	\$137.50
1/24/2020	[REDACTED]	T.J.E.	2.00	\$1,100.00
	[REDACTED]			

1/27/2020	[REDACTED]	T.J.E.	8.00	\$4,400.00
1/28/2020	[REDACTED]	T.J.E.	2.00	\$1,100.00
1/29/2020	[REDACTED]	T.J.E.	.50	\$275.00
1/30/2020	[REDACTED]	T.J.E.	.25	\$137.50
1/31/2020	[REDACTED]	T.J.E.	.25	\$137.50
SUBTOTAL:			32.25	\$17,550.00

Costs

SUBTOTAL:			\$0.00
	Contest Fees		\$2000.00
	TOTAL:		\$17,550.00
	PREVIOUS BALANCE DUE:		\$36,975.00
	CURRENT BALANCE DUE AND OWING:		\$54,525.00



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$17,550.00
Last Payment Received	
Previous Balance	\$0.00
Current Charges	\$15,175.00
Total Due	\$15,175.00

Contest Fees	\$3525.00
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Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: March 04, 2020

Invoice Number: 12665

Invoice Amount: \$15,175.00

Matter: General Counsel

Attorney's Fees

2/3/2020	[REDACTED]	T.J.E.	2.00	\$1,100.00
2/4/2020	[REDACTED]	T.J.E.	1.00	\$550.00
2/5/2020	[REDACTED]	T.J.E.	1.50	\$825.00
2/7/2020	[REDACTED]	T.J.E.	1.00	\$550.00
2/10/2020	Teleconference with J. Schatz regarding storage contest and OBMP timing; review email from A.	T.J.E.	2.50	\$1,375.00
			.25	\$137.50

	[REDACTED]			
2/11/2020	[REDACTED]	T.J.E.	.50	\$275.00
2/12/2020	[REDACTED]	T.J.E.	.25	\$137.50
2/13/2020	[REDACTED]	T.J.E.	7.75	\$4,262.50
	[REDACTED] email with J. Schatz regarding hearing officer ranking; [REDACTED]; conference with T. Torres regarding amended contest; [REDACTED]		.50	\$275.00
2/13/2020	Review [REDACTED] contest deadline with related conference with T. Egoscue	T.A.T.	1.25	\$375.00
			.50	\$275.00
2/14/2020	Teleconference with B. Feenstra regarding [REDACTED] amended contest; [REDACTED]	T.J.E.	1.00	\$550.00
			.50	\$275.00
2/14/2020	Prepare draft contest amendment	T.A.T.	3.00	\$900.00
2/15/2020	[REDACTED]	T.J.E.	.25	\$137.50
2/18/2020	Review and finalize 2nd Amendment to Amended and Consolidated Contest with related conference with T. Egoscue	T.A.T.	.50	\$150.00
2/18/2020	Conference with T. Torres regarding status of amended contest; communication with J. Schatz regarding hearing officer; email to Watermaster staff regarding choice of hearing officer for contest; communication with B. Herrema regarding amended contest; review amended contest and make additional edits and analysis; [REDACTED]; file amended contest; [REDACTED] review communication from B. Feenstra regarding amended contest and proposed budget with reply to same	T.J.E.	2.75	\$1,512.50
			2.50	\$1100.00
2/19/2020	[REDACTED]	T.J.E.	.25	\$137.50
2/20/2020	[REDACTED]	T.J.E.	.50	\$275.00
2/21/2020	Review letter from P. Kavounas to K. Berchtold regarding election of hearing officer with related communication to client	T.J.E.	.25	\$137.50

2/24/2020	[REDACTED]	T.J.E.	.50	\$275.00
2/26/2020	[REDACTED]	T.J.E.	1.00	\$550.00
	[REDACTED] contact		.25	\$137.50
	Rod Smith regarding water analysis performed for Ag Pool			
2/27/2020	[REDACTED]	T.J.E.	.75	\$412.50
2/28/2020	Review email from R. Smith regarding economic analysis of water transfer with reply to same;	T.J.E.	1.25	\$687.50
	[REDACTED]		.25	\$137.50
	[REDACTED]			
	[REDACTED]			
SUBTOTAL:			29.75	\$15,175.00

Costs Contest Fees \$3525.00

SUBTOTAL: \$0.00

TOTAL: \$15,175.00
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$15,175.00



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$15,175.00
Last Payment Received	\$15,175.00
Previous Balance	\$0.00
Current Charges	\$55,218.75
Total Due	\$55,218.75

Contest Fees

\$7362.50

3/5/2020

[REDACTED]

T.A.T.

2.00

\$600.00

3/6/2020

[REDACTED]

T.J.E.

1.50

\$825.00

3/7/2020

[REDACTED]

T.J.E.

.25

\$137.50

3/9/2020

[REDACTED]

T.J.E.

.75

\$412.50

3/10/2020

[REDACTED]

T.J.E.

1.50

\$825.00

3/11/2020

[REDACTED]

T.J.E.

.50

\$275.00

3/12/2020

[REDACTED]

T.J.E.

7.50

\$4,125.00

3/13/2020	[REDACTED] email to R. Smith regarding updating water evaluation;	T.J.E.	1.75 .25	\$962.50 \$137.50
3/14/2020	[REDACTED]	T.J.E.	2.50	\$1,375.00
3/15/2020	[REDACTED]	T.J.E.	1.50	\$825.00
3/16/2020	[REDACTED]	T.J.E.	4.75	\$2,612.50
3/17/2020	[REDACTED] email to R. Smith regarding water valuation;	T.J.E.	1.75 .25	\$962.50 \$137.50
3/18/2020	Teleconference with R. Smith regarding water valuation update and retention with related update to client;	T.J.E.	2.00 .25	\$1,100.00 \$137.50
3/19/2020	[REDACTED]	T.J.E.	3.75	\$2,062.50

	██████████ teleconference with B. Feenstra and J. Pierson regarding ██████████ strategy for contest; teleconference with Watermaster and hearing officer regarding contest with related update to client		.50	\$275.00
3/20/2020	██████████	T.J.E.	1.25	\$687.50
3/23/2020	Review email from R. Smith regarding agenda for call with reply to same; ██████████ review email from R. Smith regarding groundwater reallocation ██████████	T.J.E.	1.25 .75	\$687.50 \$412.50
3/24/2020	██████████ teleconference with J. Schatz regarding timing of contest Teleconference with R. Smith regarding water valuation status; ██████████ ██████████ teleconference with B. Feenstra regarding AP contest delay request ██████████ ██████████ review email from R. Smith regarding March order on Safe Yield with related conference with T. Torres; ██████████	T.J.E.	5.50 1.00	\$3,025.00 \$550.00
3/24/2020	██████████	T.A.T.	.25	\$75.00
3/25/2020	██████████	T.A.T.	2.50	\$750.00
3/25/2020	██████████	T.J.E.	2.00	\$1,100.00
	██████████ teleconference with J. Schatz regarding storage contest; review ██████████		.25	\$137.50
3/26/2020	██████████	T.J.E.	3.50	\$1,925.00
3/26/2020	██████████	T.A.T.	3.25	\$975.00
3/27/2020	Conference with T. Wood regarding expert advice	T.J.E.	3.50 .50	\$1,925.00 \$275.00

	for contest; [REDACTED]			
	[REDACTED] review draft water valuation report with related communication to client; [REDACTED]			
	[REDACTED] review email from J. Schatz regarding timing of contest and SMP with related communication to client and review of reply from J. Pierson; [REDACTED]			
	[REDACTED] communication with B. Feenstra regarding AP email about contest			
3/28/2020	Review communication with B. Herrema regarding contest timing with related communication to expert; teleconference with J. Schatz regarding contest; communication with GSI regarding expert advice; review revised valuation with related communication to client; preparation of email to hearing officer regarding contest timing; teleconference with B. Feenstra regarding response to J. Schatz and contest preparation; conference with T. Torres regarding pending contest; retention with GSI and related communication to client; email to GSI regarding [REDACTED]; teleconference with J. Schatz regarding contest; teleconference with GSI regarding contest and safe yield; review emails from M. Levin regarding valuation and contest with replies to same	T.J.E.	4.50	\$2,475.00
			4.25	2337.50
3/28/2020	Conference with T. Egoscue regarding pending contest	T.A.T.	.25	\$75.00
3/29/2020	[REDACTED]	T.J.E.	.25	\$137.50
3/30/2020	Review email from R. Smith regarding storage valuation with reply to same; review email and document from R. Smith regarding storage valuation; review email from M. Levin regarding timing of comments on draft valuation; review email from K. Berchtold with contest hearing date with related update to client; communication with GSI regarding contest hearing date; [REDACTED] teleconference with R. Smith regarding storage valuation; review comments on draft valuation from M. Levin with related to R. Smith; teleconference with M. Levin regarding safe yield and storage contest; [REDACTED]	T.J.E.	4.25	\$2,337.50
			3.50	\$1925.00
3/30/2020	[REDACTED]	T.A.T.	.50	\$150.00

3/31/2020 Review final early transfer valuation letter with related communication to client; [REDACTED] T.J.E. 3.25 \$1,787.50
[REDACTED] review
revised water valuation report with related communication to client; [REDACTED] .50 \$275.00

[REDACTED] teleconference with
M. Levin regarding [REDACTED]

SUBTOTAL: 79.00 \$41,262.50

Costs

3/30/2020 Stratecon, Inc. Invoice \$13,956.25
SUBTOTAL: \$13,956.25

Contest Fee: \$7362.50

TOTAL: \$55,218.75
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$55,218.75



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$55,218.75
Last Payment Received	\$55,218.75
Previous Balance	\$0.00
Current Charges	\$59,981.25
Total Due	\$59,981.25

Contest Fees: \$825.00

Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

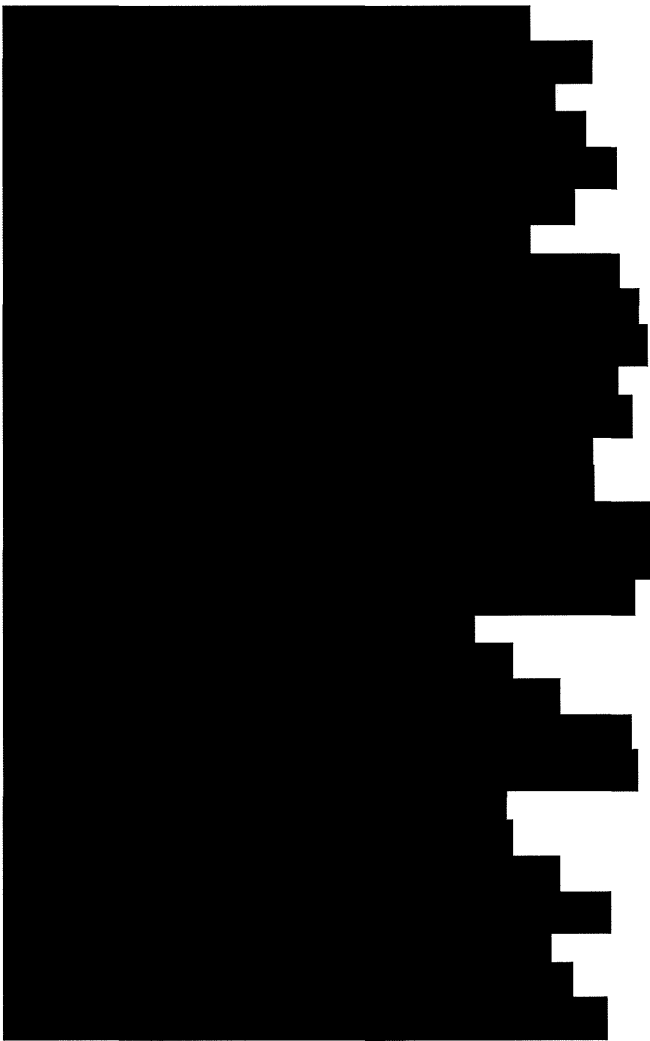
Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: May 04, 2020
Invoice Number: 12715
Invoice Amount: \$59,981.25

Matter: General Counsel

Attorney's Fees
4/1/2020



T.J.E. 4.25 \$2,337.50

4/1/2020

T.A.T. 1.50 \$450.00

4/2/2020

T.J.E. 1.00 \$550.00

4/2/2020

T.A.T. 2.50 \$750.00

4/3/2020

T.J.E. 2.25 \$1,237.50

4/6/2020

T.J.E.

3.20

\$1,760.00

4/6/2020

T.A.T.

1.50

\$450.00

4/7/2020

T.J.E.

3.25

\$1,787.50

4/8/2020

T.J.E.

7.25

\$3,987.50

.25

\$137.50

teleconference with GSI
regarding status of preparation for contest;

4/9/2020

T.J.E.

8.00

\$4,400.00

4/10/2020

T.J.E.

3.75

\$2,062.50

4/11/2020

T.J.E.

.25

\$137.50

4/13/2020

T.J.E.

1.75

\$962.50

4/14/2020

T.J.E.

4.50

\$2,475.00

4/15/2020

T.J.E.

5.25

\$2,887.50

4/15/2020

T.A.T.

.25

\$75.00

4/16/2020

T.A.T.

3.25

\$975.00

4/16/2020

T.J.E.

4.00

\$2,200.00

4/17/2020

T.J.E.

4.50

\$2,475.00

.25

\$137.50

email to R.

Smith regarding status of storage valuation; [REDACTED]

4/18/2020

[REDACTED]

T.J.E. .75 \$412.50

4/20/2020

[REDACTED] teleconference with
R. Smith regarding storage valuation

T.J.E. 2.25 \$1,237.50
.25 \$137.50

4/21/2020

[REDACTED]

T.J.E. 1.50 \$825.00

4/22/2020

[REDACTED]

T.J.E. 1.25 \$687.50

4/23/2020

[REDACTED]

T.J.E. 3.50 \$1,925.00

4/24/2020

[REDACTED]

T.J.E. 1.25 \$687.50

4/27/2020

[REDACTED]

T.J.E. .75 \$412.50

	[REDACTED]			
4/28/2020	Teleconference with R. Smith regarding storage valuation status; [REDACTED]	T.J.E.	2.25	\$1,237.50
			.25	\$137.50
4/29/2020	[REDACTED]	T.J.E.	5.75	\$3,162.50
	[REDACTED]			
4/30/2020	[REDACTED] teleconference with R. Smith regarding status of storage valuation; [REDACTED] review final storage valuation from R. Smith with related email to client; [REDACTED] review email from C. Boyd regarding storage valuation with reply to same	T.J.E.	1.50	\$825.00
SUBTOTAL:			82.95	\$43,372.50

Costs

4/14/2020	[REDACTED]			[REDACTED]
4/30/2020	Stratecon, Inc. Invoice			\$11,043.75
SUBTOTAL:				\$16,608.75

TOTAL: \$59,981.25
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$59,981.25

Contest Fees: \$825.00



Egoscue Law Group, Inc.

3834 Pine Avenue

Long Beach, California 90807

Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$59,981.25
Last Payment Received	\$55,218.75
Previous Balance	\$59,981.25
Current Charges	\$106,211.25
Total Due	\$166,192.50

Contest Fees: \$10337.50

Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: June 04, 2020
Invoice Number: 12771
Invoice Amount: \$106,211.25

Matter: General Counsel

Attorney's Fees

5/1/2020	Review Stratecon Valuation of Storage Report and Stratecon Valuation of Early Transfer Report with summary of same; conference with T. Egoscue regarding Ag Pool contest evidence brief	T.A.T.	1.50	\$450.00
5/1/2020	[REDACTED]	T.J.E.	.50	\$275.00
5/4/2020	[REDACTED]	T.J.E.	.75	\$412.50
5/4/2020	Review Ag Pool contests with summary of same as related to Ag Pool contest evidence brief	T.A.T.	3.50	\$1,050.00
5/5/2020	[REDACTED]	T.J.E.	1.50	\$825.00
5/6/2020	Teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	3.25	\$1,787.50
	contest; [REDACTED]		1.00	\$550.00

	[REDACTED]; videoconference with GSI regarding [REDACTED] and contest; [REDACTED]			
5/6/2020	Prepare draft Ag Pool contest evidence brief regarding contest process	T.A.T.	1.75	\$525.00
5/7/2020	[REDACTED]	T.J.E.	2.00	\$1,100.00
5/7/2020	Prepare draft Ag Pool contest evidence brief regarding summary of contest MPI arguments	T.A.T.	2.50	\$750.00
5/8/2020	[REDACTED]	T.J.E.	4.25	\$2,337.50
5/8/2020	Continue preparation of draft Ag Pool contest evidence brief	T.A.T.	2.50	\$750.00
5/9/2020	[REDACTED]	T.J.E.	.25	\$137.50
5/11/2020	[REDACTED]	T.J.E.	3.75	\$2,062.50
5/11/2020	Continue preparation of draft Ag Pool contest evidence brief	T.A.T.	1.00	\$300.00
5/12/2020	[REDACTED]	T.J.E.	3.25	\$1,787.50

5/12/2020

[REDACTED]
Review revised Stratecon Economic Valuation of Storage; review and revise draft evidence brief

T.A.T.

4.25

\$1,275.00

5/13/2020

[REDACTED]

T.J.E.

5.50

\$3,025.00

5/13/2020

Summarize storage use for draft evidence brief

T.A.T.

3.50

\$1,050.00

5/14/2020

[REDACTED]

T.J.E.

8.25

\$4,537.50

5/15/2020

[REDACTED]

T.J.E.

3.00

\$1,650.00

5/18/2020

[REDACTED]

T.J.E.

3.25

\$1,787.50

5/18/2020
5/19/2020

Review and revise draft evidence brief

T.A.T.

2.00

\$600.00

[REDACTED]

T.J.E.

3.75

\$2,062.50

conference
with T. Torres regarding status of contest brief;

.25

\$137.50

[REDACTED]

5/19/2020

Review Watermaster Budget and water price information with related summary; revise draft evidence brief to include Watermaster budget and water price information

T.A.T.

1.50

\$450.00

5/20/2020

[REDACTED]

T.J.E.

5.50

\$3,025.00

5/20/2020



T.A.T.

7.00

\$2,100.00

5/21/2020



T.J.E.

7.25

\$3,987.50

5/21/2020



T.A.T.

2.75

\$825.00

5/21/2020



P.M.D.

3.00

\$450.00

5/22/2020



T.J.E.

4.75

\$2,612.50

5/26/2020



T.J.E.

2.50

\$1,375.00

5/27/2020	[REDACTED]	T.J.E.	2.50	\$1,375.00
5/27/2020	Review and revise Ag Pool Evidence Brief	T.A.T.	1.50	\$450.00
5/28/2020	Conference with T. Torres regarding draft contest brief;	T.J.E.	5.25	\$2,887.50
	[REDACTED]		.50	\$275.00
	[REDACTED]			
	videoconference with GSI regarding contest;			
	[REDACTED]			
5/28/2020	[REDACTED] conference with T. Egoscue regarding draft contest brief	T.A.T.	3.50	\$1,050.00
	[REDACTED]		.25	\$75.00
5/29/2020	[REDACTED] conference with T. Torres regarding briefs; teleconference with J. Schatz regarding contest;	T.J.E.	6.25	\$3,437.50
	[REDACTED] review notice of contest		1.00	\$550.00
5/29/2020	[REDACTED]	T.A.T.	2.00	\$600.00
	[REDACTED]			

5/30/2020	Review and edit Contest evidence brief	T.J.E.	2.00	\$1,100.00
SUBTOTAL:			123.00	\$56,262.50

Costs

5/13/2020				
SUBTOTAL:				\$49,948.75

TOTAL: \$106,211.25
PREVIOUS BALANCE DUE: \$59,981.25
CURRENT BALANCE DUE AND OWING: \$166,192.50

Contest Fees: \$10337.50



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$106,211.25
Last Payment Received	\$59,981.25
Previous Balance	\$106,211.25
Current Charges	\$123,335.00
Total Due	\$229,546.25

Attorney Contest Fees: \$22437.50

GSI: \$39010.00

Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: July 03, 2020
Invoice Number: 12801
Invoice Amount: \$123,335.00

Matter: General Counsel

Attorney's Fees

6/1/2020	Teleconference with B. Feenstra regarding contest brief; review communication from C. Boyd regarding contest brief; [REDACTED]	T.J.E.	2.00	\$1,100.00
	[REDACTED] conference with T. Torres regarding contest brief; teleconference [REDACTED]; review draft contest memo prepared by GSI with suggested edits and related conference		1.00	\$550.00
6/1/2020	Conference with T. Egoscue regarding GSI Contest Bases Memo and additional objections to contest hearing	T.A.T.	.25	\$75.00
6/2/2020	Email to GSI regarding contest brief edits; teleconference with GSI regarding evidence memo; communication with B. Feenstra regarding declaration for Ag Pool contest brief; [REDACTED]	T.J.E.	5.50	\$3,025.00
	[REDACTED] conference with T. Torres regarding status of draft contest; [REDACTED]		1.00	\$550.00
6/2/2020	[REDACTED]; review revised contest brief and GSI memo with edits and related to client for review Review GSI Contest Bases Memo with related revisions to Ag Pool contest brief	T.A.T.	4.25	\$1,275.00

6/3/2020	Review communication from B. Feenstra regarding brief with reply; [REDACTED]; additional edits to storage contest brief; review GSI technical memo with edits made to same; [REDACTED] teleconference with B. Feenstra regarding contest brief	T.J.E.	3.25 2.00	\$1,787.50 \$1100.00
6/3/2020	Prepare draft R. Feenstra declaration; review revised draft Ag Pool contest brief with additional edits to same; [REDACTED]	T.A.T.	3.25 3.00	\$975.00 \$900.00
6/4/2020	[REDACTED] teleconference with M. Levin and C. Boyd regarding draft contest brief; review redline edits from C. Boyd regarding brief with additional analysis and edits; review comments from State expert on GSI memo with related email to GSI; conference with T. Torres regarding draft contest brief	T.J.E.	4.00 3.75	\$2,200.00 \$2062.50
6/4/2020	Review and revise draft Ag Pool contest brief with related conference with T. Egoscue	T.A.T.	2.75	\$825.00
6/5/2020	Continue editing contest brief with related conference with T. Torres; teleconference with GSI regarding memo comments and possible edits; [REDACTED]	T.J.E.	4.50 2.00	\$2,475.00 \$1100.00
6/5/2020	Review T. Egoscue comments and edits to draft Ag Pool contest brief with additional revisions to same	T.A.T.	4.75	\$1,425.00
6/6/2020	Review final GSI memo with related email to T. Torres regarding contest brief; review revised contest brief with edits	T.J.E.	2.75	\$1,512.50
6/6/2020	Review and revise draft Ag Pool contest brief; prepare draft request for official notice; prepare draft objections; review and revise draft R. Feenstra Declaration	T.A.T.	3.50	\$1,050.00
6/7/2020	[REDACTED]	T.J.E.	.50	\$275.00
6/8/2020	Review redline edits from C. Boyd to contest and related filings with additional edits and analysis; conferences with T. Torres regarding edits to brief and supporting documents; communication with B. Herrema regarding intervention request from AP; review request for continuance of contest from AP with related communication to client; teleconference with B. Feenstra; review email from J. Pierson regarding continuance request with related to B.	T.J.E.	7.75 7.00	\$4,262.50 \$3850.00

	Feenstra; review final draft of contest with related teleconference with B. Feenstra draft response to continuance request; review email from P. Kavounas regarding continuance request with related communication to client; draft reply to continuance with related conference with client and transmission to P. Kavounas			
6/8/2020	Review T. Egoscue and client comments and edits to draft Ag Pool contest hearing documents with related conference with T. Egoscue and revisions to same; prepare final draft Feenstra declaration with related conference with T. Egoscue; review Appropriative Pool request for hearing continuance with related conference with T. Egoscue and draft objection to same	T.A.T.	7.25	\$2,175.00
6/9/2020	Finalize contest brief with related conferences with T. Torres and C. Boyd; [REDACTED]	T.J.E.	7.00	\$3,850.00
	[REDACTED]		3.50	\$1,925.00
	teleconference with P. Kavounas, J. Schatz, and B. Herrema to discuss continuance with related teleconference with B. Feenstra; review granting of continuance with related to GSI; submit contest filing; email to Pool regarding continuance and filing of contest; [REDACTED]			
	[REDACTED]			
	review email from GSI regarding possible error in exhibits with related communication to T. Torres; communication with S. Slater			
6/9/2020	Review edits and comments to draft Ag Pool evidence brief with related edits to same; prepare final Contest evidence brief and related documents for submittal	T.A.T.	4.50	\$1,350.00
6/10/2020	[REDACTED]	T.J.E.	2.75	\$1,512.50
	[REDACTED] review draft errata for exhibits with submission of same to Watermaster and Hearing Officer; teleconference with R. Smith regarding contest filing; review CBWM website for contest filing; [REDACTED]		.75	\$412.50
	[REDACTED]			
6/10/2020	Review Ag Pool Contest hearing filing and prepare exhibits errata document; [REDACTED]	T.A.T.	2.25	\$675.00
	[REDACTED]		1.00	\$300.00
6/11/2020	[REDACTED]	T.J.E.	5.25	\$2,887.50
	[REDACTED]			

6/11/2020



T.A.T.

3.25

\$975.00

6/12/2020

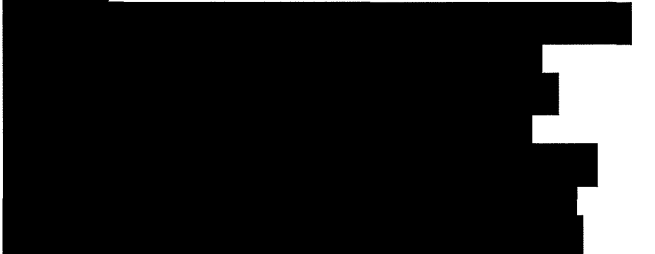


T.J.E.

3.50

\$1,925.00

6/12/2020

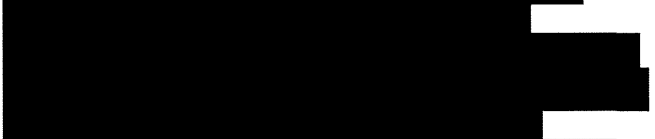


T.A.T.

6.75

\$2,025.00

6/13/2020

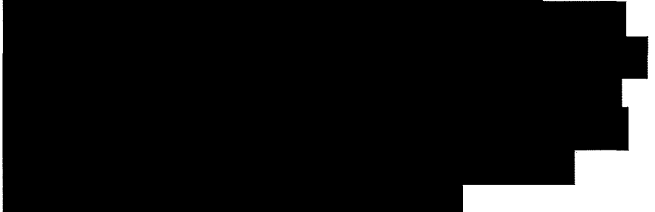


T.J.E.

1.25

\$687.50

6/13/2020

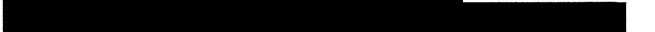


T.A.T.

1.50

\$450.00

6/14/2020

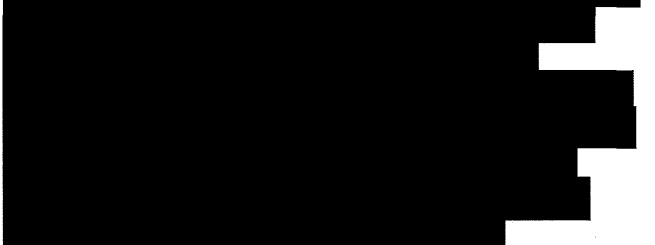


T.J.E.

2.75

\$1,512.50

6/14/2020

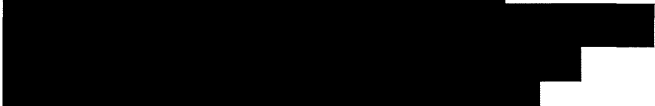


T.A.T.

6.00

\$1,800.00

6/15/2020



T.J.E.

4.75

\$2,612.50

6/15/2020	[REDACTED]	T.A.T.	2.75	\$825.00
6/16/2020	[REDACTED]	T.J.E.	1.25	\$687.50
6/17/2020	[REDACTED]	T.J.E.	.75	\$412.50
6/18/2020	[REDACTED]	T.J.E.	2.75	\$1,512.50
6/18/2020	[REDACTED]	T.A.T.	.75	\$225.00
6/19/2020	[REDACTED]	T.J.E.	5.75	\$3,162.50
6/19/2020	[REDACTED]	T.A.T.	6.75	\$2,025.00
6/20/2020	[REDACTED]	T.J.E.	.75	\$412.50

6/20/2020

[REDACTED]

T.A.T.

.25

\$75.00

6/21/2020

[REDACTED]

T.J.E.

.25

\$137.50

6/22/2020

[REDACTED]

T.J.E.

2.00

\$1,100.00

6/22/2020

[REDACTED]

T.A.T.

7.50

\$2,250.00

6/23/2020

[REDACTED]

T.J.E.

6.75

\$3,712.50

6/23/2020

[REDACTED]

T.A.T.

5.00

\$1,500.00

6/24/2020

[REDACTED]

T.J.E.

5.75

\$3,162.50

6/24/2020

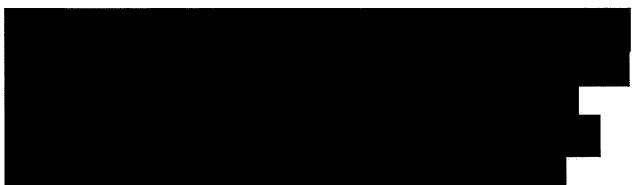
[REDACTED]

T.A.T.

2.75

\$825.00

6/25/2020

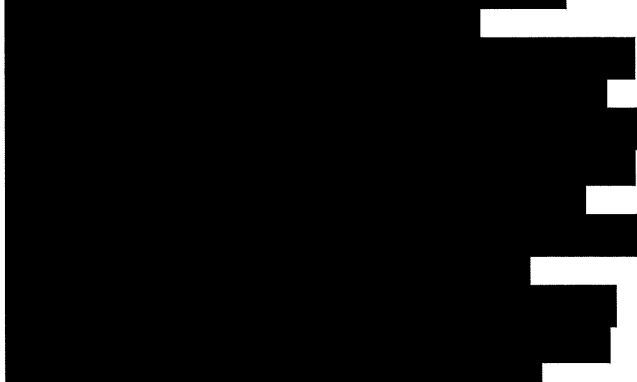


T.J.E.

7.50

\$4,125.00

6/25/2020

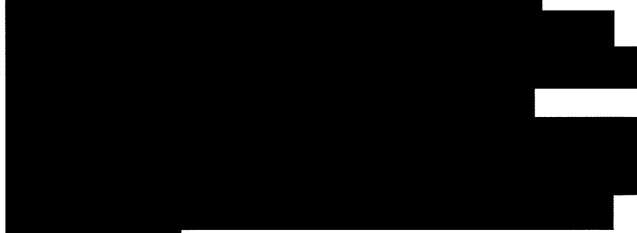


T.A.T.

6.25

\$1,875.00

6/25/2020



P.M.D.

4.50

\$675.00

6/26/2020



T.J.E.

8.00

\$4,400.00

6/26/2020



T.A.T.

.25

\$75.00

6/27/2020

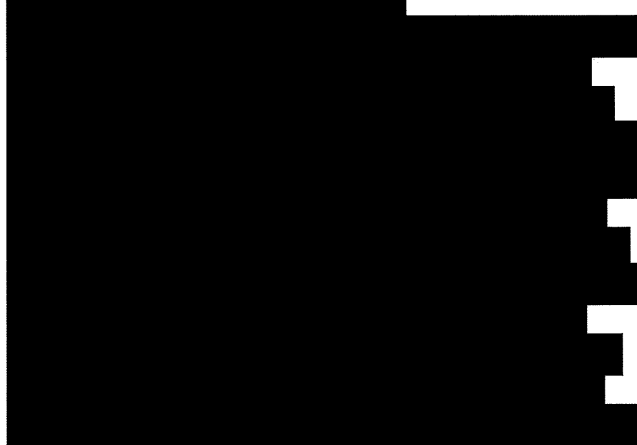


T.J.E.

.75

\$412.50

6/29/2020



T.J.E.

2.50

\$1,375.00

6/29/2020

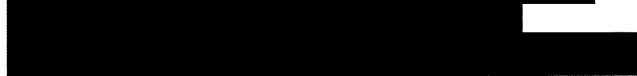


T.A.T.

1.75

\$525.00

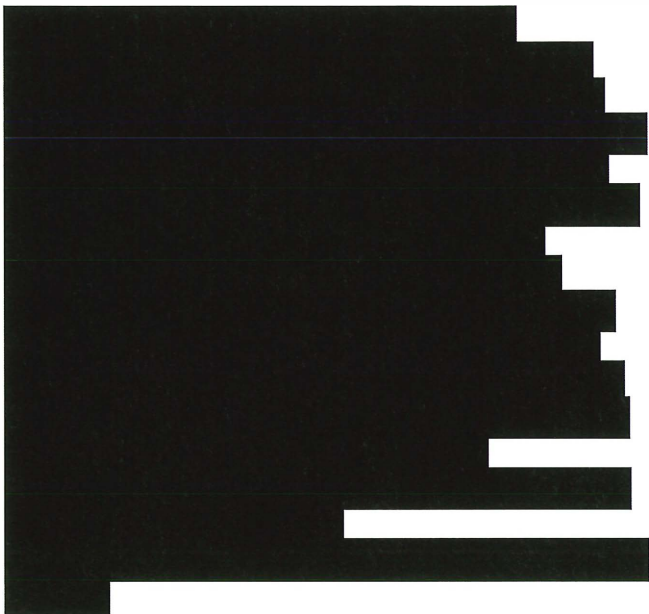
6/30/2020



T.J.E.

3.75

\$2,062.50



6/30/2020

T.A.T. .25 \$75.00

SUBTOTAL:

195.00 \$84,325.00

Costs

6/11/2020

GSI Invoice No. 25590

\$39,010.00

SUBTOTAL:

\$39,010.00

TOTAL: \$123,335.00

PREVIOUS BALANCE DUE: \$106,211.25

CURRENT BALANCE DUE AND OWING: \$229,546.25

Contest Fees:

\$22437.50

Exhibit F

Egoscue Law Group, Inc Invoices
July 2020 to June 2021



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$123,335.00
Last Payment Received	\$63,851.50
Previous Balance	\$165,694.75
Current Charges	\$58,695.00
Total Due	\$224,389.75

Attorney Contest Fees: \$0.00

GSI Contest Fees: \$12120.00

Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: August 04, 2020

Invoice Number: 12808

Invoice Amount: \$58,695.00

Matter: General Counsel

Attorney's Fees

Date	Description	Time	Rate	Amount
7/1/2020	[REDACTED]	T.J.E.	2.75	\$1,512.50
7/2/2020	[REDACTED]	T.J.E.	1.75	\$962.50
7/3/2020	[REDACTED]	T.J.E.	.50	\$275.00
7/6/2020	[REDACTED]	T.J.E.	1.25	\$687.50

7/6/2020

[REDACTED]

T.A.T.

2.75

\$825.00

7/7/2020

[REDACTED]

T.J.E.

2.25

\$1,237.50

7/7/2020

[REDACTED]

T.A.T.

.25

\$75.00

7/8/2020

[REDACTED]

T.A.T.

.25

\$75.00

7/8/2020

[REDACTED]

T.J.E.

2.75

\$1,512.50

7/9/2020

[REDACTED]

T.J.E.

6.75

\$3,712.50

7/9/2020

[REDACTED]

T.A.T.

2.00

\$600.00

7/10/2020

[REDACTED]

T.J.E.

8.00

\$4,400.00

7/11/2020

[REDACTED]

T.J.E.

1.00

\$550.00

7/12/2020

[REDACTED]

T.J.E.

2.50

\$1,375.00

7/13/2020

[REDACTED]

T.J.E.

3.25

\$1,787.50

7/13/2020

[REDACTED]

T.A.T.

2.00

\$600.00

7/14/2020

[REDACTED]

T.J.E.

1.00

\$550.00

7/14/2020

[REDACTED]

T.A.T.

1.75

\$525.00

7/15/2020

[REDACTED]

T.J.E.

2.50

\$1,375.00

7/15/2020

T.A.T.

.50

\$150.00

7/16/2020

T.J.E.

3.50

\$1,925.00

7/16/2020

T.A.T.

2.50

\$750.00

7/17/2020

T.J.E.

3.50

\$1,925.00

7/17/2020

T.A.T.

3.25

\$975.00

7/18/2020

T.J.E.

.25

\$137.50

7/20/2020

T.J.E.

3.00

\$1,650.00

7/20/2020

T.A.T.

3.50

\$1,050.00

7/21/2020

T.J.E.

1.25

\$687.50

7/22/2020

T.J.E.

4.00

\$2,200.00

7/23/2020

T.J.E.

2.75

\$1,512.50

7/24/2020

T.J.E.

.50

\$275.00

7/27/2020

T.J.E.

.25

\$137.50

7/28/2020

T.J.E.

3.25

\$1,787.50

7/29/2020

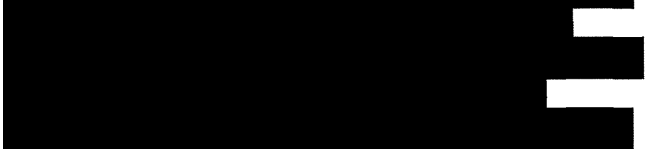


T.J.E.

1.25

\$687.50

7/29/2020

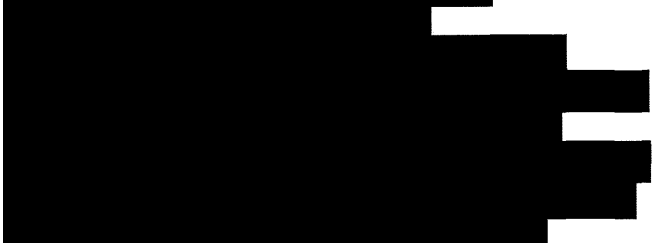


T.A.T.

5.50

\$1,650.00

7/30/2020

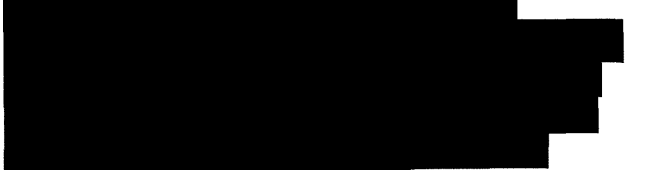


T.J.E.

2.25

\$1,237.50

7/30/2020



T.A.T.

5.50

\$1,650.00

7/31/2020

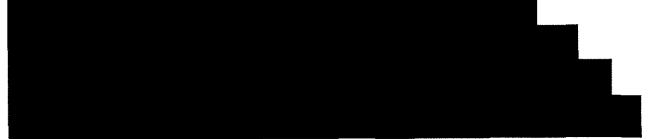


T.J.E.

4.00

\$2,200.00

7/31/2020



T.A.T.

4.50

\$1,350.00

SUBTOTAL:



100.25

\$46,575.00

Costs

7/17/2020

GSI Invoice No. 25843

\$12,120.00

SUBTOTAL:

\$12,120.00

TOTAL: \$58,695.00
PREVIOUS BALANCE DUE: \$165,694.75
CURRENT BALANCE DUE AND OWING: \$224,389.75

Attorney Contest Fees: \$0.00

GSI Contest Fees: \$12120.00



Egoscue Law Group, Inc.

3834 Pine Avenue

Long Beach, California 90807

Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$58,695.00
Last Payment Received	\$58,695.00
Previous Balance	\$0.00
Current Charges	\$32,087.50
Total Due	\$32,087.50

Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: September 02, 2020

Invoice Number: 12840

Invoice Amount: \$32,087.50

Matter: General Counsel

Attorney's Fees

8/1/2020	Review emails from C. Boyd and M. Levin regarding [REDACTED] with reply to same; teleconferences with B. Feenstra regarding [REDACTED]; email to Feenstra regarding various documents including [REDACTED]; communication with C. Boyd and M. Levin regarding [REDACTED]; review email from J. Pierson regarding [REDACTED]	T.J.E.	.75	\$412.50
8/3/2020	Teleconference with B. Feenstra; communication with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review legal research [REDACTED] prepared by T. Torres with related conference; review notice of special Board meeting; attend Special Ag Pool Meeting; teleconference with P. Hofer; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	3.75	\$2,062.50
8/3/2020	Review Peace Agreement in relation to storage provisions with revisions to memorandum regarding [REDACTED] and related conference with T. Egoscue	T.A.T.	2.00	\$600.00
8/4/2020	Communication with [REDACTED] regarding [REDACTED]; review memos from 2009 regarding payment of fees [REDACTED]; teleconference with B. Feenstra [REDACTED]; attend Watermaster Board Meeting [REDACTED]; teleconference with B.	T.J.E.	4.00	\$2,200.00

	Feenstra regarding [REDACTED]; review draft notice of default to AP with related conference with T. Torres; teleconference with [REDACTED] with update to B. Feenstra			
8/4/2020	Review Watermaster documents relating to 2009 Dispute Resolution; prepare draft notice of default and demand to AP regarding [REDACTED]	T.A.T.	1.75	\$525.00
8/5/2020	Review draft Ag Pool agenda with suggested edits to client; teleconference with B. Feenstra regarding [REDACTED]; conference with T. Torres regarding [REDACTED]; teleconference with hearing officer, J. Schatz and Watermaster staff regarding status updates of contest; email to Pool regarding [REDACTED] teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	1.50	\$825.00
8/5/2020	Review and revise draft notice of default with related conference with T. Egoscue	T.A.T.	.25	\$75.00
8/6/2020	Preparation for Special Ag Pool meeting; teleconference with B. Feenstra regarding [REDACTED]; review email from [REDACTED] with reply to same; attend Special Ag Pool Meeting; transmission of motion and related documents to WM; email notice of default to J. Schatz; teleconference with J. Schatz; review notice of orders regarding Safe Yield and Pooling Plan; teleconference with B. Feenstra	T.J.E.	3.25	\$1,787.50
8/6/2020	Review Ag Pool report from Special Meeting with related conference with T. Egoscue	T.A.T.	.25	\$75.00
8/7/2020	Conference with T. Torres regarding timing of clarification motion regarding March 2019 Order; teleconference with B. Feenstra regarding [REDACTED]; review email from A. Malone regarding data request for CDA with reply to same; review email from C. Boyd regarding [REDACTED]	T.J.E.	1.00	\$550.00
8/7/2020	Review Watermaster notice and orders with related research and analysis of effects and motion for clarification with related conference with T. Egoscue	T.A.T.	1.00	\$300.00
8/8/2020	Teleconference with J. Schatz regarding notice of default; [REDACTED]; review Pool meeting agenda package with related communication to client	T.J.E.	2.25	\$1,237.50
8/10/2020	Teleconferences with B. Feenstra regarding [REDACTED]; review notice of additional information regarding Ag Pool item for Pool meeting; [REDACTED]	T.J.E.	1.75	\$962.50

	[REDACTED]; communications with M. Levin and C. Boyd regarding [REDACTED]; teleconference with A. Malone regarding CDA data request with review of draft Ag well map and related emails			
8/11/2020	Teleconference with [REDACTED]; review notice of filings regarding [REDACTED]; review redline of rules [REDACTED]; review communication from B. Feenstra regarding [REDACTED]	T.J.E.	1.25	\$687.50
8/12/2020	Revise Pool rules and regulations to reflect Pooling plan litigation with related communication [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; teleconference with J. Schatz regarding Pool meetings; teleconference with M. Levin and C. Boyd regarding [REDACTED]; review emails from M. Levin regarding [REDACTED]; conference with T. Torres regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	3.75	\$2,062.50
8/12/2020	Review Watermaster Staff Report Re: Ag Pool Legal Expenses with related conference with T. Egoscue; prepare draft Ag Pool letter regarding [REDACTED]	T.A.T.	3.50	\$1,050.00
8/13/2020	with related conference with T. Egoscue Review draft agenda item redline and letter from [REDACTED] regarding Pool meeting with related communication to client; send draft regulations to client for review in advance of Pool meeting; teleconference with B. Feenstra regarding [REDACTED]; prepare agenda for closed session; review agenda package and preparation for Pool meeting; review emails from M. Levin regarding [REDACTED]; communication with [REDACTED]; teleconference with B. Feenstra; review email from [REDACTED] regarding [REDACTED]; attend Ag Pool meeting [REDACTED]	T.J.E.	4.75	\$2,612.50
8/13/2020	Review and revise letter and proposed edits [REDACTED]; review Ag Pool closed session direction to [REDACTED]	T.A.T.	1.00	\$300.00
8/14/2020	Review draft motions to [REDACTED] with edits and related email to [REDACTED]; conferences with T. Torres regarding [REDACTED]; review C. Boyd edits to [REDACTED]; teleconference with J. Pierson; review revised draft filing [REDACTED] with edits and additional analysis and related communication to client	T.J.E.	1.75	\$962.50
8/14/2020	Prepare draft motion [REDACTED]; review [REDACTED]	T.A.T.	6.75	\$2,025.00

8/15/2020	<p>[REDACTED] with related revisions to same; prepare draft Request for Judicial Notice with related conference with T. Egoscue</p> <p>Review communication from [REDACTED] regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED]; review revised filing with related conferences with T. Torres regarding [REDACTED]; communication to [REDACTED] regarding [REDACTED]; email to J. Schatz regarding closed session action and filing of motion with request for copy of AP actions; review email from J. Schatz regarding reportable action from AP with related communication to client; review emails from [REDACTED] regarding [REDACTED] filing</p>	T.J.E.	1.50	\$825.00
8/15/2020	Review comments/edits to motion and request for judicial notice with related revisions to same with related conference with T. Egoscue	T.A.T.	1.75	\$525.00
8/17/2020	Review communication from [REDACTED] with reply; review communication from [REDACTED] with reply to same; review filing [REDACTED]	T.J.E.	.25	\$137.50
8/17/2020	Finalize and file motion for clarification and request for judicial notice	T.A.T.	.25	\$75.00
8/19/2020	Review notice of special AP meeting; review email from [REDACTED] regarding [REDACTED] with reply to same	T.J.E.	.50	\$275.00
8/20/2020	Communication with [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
8/24/2020	Review Advisory Committee meeting recording; teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED] with update to [REDACTED]; review and finalize storage rights memo with related to [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with P. Hofer	T.J.E.	4.00	\$2,200.00
8/25/2020	Communication with G. Vandenheuvell regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; preparation videoconference with B. Feenstra, J. Pierson, and B. Feenstra; attend Watermaster Board Meeting; teleconference with B. Feenstra regarding [REDACTED]; teleconference with J. Schatz regarding storage management issue and contest	T.J.E.	4.25	\$2,337.50
8/26/2020	Teleconference with CBWM, J. Schatz, and the Hearing Officer regarding status of the contest with	T.J.E.	2.00	\$1,100.00

related to client; teleconference with B. Feenstra regarding [REDACTED]; review notice of filing of OBMP update; teleconference with J. Pierson; email to P Kavounas regarding increase of Ag Pool budget; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED]; review email from P. Kavounas regarding budget request with reply to same

8/27/2020 Teleconference with [REDACTED] regarding [REDACTED] T.J.E. 1.00 \$550.00

[REDACTED]; review communication from G. Vandenheuvel regarding [REDACTED] with reply to same; teleconference with B. Feenstra regarding [REDACTED]; teleconference with J. Pierson regarding [REDACTED] with update to [REDACTED]

8/28/2020 Teleconference with Chair Feenstra regarding [REDACTED] T.J.E. 2.75 \$1,512.50

[REDACTED]; email to CBWM regarding special meeting; email to [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; teleconference with [REDACTED] regarding [REDACTED] and [REDACTED]; teleconference with J. Schatz; teleconference with P. Hofer regarding [REDACTED]; email to B. Feenstra and J. Pierson regarding [REDACTED]

8/29/2020 Teleconference with B. Feenstra regarding [REDACTED] T.J.E. .75 \$412.50

[REDACTED] with related teleconference with [REDACTED]

8/31/2020 Teleconference with J. Schatz regarding workshop; T.J.E. 1.25 \$687.50

teleconference with B. Feenstra regarding [REDACTED]; teleconference with T. Wood of GSI regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED] and teleconference with [REDACTED]; review communication from G. Vandenheuvel regarding [REDACTED] reply to same

SUBTOTAL: 66.75 \$32,087.50

Costs

SUBTOTAL: \$0.00

TOTAL: \$32,087.50
 PREVIOUS BALANCE DUE: \$0.00
 CURRENT BALANCE DUE AND OWING: \$32,087.50



Egoscue Law Group, Inc.

3834 Pine Avenue

Long Beach, California 90807

Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$58,695.00
Last Payment Received	\$58,695.00
Previous Balance	\$0.00
Current Charges	\$32,087.50
Total Due	\$32,087.50

Contest Fees: \$275.00

Egoscue Law Group, Inc.

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Long Beach, California 90807
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Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: September 02, 2020
Invoice Number: 12840
Invoice Amount: \$32,087.50

Matter: General Counsel

Attorney's Fees

Date	Description	Time	Rate	Amount
8/1/2020	[REDACTED]	T.J.E.	.75	\$412.50
8/3/2020	[REDACTED]	T.J.E.	3.75	\$2,062.50
8/3/2020	[REDACTED]	T.A.T.	2.00	\$600.00
8/4/2020	[REDACTED]	T.J.E.	4.00	\$2,200.00

8/4/2020

T.A.T.

1.75

\$525.00

8/5/2020

T.J.E.

1.50

\$825.00

8/5/2020

T.A.T.

.25

\$75.00

8/6/2020

T.J.E.

3.25

\$1,787.50

8/6/2020

T.A.T.

.25

\$75.00

8/7/2020

T.J.E.

1.00

\$550.00

8/7/2020

T.A.T.

1.00

\$300.00

8/8/2020

T.J.E.

2.25

\$1,237.50

8/10/2020

T.J.E.

1.75

\$962.50

8/11/2020

[REDACTED]

T.J.E.

1.25

\$687.50

8/12/2020

[REDACTED]

T.J.E.

3.75

\$2,062.50

8/12/2020

[REDACTED]

T.A.T.

3.50

\$1,050.00

8/13/2020

[REDACTED]

T.J.E.

4.75

\$2,612.50

8/13/2020

[REDACTED]

T.A.T.

1.00

\$300.00

8/14/2020

[REDACTED]

T.J.E.

1.75

\$962.50

8/14/2020

[REDACTED]

T.A.T.

6.75

\$2,025.00

8/15/2020	[REDACTED]	T.J.E.	1.50	\$825.00
8/15/2020	[REDACTED]	T.A.T.	1.75	\$525.00
8/17/2020	[REDACTED]	T.J.E.	.25	\$137.50
8/17/2020	[REDACTED]	T.A.T.	.25	\$75.00
8/19/2020	[REDACTED]	T.J.E.	.50	\$275.00
8/20/2020	[REDACTED]	T.J.E.	.25	\$137.50
8/24/2020	[REDACTED]	T.J.E.	4.00	\$2,200.00
8/25/2020	[REDACTED]	T.J.E.	4.25	\$2,337.50
8/26/2020	Teleconference with CBWM, J. Schatz, and the Hearing Officer regarding status of the contest with	T.J.E.	2.00 .50	\$1,100.00 \$275.00

related to client; teleconference with B. Feenstra regarding call with Schatz and the Hearing Officer;

8/27/2020	[REDACTED]	T.J.E.	1.00	\$550.00
8/28/2020	[REDACTED]	T.J.E.	2.75	\$1,512.50
8/29/2020	[REDACTED]	T.J.E.	.75	\$412.50
8/31/2020	[REDACTED]	T.J.E.	1.25	\$687.50
SUBTOTAL:	[REDACTED]		66.75	\$32,087.50

Costs

SUBTOTAL: \$0.00

TOTAL: \$32,087.50
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$32,087.50

Contest Fees: \$275.00



Egoscue Law Group, Inc.

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Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$32,087.50
Last Payment Received	\$32,087.50
Previous Balance	\$0.00
Current Charges	\$49,057.00
Total Due	\$49,057.00

Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: October 02, 2020

Invoice Number: 12881

Invoice Amount: \$49,057.00

Matter: General Counsel

Attorney's Fees

9/1/2020	Review agenda for storage workshop with related to [REDACTED]; communication with [REDACTED] regarding [REDACTED]; attend OBMPU workshop with related communications with [REDACTED]; teleconference with G. Vandenheuvel regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review email from A. Nelson regarding contest administration discussion with reply to same; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	3.25	\$1,787.50
9/2/2020	Review draft agenda for Pool meeting with related email to client [REDACTED]; prepare agenda for special Ag Pool meeting; review draft revised Rules and Regulations for Pool meeting; teleconference with B. Feenstra regarding [REDACTED] and [REDACTED]; email Pool agenda additions to CBWM; review communication from [REDACTED] regarding [REDACTED] with reply to same; review email from P. Kavounas regarding Pool agenda with reply to same; teleconference with Watermaster regarding contest Administration	T.J.E.	2.75	\$1,512.50
9/3/2020	Preparation for Special Ag Pool Meeting; review communication from [REDACTED] regarding [REDACTED] with reply to same; teleconference with B. Feenstra regarding [REDACTED]; review draft letter agreement to K. Berchtold regarding contest with [REDACTED]; attend special Meeting; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	3.75	\$2,062.50

9/4/2020	██████████; teleconference with ██████████ regarding ██████████; teleconference with B. Feenstra regarding ██████████ Communication and teleconference to B. Feenstra regarding ██████████; email to P. Kavounas regarding K. Berchtold letter; communication with ██████████; review email from J. Schatz regarding P. Kavounas letter	T.J.E.	.75	\$412.50
9/6/2020	██████████; review agenda package for Pool meetings Conference with T. Torres regarding ██████████	T.J.E.	1.25	\$687.50
9/6/2020	██████████ Conference with T. Egoscue regarding ██████████	T.A.T.	.25	\$75.00
9/8/2020	██████████ Teleconference with B. Feenstra regarding ██████████; email with ██████████ and ██████████ regarding ██████████; teleconference with ██████████ regarding ██████████; review email from ██████████ regarding ██████████	T.J.E.	1.75	\$962.50
9/9/2020	██████████ with related communication to B. Feenstra Teleconference with ██████████ regarding ██████████; teleconferences with ██████████ regarding ██████████; teleconference with B. Feenstra regarding Pool meeting; teleconference with J. Schatz regarding ██████████ and storage and 9/29 motion ██████████; preparation of closed session information and related email with ██████████	T.J.E.	3.25	\$1,787.50
9/10/2020	██████████ Conference with T. Torres regarding ██████████; teleconference with ██████████ regarding ██████████ with related teleconference with B. Feenstra and email to CBWM; review communication from J. Schatz regarding AP meeting; review notes of AP meeting from T. Torres with related to client; teleconference with ██████████ regarding ██████████; pre-meeting with B. Feenstra and J. Pierson; attend Ag Pool meeting; teleconference with B. Feenstra regarding ██████████; teleconference with ██████████ regarding ██████████	T.J.E.	4.50	\$2,475.00
9/10/2020	Monitor Appropriative Pool meeting and prepare notes regarding same	T.A.T.	1.75	\$525.00
9/11/2020	██████████ Teleconference with B. Feenstr ██████████; review email from J. Pierson to Advisory Chair regarding agenda and Pool budget issue; review emails from ██████████ regarding ██████████	T.J.E.	.75	\$412.50
9/12/2020	Review paragraph 30 of the Judgment with related advice to client regarding ██████████	T.J.E.	.25	\$137.50
9/14/2020	Email to B. Feenstra regarding ██████████	T.J.E.	3.75	\$2,062.50

	<p>[REDACTED]; teleconference with B. Feenstra regarding [REDACTED]</p> <p>teleconference with J. Schatz regarding Ag Pool budget amendment and motion for clarification with [REDACTED]; listen to AP meeting; review email from [REDACTED] regarding [REDACTED] with reply to same; teleconference with [REDACTED] regarding [REDACTED]; teleconference with T. Wood regarding [REDACTED]</p>			
9/14/2020	<p>Conference with T. Egoscue regarding [REDACTED]</p>	T.A.T.	.25	\$75.00
9/15/2020	<p>Review AP opposition to Ag Pool motion for clarification with [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; review notice of AP meeting; teleconference with B. Feenstra regarding [REDACTED]; teleconference with J. Schatz regarding opposition brief; review draft Ag Pool reply brief with edits and additional analysis</p>	T.J.E.	3.25	\$1,787.50
9/15/2020	<p>Review Appropriative Pool Opposition to Ag Pool Motion for Clarification with related research; prepare draft Reply to Appropriative Pool Opposition</p>	T.A.T.	6.50	\$1,950.00
9/16/2020	<p>Teleconference with B. Feenstra regarding [REDACTED]; review letter from J. Schatz regarding Ag Pool budget increase and Advisory action with related [REDACTED]; teleconference with J. Pierson regarding [REDACTED]; continued revision of reply brief; review email from [REDACTED] regarding [REDACTED] to same; conference with T. Torres regarding draft reply brief; submission of reply brief to client for review; teleconference with [REDACTED] regarding [REDACTED]</p>	T.J.E.	4.50	\$2,475.00
9/16/2020	<p>Review T. Egoscue comments and edits to draft Reply and related conference; prepare related edits to same</p>	T.A.T.	1.25	\$375.00
9/17/2020	<p>Review email from [REDACTED] regarding [REDACTED] with reply to same; review email from [REDACTED] regarding [REDACTED] with reply to same; review communications from client regarding [REDACTED] with advice in reply; attend part of Advisory meeting and related conference with T. Torres regarding [REDACTED]; review email from [REDACTED] with notes from Advisory; review slides sent by GSI from groundwater storage presentation by Wildermuth; teleconference with Chair Feenstra regarding [REDACTED]</p>	T.J.E.	4.50	\$2,475.00

	[REDACTED]; teleconference with J. Pierson regarding [REDACTED]; review revised reply brief with additional edits; review draft RJN; review email from [REDACTED] regarding [REDACTED]; review communication from [REDACTED] regarding [REDACTED]			
9/17/2020	Attend Advisory Committee meeting and [REDACTED]; continue revisions to draft Reply; prepare draft supplemental request for judicial notice with related conference with T. Egoscue	T.A.T.	3.75	\$1,125.00
9/18/2020	Finalize reply brief filing; teleconference with B. Feenstra regarding [REDACTED]; review AP members' complaint with related communication to client; teleconference with B. Feenstra regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; review emails from [REDACTED] regarding [REDACTED]	T.J.E.	3.00	\$1,650.00
9/18/2020	Prepare and file Reply and Supplemental Request for Judicial Notice	T.A.T.	.25	\$75.00
9/19/2020	Review email from [REDACTED] regarding [REDACTED]; review various emails from [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
9/21/2020	Teleconference with [REDACTED] regarding [REDACTED]; review emails from [REDACTED] and [REDACTED] regarding [REDACTED]; review notice of filing of amended motion; teleconference with B. Feenstra; teleconference with J. Pierson regarding [REDACTED]	T.J.E.	1.25	\$687.50
9/21/2020	Review of Appropriative Pool filings related to Ag Pool expenses	T.A.T.	.25	\$75.00
9/22/2020	Review notice of hearing procedures; [REDACTED]; attend meeting with Chair Feenstra and Vice Chair Pierson; [REDACTED]; conference with T. Torres regarding [REDACTED]	T.J.E.	4.50	\$2,475.00
9/22/2020	Conference with T. Egoscue regarding [REDACTED]	T.A.T.	.25	\$75.00
9/23/2020	Review email from [REDACTED] regarding [REDACTED]; conference with T. Torres and P. Dopulos regarding [REDACTED]; teleconference with J. Schatz regarding filings; teleconference with [REDACTED]; review various emails from [REDACTED] and [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; communication with B. Feenstra regarding [REDACTED]	T.J.E.	2.25	\$1,237.50
9/23/2020	Preparation for 9/25 hearing with related conference with T. Egoscue and P. Dopulos; conference with P.	T.A.T.	1.00	\$300.00

9/23/2020	Dopulos regarding [REDACTED] Review email from T. Egoscue regarding [REDACTED] [REDACTED] and conference with T. Egoscue regarding same	P.M.D.	.25	\$37.50
9/24/2020	Review letter from AP regarding [REDACTED] with related to client; review letter from Ontario regarding OBMPU [REDACTED]; review letter from Monte Vista regarding OBMPU [REDACTED]; communication with B. Feenstra regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; attend CBWM Board Meeting [REDACTED]; preparation for hearing; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED] and [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; conference with T. Torres regarding draft opposition	T.J.E.	5.25	\$2,887.50
9/24/2020	Review of Appropriative Pool filings related to Ag Pool expenses and related documents and research	T.A.T.	3.50	\$1,050.00
9/24/2020	Compile binder for 9/25 hearing; researched [REDACTED] [REDACTED] conference with T. Torres regarding [REDACTED]	P.M.D.	3.00	\$450.00
9/25/2020	Hearing preparation; travel to Superior Court for Hearing; attend court hearing; return travel to office	T.J.E.	7.50	\$4,125.00
9/25/2020	Prepare draft opposition to Appropriative Pool motion	T.A.T.	3.75	\$1,125.00
9/26/2020	Communication with J. Pierson regarding [REDACTED]; teleconference with J. Schatz regarding hearing; communication and teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	.75	\$412.50
9/27/2020	Communication with J. Schatz regarding dispute resolution; communication with [REDACTED] regarding [REDACTED]	T.J.E.	.50	\$275.00
9/28/2020	Conference with Hearing Officer regarding contest date; teleconference with [REDACTED] regarding [REDACTED]; conference with T. Torres regarding [REDACTED]; teleconference with B. Feenstra; review notice of ruling; review draft opposition brief with related to T. Torres	T.J.E.	2.50	\$1,375.00
9/28/2020	Continue research and preparation of draft opposition; review draft [REDACTED]; conference with T. Egoscue regarding [REDACTED]	T.A.T.	4.00	\$1,200.00
9/28/2020	Conference with T. Torres regarding [REDACTED]	P.M.D.	.25	\$37.50
9/29/2020	Review email from P. Kavoumas regarding G.	T.J.E.	2.00	\$1,100.00

Vandenheuvel storage request; review notice of service of proposed order denying Ag Pool motion with review of related communication from [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; review revised [REDACTED] with additional edits and related conference with T. Torres; teleconference with B. Feenstra

9/29/2020	Comments and edits to [REDACTED]; conference with T. Egoscue and P. Dopulos regarding same	T.A.T.	.50	\$150.00
9/30/2020	Review and revise draft opposition; conference with P. Dopulos regarding [REDACTED]	T.A.T.	2.00	\$600.00
9/30/2020	Teleconference with B. Feenstra regarding [REDACTED]; review draft Pool agenda with proposed edits to client with related conversation with B. Feenstra and edits to CBWM; various emails from [REDACTED] regarding [REDACTED]; review draft [REDACTED]; teleconference with [REDACTED] and [REDACTED]; review email from [REDACTED] regarding [REDACTED]	T.J.E.	3.50	\$1,925.00
9/30/2020	Conference with T. Torres; revise and edit [REDACTED]	P.M.D.	1.00	\$150.00
SUBTOTAL:			105.25	\$48,775.00

Costs

9/29/2020	Court Call Appearance for B. Feenstra - Hearing date September 25, 2020 - ID: 10866925			\$94.00
9/29/2020	Court Call Appearance for B. Feenstra - Hearing date July 10, 2020 - ID: 10692797			\$94.00
9/29/2020	Court Call Appearance for B. Feenstra - Hearing date June 26, 2020 - ID: 10671788			\$94.00
SUBTOTAL:				\$282.00

TOTAL: \$49,057.00
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$49,057.00



Egoscue Law Group, Inc.

3834 Pine Avenue

Long Beach, California 90807

Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$49,057.00
Last Payment Received	\$49,057.00
Previous Balance	\$0.00
Current Charges	\$55,006.50
Total Due	\$55,006.50

Egoscue Law Group, Inc.

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Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: November 03, 2020

Invoice Number: 12921

Invoice Amount: \$55,006.50

Matter: General Counsel

Attorney's Fees

10/1/2020	Review notice of OBMP filings by Watermaster; review email from [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review draft opposition filing to fees matter with related conference with T. Torres; review email from [REDACTED] regarding [REDACTED]	T.J.E.	1.50	\$825.00
10/1/2020	Review and finalize [REDACTED] with related conference with P. Dopulos; review comments/edits to draft opposition with conference with T. Egoscue and related edits to same	T.A.T.	3.50	\$1,050.00
10/1/2020	Conference with T. Torres finalizing [REDACTED]; research and [REDACTED]	P.M.D.	1.75	\$262.50
10/2/2020	Review revised opposition to motion regarding fees with additional edits and analysis; teleconference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; teleconference with [REDACTED]; teleconference with [REDACTED]	T.J.E.	5.25	\$2,887.50
10/2/2020	Review T. Egoscue comments/edits to draft opposition with related edits to same	T.A.T.	5.00	\$1,500.00
10/3/2020	Review draft opposition with additional edits and analysis and word draft to [REDACTED]	T.J.E.	1.50	\$825.00
10/4/2020	Review email from [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
10/5/2020	Review declarations and RJN filed in support and related motion regarding fees with related conference with T. Torres; email to [REDACTED]	T.J.E.	2.75	\$1,512.50

	<p>regarding : teleconference with B. Feenstra regarding ; review emails from regarding with replies to same; review email from J. Scott Coe regarding PRA request</p>			
10/5/2020	<p>Research regarding with related conference with T. Egoscue; review with related edits to same; communications with counsel for Monte Vista Water District regarding PRA request</p>	T.A.T.	6.50	\$1,950.00
10/6/2020	<p>Review notes from regarding with reply and related conference with T. Torres; review notice of filing of proposed order; teleconference with B. Feenstra regarding and ; review email from regarding ; email to A. Nelson regarding closed session for Pool;</p>	T.J.E.	1.75	\$962.50
10/6/2020	<p>Review comments/edits from and revise draft opposition with related conference with T. Egoscue; prepare research and draft motion</p>	T.A.T.	4.00	\$1,200.00
10/7/2020	<p>Review T. Egoscue comments/edits to draft opposition with revisions to same; review and revise</p>	T.A.T.	6.50	\$1,950.00
10/7/2020	<p>Review Watermaster staff report on CFO report regarding outstanding invoices; teleconference with regarding ; teleconference with B. Feenstra; review Upland joinder to AP motion on fees; teleconference with P. Hofer; review revised draft filing with additional edits and analysis and related conference with T. Torres</p>	T.J.E.	2.75	\$1,512.50
10/8/2020	<p>Remotely attend Appropriative Pool meeting with summary of same; research related to ; review and revise draft opposition with related conference with T. Egoscue</p>	T.A.T.	5.00	\$1,500.00
10/8/2020	<p>Communication with regarding ; review emails from and regarding replies to same; review revised draft filing with additional edits and submission of same to client for review; communications with regarding ; review agenda package in preparation for Pool meeting; review notes from AP meeting as prepared by T. Torres; teleconference with B. Feenstra in preparation for Pool meeting; review email from regarding related conference with ; attend Ag Pool meeting; continued revision of filing</p>	T.J.E.	8.75	\$4,812.50
10/9/2020	<p>Review and revise draft opposition, objections, and</p>	T.A.T.	2.50	\$750.00

	declaration with related conference with T. Egoscue; prepare and file Ag Pool opposition, objections and declarations			
10/9/2020	Revise draft opposition with related conference with [REDACTED]; email to [REDACTED] and [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra; review notice of Chino joinder with related to client; finalize briefs for filing; review email from [REDACTED] regarding [REDACTED] with reply; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	5.50	\$3,025.00
10/10/2020	Teleconference with B. Feenstra regarding [REDACTED]; communication with J. Pierson; communication with [REDACTED] and [REDACTED]; teleconference with [REDACTED] with related [REDACTED]; teleconference with J. Pierson	T.J.E.	1.75	\$962.50
10/11/2020	Review email from [REDACTED] regarding [REDACTED] with reply to same	T.J.E.	.25	\$137.50
10/12/2020	Review notice of court call for J. Gutierrez; review email from [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED] and [REDACTED]	T.J.E.	.50	\$275.00
10/13/2020	Review notice of filing; OBMP meeting with review of related revised documents; conference with T. Torres regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED]	T.J.E.	2.25	\$1,237.50
10/13/2020	Communications with public entities regarding PRA requests [REDACTED]	T.A.T.	.50	\$150.00
10/13/2020	Conference with T. Torres [REDACTED]	P.M.D.	.25	\$37.50
10/14/2020	Email [REDACTED] in response to [REDACTED]; communication to B. Feenstra regarding [REDACTED]; teleconference with J. Schatz; teleconference with B. Feenstra	T.J.E.	1.00	\$550.00
10/14/2020	Communications with G. Nicholls at Nossaman regarding PRA requests	T.A.T.	.25	\$75.00
10/15/2020	Review communication from [REDACTED] regarding [REDACTED] with related [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; review Advisory Committee meeting notes prepared by T. Torres; review Chino Ex Parte filing; review CBWM response to filing; review email from A. Nelson regarding Ag Pool volume vote	T.J.E.	1.50	\$825.00
10/15/2020	Review Advisory Committee meeting package; remotely attend Advisory Committee meeting with summary of same	T.A.T.	1.00	\$300.00
10/16/2020	Teleconference with [REDACTED] regarding [REDACTED]; teleconference with J. Pierson regarding [REDACTED]; conference with [REDACTED] regarding [REDACTED]; preparation for and attendance at Ex Parte hearing; teleconference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; conference with J.	T.J.E.	3.50	\$1,925.00

10/17/2020	Pierson regarding [REDACTED] Review reply brief and related filings regarding Ag Pool fees; teleconference with [REDACTED] regarding [REDACTED]; email to [REDACTED] regarding [REDACTED]; review email from J. Pierson regarding [REDACTED]; communication with J. Pierson regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]	T.J.E.	3.00	\$1,650.00
10/18/2020	Hearing preparation; review notice of CBWM Board meeting; teleconference with P. Hofer regarding [REDACTED]; teleconference with B. Feenstra; communication with J. Schatz regarding reply brief	T.J.E.	2.75	\$1,512.50
10/19/2020	Communication with R. Pietersma regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; teleconference with R. Pietersma; review email from [REDACTED] regarding [REDACTED] and [REDACTED]; teleconference with [REDACTED]; teleconference with J. Pierson and R. Pietersma; email to Watermaster regarding [REDACTED]; email to Ag Pool regarding Board meeting attendance; teleconference with B. Feenstra	T.J.E.	3.00	\$1,650.00
10/20/2020	Communications with J. Pierson and R. Pietersma; communication with P. Hofer; email update to [REDACTED]; teleconference with [REDACTED]; communications with [REDACTED] regarding [REDACTED]; teleconference with J. Schatz regarding filing; attend WM salinity discussion; review notice of filing of Upland joinder; teleconference with [REDACTED]; review email from [REDACTED] regarding [REDACTED] and [REDACTED] with related to client; review email from [REDACTED] regarding [REDACTED]; teleconference with J. Pierson regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED] and [REDACTED]; review WM filing	T.J.E.	5.50	\$3,025.00
10/20/2020	Review Appropriative Pool Rely filings	T.A.T.	1.50	\$450.00
10/21/2020	Emails to [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra; teleconference with P. Hofer regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; review opposition to Watermaster Ex Parte; Ex Parte hearing preparation; review Watermaster reply brief; teleconference with [REDACTED]; review email from [REDACTED] regarding [REDACTED] with related in response	T.J.E.	4.50	\$2,475.00
10/21/2020	[REDACTED]	T.A.T.	6.00	\$1,800.00
10/22/2020	Preparation for Ex Parte; teleconference with [REDACTED]	T.J.E.	6.50	\$3,575.00



Egoscue Law Group, Inc.

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Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$55,006.50
Last Payment Received	\$55,006.50
Previous Balance	\$0.00
Current Charges	\$22,975.00
Total Due	\$22,975.00

Egoscue Law Group, Inc.

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Long Beach, California 90807

Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: December 02, 2020

Invoice Number: 12932

Invoice Amount: \$22,975.00

Matter: General Counsel

Attorney's Fees

11/3/2020	Review email from [REDACTED] regarding [REDACTED] with reply to same; teleconference with B. Feenstra; teleconference with J. Schatz; communication with [REDACTED]; conference with T. Torres regarding [REDACTED]; review draft [REDACTED] letter with edits and related to client for review	T.J.E.	2.50	\$1,375.00
11/3/2020	Collate data on PRA Request regarding attorney's fees	P.M.D.	2.50	\$375.00
11/4/2020	Review draft Ag Pool agenda with suggested edits to client; teleconference with B. Feenstra regarding [REDACTED]; review AP reply to WM opposition with related teleconference with [REDACTED]; email to J. Schatz regarding notice of default	T.J.E.	1.00	\$550.00
11/4/2020	Produce memo for PRA Request; conference with T. Torres regarding [REDACTED]	P.M.D.	1.00	\$150.00
11/5/2020	Teleconference with B. Feenstra; teleconference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; review AP response to default notice; review email from [REDACTED] regarding [REDACTED] with reply to same; review email from J. Schatz regarding AP default notice	T.J.E.	1.50	\$825.00
11/6/2020	Teleconference with [REDACTED] regarding [REDACTED]; review emails from [REDACTED] regarding [REDACTED] with replies to same	T.J.E.	.75	\$412.50
11/9/2020	Teleconference with [REDACTED];	T.J.E.	1.75	\$962.50

	teleconference with B. Feenstra; teleconference with [REDACTED]			
11/10/2020	Conference with T. Torres regarding [REDACTED]; review TMDL budget; review Pool meeting agenda package	T.J.E.	1.25	\$687.50
11/10/2020	Conference with T. Egoscue regarding [REDACTED]	T.A.T.	.25	\$75.00
11/11/2020	Teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra; teleconference with J. Schatz	T.J.E.	1.25	\$687.50
11/12/2020	Review summary of AP meeting prepared by T. Torres [REDACTED]; preparation for closed session with related conference with B. Feenstra; attend Ag Pool meeting; preparation for hearing	T.J.E.	5.25	\$2,887.50
11/12/2020	Attend Appropriative Pool meeting and prepare notes on same; conference with T. Egoscue regarding [REDACTED]	T.A.T.	1.25	\$375.00
11/13/2020	Preparation for hearing; conference with T. Torres regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; travel to court for hearing; attend court hearing on Ag Pool legal fees; return travel to office	T.J.E.	10.25	\$5,637.50
11/13/2020	Review AP's Response to Ag Pool's Objections to Evidence; prepare legal analysis of same with [REDACTED]	T.A.T.	1.25	\$375.00
11/16/2020	Conference with T. Torres regarding [REDACTED] and [REDACTED]; contest Hearing Officer check in; teleconference with B. Feenstra [REDACTED]; teleconference with J. Schatz	T.J.E.	1.50	\$825.00
11/16/2020	Conference with T. Egoscue regarding [REDACTED]	T.A.T.	.25	\$75.00
11/17/2020	Review email from A. Nelson regarding notice of special Non Ag meeting; review email from P. Kavounas regarding storage report with [REDACTED]; communication with [REDACTED]; review draft order with related [REDACTED]	T.J.E.	.75	\$412.50
11/18/2020	Followup communication with S. Grady regarding Jurupa PRA response with review of same response	T.A.T.	.25	\$75.00
11/18/2020	Teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review suggested edits to proposed order from G. Nicholls with replies to same; email to client regarding [REDACTED]; teleconference with [REDACTED]; teleconference with P. Hofer regarding [REDACTED]	T.J.E.	1.75	\$962.50
11/19/2020	Review email from [REDACTED] regarding [REDACTED] with reply to same; attend Advisory	T.J.E.	2.50	\$1,375.00

	Committee meeting with [REDACTED]; teleconference with B. Feenstra regarding [REDACTED] [REDACTED] and [REDACTED]; attend Watermaster Board Meeting; conference with B. Feenstra regarding [REDACTED] [REDACTED] communication to Watermaster staff			
11/19/2020	Remotely attend Advisory Committee meeting and prepare notes regarding same	T.A.T.	1.00	\$300.00
11/20/2020	Teleconference with B. Feenstra regarding [REDACTED] [REDACTED]; review email from [REDACTED] regarding [REDACTED]	T.J.E.	.50	\$275.00
11/23/2020	Preparation for special Pool meeting; teleconference with B. Feenstra; Ag Pool special meeting; email with [REDACTED] regarding [REDACTED]	T.J.E.	2.25	\$1,237.50
11/24/2020	Email to F. Fudacz regarding process for choosing mediator; review revised proposed order with related to [REDACTED]; review 11/13 hearing transcript with related to client; review proposed list of mediators from AP with related communication to client and replies to same; teleconference with [REDACTED]; teleconference with J. Schatz regarding mediation	T.J.E.	2.50	\$1,375.00
11/25/2020	Review notice of filing of proposed order; teleconference with B. Feenstra; review email from [REDACTED] regarding [REDACTED] [REDACTED]	T.J.E.	1.00	\$550.00
11/30/2020	Review notice of filing of annual GLMC report	T.J.E.	.25	\$137.50
	SUBTOTAL:		46.25	\$22,975.00

Costs

SUBTOTAL: \$0.00

TOTAL: \$22,975.00
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$22,975.00



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$22,975.00
Last Payment Received	\$22,975.00
Previous Balance	\$0.00
Current Charges	\$30,494.00
Total Due	\$30,494.00

Egoscue Law Group, Inc.

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Long Beach, California 90807

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Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: January 05, 2021

Invoice Number: 12980

Invoice Amount: \$30,494.00

Matter: General Counsel

Attorney's Fees

12/1/2020	Review email from [REDACTED] regarding [REDACTED] and [REDACTED] with reply to same; communication with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra; email to A. Nelson regarding special meeting agenda with related conference with client	T.J.E.	.75	\$412.50
12/3/2020	Research AP list of mediators; teleconference with J. Schatz; review email from [REDACTED] vin regarding [REDACTED] with reply to same	T.J.E.	1.25	\$687.50
12/4/2020	Travel to meeting with [REDACTED] to confer regarding [REDACTED]; meeting with Ag Pool [REDACTED]; return travel to office; preparation of email to [REDACTED] regarding [REDACTED] related conference with B. Feenstra; teleconference with [REDACTED] and [REDACTED] regarding [REDACTED]; conference with T. Torres regarding [REDACTED]; emails to [REDACTED] regarding [REDACTED]; preparation of email to [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; review first draft of mediation outline	T.J.E.	4.75	\$2,612.50
12/4/2020	Prepare draft mediation brief outline with related conference with T. Egoscue	T.A.T.	2.50	\$750.00
12/5/2020	Emails to client regarding [REDACTED]; teleconference with J. Schatz	T.J.E.	.50	\$275.00
12/7/2020	Review email from [REDACTED] regarding [REDACTED] reply to same; review emails from mediators regarding scheduling; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED];	T.J.E.	2.50	\$1,375.00

	review draft mediation brief outline with edits and related conference with T. Torres; teleconference with [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with J. Pierson and B. Feenstra regarding [REDACTED]			
12/7/2020	Review T. Egoscue comments/edits to draft mediation brief outline with related conference with T. Egoscue; revise draft brief outline; prepare [REDACTED] summary	T.A.T.	1.75	\$525.00
12/8/2020	Email to CBWM staff regarding Ag Pool budget; draft agenda for Special Ag Pool Meeting and submit to B. Feenstra; review email from G. Nicholls regarding proposed mediators with reply to same; teleconference with B. Feenstra regarding [REDACTED] and [REDACTED]; teleconference with [REDACTED]; conference with T. Torres regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; preparation for special meeting; attend special Ag Pool meeting	T.J.E.	4.25	\$2,337.50
12/8/2020	Prepare [REDACTED] list including [REDACTED] and [REDACTED] with related conference with T. Egoscue	T.A.T.	1.50	\$450.00
12/9/2020	Communication with [REDACTED] regarding [REDACTED]; email to AP regarding mediation with update to client; review email from mediator case manager; teleconference with B. Feenstra; teleconference with [REDACTED]; teleconference with [REDACTED] and [REDACTED]; review email from [REDACTED] regarding [REDACTED]	T.J.E.	2.00	\$1,100.00
12/9/2020	Prepare updates to proposed mediator list	T.A.T.	.25	\$75.00
12/10/2020	Teleconference with [REDACTED]; email with mediation case manager; teleconference with B. Feenstra; review filing of mediation status from AP; teleconference with [REDACTED]; teleconference with [REDACTED]; teleconference with J. Schatz; teleconference with [REDACTED] regarding [REDACTED]; legal research regarding AP filing; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	2.50	\$1,375.00
12/10/2020	Review AP Member Agencies' Status Report Re: Mediation with related conference with T. Egoscue	T.A.T.	.50	\$150.00
12/11/2020	Preparation for hearing; travel to court for hearing; attend hearing on mediation; return travel to office with related communication with clients	T.J.E.	6.75	\$3,712.50
12/11/2020	Research and analyze [REDACTED] and [REDACTED] with summary of same and related conference with T. Egoscue; conference with T. Egoscue regarding [REDACTED]	T.A.T.	2.75	\$825.00

12/12/2020	Teleconference with B. Feenstra; teleconference with [REDACTED] ter regarding [REDACTED]	T.J.E.	1.00	\$550.00
12/14/2020	Conference with B. Feenstra and J. Pierson regarding [REDACTED]; conference with T. Torres regarding [REDACTED]; teleconference with [REDACTED]	T.J.E.	1.75	\$962.50
12/14/2020	Conference with T. Egoscue regarding [REDACTED] and related deadlines; prepare draft statement of intent regarding [REDACTED]	T.A.T.	2.50	\$750.00
12/15/2020	Email to [REDACTED] regarding [REDACTED]; email to J. Schatz; review email from B. Feenstra; review email from J. Schatz regarding fees with related to client; teleconference with B. Feenstra; communication with [REDACTED] regarding [REDACTED]; review AP notice of meeting; review draft mediation statement to court with related conference with T. Torres; review email from A. Nelson regarding pending filings	T.J.E.	1.50	\$825.00
12/15/2020	Prepare draft Ag Pool statement regarding [REDACTED]; conference with T. Egoscue regarding [REDACTED]	T.A.T.	2.25	\$675.00
12/16/2020	Email to J. Schatz regarding response on fees agreement; review notice of order; meeting with [REDACTED]; teleconference with [REDACTED]	T.J.E.	2.25	\$1,237.50
12/16/2020	Review and revise draft statements regarding Ag Pool intent and payment of mediation	T.A.T.	1.75	\$525.00
12/17/2020	Review draft [REDACTED] with edits and submission of same to client for review; conference with T. Torres regarding [REDACTED]; teleconference with B. Feenstra; teleconference with [REDACTED]; teleconference with J. Pierson	T.J.E.	1.50	\$825.00
12/17/2020	Review revised draft Ag Pool mediation intent statements	T.A.T.	.25	\$75.00
12/18/2020	Review email from [REDACTED] regarding [REDACTED]; meeting with [REDACTED] to discuss [REDACTED]	T.J.E.	1.25	\$687.50
12/19/2020	Email to J. Schatz regarding [REDACTED]	T.J.E.	.25	\$137.50
12/21/2020	Review email from [REDACTED] regarding [REDACTED] regarding brief; teleconference with B. Feenstra; review letters from AP regarding payment of fees with related to client; teleconference with [REDACTED] regarding [REDACTED]; teleconference with J. Pierson and B. Feenstra; email to Watermaster staff regarding Pool available funds; conference with T. Torres regarding [REDACTED]	T.J.E.	2.75	\$1,512.50
12/21/2020	Review [REDACTED] and T. Egoscue comments/edits to draft Intent filings with related revisions to same; review J. Schatz letter Re AP nonpayment of FY20-21, prepare draft response to J. Schatz letter with related conference with T. Egoscue	T.A.T.	1.50	\$450.00
12/22/2020	Teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	1.00	\$550.00

	█████; communication with █████r regarding █████ █████; review final draft of filing regarding mediation with related conference with T. Torres; review draft reply to AP with edits and related communication to client for review			
12/22/2020	Review and revise draft letter in response to J. Schatz	T.A.T.	.25	\$75.00
12/23/2020	Review emails from █████ regarding █████ █████; teleconference with B. Feenstra; transmittal of AP notice to CBWM and J. Schatz with related update to Pool; teleconference with █████; review email from J. Joswiak regarding remaining funds with related to client	T.J.E.	1.75	\$962.50
12/23/2020	Prepare and submit final Ag Pool statement regarding mediation intent	T.A.T.	.25	\$75.00
12/24/2020	Review email from █████ regarding █████ ████████████████████	T.J.E.	.25	\$137.50
12/28/2020	Review draft mediation fees brief to court; teleconference with P. Hofer; email to Pool regarding █████; teleconference with █████ █████; teleconference with B. Feenstra; teleconference with J. Schatz; conference with T. Torres regarding █████; review revised filing regarding █████ with edits	T.J.E.	1.50	\$825.00
12/28/2020	Conference with T. Egoscue regarding █████ ████████████████████ related to AP statement of nonpayment; prepare related edits to same	T.A.T.	.75	\$225.00
12/29/2020	Review emails from █████ regarding █████ with related conference with T. Torres regarding █████; review revised draft filing regarding █████ with additional edits; teleconference with B. Feenstra	T.J.E.	.75	\$412.50
12/29/2020	Review █████ comments to draft Ag Pool ████████████████████ with related conference with T. Egoscue and edits to same	T.A.T.	.75	\$225.00
12/30/2020	Teleconference with B. Feenstra; review email from G. Nichols regarding mediators with related to Chair and Vice Chair; review email from █████ regarding █████ with reply to same	T.J.E.	.50	\$275.00
12/31/2020	Prepare and file Ag Pool Statement Re Payment of Mediation	T.A.T.	.25	\$75.00
12/31/2020	Communication to Watermaster regarding Pool filing; teleconference with B. Feenstra regarding ████████████████████; teleconference with J. Pierson regarding ██████████████████████████████ ████████████████████; email to Pool regarding filing; email to G. Nicholls in response to mediation questions; email to ██████████████████████████████ regarding ██████████████████████████████	T.J.E.	1.25	\$687.50
SUBTOTAL:			64.25	\$30,400.00

Costs

12/31/2020	CourtCall Invoice for T. Egoscue re 1/8/2021 hearing date	\$94.00
SUBTOTAL:		\$94.00

TOTAL: \$30,494.00
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$30,494.00



Egoscue Law Group, Inc.

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Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$30,494.00
Last Payment Received	\$22,975.00
Previous Balance	\$30,494.00
Current Charges	\$12,375.00
Total Due	\$42,869.00

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Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: February 02, 2021

Invoice Number: 13005

Invoice Amount: \$12,375.00

Matter: General Counsel

Attorney's Fees

1/4/2021	Teleconference with B. Feenstra; review email from T. Torres regarding [REDACTED]; teleconference with [REDACTED]; teleconference with [REDACTED]; conference with T. Torres regarding [REDACTED]	T.J.E.	1.00	\$550.00
1/4/2021	Research [REDACTED] regarding [REDACTED] with summary and analysis of same; register T. Egoscue for CourtCall appearance at 1/8/21 hearing with service to Watermaster	T.A.T.	1.00	\$300.00
1/5/2021	Review review email from A. Nelson regarding court hearing	T.J.E.	.25	\$137.50
1/6/2021	Review draft agenda for Ag Pool meeting with related teleconference with B. Feenstra; communication with J. Pierson regarding [REDACTED]; teleconference with [REDACTED]	T.J.E.	.75	\$412.50
1/7/2021	Teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
1/8/2021	Teleconference with [REDACTED]; preparation for hearing; review email from J. Pierson regarding [REDACTED] reply to same; attend Ag Pool court hearing with related conference with client; teleconference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; teleconference with [REDACTED]	T.J.E.	4.75	\$2,612.50
1/8/2021	Prepare draft [REDACTED]	T.A.T.	4.00	\$1,200.00
1/9/2021	Review email from [REDACTED] regarding [REDACTED] and related research	T.J.E.	.25	\$137.50
1/10/2021	Communication with client regarding Board election	T.J.E.	.25	\$137.50

1/11/2021	Teleconferences with B. Feenstra; review draft order from B. Herrema and related from F. Fudacz and G. Nicholls with reply to same; prepare Pool meeting notes; conference with T. Torres regarding [REDACTED] zoom with B. Feenstra and J. Pierson to discuss [REDACTED]	T.J.E.	2.00	\$1,100.00
1/11/2021	Review and revise draft [REDACTED]; conference with T. Egoscue regarding [REDACTED]	T.A.T.	.75	\$225.00
1/12/2021	Communication with B. Feenstra regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]	T.J.E.	.50	\$275.00
1/13/2021	Communication with [REDACTED] regarding [REDACTED] with related to B. Feenstra; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
1/14/2021	Communications with [REDACTED] regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	1.00	\$550.00
1/18/2021	Teleconference with [REDACTED] with related email [REDACTED]	T.J.E.	.50	\$275.00
1/19/2021	Email to [REDACTED] regarding [REDACTED]; teleconferences with B. Feenstra regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	.50	\$275.00
1/25/2021	Conference with T. Torres regarding [REDACTED]; review draft [REDACTED] with edits made to same	T.J.E.	.50	\$275.00
1/25/2021	Prepare draft letter to Appropriate Pool regarding [REDACTED]	T.A.T.	3.50	\$1,050.00
1/26/2021	Conference with T. Torres regarding [REDACTED]; review revised draft [REDACTED] with additional edits; teleconferences with B. Feenstra regarding [REDACTED] email to [REDACTED] regarding status; conference with [REDACTED] regarding [REDACTED]	T.J.E.	1.25	\$687.50
1/26/2021	Continue research of legal issues regarding [REDACTED]; conference with T. Egoscue regarding [REDACTED]	T.A.T.	1.75	\$525.00
1/28/2021	Teleconference with B. Feenstra; listen to Ag Pool January meeting; teleconference with B. Feenstra and J. Pierson regarding [REDACTED]	T.J.E.	1.50	\$825.00
1/29/2021	Review email from J. Pierson with reply; review email from [REDACTED] with reply; teleconference with B. Feenstra	T.J.E.	.50	\$275.00
1/30/2021	Review email from M. Levin regarding [REDACTED] with reply to same; review letter from J. Schatz	T.J.E.	.50	\$275.00

regarding fees and expenses with related to client;
teleconference with B. Feenstra regarding [REDACTED]

SUBTOTAL:

27.50 \$12,375.00

Costs

SUBTOTAL:

\$0.00

TOTAL: \$12,375.00
PREVIOUS BALANCE DUE: \$30,494.00
CURRENT BALANCE DUE AND OWING: \$42,869.00



Egoscue Law Group, Inc.

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Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$12,375.00
Last Payment Received	\$12,375.00
Previous Balance	\$0.00
Current Charges	\$23,550.00
Total Due	\$23,550.00

Egoscue Law Group, Inc.

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Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: March 01, 2021

Invoice Number: 13040

Invoice Amount: \$23,550.00

Matter: General Counsel

Attorney's Fees

2/1/2021	Review CBWM Board meeting recording; review email from [REDACTED] regarding [REDACTED] with reply to same; communication from [REDACTED] regarding [REDACTED]	T.J.E.	2.25	\$1,237.50
2/2/2021	Conference with B. Feenstra; teleconference with [REDACTED] review email from P. Kavounas regarding IEUA CEQA request	T.J.E.	1.25	\$687.50
2/3/2021	Email to B. Feenstra and J. Pierson regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review draft Pool agenda with suggested edits to client; conference with [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	3.25	\$1,787.50
2/4/2021	Conference with T. Torres regarding [REDACTED]; draft continued breach letter to J. Schatz with related to client; review [REDACTED] with related to client; emails to A. Nelson regarding Ag Pool meeting preparation; teleconference with B. Feenstra regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; review draft staff report for Ag Pool meeting	T.J.E.	2.50	\$1,375.00
2/4/2021	[REDACTED]; prepare final [REDACTED]	T.A.T.	.75	\$225.00
2/5/2021	Conference with [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
2/8/2021	Review email from [REDACTED] regarding [REDACTED]	T.J.E.	.50	\$275.00

	review emails from [REDACTED] regarding [REDACTED] with reply to same; teleconference with B. Feenstra regarding [REDACTED]			
2/9/2021	Review email from [REDACTED] regarding [REDACTED] with related with B. Feenstra; review email from P. Kavounas regarding Chair comments during Board meeting; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
2/10/2021	Teleconference with B. Feenstra and J. Pierson regarding Board meeting agenda; conference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]	T.J.E.	1.00	\$550.00
2/11/2021	Review agenda package in preparation for Pool meeting; pre-meeting conferences with B. Feenstra and J. Pierson; attend Ag Pool meeting; teleconference with P. Hofer; communication with B. Feenstra and J. Pierson; review email from [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; email from AP regarding storage proposal with related communication to client	T.J.E.	4.75	\$2,612.50
2/12/2021	Teleconference with B. Feenstra; review emails from [REDACTED] regarding [REDACTED] with reply to same	T.J.E.	1.00	\$550.00
2/13/2021	Conference with B. Feenstra regarding [REDACTED]	T.J.E.	.25	\$137.50
2/14/2021	Conference with B. Feenstra regarding [REDACTED] with related communication to Watermaster staff; review email from [REDACTED] regarding [REDACTED] with reply to same; conference with [REDACTED] regarding [REDACTED]; preparation of [REDACTED] document [REDACTED] regarding [REDACTED] with related email to client; review email from [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
2/15/2021	Review communication from B. Feenstra regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
2/16/2021	Conference with B. Feenstra regarding [REDACTED]; review notice of order with related from [REDACTED]; teleconference with J. Pierson and B. Feenstra regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	2.00	\$1,100.00
2/17/2021	Review email from [REDACTED] regarding [REDACTED]; preparation for special meeting with related teleconference with Chair Feenstra; attend special meeting; preparation and transmittal of reportable	T.J.E.	4.25	\$2,337.50

	action and sign in sheet to WM staff; transmission of counter to AP counsel; Advisory agenda package and [REDACTED]; review email from Watermaster regarding payment of invoices; review communication from [REDACTED] regarding [REDACTED] with related conference with T. Torres			
2/17/2021	Review communication from [REDACTED] regarding [REDACTED] with related conference with T. Egoscue	T.A.T.	.25	\$75.00
2/18/2021	Attend Advisory Committee meeting with related communications with J. Pierson and B. Feenstra; communication with J. Pierson regarding [REDACTED]	T.J.E.	2.25	\$1,237.50
2/18/2021	Research regarding [REDACTED]	T.A.T.	4.75	\$1,425.00
2/19/2021	Teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED]; review email from J. Joswiak regarding proposed Pool budget with related to client; communication with [REDACTED]; conference with T. Torres regarding [REDACTED]	T.J.E.	1.00	\$550.00
2/19/2021	Continue research of [REDACTED]; review related Ag Pool Rules and Regulations; prepare draft summary and analysis of [REDACTED]; conference with T. Egoscue regarding [REDACTED]	T.A.T.	4.25	\$1,275.00
2/21/2021	Legal research regarding [REDACTED] with related advice [REDACTED]; email to client regarding [REDACTED]; email to CBWM regarding latest rules on website with related to B. Herrema; communication with B. Feenstra regarding [REDACTED]	T.J.E.	1.00	\$550.00
2/22/2021	Teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra; review legal research regarding [REDACTED] with related conference with T. Torres	T.J.E.	2.50	\$1,375.00
2/22/2021	Review communication from [REDACTED] regarding [REDACTED] with related conference with T. Egoscue; continue summary and analysis of [REDACTED]	T.A.T.	2.25	\$675.00
2/23/2021	Meeting with J. Pierson and B. Feenstra regarding [REDACTED] communication with B. Herrema regarding [REDACTED]; conference with T. Torres regarding [REDACTED]	T.J.E.	1.25	\$687.50
2/23/2021	Conference with T. Egoscue regarding [REDACTED]	T.A.T.	.25	\$75.00
2/24/2021	Review email from [REDACTED] regarding P. Kavounas email about storage and Advisory; teleconference	T.J.E.	.75	\$412.50

with B. Feenstra regarding [REDACTED] with related draft communication; review letter from J. Schatz regarding intervention request [REDACTED]

2/25/2021	Teleconferences with B. Feenstra regarding [REDACTED]; review emails from [REDACTED] regarding [REDACTED] with reply to same; communication with P. Hofer [REDACTED]	T.J.E.	.75	\$412.50
2/26/2021	Conference with [REDACTED] regarding [REDACTED]; review notice of CEQA action in furtherance of OBMP with review of related documents; transmission of court hearing transcripts to State	T.J.E.	1.00	\$550.00
SUBTOTAL:			48.50	\$23,550.00

Costs

SUBTOTAL:				\$0.00
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TOTAL: \$23,550.00
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$23,550.00



Egoscue Law Group, Inc.

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Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$23,550.00
Last Payment Received	\$23,550.00
Previous Balance	\$0.00
Current Charges	\$27,325.00
Total Due	\$27,325.00

Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: April 01, 2021
Invoice Number: 13066
Invoice Amount: \$27,325.00

Matter: General Counsel

Attorney's Fees

3/1/2021	Communication with B. Feenstra regarding [REDACTED]; teleconference with B. Feenstra; review email from [REDACTED] regarding Judgment; conference with [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	3.75	\$2,062.50
3/2/2021	Conference with B. Feenstra and J. Pierson about [REDACTED] with related email to [REDACTED]	T.J.E.	1.25	\$687.50
3/3/2021	Review draft agenda for Pool meeting with suggested edits to client; teleconference with B. Feenstra; email to Watermaster staff regarding draft Pool agenda; conference with [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
3/4/2021	Email to J. Schatz regarding storage proposal status	T.J.E.	.25	\$137.50
3/5/2021	Teleconference with [REDACTED]; teleconference with [REDACTED] with related email to B. Feenstra	T.J.E.	.75	\$412.50
3/6/2021	Review email from [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
3/8/2021	Teleconference with Chair Feenstra	T.J.E.	1.00	\$550.00
3/9/2021	Email to J. Joswiak regarding status of special account; review email from J. Schatz regarding Pool proposal on storage with reply to same	T.J.E.	.25	\$137.50
3/10/2021	Conference with B. Feenstra and J. Pierson regarding [REDACTED]; email to Ag Pool regarding [REDACTED]; review Pool meetings agenda package with related advice to B. Feenstra and J. Pierson; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	3.25	\$1,787.50

	with [REDACTED] regarding [REDACTED] with related to B. Feenstra; review email to MVWD regarding Advisory			
3/10/2021	Conference with T. Egoscue Regarding [REDACTED]	T.A.T.	.25	\$75.00
3/11/2021	Conference with P. Hofer; review emails from [REDACTED] regarding [REDACTED]; review letter from Kavounas to MVWD [REDACTED]; conference with T. Torres regarding [REDACTED]; review notes regarding AP and Non Ag meetings from T. Torres; preparation for Pool meeting; conference [REDACTED]; attend Pool meeting with post meeting conference with the Chair and Vice Chair	T.J.E.	5.50	\$3,025.00
3/11/2021	Virtually attend Appropriative Pool and Non-Ag Pool meetings with summaries of same	T.A.T.	1.75	\$525.00
3/12/2021	Communication with client regarding [REDACTED]; teleconference with B. Feenstra; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
3/15/2021	Review communication from [REDACTED] regarding [REDACTED] with related communication with client; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	.50	\$275.00
3/16/2021	Review email from A. Nelson regarding revised minutes for 2/11 meeting; review email from [REDACTED] regarding [REDACTED] with reply to same and update to Chair Feenstra	T.J.E.	.50	\$275.00
3/17/2021	Review notice of AP special meeting; teleconference with B. Feenstra regarding [REDACTED]; conference with T. Torres regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; conference with [REDACTED] regarding [REDACTED]; review notice of court call	T.J.E.	1.50	\$825.00
3/17/2021	Conference with T. Egoscue regarding [REDACTED]	T.A.T.	.25	\$75.00
3/18/2021	Review notes of Advisory meeting as prepared by T. Torres with related email to client; teleconference with B. Feenstra regarding [REDACTED]; teleconference with J. Pierson regarding [REDACTED]	T.J.E.	1.00	\$550.00
3/18/2021	Virtually attend Advisory Committee meeting with notes of same	T.A.T.	1.50	\$450.00
3/19/2021	Teleconference with B. Feenstra; conference with J. Pierson and B. Feenstra regarding [REDACTED]; review notice of CBWM Board meeting	T.J.E.	.75	\$412.50
3/22/2021	Review notice of filing intervention request; teleconference with [REDACTED]	T.J.E.	.50	\$275.00

3/23/2021	Email to [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; conference with T. Torres regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; with related to B. Feenstra	T.J.E.	2.00	\$1,100.00
3/24/2021	Conference with B. Feenstra regarding [REDACTED]; email to CBWM staff regarding notice of special meeting; teleconference with J. Pierson regarding [REDACTED] review draft status report with edits and related conference with T. Torres; review notice of status report from AP; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	2.00	\$1,100.00
3/24/2021	Revise draft mediation status report	T.A.T.	.25	\$75.00
3/25/2021	Conference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	1.25	\$687.50
3/25/2021	Prepare and file Mediation Status Report	T.A.T.	.25	\$75.00
3/26/2021	Communication with B. Feenstra regarding [REDACTED]; preparation for court hearing regarding AP challenge on fees; attend Court hearing with related to client	T.J.E.	4.75	\$2,612.50
3/27/2021	Conference with T. Torres regarding [REDACTED]; email to [REDACTED] regarding [REDACTED]; teleconferences with B. Feenstra regarding [REDACTED]	T.J.E.	1.25	\$687.50
3/27/2021	Conference with T. Egoscue regarding [REDACTED]	T.A.T.	.25	\$75.00
3/28/2021	Communication with [REDACTED] regarding [REDACTED]; review minute order with related communication to client	T.J.E.	.25	\$137.50
3/29/2021	Review full minute order with related conference with T. Torres; teleconference with B. Feenstra and J. Pierson regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; teleconference with J. Schatz; review email from J. Pierson regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review email from [REDACTED] with related advice to B. Feenstra; review email from B. Feenstra regarding [REDACTED]	T.J.E.	3.25	\$1,787.50
3/29/2021	Review court 3/26 minute order with related conference with T. Egoscue; prepare notes and	T.A.T.	3.00	\$900.00

3/30/2021	<p>timeline regarding [REDACTED] Conference with B. Feenstra regarding [REDACTED] [REDACTED] and [REDACTED]; preparation of email to B. Feenstra and J. Pierson regarding [REDACTED]; review email from J. Pierson regarding [REDACTED]; preparation of agenda for special Ag Pool meeting; teleconference with [REDACTED] regarding [REDACTED]; teleconference with J. Pierson and B. Feenstra regarding [REDACTED]</p>	T.J.E.	2.75	\$1,512.50
3/31/2021	Review Watermaster 3/25 meeting recording and prepare notes regarding same	T.A.T.	2.00	\$600.00
3/31/2021	Revise draft special meeting agenda with related sent to Chair and Vice Chair; teleconference with B. Feenstra regarding [REDACTED]; preparation for special meeting; review notice of filings; attend Special Ag Pool meeting; conference with [REDACTED] regarding [REDACTED]; [REDACTED]; teleconference with B. Feenstra [REDACTED]; review draft Ag Pool agenda with related communication to B. Feenstra and J. Pierson	T.J.E.	4.00	\$2,200.00
SUBTOTAL:			54.00	\$27,325.00

Costs

SUBTOTAL: \$0.00

TOTAL: \$27,325.00
 PREVIOUS BALANCE DUE: \$0.00
 CURRENT BALANCE DUE AND OWING: \$27,325.00



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$27,325.00
Last Payment Received	\$27,325.00
Previous Balance	\$0.00
Current Charges	\$26,075.00
Total Due	\$26,075.00

Egoscue Law Group, Inc.

3834 Pine Avenue

Long Beach, California 90807

Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: May 03, 2021

Invoice Number: 13095

Invoice Amount: \$26,075.00

Matter: General Counsel

Attorney's Fees

4/1/2021	Teleconference with B. Feenstra; email to A. Nelson regarding Ag Pool agenda; review email from [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
4/2/2021	Review notice of water purchase from CVWD to Fontana; teleconference with J. Schatz regarding storage proposal and tentative; review email from [REDACTED] to [REDACTED] regarding [REDACTED] with related email to B. Feenstra	T.J.E.	1.00	\$550.00
4/3/2021	Teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	.25	\$137.50
4/5/2021	Teleconference with B. Feenstra regarding [REDACTED]; communication with B. Feenstra and J. Pierson regarding [REDACTED]	T.J.E.	.50	\$275.00
4/6/2021	Videoconference with B. Feenstra and J. Pierson in preparation for Pool meeting; review communication from J. Pierson regarding [REDACTED]; teleconference with [REDACTED]; review tentative minute order; teleconference with B. Feenstra; conference with T. Torres regarding [REDACTED]	T.J.E.	2.00	\$1,100.00
4/6/2021	Conference with T. Egoscue regarding [REDACTED]	T.A.T.	.25	\$75.00
4/7/2021	Review email from B. Feenstra regarding [REDACTED]; teleconference with B. Feenstra; conference with T. Torres regarding [REDACTED]	T.J.E.	.75	\$412.50
4/7/2021	Review 3/26 revised tentative order regarding AP Member Agencies Motion; conference with T.	T.A.T.	.50	\$150.00

4/8/2021	Egoscue regarding [REDACTED] Conference with T. Torres regarding [REDACTED]; communication with J. Pierson regarding [REDACTED] [REDACTED]; review Pool meeting agenda package; communication with [REDACTED] regarding [REDACTED] [REDACTED]; review notes from AP meeting from T. Torres with related conference; teleconference with J. Pierson in preparation for Pool meeting; review email from B. Feenstra regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review notes from Non. Ag meeting as prepared by T. Torres; review notice of hearing and briefing schedule; attend Ag Pool meeting; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	5.25	\$2,887.50
4/8/2021	Virtually attend Appropriative Pool meeting with notes of same and [REDACTED] [REDACTED]; virtually attend Non-Ag Pool meeting with note of same; prepare draft response to revised tentative	T.A.T.	3.50	\$1,050.00
4/9/2021	Review summary from Pool meeting to insert into minutes with [REDACTED]	T.J.E.	.25	\$137.50
4/9/2021	CourtCall registration for 4/30 hearing	T.A.T.	.25	\$75.00
4/12/2021	Teleconference with Chair Feenstra; email to A. Nelson regarding minutes; review notice of cancellation; conference with T. Torres regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
4/12/2021	Prepare draft brief; service of CourtCall appearance to Watermaster and related conference with T. Egoscue	T.A.T.	2.25	\$675.00
4/13/2021	Review communication from [REDACTED] regarding [REDACTED] teleconference with B. Feenstra regarding [REDACTED] [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED] reply and related to Chair and Vice Chair; teleconference with J. Schatz	T.J.E.	1.25	\$687.50
4/14/2021	Teleconference with B. Feenstra regarding [REDACTED] [REDACTED]; review email from [REDACTED] regarding [REDACTED] [REDACTED] related email to client; teleconference with J. Pierson	T.J.E.	1.75	\$962.50
4/15/2021	Review email to P. Kavounas from B. Feenstra; teleconference with B. Feenstra; review email from [REDACTED] regarding [REDACTED]	T.J.E.	.75	\$412.50
4/15/2021	Continue draft brief with related research	T.A.T.	1.25	\$375.00
4/16/2021	Teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	1.50	\$825.00

with P. Kavounas to prepare for Ag Pool well head tax; review communication from [REDACTED] regarding [REDACTED]; review notices from A. Nelson regarding CBWM Board meeting and budget; teleconference with [REDACTED]

4/20/2021	Teleconferences with B. Feenstra regarding [REDACTED]; review email from P. Kavounas regarding information needed for well head assessment	T.J.E.	1.25	\$687.50
4/21/2021	Conference with T. Torres regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra	T.J.E.	1.50	\$825.00
4/21/2021	Research related to AP Section 5.4 [REDACTED]; conference with T. Egoscue regarding [REDACTED]	T.A.T.	3.25	\$975.00
4/22/2021	Communication with B. Feenstra regarding [REDACTED]; send zoom link to Chair and Vice Chair; teleconference with B. Feenstra regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]; review CBWM Board meeting notes prepared by T. Torres; meeting; conference with J. Pierson and B. Feenstra	T.J.E.	2.50	\$1,375.00
4/22/2021	Virtually attend Watermaster Board meeting with notes of same	T.A.T.	1.25	\$375.00
4/23/2021	Teleconference with B. Feenstra	T.J.E.	.25	\$137.50
4/24/2021	Review email from S. Burton regarding status of Peace Agreement amendment [REDACTED]	T.J.E.	.25	\$137.50
4/26/2021	Teleconference with B. Feenstra; review email from CBWM regarding court hearing procedures; communication with J. Pierson; review notices of court call	T.J.E.	.50	\$275.00
4/26/2021	Prepare draft Response Brief	T.A.T.	4.25	\$1,275.00
4/27/2021	Teleconference with J. Pierson regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	.50	\$275.00
4/28/2021	Teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review email from [REDACTED] with comment letter regarding [REDACTED] with related to Feenstra	T.J.E.	1.25	\$687.50
4/28/2021	Continue draft response brief and related research	T.A.T.	3.00	\$900.00
4/29/2021	Review email from [REDACTED] regarding [REDACTED] with reply to same; teleconference with J. Schatz; communication with [REDACTED] regarding [REDACTED]; conference	T.J.E.	3.25	\$1,787.50

with T. Torres regarding [REDACTED];
preparation for court hearing; conference with B.
Feenstra and J. Pierson regarding [REDACTED]

4/29/2021	Conference with T. Egoscue regarding [REDACTED]; [REDACTED];	T.A.T.	2.25	\$675.00
4/30/2021	review 1998 ruling and 2014 Board Briefing Preparation for hearing; attend court hearing regarding AP challenge to 5.4; teleconference with client regarding outcome of hearing; conference with T. Torres regarding [REDACTED]	T.J.E.	5.00	\$2,750.00
4/30/2021	Review 4/30 minute order; conference with T. Egoscue regarding [REDACTED] [REDACTED]; prepare draft [REDACTED] brief	T.A.T.	3.50	\$1,050.00
SUBTOTAL:			59.00	\$26,075.00

Costs

SUBTOTAL: \$0.00

TOTAL: \$26,075.00
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$26,075.00



Egoscue Law Group, Inc.

3834 Pine Avenue

Long Beach, California 90807

Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$26,075.00
Last Payment Received	\$26,075.00
Previous Balance	\$0.00
Current Charges	\$42,750.00
Total Due	\$42,750.00

Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: June 02, 2021
Invoice Number: 13123
Invoice Amount: \$42,750.00

Matter: General Counsel

Attorney's Fees

5/1/2021	Teleconference with B. Feenstra; review email from J. Schatz	T.J.E.	1.25	\$687.50
5/2/2021	Review communication from B. Feenstra regarding [REDACTED]	T.J.E.	.25	\$137.50
5/3/2021	Conference with T. Torres regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; review email from [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; teleconference with J. Schatz; review email from G. Nicholls with proposed redline to draft notice with objection regarding same; review email from J. Schatz regarding settlement meeting with reply to same	T.J.E.	2.50	\$1,375.00
5/3/2021	Conference with T. Egoscue regarding [REDACTED]; continue draft briefing	T.A.T.	2.00	\$600.00
5/4/2021	Conference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED]; B. Feenstra regarding [REDACTED]; review email from G. Nicholls regarding scope of briefing with reply to same; teleconference with B. Feenstra regarding [REDACTED]; review draft Ag Pool agenda with related to client; teleconference with [REDACTED] regarding [REDACTED] with related to client; conference with T. Torres regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED] with related to client and reply to same	T.J.E.	1.75	\$962.50

5/4/2021	Revisions to draft Briefing and related [REDACTED]	T.A.T.	4.00	\$1,200.00
5/5/2021	Communication with B. Feenstra and J. Pierson regarding [REDACTED]; conference with T. Torres regarding [REDACTED]; teleconference with [REDACTED]; teleconference with [REDACTED]; teleconference with B. Feenstra; review WM storage proposal with [REDACTED] review revised draft brief with additional edits and analysis	T.J.E.	2.75	\$1,512.50
5/5/2021	Review T. Egoscue comments and edits to draft Briefing; revisions to draft Briefing; research [REDACTED]	T.A.T.	4.50	\$1,350.00
5/6/2021	Conference with T. Torres regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; review email from [REDACTED] with related to client; teleconference with Chair Feenstra regarding [REDACTED]	T.J.E.	1.75	\$962.50
5/6/2021	Revisions to draft Briefing	T.A.T.	1.75	\$525.00
5/7/2021	Review email from [REDACTED] regarding [REDACTED]; review notice of water transactions; review email from J. Schatz regarding confidentiality of Chairs meeting; teleconference with B. Feenstra and J. Pierson	T.J.E.	1.00	\$550.00
5/8/2021	Review communication from J. Schatz regarding settlement meeting and related agreement; teleconference with B. Feenstra	T.J.E.	.25	\$137.50
5/10/2021	Conference with T. Torres regarding [REDACTED]; review email from J. Pierson regarding [REDACTED] with advice in reply; conference with [REDACTED] regarding [REDACTED]; review revised brief prepared by T. Torres with related edits and [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]	T.J.E.	1.75	\$962.50
5/10/2021	Review 1997 Ruling, 1998 Ruling and 1997 Special Referee Report with related edits to draft Briefing; review T. Egoscue comments to draft Briefing with related revisions to same	T.A.T.	5.25	\$1,575.00
5/11/2021	Teleconference with B. Feenstra and J. Pierson regarding [REDACTED]; review communication from [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; review [REDACTED] prepared by [REDACTED] with edits; review revised draft brief with additional analysis and edits	T.J.E.	5.00	\$2,750.00
5/11/2021	Continue revisions to draft Briefing; prepare draft proposed order; conference with T. Egoscue regarding [REDACTED]	T.A.T.	4.00	\$1,200.00

5/12/2021	Teleconference with B. Feenstra; review draft brief; conference with T. Torres regarding [REDACTED]; review email from J. Pierson regarding [REDACTED] with advice in reply; teleconference with J. Schatz; teleconference with [REDACTED] regarding [REDACTED]; revise draft brief and submit same to client for review; email to [REDACTED] regarding [REDACTED]; review email from S. Burton regarding budget [REDACTED]	T.J.E.	3.75	\$2,062.50
5/12/2021	Conference with T. Egoscue regarding [REDACTED]; revisions to draft Briefing and proposed order	T.A.T.	4.50	\$1,350.00
5/13/2021	Review Ag Pool agenda package; teleconference with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED] with reply to same; review T. Torres notes from the AP meeting; teleconference with B. Feenstra regarding [REDACTED]; review meeting notes from NAP meeting; teleconference with [REDACTED] regarding [REDACTED] attend Ag Pool meeting; post meeting conference with B. Feenstra	T.J.E.	8.00	\$4,400.00
5/13/2021	Virtually attend AP meeting with notes of same; virtually attend Non-Ag Pool meeting with notes of same; review T. Egoscue comments on draft Briefing with related conference with T. Egoscue; revisions to draft Briefing	T.A.T.	7.00	\$2,100.00
5/14/2021	Review email from [REDACTED] [REDACTED] review email from [REDACTED] email to client; review email from [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra	T.J.E.	.75	\$412.50
5/14/2021	Finalize Ag Pool Briefing and file with Watermaster Court Filing	T.A.T.	.75	\$225.00
5/15/2021	Review email from B. Feenstra to [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
5/17/2021	Teleconference with [REDACTED]; teleconference with B. Feenstra and J. Pierson regarding [REDACTED]; review notice of joinder filing by State; communication with [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
5/18/2021	Teleconference with B. Feenstra; teleconference with J. Schatz; review email from [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra and J. Pierson regarding [REDACTED]; review email from [REDACTED] regarding [REDACTED]	T.J.E.	2.25	\$1,237.50
5/19/2021	Teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	.75	\$412.50

	with related to client; review email from [REDACTED] regarding [REDACTED] [REDACTED] in reply			
5/20/2021	Teleconference with B. Feenstra regarding [REDACTED] [REDACTED]; communication with [REDACTED] regarding [REDACTED]; teleconference with B. Feenstra and J. Pierson regarding [REDACTED]; review notes [REDACTED]	T.J.E.	1.50	\$825.00
5/20/2021	Virtually attend Advisory Committee meeting with notes of same	T.A.T.	2.75	\$825.00
5/21/2021	Communication with [REDACTED] regarding [REDACTED]; review Non Ag Pool brief; review AP brief; communication with [REDACTED] regarding [REDACTED]; communication with [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
5/22/2021	Communication with [REDACTED] regarding [REDACTED] [REDACTED]	T.J.E.	.25	\$137.50
5/23/2021	Communication with client regarding [REDACTED] [REDACTED]	T.J.E.	.25	\$137.50
5/24/2021	Teleconference with B. Feenstra regarding [REDACTED] [REDACTED]; review email from [REDACTED] [REDACTED] teleconference with [REDACTED]; teleconference with B. Feenstra regarding [REDACTED] [REDACTED]	T.J.E.	1.25	\$687.50
5/25/2021	Conference with T. Torres regarding [REDACTED] [REDACTED]; teleconference with B. Feenstra; teleconference with [REDACTED]; communication with Chair Feenstra regarding [REDACTED]	T.J.E.	1.25	\$687.50
5/25/2021	Prepare [REDACTED] and cover letter with related conference with T. Egoscue	T.A.T.	1.50	\$450.00
5/26/2021	Teleconference with B. Feenstra [REDACTED] [REDACTED]; communication to Chair and Vice Chair regarding [REDACTED] [REDACTED]; review draft documents regarding [REDACTED] [REDACTED] and related conference with T. Torres with final to client for review; teleconference with [REDACTED] [REDACTED]; teleconference with B. Feenstra and J. Pierson regarding [REDACTED]; preparation of [REDACTED]; teleconference with B. Feenstra and P. Hofer regarding [REDACTED]; teleconference with [REDACTED]	T.J.E.	3.75	\$2,062.50
5/26/2021	Review T. Egoscue comments [REDACTED] and cover letter with related conference with T. Egoscue	T.A.T.	.50	\$150.00
5/27/2021	Communication with B. Feenstra regarding [REDACTED] [REDACTED] and [REDACTED]; preparation for court hearing; review email from [REDACTED] regarding [REDACTED] with	T.J.E.	3.75	\$2,062.50

related to client; teleconference with B. Feenstra regarding [REDACTED]; review notes from WM Board meeting; review tentative ruling; teleconference with Chair Feenstra regarding [REDACTED]; teleconference with Feenstra and Pierson regarding [REDACTED]; conference with T. Torres regarding [REDACTED]

5/27/2021	Virtually attend Watermaster Board meeting with notes of same; [REDACTED]	T.A.T.	5.00	\$1,500.00
5/28/2021	Conference with Chair and Vice Chair regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]; travel to San Bernardino for court hearing; attend court hearing on 5.4 matter; return travel to office with related update to client	T.J.E.	5.75	\$3,162.50
5/29/2021	Teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	.25	\$137.50
SUBTOTAL:			97.50	\$42,750.00

Costs

SUBTOTAL: \$0.00

TOTAL: \$42,750.00
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$42,750.00



Egoscue Law Group, Inc.

3834 Pine Avenue
Long Beach, California 90807
Phone: 562.988.5978 | Fax: 562.988.5802

Account Statement

Prepared for Chino Basin Watermaster Agricultural Pool

Re: General Counsel

Previous Invoice Amount	\$42,750.00
Last Payment Received	\$42,750.00
Previous Balance	\$0.00
Current Charges	\$17,196.00
Total Due	\$17,196.00

Egoscue Law Group, Inc.

3834 Pine Avenue

Long Beach, California 90807

Phone: 562.988.5978 | Fax: 562.988.5802

Chino Basin Watermaster Agricultural Pool

9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Invoice Date: July 01, 2021

Invoice Number: 13156

Invoice Amount: \$17,196.00

Matter: General Counsel

Attorney's Fees

6/1/2021	Teleconference with [REDACTED] regarding [REDACTED]; teleconference with Chair Feenstra; teleconference with J. Schatz; review draft Pool meeting agenda with [REDACTED]	T.J.E.	1.25	\$687.50
6/2/2021	Review email from J. Pierson regarding [REDACTED]; teleconference with Chair Feenstra regarding [REDACTED]; email to A. Nelson regarding Pool meeting agenda; review email from J. Pierson regarding [REDACTED]; conference with [REDACTED] regarding [REDACTED]; review draft summary of Peace 5.4 Order [REDACTED]	T.J.E.	1.50	\$825.00
6/2/2021	Prepare summary of court's order regarding [REDACTED]	T.A.T.	1.50	\$450.00
6/3/2021	Teleconference with B. Feenstra regarding [REDACTED] email documents to WM staff for Pool agenda item; review revised order summary [REDACTED]; review and redact 2020 invoices for contest fees; conference with P. Dopulos regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED] email court order summary to Pool	T.J.E.	3.25	\$1,787.50
6/3/2021	Review T. Egoscue comments to order summary	T.A.T.	.50	\$150.00

6/3/2021	with related revisions to same Conferred with T. Egoscue regarding [REDACTED]	P.M.D.	2.00	\$300.00
6/4/2021	Conference with Chair Feenstra regarding [REDACTED] [REDACTED]; teleconference with [REDACTED]; teleconference with J. Schatz; email to J. Joswiak regarding special fund ledger; review notice of application for recharge	T.J.E.	1.00	\$550.00
6/7/2021	Teleconference with B. Feenstra regarding [REDACTED]; [REDACTED]	T.J.E.	.25	\$137.50
6/8/2021	Conference with [REDACTED]; teleconference with Chair Feenstra; teleconference with [REDACTED] tersma; teleconference with Chair Feenstra regarding [REDACTED]	T.J.E.	2.50	\$1,375.00
6/9/2021	Preparation for Ag Pool meeting; teleconference with B. Feenstra regarding [REDACTED] [REDACTED]; teleconference with J. Schatz regarding various items; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	1.00	\$550.00
6/10/2021	Email to Chair with agenda for closed session; teleconference with Chair regarding [REDACTED]; review Pool meeting agenda package; review notes from AP meeting prepared by T. Torres; attend Ag Pool meeting with post meeting discussion with Chair Feenstra ; post meeting discussion with [REDACTED]; teleconference with J. Schatz	T.J.E.	5.25	\$2,887.50
6/10/2021	Virtually attend AP meeting with notes of same	T.A.T.	1.00	\$300.00
6/11/2021	Teleconference with Chair Feenstra regarding [REDACTED]; teleconference with T. Pietersma regarding [REDACTED]; emails with [REDACTED] regarding [REDACTED]	T.J.E.	.50	\$275.00
6/14/2021	Review communication from [REDACTED] regarding [REDACTED]; review Chino filing regarding WM proposed storage filing with related to client; teleconference with Chair Feenstra regarding [REDACTED]; teleconference with [REDACTED] regarding [REDACTED]	T.J.E.	.75	\$412.50
6/15/2021	Teleconferences with B. Feenstra regarding [REDACTED] [REDACTED] analysis of total financials for Ag Pool legal for FY 20/21	T.J.E.	.50	\$275.00
6/16/2021	Preparation of report regarding FY financials with related to client; teleconference with Chair Feenstra; teleconferences with Chair Feenstra and [REDACTED] [REDACTED] regarding [REDACTED] AP	T.J.E.	1.75	\$962.50
6/17/2021	Virtually attend Advisory Committee meeting with notes of same	T.A.T.	1.50	\$450.00
6/17/2021	Attend Advisory meeting and budget item; various communications with client regarding [REDACTED]	T.J.E.	1.25	\$687.50

	[REDACTED]; review notes of Advisory meeting prepared by T. Torres; teleconference with [REDACTED] regarding [REDACTED]; teleconference with Chair Feenstra regarding [REDACTED]			
6/18/2021	Conference with J. Schatz regarding various issues	T.J.E.	.50	\$275.00
6/21/2021	Conference with Chair Feenstra	T.J.E.	.25	\$137.50
6/23/2021	Teleconference with Chair Feenstra; teleconference with J. Schatz regarding various issues; teleconference with [REDACTED] regarding various [REDACTED]	T.J.E.	1.00	\$550.00
6/24/2021	Virtually attend Watermaster Board meeting and preparation of notes regarding same	T.A.T.	1.75	\$525.00
6/24/2021	Conference with Chair Feenstra; review notes of WM Board meeting as prepared by T. Torres; review email from A. Nelson regarding Pool preference for in person meeting with related email to client	T.J.E.	.75	\$412.50
6/25/2021	Review email from Chair Feenstra; review slide deck for WM Order; attend CBWM court hearing [REDACTED]	T.J.E.	1.75	\$962.50
6/26/2021	Teleconference with Chair Feenstra	T.J.E.	.50	\$275.00
6/28/2021	Conference with Chair Feenstra; email to CBWM staff regarding Pool meeting format; email to Chair regarding [REDACTED]	T.J.E.	.50	\$275.00
6/29/2021	Conference with Chair Feenstra	T.J.E.	.25	\$137.50
6/30/2021	Email to Chair and Vice Chair regarding [REDACTED]; teleconference with Chair Feenstra; email to CBWM staff regarding Pool meeting agenda	T.J.E.	.50	\$275.00
SUBTOTAL:			35.00	\$16,887.50

Costs

6/30/2021	Transcript from the proceedings of 5-28-2021, 4-28-21 and 3-26-2021 .			\$308.50
SUBTOTAL:				\$308.50

TOTAL: \$17,196.00
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$17,196.00

Exhibit G

Accounting of Agricultural Pool Accounts

Fund Balance for Agricultural Pool	
Account 8467 - Legal Services	
Beginning Balance July 1, 2020:	\$ -
Additions:	
Assessment issued November 19, 2020 for \$500,000 with outstanding balance of \$384,736.12	\$ 115,263.88
Admin Reserve used to cover shortfall *	\$ 102,557.12
Subtotal Additions:	\$ 217,821.00
From Agricultural Pool Reserve Funds	\$ 220,365.00
Total Additions:	\$ 438,186.00
Reductions:	
Invoices paid July 2020 - November 2020	\$ (217,821.00)
Invoices paid December 2020 - June 2021	\$ (220,365.00)
Subtotal Reductions:	\$ (438,186.00)
Ending Fund Balance as of June 30, 2021	\$ -

* The Admin Reserve amount of \$102,557.12 will need to be refunded back to Watermaster

Fund Balance For Agricultural Pool	
Account 8470 - Meeting Compensation	
Beginning Balance July 1, 2020:	\$ -
Additions:	
Assessment issued November 19, 2020 and paid	\$ 24,900.00
Budget Transfer from 8471 *	\$ 35,000.00
Subtotal Additions:	\$ 59,900.00
Reductions:	
Compensation paid July 2020 - June 2021	\$ (38,250.00)
Subtotal Reductions:	\$ (38,250.00)
Ending Fund Balance as of June 30, 2021	\$ 21,650.00

* Budget Transfer authorized by the Agricultural Pool on July 8, 2021

Agricultural Pool Reserve Funds	
As shown the B-3 Financial Report	
Agricultural Pool Reserve Funds Balance as of June 30, 2020:	\$ 515,498.06
Additions:	
AP payments w/o Escrow instructions (\$165,694.75 - \$161,070.09)	\$ 4,624.66
Y-T-D Interest earned on Ag Pool Funds FY 2020/21	\$ 1,793.61
Subtotal Additions:	\$ 6,418.27
Reductions:	
Actual vs. Budget Shortfall from FY 2019/20	\$ (165,694.75)
Mediation invoice paid	\$ (8,450.00)
Subtotal Reductions:	\$ (174,144.75)
Invoices paid December 2020 - June 2021	\$ (220,365.00)
Total Reductions	\$ (394,509.75)
Agricultural Pool Reserve Funds Balance as of June 30, 2021:	\$ 127,406.58

Note: Balance of \$127,406.58 as shown on B-3 Financial Report

Fund Balance For Agricultural Pool	
Account 8471 - Special Projects	
Beginning Balance July 1, 2020:	\$ -
Additions:	
Assessment issued November 19, 2020 and paid	\$ 85,000.00
Subtotal Additions:	\$ 85,000.00
Reductions:	
Invoices paid July 2020 - June 2021	\$ (18,484.00)
Budget Transfer to 8470 *	\$ (35,000.00)
Subtotal Reductions:	\$ (53,484.00)
Ending Fund Balance as of June 30, 2021	\$ 31,516.00

* Budget Transfer authorized by the Agricultural Pool on July 8, 2021

Exhibit H

Watermaster Rules

CHINO BASIN WATERMASTER
RULES AND REGULATIONS

2019 Update to June 2001 version

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**ARTICLE I
GENERAL PROVISIONS**

1.0 Title.

This document shall be known and may be referred to as the "2019 Update to the 2001 Chino Basin Watermaster Rules and Regulations" adopted pursuant to the Judgment.

1.1 Definitions.

As used in these Rules and Regulations, these terms, including any grammatical variations thereof shall have the following meanings.

- (a) "Active Parties" means all parties to the Judgment other than those who have filed a written waiver of service of notices with Watermaster, pursuant to Paragraph 58 of the Judgment. [Judgment ¶ 4(a).]
- (b) "Adjusted Physical Production" shall have the definition given in section 7.5(b)(iv).
- (c) "Agricultural Pool" shall have the meaning of Overlying (Agricultural) Pool as used in the Judgment and shall include all its members. [Peace Agreement § 1.1(a).]
- (d) "Agricultural Pool Committee" shall mean the designated representatives and alternates who serve on behalf of the Agricultural Pool.
- (e) "Annual or Year" means a fiscal year, July 1 through June 30 following, unless the context shall clearly indicate a contrary meaning. [Judgment ¶ 4(b).]
- (f) "Annual Production Right" means the total amount of water available to the Appropriative Pool in any year from all available sources (e.g., Carry-Over Water, assigned share of Operating Safe Yield, Transfers, New Yield, water Recaptured from Storage, land-use conversions, Early Transfer) which Watermaster shall determine can be Produced by the members of the Appropriative Pool free of a Replenishment Obligation.
- (g) "Answer" means the written response that may be filed to a Complaint or the reply to a Contest pursuant to the provisions of Article X.
- (h) "Applicant" means a person that files an Application for Watermaster approval of an action pursuant to Article X.
- (i) "Application" means a request filed by any person pursuant to the provisions of Article X, seeking (i) Watermaster approval of Recharge, Transfer, Recapture or Qualifying Storage operations or activities or (ii) for Watermaster approval of a credit or reimbursement.

- (j) "Appropriative Pool" shall have the meaning as used in the Judgment and shall include all its members. [Peace Agreement § 1.1(b).]
- (k) "Basin Water" means Groundwater within the Chino Basin which is part of the Safe Yield, Operating Safe Yield, New 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" under the Judgment and the Peace Agreement. [Judgment ¶ 4(d).]
- (l) "Best Efforts" means reasonable diligence and reasonable efforts under the totality of the circumstances. [Peace Agreement § 1.1(d).] Note: a rule of construction applies to this definition. See section 1.2(e) below.
- (m) "CBWCD" means the Chino Basin Water Conservation District. [Peace Agreement § 1.1(e).]
- (n) "Carry-Over Right" means the annual unpumped share of Safe Yield and Operating Safe Yield that is reserved to be pumped first the following year by the members of the Non-Agricultural Pool and the Appropriative Pool respectively. [Based on the Judgment Exhibit "G" ¶ 7 and Exhibit "H" ¶ 12.]
- (o) "Carry-Over Water" means the un-Produced water in any year that may accrue to a member of the Non-Agricultural Pool or the Appropriative Pool and that is Produced first each subsequent Fiscal Year or stored as Excess Carry-Over. (Judgment Exhibit H ¶ 12.)
- (p) "CEQA" means the California Environmental Quality Act, Public Resources Code Sections 21000 et seq; 14 California Code of Regulations 15000 et seq. [Peace Agreement § 1.1(f).]
- (q) "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. [Judgment ¶ 4(f) and Peace Agreement § 1.1(g).]
- (r) "Chino Basin Watershed" means the surface drainage area tributary to and overlying Chino Basin. [Judgment ¶ 4(g) and Peace Agreement § 1.1(h).]
- (s) "Chino I Desalter," also known as the SAWPA Desalter, means the Desalter owned and operated by PC 14 with a present capacity of approximately eight (8) million gallons per day (mgd) and in existence on the Effective Date. [Peace Agreement § 1.1(i).]

- (t) "Chino I Desalter Expansion" means the planned expansion of the Chino I Desalter from its present capacity of approximately eight (8) mgd to a capacity of up to fourteen (14) mgd. [Peace Agreement § 1.1(j).]
- (u) "Chino II Desalter" means a new Desalter not in existence on the Effective Date with a design capacity of approximately ten (10) mgd, to be constructed and operated consistent with the OBMP and to be located on the eastside of the Chino Basin. [Peace Agreement § 1.1(k).]
- (v) "Chino North Management Zone" means the Chino North Management Zone, as it is illustrated in the 2004 Basin Plan amendment (Regional Water Quality Control Board Resolution R8-2004-0001, "Resolution Amending the Water Quality Control Plan for the Santa Ana River Basin to Incorporate an Updated Total Dissolved Solids (TDS) and Nitrogen Management Plan for the Santa Ana Region Including Revised Groundwater Subbasin Boundaries, Revised TDS and Nitrate-Nitrogen Quality Objectives for Groundwater, Revised TDS and Nitrogen Wasteload Allocations, and Revised Reach Designations, TDS and Nitrogen Objectives and Beneficial Uses for Specific Surface Waters").
- (w) "Committee(s)" means any of the Pool Committees or the Watermaster Advisory Committee as the context may compel.
- (x) "Complainant" means a party to the Judgment that files a Complaint pursuant to Article X.
- (y) "Complaint" means a claim filed by a party to the Judgment with Watermaster pursuant to the provisions of Article X.
- (z) "Contest" means an objection filed by a party to the Judgment pursuant to the provisions of Article X.
- (aa) "Contestant" means a party to the Judgment that files a Contest pursuant to the provisions of Article X.
- (bb) "Court" means the court exercising continuing jurisdiction under the Judgment. [Peace Agreement § 1.1(1).]
- (cc) "Court's Findings and Order, dated March 15, 2019" shall mean the Court's Findings and Order Regarding Amendments to Restated Judgment, Peace Agreement, Peace II Agreement, and Re-Operation Schedule, dated March 15, 2019.

- (dd) "Date of Execution" means the first day following the approval and execution of the Peace Agreement by the last Party to do so which date is August 1, 2000. [Peace Agreement § 1.1(m).]
- (ee) "Desalter" and "Desalters" means the Chino I Desalter, Chino I Desalter Expansion, the Chino II Desalter, related facilities 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. [Peace Agreement § 1.1(n).]
- (ff) "Early Transfer" means the reallocation of Safe Yield in accordance with the Peace Agreement where water from the Agricultural Pool is made available to the Appropriative Pool on an annual basis. [Peace Agreement § 1.1(o).]
- (gg) "Effective Date" refers to the Effective Date of the Peace Agreement and means October 1, 2000. [Peace Agreement § 1.1(p).]
- (hh) "Excess Carry-Over Water" means Carry-Over Water which in aggregate quantities exceeds a party's share of Safe Yield in the case of the Non-Agricultural Pool, or the assigned share of Operating Safe Yield in the case of the Appropriative Pool, in any year.
- (ii) "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 the Peace Agreement. [Peace Agreement § 1.1(q).]
- (jj) "General law" means all applicable state and federal laws. [Peace Agreement § 1.1(r).]
- (kk) "Groundwater" means all water beneath the surface of the ground. [Judgment ¶ 4(h) and Peace Agreement § 1.1(s).]
- (ll) "Groundwater Storage Agreement" means either a Local Storage Agreement or an agreement in connection with a Storage and Recovery Program.
- (mm) "Hydraulic Control" means the reduction of groundwater discharge from the Chino North Management Zone to the Santa Ana River to de minimus quantities. [Peace II Agreement § 1.1(b).]
- (nn) "Hydrologic Balance" means the maintenance of total inflow at a level generally equivalent to total outflow as measured over an appreciable period of time that is

sufficient to account for periodic changes in climate and watershed, basin and land management conditions.

- (oo) "IEUA" means the Inland Empire Utilities Agency, referred to in the Judgment as Chino Basin Municipal Water District. [Peace Agreement § 1.1(t).]
- (pp) "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. [Peace Agreement § 1.1(u).]
- (qq) "Judgment" means the Judgment dated January 27, 1978, in San Bernardino County Case No. 164327 (redesignated as San Bernardino County Case No. RCV RS51010) as restated pursuant to Order Adopting Restated Judgment, dated September 27, 2012, amended pursuant to Order Approving Amendments to Restated Judgment and Rules and Regulations Regarding Compensation of Watermaster Board Members, dated August 22, 2014, Orders for Watermaster's Motion Regarding 2015 Safe Yield Reset Agreement, Amendment of Restated Judgment, Paragraph 6, dated April 28, 2017, Court's Findings and Order, dated March 15, 2019, and other such amendments. [See Peace Agreement § 1.1(v).]
- (rr) "Leave Behind" means a contribution to the Basin from water held in storage within the Basin under a Storage and Recovery Agreement that may be established by Watermaster from time to time that may reflect any or all of the following: (i) actual losses; (ii) equitable considerations associated with Watermaster's management of storage agreements; and (iii) protection of the long-term health of the Basin against the cumulative impacts of simultaneous recovery of groundwater under all storage agreements. [Peace II Agreement § 1.1(c).]
- (ss) "Local Imported Water" is water from any origin, native or foreign which was not available for use or included in the calculation of Safe Yield of the Chino Basin at the time the Judgment was entered. [Based on Judgment 49(c).] Local Imported Water is reported by Watermaster in its annual report.
- (tt) "Local Storage" means water held in a storage account pursuant to a Local Storage Agreement between a party to the Judgment and Watermaster. Local Storage accounts may consist of: (i) a Producer's unproduced Excess Carry-Over Water or (ii) a party to the Judgment's Supplemental Water, up to a cumulative maximum of one hundred thousand (100,000) acre-feet for all parties to the Judgment stored in the Basin on or after July 1, 2000 or (iii) that amount of Supplemental Water previously stored in the Basin on or before July 1, 2000 and quantified in accordance with the provisions and procedures set forth in Section 7.2 of these Rules and Regulations, or (iv) that amount of water which is or may be stored in

the Basin pursuant to a Storage Agreement with Watermaster which exists and has not expired before July 1, 2010. [Peace Agreement § 1.1(x).]

- (uu) "Local Storage Agreement" means a Groundwater Storage Agreement for Local Storage.
- (vv) "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. [Peace Agreement § 1.1(y).]
- (ww) "Metropolitan Water District" or "MWD" means the Metropolitan Water District of Southern California. [Peace Agreement § 1.1(z).]
- (xx) "Minimal Producer" means any producer whose Production does not exceed ten (10) acre-feet per year. [Judgment ¶ 4(j).]
- (yy) "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 and related facilities, induced Recharge and other management activities implemented and operational after June 1, 2000. [Peace Agreement § 1.1(aa).]
- (zz) "Non-Agricultural Pool" shall have the meaning as used in the Judgment for the Overlying (Non-Agricultural) Pool and shall include all its members. [Peace Agreement § 1.1(bb).]
- (aaa) "OBMP" means the Optimum Basin Management Program, which consists of the OBMP Phase I Report and the OBMP Implementation Plan, which shall be implemented consistent with the provisions of Article V of the Peace Agreement. [July 13, 2000 Court Order.]
- (bbb) "OBMP Assessments" means assessments levied by Watermaster for the purpose of implementing the OBMP. [Peace Agreement § 1.1(cc).] Note: a rule of construction applies to this definition. See section 1.2(f) below.
- (ccc) "OBMP Implementation Plan" means Exhibit "B" to the Peace Agreement, as supplemented by the 2007 Supplement thereto.
- (ddd) "OCWD" means the Orange County Water District. [Peace Agreement § 1.1(dd).]

- (eee) "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. [Judgment ¶ 4(1) and Peace Agreement § 1.1(ee).]
- (fff) "Overdraft" means a condition wherein the total annual Production from the Basin exceeds the Safe Yield thereof, as provided in the Judgment. [Judgment ¶ 4(m) and Peace Agreement § 1.1(ff).]
- (ggg) "Overlying Right" means the appurtenant right of an owner of lands overlying Chino Basin to Produce water from the Basin for overlying beneficial use on such lands. [Judgment ¶ 4(n).]
- (hhh) "PC 14" 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 and other facilities, programs and projects. [Peace Agreement § 1.1(ll).]
- (iii) "Party" or "Parties" means a Party to the Peace Agreement or Peace II Agreement. [Peace Agreement § 1.1(gg); Peace II Agreement § 1.1(e).]
- (jjj) "Party" or "parties to the Judgment" means a party to the Judgment. [Peace Agreement § 1.1(hh).]
- (kkk) "Peace Agreement" means the agreement dated June 29, 2000 among various parties to the Judgment identified therein and approved by Watermaster, as amended by the First Amendment to Peace Agreement dated September 2, 2004, the Second Amendment to Peace Agreement, dated September 21, 2007, and as shown in Attachment A to the Court's Findings and Order, dated March 15, 2019.
- (lll) "Peace II Agreement" means the agreement dated September 21, 2007 among various parties to the Judgment identified therein and approved by Watermaster, as amended as shown in Attachment A to the Court's Findings and Order, dated March 15, 2019.
- (mmm) "Person" means any 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 including but not limited to the State of California and the Department of Water Resources. [Judgment ¶ 4(o).]

- (nnn) "Physical Solution" shall have the meaning of the Physical Solution as described in the Judgment.
- (ooo) "Produce" or "Produced" means to pump or extract groundwater from the Chino Basin. [Judgment 4(q) and Peace Agreement §1.1(ii).]
- (ppp) "Producer" means any person who Produces water from the Chino Basin. [Judgment ¶ 4(r) and Peace Agreement § 1.1(jj).]
- (qqq) "Production" means the annual quantity, stated in acre-feet, of water Produced from the Chino Basin. [Judgment ¶ 4(s) and Peace Agreement § 1.1(kk).]
- (rrr) "Public Hearing" means a hearing of Watermaster held pursuant to the Judgment other than as provided in Article X herein.
- (sss) "Qualifying Storage" means the storage of Supplemental Water, Excess Carry-Over Water after July 1, 2010 or to participate in a Storage and Recovery Program.
- (ttt) "Qualifying Storage Agreement" means an agreement with Watermaster to store Supplemental Water, Excess Carry-Over Water after July 1, 2010 or to store water by participation in a Storage and Recovery Program.
- (uuu) "Recapture" and "Recover" means the withdrawal of water stored in the Basin under a Groundwater Storage Agreement.
- (vvv) "Recharge" and "Recharge Water" means the 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. [Peace Agreement § 1.1(nn).] Note: a rule of construction applies to this definition. See section 1.2(g) below.
- (www) "Recycled Water" 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. [Judgment ¶ 4(u) and Peace Agreement § 1.1(pp).]
- (xxx) "Re-Operation" means the controlled overdraft of the Basin by the managed withdrawal of groundwater Production for the Desalters and the potential increase in the cumulative un-replenished Production from 200,000 acre-feet authorized by paragraph 3 of the Engineering Appendix Exhibit I to the Judgment, to 600,000 acre-feet for the express purpose of securing and maintaining Hydraulic Control as a component of the Physical Solution. [Peace II Agreement § 1.1(d).] The Court-

approved schedule for access to Re-Operation water during the period of 2013-14 through 2029-30 is attached hereto as Exhibit "B."

- (yyy) "Reset Technical Memorandum" means the memorandum attached hereto and incorporated herein as Exhibit "A," which sets forth the methodology pursuant to which the Safe Yield is evaluated or reset.
- (zzz) "Replenishment Obligation" means the quantity of water that Watermaster must purchase to replace Production by any Pool during the preceding Fiscal Year which exceeds that Pool's allocated share of Safe Yield or Operating Safe Yield in the case of the Appropriative Pool. The quantity of a Producer's Over-Production and the Replenishment Obligation is determined after Watermaster takes into account any Transfers of water or any Recovery from storage in the same year, and takes into account the Appropriative Pool obligation as a result of the implementation of the Peace Agreement, if any. [Judgment ¶ 45.]
- (aaaa) "Replenishment Water" means Supplemental Water used to Recharge the Basin pursuant to the Physical Solution, either directly by percolating 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. [Judgment ¶ 4(v) and Peace Agreement § 1.1(oo).]
- (bbbb) "Responsible Party" means the owner, co-owner, lessee or other person(s) designated by multiple parties interested in a well as the person responsible for purposes of filing reports with Watermaster pursuant to the Judgment ¶ 4(w). [Judgment, ¶ 4(w).]
- (cccc) "Rules and Regulations" means this 2019 Update to the 2001 Chino Basin Watermaster Rules and Regulations as authorized pursuant to the Judgment, adopted by the Watermaster on October 24, 2019 and as they may be amended from time to time. They are to be distinguished from the previous Watermaster Rules and Regulations and the Uniform Groundwater Rules and Regulations that were repealed and replaced by the same action adopting and approving these Rules and Regulations.
- (dddd) "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. [Judgment ¶ 4(x) and Peace Agreement § 1.1(qq).]
- (eeee) "SAWPA" means the Santa Ana Watershed Project Authority. [Peace Agreement § 1.1(ss).]

- (ffff) "Sphere of Influence" has the same meaning as set forth in Government Code Section 56076.
- (gggg) "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 Court approved Groundwater Storage 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. [Peace Agreement §1.1(uu).]
- (hhhh) "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 a Groundwater Storage Agreement with Watermaster. [Judgment ¶ 4(aa) and Peace Agreement § 1.1(vv).]
- (iiii) "Supplemental Water" means water imported to Chino Basin from outside the Chino Basin Watershed and Recycled Water. [Judgment ¶ 4(bb) and Peace Agreement § 1.1(ww).]
- (jjjj) "Transfer" means the assignment (excepting an assignment by a member of the Non-Agricultural Pool or the Agricultural Overlying Pool), 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 upon the person's intervention in conformance with the Judgment. [Peace Agreement § 1.1(xx).]
- (kkkk) "TVMWD" means Three Valleys Municipal Water District (referred to in the Judgment as Pomona Valley Municipal Water District). [Peace Agreement § 1.1(yy).]
- (llll) "Uniform Groundwater Rules and Regulations" (UGRR) means the Uniform Groundwater Rules and Regulations that were in effect on December 31, 2000.
- (mmmm) "Watermaster" means Watermaster as the term is used in the Judgment. [Peace Agreement § 1.1 (zz).]
- (nnnn) "WMWD" means Western Municipal Water District. [Judgment ¶ 4(cc) and Peace Agreement § 1.1(bbb).]

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) The masculine gender shall include the feminine and neuter genders and vice versa.
 - (c) Reference to any agreement, document, instrument, or report means such agreement, document, instrument or report as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof
 - (d) 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. [Peace Agreement § 1.2.]
 - (e) "Best Efforts" as defined in section 1.1 (k) above, shall be construed to mean that indifference and inaction do not constitute Best Efforts. However, futile action(s) are not required. [Peace Agreement § 1.1(d).]
 - (f) OBMP Assessments as defined in section 1.1(zz) above, shall be deemed Administrative Expenses under Paragraph 54 of the Judgment. OBMP Assessments do not include assessments levied as provided in Section 5.1(g) of the Peace Agreement. Upon the expiration of the Peace Agreement, no conclusion of "general benefit" may be drawn based upon the manner in which the assessments have been made during the term of the Peace Agreement. [Peace Agreement § 1.1(cc).]
 - (g) The definition of the terms Recharge and Recharge Water in section 1.1(ttt) above, shall not be construed to limit or abrogate the authority of CBWCD under general law. [Peace Agreement § 1.1(nn).]
 - (h) The right of a party to receive a credit if Watermaster compels a Groundwater Production facility to be shut down and/or moved under section 4.5 below, shall not be construed in determining the extent of Watermaster's authority under the Judgment, if any, to compel the shut-down of a well.
 - (i) These Rules and Regulations should not be construed as placing any limitation on the export of Supplemental Water other than as may be provided in the Judgment, except as may be necessary as a condition to prevent Material Physical Injury (see specifically section 8.3 below).

- 1.3 Consistency with Judgment, Peace Agreement, and Peace II Agreement. These Rules and Regulations shall be construed consistent with the Judgment, the Peace Agreement, and the Peace II Agreement. In the event of a conflict between these Rules and Regulations and the Judgment, the Peace Agreement, or the Peace II Agreement, the Judgment, the Peace Agreement, and Peace II Agreement shall prevail. In the event of a conflict between the Peace Agreement, or the Peace II Agreement and the Judgment, the Judgment shall control.
- 1.4 No Prejudice. No provision of these Rules and Regulations shall be used to construe the power and authority of the Advisory Committee or the Watermaster Board inter-se under the Judgment.
- 1.5 Amendment of Rules. These Rules and Regulations may be amended by Watermaster only upon the prior approval of the Watermaster Advisory Committee.
- 1.6 Repeal of Existing Rules and Regulations. Watermaster's existing Rules and Regulations and the Uniform Groundwater Rules and Regulations shall be repealed upon the adoption of this 2019 Update to the 2001 Chino Basin Watermaster Rules and Regulations. However, all other rules and regulations, which includes the Rules for the Advisory Committee and for each of the three Pools, shall remain in effect.

ARTICLE II ADMINISTRATION

- 2.0 Principal Office. The principal office of Watermaster shall be the Chino Basin Watermaster business office, currently located at 9641 San Bernardino Road, Rancho Cucamonga, California 91730, telephone number 909-484-3888, fax number 909-484-3890, and e-mail info@cbwm.org, or at such other location or locations as may be designated from time to time by Watermaster Resolution and filed with the Court.
- 2.1 Records. The minutes of Watermaster meetings shall be open to inspection and maintained at the principal office. [Based on Judgment ¶ 37(d).] Copies of minutes may be obtained upon payment of the duplication costs thereof. Copies of other records may be obtained on the payment of the duplication costs thereof and pursuant to Watermaster policy. Watermaster shall maintain a website (presently www.cbwm.org). Watermaster Staff shall publish those records and other matters that it deems to be of interest to the parties to the Judgment, the general public or the Court on its website.
- 2.2 Regular Meetings. Regular meetings shall be held at the principal office of Watermaster pursuant to Watermaster policy at such time(s) as may be contained in the necessary notice(s) thereof [Based on Judgment ¶ 37 (b).] As a matter of policy, Watermaster shall generally operate in accordance with the provisions of the California Open Meetings Law (Brown Act). However, in the event of conflict, the procedures set forth in these Rules and Regulations shall control.
- 2.3 Special Meetings. Special meetings may be called at any time by a majority of the Watermaster Board by delivering notice thereof at least twenty-four (24) hours before the time of each such meeting in the case of personal delivery (including faxes and electronic mail), and ninety-six (96) hours in the case of mail. [Based on Judgment ¶ 37 (c).]
- 2.4 Adjournment. Any meeting may be adjourned to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. A copy of the order or notice of adjournment shall be conspicuously posted forthwith on or near the door of the place where the meeting was held. [Based on Judgment ¶ 37 (e).]
- 2.5 Public Meetings/Hearings. All meetings, whether regular or special, shall be open to the public unless they are properly designated as a confidential session. Whenever a Public Hearing shall be required therein, written notice of such public hearing containing the time, date and place of Public Hearing, together with the matter to be heard thereat, shall be given to all Active Parties and each such person who has requested, in writing, notice of such meeting, at least ten (10) days prior to said Public Hearing. At such Public Hearing, evidence shall be taken with regard to only the matters noticed, unless a sufficient urgency shall exist to the contrary, and full findings and decisions shall be issued and made available for public inspection. Notwithstanding the provisions of this section 2.5, the provisions of Article X shall control when applicable.

2.6 Confidential Sessions.

- (1) The Watermaster Board may hold confidential sessions authorized by this Rule .A confidential session may be held by the Watermaster Board and, at a minimum, the chairs of the three Pools (Appropriative, Agricultural and Non-Agricultural) to, in a manner consistent with the Judgment:
 - (i) meet with counsel to discuss or act on pending or threatened litigation involving Watermaster; or
 - (ii) discuss personnel matters of Watermaster employees involving individual employees; or
 - (iii) discuss contract negotiations involving Watermaster.
- (2) Minutes shall not be taken for confidential sessions of the Watermaster Board, but a confidential memorandum shall be prepared to describe attendance and votes on decisions.
- (3) Notice of confidential sessions of the Watermaster Board shall be as provided in section 2.7.
- (4) A report on any action taken at the confidential session of the Watermaster Board shall be given both immediately following the conclusion of the confidential session and at the next regular meeting of the Watermaster Board.
- (5) The Advisory Committee may hold a confidential session on any matter authorized by its own resolution.

2.7 Notice. Notices shall be given in writing to all Active Parties and each such person who has requested notice in writing, and shall specify the time and place of the meeting and the business to be transacted at the meeting. Notice may be provided by either facsimile or electronic mail delivery if the party so consents to such delivery. [Based on Judgment ¶ 37(c).] Delivery of notice shall be deemed made on the date personally given or within ninety-six (96) hours of deposit thereof in the United States mail, first class, postage prepaid, addressed to the designee and at the address in the latest designation filed by such person. Copies of all notices shall be published on the Watermaster website. Watermaster will maintain a current list of the names of active parties and their addresses for the purpose of providing service, and will maintain a current list of the names and addresses of all parties to the Judgment. [Judgment ¶ 58.]

2.8 Quorum. A majority of the Board acting as Watermaster shall constitute a quorum for the transaction of the affairs or business. [Based on Judgment ¶ 35.]

- 2.9 Voting Procedures. Only action by affirmative vote of a majority of the members of the Watermaster Board present and acting as Watermaster shall be effective. All actions may be adopted by voice vote, but upon demand of any member of a Board acting as Watermaster, the roll shall be called and the ayes and noes recorded in the minutes of the proceedings. Every member of a Board acting as Watermaster, in attendance, unless disqualified by reason of an opinion of the Watermaster counsel that the member of the board has a conflict of interest, shall be required to vote.
- 2.10 Conflict of Interest. Watermaster is an interest based governing structure in which various interests must be represented in decision-making. It is expected and preferred that each interest be allowed to participate in Watermaster decisions except as provided in these Rules and Regulations. Each member of the Watermaster Board or the Advisory Committee shall vote on matters before the Board or Advisory Committee unless that member has a conflict of interest as described in this Rule or other provision of general law. No member of the Watermaster Board or Advisory Committee may vote, participate in meetings or hearings pertaining to, or otherwise use his or her position to influence a Watermaster decision in which he knows or has reason to know he has both a direct personal and financial interest.
- (a) Subject to the qualification provided for in section 2.10(b) herein, a member of the Watermaster Board or Advisory Committee is deemed to have a direct personal and financial interest in a decision where it is reasonably foreseeable that the decision will have a material effect on the Watermaster member, members of his or her immediate family, or the Watermaster member's other business, property, and commercial interests.
- (b) To be classified as a direct personal and financial interest, the particular matter must be distinguishable from matters of general interest to the respective pool (Appropriative, Non-Agricultural, or Agricultural) or party to the Judgment, which the Watermaster member has been appointed to represent on the Watermaster Board or Advisory Committee. The member must stand to personally gain discrete and particular advantage from the outcome of the decision beyond that generally realized by any other person or the interests he or she represents. Moreover, Watermaster representatives are expressly intended to act in a representative capacity for their constituents. A member of the Board or Advisory Committee shall not be considered to have a discrete and particular financial advantage unless a decision may result in their obtaining a financial benefit that is not enjoyed by any other person. In those instances where the Board member or Advisory Committee member does have a conflict of interest, that respective interest may be represented by that interest's designated alternate and the Board or Advisory Committee member with the identified conflict of interest may address the Board or Committee or participate in the hearing or meeting as a party to the Judgment.

- 2.11 Minutes. The secretary (or in the absence thereof any person so designated at said meeting) shall cause the preparation and subscription of the minutes of each meeting and make available a copy thereof to all Active Parties and each person who has filed a request for copies of all minutes or notices in writing. The minutes shall constitute notice of all actions therein reported. Unless a reading of the minutes is ordered by a majority of the members of the Board acting as Watermaster, minutes may be approved without reading. [Based on Judgment ¶ 37(d).] Watermaster shall publish a copy of its minutes on the Watermaster website.
- 2.12 Rules of Order. Except as may be provided herein, the procedures of the conduct of any meeting shall be governed by the latest revised edition of Roberts' Rules of Order. However, such rules, adopted to expedite the transaction of the business in an orderly fashion, are deemed to be procedural only and failure to strictly observe such rules shall not affect the jurisdiction or invalidate any action taken at a meeting that is otherwise held in conformity with law.
- 2.13 Compensation. Members of Watermaster shall receive compensation from Watermaster for attendance at meetings, regular or special, in an amount as approved by the Court, together with reasonable expenses related to the respective activities thereof, subject to applicable provisions of law. A Watermaster Board member has three Options with regard to payment of compensation. Option 1 is have the payment payable directly to the Board member under the Board member's name; Option 2 is to have the payment payable directly to the Board member's employer/agency; and Option 3 is for the Board member to waive the compensation payment. Option 1 or 2 requires completion and submission of a signed W •9 form. [Based on Judgment ¶ 18 (as amended).]
- 2.14 Employment of Experts and Agents. Watermaster may employ or retain such administrative, engineering, geologic, accounting, legal or other specialized personnel and consultants as it may deem appropriate and shall require appropriate bonds from all officers and employees handling Watermaster funds. Watermaster shall maintain records for purposes of allocating costs of such services as well as of all other expenses of Watermaster administration as between the several pools established by the Physical Solution of the Judgment. No member of the Watermaster Advisory Committee or any Pool Committee may be employed or compensated by Watermaster for professional or other services rendered to such committee or to Watermaster other than as provided in section 2.13 above. [Based on Judgment ¶ 20.]
- 2.15 Acquisition of Facilities. Watermaster may purchase, lease, acquire and hold all necessary facilities and equipment; provided, that it is not the intent of the Judgment that Watermaster acquire any interest in real property or substantial capital assets. [Judgment ¶ 19 and Peace Agreement § 5.1(h).]
- 2.16 Investment of Funds. Watermaster may hold and invest all Watermaster funds in investments authorized from time to time for public agencies of the State of California,

taking into consideration the need to increase the earning power of such funds and to safeguard the integrity thereof. [Based on Judgment ¶ 23.]

- 2.17 Borrowing. Watermaster may borrow from time to time, amounts not to exceed the annual anticipated receipts of Watermaster during such year. [Judgment ¶ 24.]
- 2.18 Contracts. Watermaster may enter into contracts and agreements for the performance of any of its powers pursuant to the Judgment.
- 2.19 Cooperation with Other Agencies. Watermaster may, subject to the prior recommendation of the Advisory Committee, act jointly or cooperate with agencies of the United States of America, and the State of California or any political subdivisions, municipalities, districts or any person to the end that the purpose of the Physical Solution of the Judgment may be fully and economically carried out. [Based on Judgment ¶ 26.]
- 2.20 Annual Administrative Budget. Watermaster shall submit to the Advisory Committee, after Pool Committee review and approval, an administrative budget and recommendation for action for each subsequent Fiscal Year on or before March 1. The Advisory Committee shall review and submit the budget and their recommendations to Watermaster on or before April 1, next following. Watermaster shall hold a public hearing on the budget which was approved by Advisory Committee at an April meeting of each year and adopt the annual administrative budget which shall include the administrative items for each committee. The administrative budget shall set forth budgeted items in sufficient detail as necessary to make a proper allocation of expenses among the several pools, together with Watermaster's proposed allocation. The budget shall contain such additional comparative information or explanation as the Advisory Committee may recommend from time to time. Expenditures within the budgeted items may thereafter be made by Watermaster in the exercise of its powers, as matter of course. Any budget transfer in excess of 20% of a budget category, or modification of the administrative budget during any year shall be first submitted to the Advisory Committee for review and recommendation. [Based on Judgment ¶ 30.]
- 2.21 Annual Report. Watermaster shall prepare and make available an annual report, which shall be filed on or before January 31 of each year and shall contain details as to the operation of each of the pools, a certified audit of all assessments and expenditures pursuant to the Physical Solution of the Judgment and a review of Watermaster activities. [Based on Judgment ¶ 48.] The annual report shall generally include an update on the status of the parties' efforts to implement the OBMP. On a biannual basis, the annual report shall include an engineering appendix which contains a more specific "state of the Basin" report including an update on the status of individual OBMP related activities such as monitoring results and Watermaster's analysis of Hydrologic Balance. The annual report shall also include a compilation of any amendments to these Rules and Regulations made by Watermaster during the prior twelve (12) months and serve as notice to the Court of the amendments.

- 2.22 Studies. Watermaster may, with concurrence of the Advisory Committee or affected Pool Committee and in accordance with Paragraph 54(b) of the Judgment, undertake relevant studies of hydrologic conditions, both quantitative and qualitative, and operating aspects of implementation of the Chino Basin OBMP. [Judgment ¶ 27.]
- 2.23 Demonstrated CEQA Compliance. Watermaster shall not approve any request made under the Judgment or these Rules and Regulations where the proposed action also constitutes a "project" within the meaning of CEQA unless the Watermaster finds that the person requesting Watermaster approval has demonstrated CEQA compliance.
- 2.24 Notice of Litigation. Watermaster shall provide reasonable notice to the parties to the Judgment of any threatened or existing litigation affecting Watermaster or that challenges the legality, validity, or enforceability of the Judgment, the Peace Agreement, the OBMP Implementation Plan or the Rules and Regulations.
- 2.25 Defense of Judgment. Watermaster shall reasonably defend the Judgment, the Peace Agreement, the Peace II Agreement, the OBMP Implementation Plan, and these Rules and Regulations against challenges brought by persons who are not parties to the Judgment. These costs incurred by Watermaster in defending the Judgment, the Peace Agreement, the Peace II Agreement, the OBMP Implementation Plan, and these Rules and Regulations shall be considered a Watermaster general administrative expense. However, the State of California shall not be obligated to reimburse Watermaster for any legal or administrative costs incurred in such defense. [Based on Peace Agreement § 4.1.]
- 2.26 Written Reports. All reports required to be provided by Watermaster under these Rules and Regulations shall be provided in written form unless the context requires otherwise.
- 2.27 Interventions. Watermaster will receive and make recommendations regarding petitions for intervention and accumulate them for filing with the Court from time to time. [Judgment ¶ 60 and Order re Intervention Procedures, July 14, 1978.]
- 2.28 Advisory Committee and Pool Administration. Administration of each of the three Pools is not governed by these Rules and Regulations. Each of these entities has its own rules and shall thereby be governed by those rules. The Advisory Committee shall also be governed by its own rules and procedures. However, when these Rules and Regulations make express reference to the Advisory Committee and the context requires such a construction, these Rules and Regulations shall control.

ARTICLE III MONITORING

- 3.0 Scope. Watermaster will carry out the monitoring activities described under Program Element 1 of the OBMP and, as described in the OBMP Implementation Plan. Monitoring procedures not described by this Article III, shall be implemented through the development of appropriate Watermaster policies and procedures as necessary. Any such policies and procedures adopted by resolution or minute action shall be reported to the Court in Watermaster's annual report.
- 3.1 Meters. This section sets forth Watermaster's rules and procedures for monitoring Groundwater Production by metering.
- (a) Reporting. Any person Producing in excess of ten (10) acre-feet per year shall install and maintain in good operating condition, at the cost of each such person except as provided in (b) below, such meters as Watermaster may deem necessary. Any such measuring device shall be subject to regular inspection and testing as the Watermaster may, from time to time, require, but at a minimum every two years. [Judgment ¶ 21.]
 - (b) Watermaster shall provide a meter testing service with a complete line of carefully calibrated test equipment. Any Producer may request an evaluation of any or all of its water meters at any time. Watermaster shall only pay for tests initiated by Watermaster and for all tests on meters owned by Watermaster
 - (c) Agricultural Pool Meters.
 - (i) Any assessment levied by Watermaster on the members of the Agricultural Pool to fund the installation of meters which is set forth in the Judgment, paragraph 21 regarding metering, shall be paid by the Appropriative Pool. Members of the Agricultural Pool, shall have no obligation to pay for or assume any duty with regard to the installation of meters. The obligation to install and maintain and replace meters on wells owned or operated by members of the Agricultural Pool shall be that of the Watermaster. [Peace Agreement § 5.6(a).]
 - (ii) Agricultural Pool meters shall be installed within thirty-six (36) months of the Date of Execution. Watermaster shall be responsible for providing the meter, as well as paying the cost of any installation, maintenance, inspection, testing, calibrating and repairing. The members of the Agricultural Pool shall provide reasonable access during business hours to a location reasonably appropriate for installation, inspection, testing, calibrating and repairing of a meter. [Peace Agreement § 5.6(b).] However, 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. [Peace Agreement § 5.6(c).]

- (iii) Watermaster shall test every Agricultural Pool meter other than those owned by the State of California on an active well under Watermaster's jurisdiction at least once every two years.

3.2 Reporting by Producers. Each party, or Responsible Party Producing water from the Basin, shall file with Watermaster on forms provided therefore, a quarterly report of the total water Production of that Producer during the preceding calendar quarter, together with such additional information as Watermaster and/or the affected Pool Committee may require. The report shall be due on the 15th day of the month next succeeding the end of each respective calendar quarter, i.e., April 15, July 15, October 15 and January 15, except for minimal Producers, whose reports are due annually by July 15. [Judgment ¶ 47.] Watermaster shall annually estimate the quantity of water Produced by "minimal producers" by any reasonable means, including but not limited to the use of a water duty factor dependent upon the type of use and/or acreage.

3.3 Error Corrections. All reports or other information submitted to Watermaster by the parties shall be subject to a four-year limitations period regarding the correction of errors contained in such submittals. In addition, all information generated by Watermaster shall be subject to the same four-year limitations period. All corrections to errors shall apply retroactively for no more than four years.

ARTICLE IV
ASSESSMENTS, REIMBURSEMENTS AND CREDITS

- 4.0 Scope. This Article sets forth Watermaster's rules and procedures regarding, assessments, reimbursements and credits.
- 4.1 Assessments. Watermaster shall levy assessments against the parties (other than Minimal Producers complying herewith) based upon Production during the preceding Production period. The assessment shall be levied by Watermaster pursuant to the pooling plan adopted for the applicable pool. [Based on Judgment ¶ 53.] Assessments shall cover the cost of Replenishment Water and the expenses of Watermaster administration which shall be categorized as either (a) general, or (b) special project expense.
- (a) General Administrative Watermaster Expense shall include office rental, general personnel expense, supplies and office equipment and related incidental expense and general overhead. [Judgment ¶ 54(a).]
 - (b) Special Project Expense shall consist of special engineering, economic or other studies, litigation expense, meter testing or other major operating expenses. Each such project shall be assigned a task order number and shall be separately budgeted and accounted for. [Judgment ¶ 54(b).]
 - (c) General Watermaster administrative expense shall be allocated and assessed against the respective pools based upon allocations made by the Watermaster, who shall make such allocations based upon generally-accepted cost accounting methods. [Judgment ¶ 54.]
 - (d) Special project expense shall be allocated to a specific pool, or any portion thereof, only upon the basis of prior express assent and finding of benefit by the appropriate Pool Committee, or pursuant to written order of the Court. [Judgment ¶ 54.]
 - (e) Minimal Producers shall be exempted from payment of assessments upon filing of the Production reports referred to in section 3.2 hereof and payment of an annual five dollar (\$5.00) administrative fee with the annual Production report. [Based on Judgment ¶ 52.] In addition, any Minimal Producer who is a member of the Appropriative Pool or the Non-Agricultural Pool and who has no quantified right to Produce water, shall pay a replenishment assessment upon the water that it Produces.
 - (f) Notwithstanding the foregoing, Watermaster shall levy assessments for the 6,500 acre-feet per year as provided in section 5.1(g) of the Peace Agreement and the cost and allocation of this Supplemental Water shall be apportioned pro rata among the members of the Appropriative Pool under the Judgment according to the Producer's assigned share of Operating Safe Yield. [Peace Agreement § 5.1(g)(ii) (inclusion

of word "Operating" to correct mis-phrasing of Peace Agreement as required by the context in the Peace Agreement).]

- 4.2 OBMP Assessments. Watermaster Assessments for implementation of the OBMP shall be considered a Watermaster Administrative Expense pursuant to paragraph 54 of the Judgment.
- 4.3 Assessment - Procedure. Assessments shall be levied and collected as follows:
- (a) Notice of Assessment. Watermaster shall give written notice of all applicable assessments to each party as provided in the Judgment not later than October 31 of each year [Judgment ¶ 55(a).];
 - (b) Payment. Each assessment shall be payable on or before thirty (30) days after the date of invoice, and shall be the primary obligation of the party or successor owning the water Production facility at the time written notice of assessment is given, even though prior arrangement for payment by others has been made in writing and filed with Watermaster [Judgment ¶ 55(b).]; and
 - (c) Delinquency. Any delinquent assessment shall incur a late charge of ten (10%) percent per annum (or such greater rate as shall equal the average current cost of borrowed funds to the Watermaster) from the due date thereof. Delinquent assessments and late charge may be collected in a show-cause proceeding instituted by the Watermaster, in which case the Court may allow Watermaster's reasonable cost of collection, including attorney's fees. [Judgment ¶ 55(c).]
- 4.4 Assessment Adjustments. The Watermaster shall make assessment adjustments in whole or in part for assessments to any Producer as a result of erroneous Production reports or otherwise as necessary for the reporting period as either a credit or debit in the next occurring assessment package unless otherwise decided by Watermaster.
- (a) All assessments will be based on the assumption that appropriate, timely filed and pending Applications will be approved by Watermaster. If any such Applications are not approved, a supplemental assessment may be levied.
 - (b) Assessment adjustments may be necessary due to overstated Production, understated Production, or errors in the assessment package discovered after the assessments have been approved.
 - (c) Watermaster may cause an investigation and report to be made concerning questionable reports of Production from the Basin.
 - (d) Watermaster may seek to collect delinquent assessments and interest in a show-cause proceeding in which case the Court may allow Watermaster its reasonable

costs of collection, including attorney's fees. [Judgment ¶ 55(c).] Alternately, Watermaster may bring suit in a court having jurisdiction against any Producer for the collection of any delinquent assessments and interest thereon. The court, in addition to any delinquent assessments, may award interest and reasonable costs including attorney's fees.

4.5 Credits Against OBMP Assessments and Reimbursements. Watermaster shall exercise reasonable discretion in making its determination regarding credits against OBMP Assessments and reimbursements, 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 OBMP Assessments under this section where the Producer or party to the Judgment was otherwise legally compelled to make the improvement. [Peace Agreement § 5.4(d).]

- (a) Any party to the Judgment may make Application for credits against OBMP assessments or for reimbursement by filing a timely Application pursuant to the provisions of this section and Article X of these Rules and Regulations.
- (b) A party to the Judgment is eligible to be considered for credits or reimbursement for those documented capital, operations and maintenance expenses, including the cost of shutting down and/or relocating Groundwater Production facilities, that are reasonably incurred in the implementation of any project or program that carries out the purposes of the OBMP and specifically relates to the prevention of subsidence in the Basin, upon approval of the request by Watermaster. [Peace Agreement § 5.4(d), as amended.] The purposes of the OBMP shall be those goals set forth in the Phase I Report as implemented through the OBMP Implementation Plan in a manner consistent with the Peace Agreement. [July 13, 2000 Court Order.]
- (c) Any Producer that Watermaster compels to shut down and/or move a Groundwater Production facility that is in existence on August 1, 2000 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, including the legal rate of interest on California Judgments. [Peace Agreement § 5.4(e).] In its sole discretion, Watermaster may determine to issue full reimbursement upon approval of the Application or to issue a credit against future Watermaster assessments. However, in the event Watermaster elects to provide a credit in lieu of reimbursement, it must have fully compensated the Producer for the reasonable cost of the replacement Groundwater Production facility through any combination of credits and reimbursements within five years from the date of the Application, unless the Producer consents in writing to a longer period. Note: this section is subject to a rule of construction. See section 1.2(h) above.

- (d) An Application to Watermaster for reimbursement or a credit against OBMP Assessments shall be considered timely, if and only if the Application has been approved by Watermaster in advance of construction or the offer by a party to dedicate the facility to carry out the purposes of the OBMP as described in (b) above. [Based on Peace Agreement § 5.4(d).]
- 4.6 Agricultural Pool Assessments and Expenses. During the term of the Peace Agreement, all Assessments and expenses of the Agricultural Pool including those of the Agricultural Pool Committee shall be paid by the Appropriative 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 (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. [Peace Agreement § 5.4(a).]
- 4.7 Replenishment Assessments. Watermaster shall levy and collect assessments in each year, pursuant to the respective pooling plans, in the amount of the Replenishment Obligation (including any Desalter Replenishment) for any pool during the preceding year. [Based on Judgment ¶ 51.]
- 4.8 Desalter Replenishment Assessments and Credits. The price of Desalted water to a purchaser of Desalted water does not include the cost of Replenishment. The source of Replenishment shall be those provided in Article VII herein, Article VII of the Peace Agreement, and Article VI of the Peace II Agreement. However, a purchaser of Desalted water may elect to obtain a reduced Assessment levied by Watermaster by dedicating by Transfer, or assignment, some or all of its Production rights to Watermaster for the purpose of satisfying Desalter Replenishment. The amount of the credit granted by Watermaster shall be equal to the value of the cost of Replenishment Water then available from the MWD as interruptible, untreated water or the then prevailing value of the avoided Replenishment Obligation, whichever is less. For purposes of determining Replenishment assessments, water Produced by the Desalters shall be considered Production by the Appropriative Pool.
- 4.9 Consistency with Peace Agreement. The procurement of Replenishment Water and the levy of Assessments shall be consistent with the provisions of section 5.4(a) of the Peace Agreement.
- 4.10 OBMP Committee. Watermaster shall establish a subcommittee (OBMP Committee) for the purpose of coordinating fund raising efforts in furtherance of the OBMP.
- (a) The subcommittee shall hold a regularly scheduled meeting a minimum of once every quarter.

- (b) Prior to each subcommittee meeting, Watermaster shall prepare a summary of the funds, loans or grants secured for the purpose of implementing the OBMP over the past three months and distribute any information it may possess regarding the availability of other potential funds, loans or grants.

**ARTICLE V
PHYSICAL SOLUTION**

- 5.0 Scope. This Article generally sets forth the standards for Watermaster implementation of the Physical Solution established by the Judgment, including the application of these standards to Watermaster conduct and decisions under the Judgment, these Rules and Regulations and the OBMP.
- 5.1 Physical Solution. It is essential that this Physical Solution provide maximum flexibility and adaptability to use existing future, technological, social, institutional and economic options to maximize beneficial use of the waters of the Chino Basin. [Judgment ¶ 40.]
- 5.2 Watermaster Control. Watermaster, with the advice of the Advisory and Pool Committees, is granted discretionary powers in order to develop its OBMP. [Based on Judgment ¶ 41.]
- 5.3 Basin Management Parameters. Watermaster shall consider the following parameters in implementing the Physical Solution under Articles VI - X of these Rules and Regulations:
- (a) Pumping Patterns. Chino Basin is a common supply for all persons and agencies utilizing its waters. It is an objective in management of the Basin's waters that no Producer be deprived of access to said waters by reason of unreasonable pumping patterns, nor by regional or localized Recharge of Replenishment Water, insofar as such result may be practically avoided. [Judgment Exhibit "I".]
 - (b) Water Quality. Maintenance and improvement of water quality is a prime consideration and function of management decisions by Watermaster. [Judgment Exhibit "I".]
 - (c) Economic Considerations. Financial feasibility, economic impact and the cost of optimum use of the Basin's resources and the physical facilities of the parties are objectives and concerns equal in importance to water quantity and quality parameters. [Judgment Exhibit "I".]

ARTICLE VI
SAFE YIELD AND OPERATING SAFE YIELD

- 6.0 Scope. This Article sets forth the rules and procedures that are applicable to Watermaster's regulation, control, and management of Safe Yield and Operating Safe Yield.
- 6.1 Annual Production Right. The Annual Production Right shall be calculated by Watermaster pursuant to the Judgment and the Peace Agreement.
- 6.2 New Yield. The Judgment provides that Safe Yield may need to be periodically adjusted based on more accurate and updated data and based on evidence of increased capture of native water and increased return flow from use of Replenishment or Stored Water. Safe Yield can only be re-determined periodically when long-term data or evidence is developed in support thereof. In order to encourage maximization of Basin Water under the Physical Solution, New Yield shall be accounted for by Watermaster in interim periods between re-determinations of Safe Yield.
- (a) Proven increases in yield in quantities greater than the historical level of contribution from certain Recharge sources may result from changed conditions including, but not limited to, the increased capture of rising water, increased capture of available storm flow, and other management activities. These increases are considered New Yield.
 - (b) To the extent the New Yield arises from conditions, programs or projects implemented and operational after July 1, 2000, it is available for allocation by Watermaster as a component of the Annual Production Right for each member of the Appropriative Pool.
 - (c) As part of the documentation for the assessments and annual report for each year, Watermaster will provide a summary and analysis of the historical recharge and whether there are changed conditions that have resulted in a quantity of New Yield.
 - (d) Except as described in section 6.2(f) below, pursuant to the Peace Agreement and the Peace II Agreement, any New Yield shall first be assigned to offsetting Desalter Replenishment Obligations in the immediately following year and as reasonably required to satisfy expected future Replenishment Obligations arising from the Desalter. If there is water in the Watermaster Desalter Replenishment Account to satisfy the Desalter Replenishment Obligation for the year, the New Yield shall be made available to the Appropriative Pool to satisfy a Replenishment Obligation consistent with section 7.5(a)(3) herein.
 - (e) New Yield is expected to result from a variety of conditions, including but not limited to enhanced Basin management, increased stormwater Recharge, induced Recharge from operation of the Desalters, injection, and changes in land use

patterns. Watermaster has established an initial baseline quantity of stormflow Recharged in the Basin under historical conditions in the amount of 5,600 acre-feet per year. Any party to the Judgment may request Watermaster to re-examine this initial estimate of the baseline quantity and to adjust the quantity in accordance with best available technology and substantial evidence.

- (f) The storm flow component of 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. [First Amendment to Peace Agreement, ¶ 2.]

6.3 Accounting of Unallocated Agricultural Portion of Safe Yield.

- (a) In each year, the 82,800 acre-feet being that portion of the Safe Yield made available to the Agricultural Pool under the Judgment, shall be made available in the following sequence:
 - (i) To the Agricultural Pool to satisfy all demands for overlying Agricultural Pool lands;
 - (ii) To supplement, in the particular year, water available from Operating Safe Yield to compensate for any reduction in the Safe Yield by reason of recalculation thereof;
 - (iii) To land use conversions that were completed prior to October 1, 2000;
 - (iv) To land use conversions that have been completed after October 1, 2000; and
 - (v) To the Early Transfer of the quantity of water not Produced by the Agricultural Pool that is remaining after all the land use conversions are satisfied pursuant to section 5.3(h) of the Peace Agreement from the Agricultural Pool to the Appropriative Pool in accordance with their pro-rata assigned share of Operating Safe Yield.
- (b) In the event actual Production by the Agricultural Pool exceeds 414,000 acre-feet in any five years, the Agricultural Pool shall procure sufficient quantities of Replenishment Water to satisfy over-Production obligations, whatever they may be.

6.4 Conversion Claims. The following procedures may be utilized by any Appropriator:

- (a) Record of Unconverted Agricultural Acreage. Watermaster shall maintain on an ongoing basis a record, with appropriate related maps, of all agricultural acreage within the Chino Basin subject to being converted to appropriate water use pursuant to the provisions of this subparagraph.
- (b) Record of Water Service Conversion. Any Appropriator who undertakes to permanently provide water service to any portion of a legal parcel subject to conversion shall report such change to Watermaster. Watermaster shall ensure that when a partial conversion occurs, that the water use on the acreage is properly metered. For all or any portion of the legal parcel that is proposed for conversion, Watermaster shall thereupon verify such change in water service and shall maintain a record and account for each Appropriator of the total acreage involved. Should, at any time, all or any portion of the converted acreage return to agricultural overlying use, Watermaster shall return such acreage that returns to agricultural use to unconverted status and correspondingly reduce or eliminate any allocation accorded to the Appropriator involved.

6.5 Recalculation of Safe Yield.

- (a) Initial Safe Yield Reset. Effective July 1, 2010 and continuing until June 30, 2020, the Safe Yield for the Basin is reset at 135,000 AFY. For all purposes arising under the Judgment, the Peace Agreements and the OBMP Implementation Plan, the Safe Yield shall be 135,000 AFY, without exception, unless and until Safe Yield is reset in accordance with the procedures set forth in this Section 6.5, and determined by the Court pursuant to its retained continuing jurisdiction.
- (b) Scheduled Reset. Watermaster will initiate a process to evaluate and reset the Safe Yield by July 1, 2020 as further provided in this Section 6.5. Subject to the provisions of Section 6.5(c) below, the Safe Yield, as it is reset effective July 1, 2020 will continue until June 30, 2030. Watermaster will initiate the reset process no later than January 1, 2019, in order to ensure that the Safe Yield, as reset, may be approved by the court no later than June 30, 2020. Consistent with the provisions of the OBMP Implementation Plan, thereafter Watermaster will conduct a Safe Yield evaluation and reset process no less frequently than every ten years. This Section 6.5(b) is deemed to satisfy Watermaster's obligation, under Paragraph 3.(b) of Exhibit "I" to the Judgment, to provide notice of a potential change in Operating Safe Yield.
- (c) Interim Correction. In addition to the scheduled reset set forth in Section 6.5(b) above, the Safe Yield may be reset in the event that, with the recommendation and advice of the Pools and Advisory Committee and in the exercise of prudent management discretion described in Section 6.5(e)(iii), below, Watermaster recommends to the court that the Safe Yield must be changed by an amount greater (more or less) than 2.5% of the then-effective Safe Yield.

- (d) Safe Yield Reset Methodology. The Safe Yield shall be subsequently evaluated pursuant to the methodology set forth in the Reset Technical Memorandum. The reset will rely upon long-term hydrology and will include data from 1921 to the date of the reset evaluation. The long-term hydrology will be continuously expanded to account for new data from each year, through July 2030, as it becomes available. This methodology will thereby account for short-term climatic variations, wet and dry. Based on the best information practicably available to Watermaster, the Reset Technical Memorandum sets forth a prudent and reasonable professional methodology to evaluate the then prevailing Safe Yield in a manner consistent with the Judgment, the Peace Agreements, and the OBMP Implementation Plan. In furtherance of the goal of maximizing the beneficial use of the waters of the Chino Basin, Watermaster, with the recommendation and advice of the Pools and Advisory Committee, may supplement the Reset Technical Memorandum's methodology to incorporate future advances in best management practices and hydrologic science as they evolve over the term of this order.
- (e) Annual Data Collection and Evaluation. In support of its obligations to undertake the reset in accordance with the Reset Technical Memorandum and this Section 6.5, Watermaster shall annually undertake the following actions:
- (i) Ensure that, unless a Party to the Judgment is excluded from reporting, all production by all Parties to the Judgment is metered, reported, and reflected in Watermaster's approved Assessment Packages;
 - (ii) Collect data concerning cultural conditions annually with cultural conditions including, but not limited to, land use, water use practices, production, and facilities for the production, generation, storage, recharge, treatment, or transmission of water;
 - (iii) Evaluate the potential need for prudent management discretion to avoid or mitigate undesirable results including, but not limited to, subsidence, water quality degradation, and unreasonable pump lifts. Where the evaluation of available data suggests that there has been or will be a material change from existing and projected conditions or threatened undesirable results, then a more significant evaluation, including modeling, as described in the Reset Technical Memorandum, will be undertaken; and,
 - (iv) As part of its regular budgeting process, develop a budget for the annual data collection, data evaluation, and any scheduled modeling efforts, including the methodology for the allocation of expenses among the Parties to the Judgment. Such budget development shall be consistent with section 5.4(a) of the Peace Agreement.

- (f) Modeling. Watermaster shall cause the Basin model to be updated and a model evaluation of Safe Yield, in a manner consistent with the Reset Technical Memorandum, to be initiated no later than January 1, 2024, in order to ensure that the same may be completed by June 30, 2025.
- (g) Peer Review. The Pools shall be provided with reasonable opportunity, no less frequently than annually, for peer review of the collection of data and the application of the data collected in regard to the activities described in Section 6.5(d), (e), and (f) above.
- (h) No Retroactive Accounting. Notwithstanding that the initial Safe Yield reset, described in Section 6.5(a) above, shall be effective as of July 1, 2010, Watermaster will not, in any manner, including through the approval of its Assessment Packages, seek to change prior accounting of the prior allocation of Safe Yield and Operating Safe Yield among the Parties to the Judgment for Production Years prior to July 1, 2014.

**ARTICLE VII
RECHARGE**

7.0 Scope. This Article sets forth the standards that are applicable to Watermaster's review of Recharge actions by all persons that may be subject to the Judgment as well as Watermaster's efforts to administer, direct, and arrange for Recharge in accordance with the Judgment.

7.1 In General

- (a) Watermaster shall administer, direct and arrange for the Recharge of all water in a manner pursuant to the Judgment, the Peace and Peace II Agreements and the OBMP in a manner that 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. This means that no party to the Judgment shall be individually and independently obligated to purchase or acquire Supplemental Water on behalf of another party to the Judgment. [Peace Agreement § 5.1(e).] Applications to engage in Recharge activities shall be processed in accordance with the provisions of Article X using the forms provided by Watermaster attached hereto as Appendix 1.
- (b) Watermaster shall exercise its Best Efforts to:
 - (i) Protect and enhance the Safe Yield of the Chino Basin through Replenishment and Recharge [Peace Agreement § 5.1(e).];
 - (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 [Peace Agreement § 5.1(e).];
 - (iii) Evaluate the long term Hydrologic Balance within all areas and subareas of the Chino Basin;
 - (iv) Make its initial report on the then existing state of Hydrologic Balance by July 1, 2003, including any recommendations on Recharge actions which may be necessary under the OBMP. Thereafter Watermaster shall make written reports on the long term Hydrologic Balance in the Chino Basin every two years;
 - (v) Use and consider the information provided in the reports under (iv) above, when modifying or updating the Recharge Master Plan and in implementing the OBMP;

- (vi) 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 of the Peace Agreement [Peace Agreement § 5.1(e).];
 - (vii) Cooperate with owners of existing Recharge facilities to expand/improve/preserve Recharge facilities identified in the Recharge Master Plan; arrange for the construction of the works and facilities necessary to implement the quantities of Recharge identified in the OBMP Implementation Plan [Peace Agreement § 5.1(e)(ix)] and cooperate with appropriate entities to construct and operate the new Recharge facilities that are identified in the Recharge Master Plan;
 - (viii) Ensure that its Recharge efforts under the Recharge Master Plan are consistent with the Judgment, and the Peace Agreement;
 - (ix) Establish and periodically update criteria for the use of water from different sources for Replenishment purposes [Peace Agreement § 5.1(e)(v).];
 - (x) Ensure a proper accounting of all sources of Recharge to the Chino Basin [Peace Agreement § 5.1(e)(vi).];
 - (xi) 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 [Peace Agreement § 5.1(e)(vii).];
 - (xii) Maintain long-term Hydrologic Balance between total Recharge and discharge within all areas and sub-areas [Peace Agreement § 5.1(e)(viii).]; and
 - (xiii) Use 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. [Peace Agreement § 5.1(f).]
- (c) Recharge Master Plan. The Recharge Master Plan will address how the Basin will be contemporaneously managed to secure and maintain Hydraulic Control and subsequently operated at a new equilibrium at the conclusion of the period of Re-Operation. The Recharge Master Plan will be jointly approved by IEUA and Watermaster and shall contain recharge estimations and summaries of the projected water supply availability as well as the physical means to accomplish the recharge projections. Specifically, the Recharge Master Plan will reflect an appropriate

schedule for planning, design, and physical improvements as may be required to provide reasonable assurance that following the full beneficial use of the groundwater withdrawn in accordance with the Basin Re-Operation and authorized controlled overdraft, that sufficient Replenishment capability exists to meet the reasonable projections of Desalter Replenishment obligations. With the concurrence of IEUA and Watermaster, the Recharge Master Plan will be updated and amended as frequently as necessary with Court approval and not less than every five (5) years. [Peace II Agreement § 8.1.]

- (i) Coordination. The members of the Appropriative Pool will coordinate the development of their respective Urban Water Management Plans and Water Supply Master Plans with Watermaster as follows. [Peace II Agreement § 8.2.]
 - a) Each Appropriator that prepares an Urban Water Management Plan and Water Supply Plans will provide Watermaster with copies of its existing and proposed plans.
 - b) Watermaster will use the Urban Water Management Plans in evaluating the adequacy of the Recharge Master Plan and other OBMP Implementation Plan program elements.
 - c) Each Appropriator will provide Watermaster with a draft in advance of adopting any proposed changes to its Urban Water Management Plans and in advance of adopting any material changes to their Water Supply Master Plans respectively in accordance with the customary notification routinely provided to other third parties to offer Watermaster a reasonable opportunity to provide informal input and informal comment on the proposed changes.
 - d) Any Party that experiences the loss or the imminent threatened loss of a material water supply source will provide reasonable notice to Watermaster of the condition and the expected impact, if any, on the projected groundwater use.
- (ii) In preparation of the Recharge Master Plan, Watermaster will consider whether existing groundwater production facilities owned or controlled by producers within Management Zone 1 may be used in connection with an aquifer storage and recovery ("ASR") project so as to further enhance recharge in specific locations and to otherwise meet the objectives of the Recharge Master Plan. [Peace II Agreement § 8.4(d)(2).]

- (d) Watermaster shall not own Recharge projects, including but not limited to spreading grounds, injection wells, or diversion works. [Peace Agreement § 5.1(h).]
- (e) Watermaster may own and hold water rights in trust for the benefit of the parties to the Judgment. Subject to this exception, Watermaster shall not own land or interests in real property. [Peace Agreement § 5.1(h).] Watermaster shall obtain Court approval prior to acquiring any water rights in trust for the benefit of the parties to the Judgment. In addition, Watermaster shall conform all existing permits to ensure that title is held in trust for the benefit of the parties to the Judgment.
- (f) 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 the Peace 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. [Peace Agreement § 5.1(h).]
- (g) Watermaster shall provide an annual accounting of the amount of Recharge and the location of the specific types of Recharge. [Peace Agreement § 5.1(j).]

7.2 Recharge of Supplemental Water. All Recharge of the Chino Basin with Supplemental Water shall be subject to Watermaster approval obtained by Application made to Watermaster in accordance with provisions of Article X. [Peace Agreement § 5.1(a).] In reviewing any such Application, Watermaster shall comply with the following.

- (a) Watermaster will ensure that any person may make Application to Watermaster to Recharge the Chino Basin with Supplemental Water pursuant to Article X, including the exercise of the right to offer to sell In-Lieu Recharge Water to Watermaster as provided in the Judgment and the Peace Agreement in a manner that is consistent with the OBMP and the law. [Peace Agreement § 5.1(b).]
- (b) Watermaster shall not approve an Application by any party to the Judgment under Article X if it is inconsistent with the terms of the Peace Agreement, or will cause any Material Physical Injury to any party to the Judgment or the Basin. [Peace Agreement § 5.1(b).]
- (c) Any potential or threatened Material Physical Injury to any party to the Judgment 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. [Peace Agreement § 5.1(b).]

- (d) Absent a clear showing as to peculiar circumstances or changes, Recharge of the Chino Basin with Supplemental Water conducted through spreading grounds shall be assessed: (i) a 1.5% evaporation loss if the Recharge occurs in November through March; or (ii) a 4.2% evaporation loss if the Recharge occurs in April through October. Such loss shall be a one-time adjustment applicable to the Party engaging in Recharge. Losses for Recharge through injection wells shall be determined on a case by case basis. [Judgment at ¶41.]

7.3 Recharge of 6,500 Acre-Feet of Supplemental Water in Management Zone 1. Consistent with its overall obligations to manage the Chino Basin to ensure hydrologic balance within each management zone, for the duration of the Peace Agreement (until June of 2030), Watermaster will ensure that a minimum of 6,500 acre-feet of wet water recharge occurs within Management Zone 1 on an annual basis. However, to the extent that water is unavailable for recharge or there is no replenishment obligation in any year, the obligation to recharge 6,500 acre-feet will accrue and be satisfied in subsequent years. [Peace II Agreement § 8.4(d).]

- (a) Watermaster will implement this measure in a coordinated manner so as to facilitate compliance with other agreements among the parties, including but not limited to the Dry-Year Yield Agreements.
- (b) Five years from the effective date of the Peace II Measures, Watermaster will cause an evaluation of the minimum recharge quantity for Management Zone 1. After consideration of the information developed, the observed experiences in complying with the Dry Year Yield Agreements as well as any other pertinent information, Watermaster may increase the minimum requirement for Management Zone 1 to quantities greater than 6,500 acre-feet per year. In no circumstance will the commitment to recharge 6,500 acre-feet be reduced for the duration of the Peace Agreement. [Peace II Agreement § 8.4(e).]

7.4 Sources of Replenishment Water. Supplemental Water may be obtained by Watermaster from any available source. Watermaster shall, however, seek to obtain the best available quality of Supplemental Water at the most reasonable cost for recharge in the Basin. It is anticipated that Supplemental Water for Replenishment of Chino Basin may be available at different rates to the various pools to meet their Replenishment Obligations. If such is the case, each pool will be assessed only that amount necessary for the cost of Replenishment Water to that pool, at the rate available to the pool, to meet its Replenishment Obligation. In this connection, available resources may include, but are not limited to:

- (a) Maximum beneficial use of Recycled Water, which shall be given a high priority by Watermaster [Judgment ¶ 49(a).];

- (b) State Project Water subject to applicable service provisions of the State's water service contracts [Judgment ¶ 49(b).];
- (c) Local Imported Water through facilities and methods for importation of surface and Groundwater supplies from adjacent basins and watersheds [Judgment ¶ 49(c).]; and
- (d) Available supplies of Metropolitan Water District water from its Colorado River Aqueduct. [Judgment ¶ 49(d).]

7.5 Desalter Replenishment. Notwithstanding the provisions of section 7.4, above, for the initial term of the Peace Agreement, the Replenishment obligation attributable to Desalter production in any year will be determined by Watermaster as follows [Peace Agreement § 7.5; Peace II Agreement § 6.2.]:

- (a) Watermaster will calculate the total Desalter Production for the preceding year and then apply a credit against the total quantity from:
 - (i) the Watermaster Desalter replenishment account composed of 25,000 acre-feet of water abandoned by Kaiser Ventures pursuant to the "Salt Offset Agreement" dated October 21, 1993, between Kaiser Ventures and the RWQCB, and other water previously dedicated by the Appropriative Pool [Peace Agreement § 7.5(a).];
 - (ii) dedication of water from the Overlying (Non-Agricultural) Pool Storage Account or from any contribution arising from an annual authorized Physical Solution Transfer in accordance with amended Exhibit G to the Judgment;
 - (iii) New Yield that may be made available to Watermaster through a combination of management programs, actions or facilities, other than the Stormwater component of New Yield, as determined on an annual basis [Peace Agreement § 7.5(b)];
 - (iv) any declared losses from storage in excess of actual losses enforced as a "Leave Behind";
 - (v) Safe Yield that may be contributed by the parties [Peace Agreement § 7.5(c)];
 - (vi) any Production of groundwater attributable to the controlled overdraft authorized pursuant to Exhibit I to the Judgment, as amended.
- (b) To the extent available credits are insufficient to fully offset the quantity of groundwater production attributable to the Desalters, Watermaster will use water

or revenue obtained by levying the following assessments among the members of the Overlying (Non-Agricultural) Pool and the Appropriative Pool to meet any remaining replenishment obligation as follows.

- (i) A Special OBMP Assessment against the Overlying (Non-Agricultural) Pool as more specifically authorized and described in amendment to Exhibit "G" paragraph 5 (c) to the Judgment will be dedicated by Watermaster to further off-set replenishment of the Desalters. However, to the extent there is no remaining replenishment obligation attributable to the Desalters in any year after applying the off-sets set forth in 7.5(a), the OBMP Special Assessment levied by Watermaster will be distributed as provided in Section 9.2 of the Peace II Agreement. The Special OBMP Assessment will be assessed pro-rata on each member's share of Safe Yield.
- (ii) The members of the Appropriative Pool will contribute a total of 10,000 afy toward Desalter replenishment, allocated among Appropriative Pool members as follows:
 - 85% of the total (8,500 afy) will be allocated according to the Operating Safe Yield percentage of each Appropriative Pool member; and
 - 15% of the total (1,500 afy) will be allocated according to each land use conversion agency's percentage of the total land use conversion claims, based on the actual land use conversion allocations of the year.

The annual desalter replenishment obligation contribution of each Appropriative Pool member will be calculated using the following formula:

$$\begin{aligned} \text{Desalter replenishment obligation contribution} &= (8,500 * \% \\ &\text{Appropriator's share of total initial 49,834 afy Operating Safe Yield}) \\ &+ (1,500 * \% \text{ Appropriator's proportional share of that year's total} \\ &\text{conversion claims}) \end{aligned}$$

A sample calculation of the desalter replenishment obligation contribution for each Appropriative Pool member is shown on Exhibit 4 to the Peace II Agreement, as amended.

- (iii) A Replenishment Assessment against the Appropriative Pool for any remaining Desalter replenishment obligation after applying both 6(b)(i) and 6(b)(ii), allocated pro-rata to each Appropriative Pool member according to the combined total of the member's share of Operating Safe Yield and the member's Adjusted Physical Production, as defined below. Desalter

Production is excluded from this calculation. A sample calculation of the allocation of the remaining desalter obligation is shown in Exhibit 4 to the Peace II Agreement.¹

- (iv) Adjusted Physical Production is the Appropriative Pool member's total combined physical production (i.e., all groundwater pumped or produced by the Appropriative Pool member's groundwater wells in the Chino Basin, including water transferred from the Non- Agricultural Pool under Exhibit G, ¶9 of the Judgment), with the following adjustments:
- (1) In the case of assignments among Appropriative Pool members, or between Appropriative Pool members and Non-Agricultural Pool members under Exhibit G, ¶6 of the Judgment, resulting in pumping or production by one party to the Judgment for use by another party to the Judgment, the production for purposes of Adjusted Physical Production shall be assigned to the party making beneficial use of the water, not the actual producer.
 - (2) Production offset credits pursuant to voluntary agreements under section 5.3(i) of the Peace Agreement are calculated at 50% of the total voluntary agreement credit in the determination of Adjusted Physical Production for an Appropriative Pool member participating in a voluntary agreement for that year. In the determination of Adjusted Physical Production, the voluntary agreement credit is subtracted from physical production. Reduction of the voluntary agreement credit from 100% to 50% is applicable only to the calculation of the Adjusted Physical Production hereunder; but in all other applications, the voluntary agreement credit shall remain unchanged (i.e. remain at 100%).
 - (3) Production associated with approved storage and recovery programs (e.g., Dry Year Yield recovery program with MWD) is not counted in Adjusted Physical Production, except for in-lieu participation in such programs: in-lieu put quantities shall be added to physical production, and in-lieu take quantities shall be subtracted from physical production.
 - (4) Metered pump-to-waste Production that is determined by Watermaster to be subsequently recharged to the groundwater basin is deducted from physical production; unmetered pump-to-waste production that is determined by Watermaster not to be

¹ This sample calculation is attached hereto as Exhibit "C."

subsequently recharged to the groundwater basin is added to physical production.

- (5) The Appropriative Pool may approve, by unanimous vote, the inclusion of other items in the determination of Adjusted Physical Production, with the exception of Non- Agricultural Pool water assigned or transferred under Exhibit G, ¶6 or ¶10 of the Judgment.
- (v) Any member of the Non-Agricultural Pool that is also a member of the Appropriative Pool may elect to transfer (a) some or all of the annual share of Operating Safe Yield of the transferor in and for the year in which the transfer occurs (except that such transfer shall exclude any dedication to the Watermaster required by section 6.2(b)(1) of the Peace II Agreement), and (b) any quantity of water held in storage by the transferor (including without limitation carryover and excess carryover) to any member of the Appropriative Pool, in either case at any price that the transferor and transferee may deem appropriate and for the purpose of satisfying the transferee's desalter replenishment obligation. The transferee's desalter replenishment obligation shall be credited by the number of acre-feet so transferred.
- (vi) For the purposes of this section 7.5(b), the quantification of any Party's share of Operating Safe Yield does not include either land use conversions or Early Transfers.

- 7.6 Method of Replenishment. Watermaster may accomplish Replenishment by any reasonable method, including spreading and percolation, injection of water into existing or new facilities, in-lieu procedures and acquisition of unproduced water from members of the Non-Agricultural and Appropriative Pools. [Judgment ¶ 50.]
- 7.7 Accumulations. In order to minimize fluctuations in assessments and to give Watermaster flexibility in the purchase and spreading of Replenishment Water, Watermaster may make reasonable accumulations of Replenishment Water assessment proceeds. Interest earned on such retained funds shall be added to the account of the pool from which the funds were collected and shall be applied only to the purchase of Replenishment Water. [Judgment ¶ 56.]
- 7.8 In-Lieu and Other Negotiated Procedures. To the extent good management practices dictate that recharge of the Basin be accomplished by taking surface supplies of Supplemental Water in lieu of Groundwater otherwise subject to Production as an allocated share of Operating Safe Yield, the following in-lieu procedures or other additional procedures as may be negotiated by Watermaster and approved by the Watermaster Advisory Committee shall prevail [Judgment Exhibit "H" ¶ 11.]:

- (a) Designation of In-Lieu Areas. In-lieu areas may be designated by order of Watermaster upon recommendation or approval of the Watermaster Advisory Committee. Watermaster has previously designated the entire Chino Basin as an in-lieu area. In-lieu areas may be enlarged, reduced or eliminated by subsequent order; provided, however, that designation of an in-lieu area shall be for a minimum fixed term sufficient to justify necessary capital investment. However, should in-lieu Area No.1, which has been established by the Court, be reduced or eliminated, it shall require prior order of the Court.

- (b) Method of Operation. Any member of the Appropriative Pool Producing water within a designated in-lieu area who is willing to abstain for any reason from Producing any portion of its share of Operating Safe Yield in any year, may offer such unpumped water to Watermaster on a form to be provided therefor. In such event, Watermaster shall purchase said water in place, in lieu of spreading Replenishment Water, which may be otherwise required to make up for over Production. The purchase price for in-lieu water shall be the lesser of:
 - (i) Watermaster's current cost of Replenishment Water, plus the cost of spreading; or
 - (ii) The cost of supplemental surface supplies to the Appropriator, less
 - a) said Appropriator's average cost of Groundwater Production, and
 - b) the applicable Production assessment where the water is Produced.

ARTICLE VIII STORAGE

8.0 Scope. This Article sets forth Watermaster's obligations and responsibilities regarding the management, regulation and control of storage within the Basin.

8.1 In General.

- (a) Watermaster Control. A substantial amount of available Groundwater storage capacity exists in the Basin that is not used for storage or regulation of Basin Waters. It is essential that the use of storage capacity of the Basin be undertaken only under Watermaster control and regulation so as to protect the integrity of the Basin. Watermaster will exercise regulation and control of storage primarily through the execution of Groundwater Storage Agreements. [Judgment ¶ 11.]
- (b) Categories of Groundwater Storage Agreements. There are different categories of storage and different types of Groundwater Storage agreements. Only those Groundwater Storage agreements defined as "Qualifying Storage agreements" require new Watermaster approval. The agreements identified in section 8.1(f)(iii) herein do not require new Watermaster approval. Qualifying Storage agreements will be processed by Watermaster in accordance with the forms provided by Watermaster and attached hereto as Appendix 1.
- (c) Court Notification and Approval. Before it is effective, any Storage and Recovery Agreement entered into pursuant to a Storage and Recovery Program shall first receive Court Approval. With respect to all other Groundwater Storage Agreements, Watermaster shall notify the Court after approval.
- (d) Relationship Between Recapture and Storage. Recapture of water held in a storage account will generally be approved by Watermaster as a component of and coincident with a Groundwater Storage Agreement for Qualifying Storage. However, an Applicant for Qualifying Storage may request, and Watermaster may approve, a Groundwater Storage Agreement where the plan for recovery is not yet known. In such cases, the Applicant may request Watermaster approval of the Qualifying Storage only and subsequently submit and process an independent Application for Recapture under the provisions of Article X.
- (e) Storage of Safe Yield as Carry-Over Water. Any member of the Appropriative Pool or member of the Non-Agricultural Pool who Produces less than its assigned share of Operating Safe Yield or Safe Yield, respectively, may carry such unexercised right forward for exercise in subsequent years. Watermaster shall be required to keep an accounting of Carry-Over Water in connection with said Carry-Over Rights. The first water Produced in any subsequent year, shall be deemed to be in exercise of that Carry-Over Right. If the aggregate remaining Carry-Over Water

available to any member of the Appropriative Pool, or member of the Non-Agricultural Pool with Safe Yield, in a given year exceeds its assigned share of Operating Safe Yield after its demands are met, such Producer shall, as a condition of preserving such Excess Carry-Over Water execute a Local Storage Agreement with Watermaster. A member of the Appropriative Pool shall have the option to pay the gross assessment applicable to said Carry-Over Right in the year in which it occurred. [Judgment Exhibit "G," and Exhibit "H" ¶ 12.]

- (f) Storage of Supplemental Water. The rules and procedures for the storage of Supplemental Water are set forth as follows.
 - (i) Supplemental Water. Each party, its officers, agents, employees, successors, and assigns, has been enjoined and restrained from storing Supplemental Water in Chino Basin for withdrawal, or causing withdrawal of water stored, except pursuant to the terms of a Groundwater Storage Agreement with Watermaster. Any Supplemental Water recharged by any person within Chino Basin, except pursuant to these Rules and Regulations and a Groundwater Storage Agreement, is deemed abandoned and shall not be considered Stored Water. [Judgment ¶ 14.]
 - (ii) Application for Storage of Supplemental Water. 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 the Peace 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 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. [Peace Agreement § 5.2(a)(iii).] Applications for the storage of Supplemental Water shall be processed in accordance with the provisions of Article X.
 - (iii) Pre-existing Groundwater Storage Agreements. In accordance with the Peace Agreement, pre-existing Groundwater Storage Agreements are revived and extended as follows:
 - a) Any Local Storage Agreement that would have expired pursuant to its terms on or before July 1, 2000 and which is determined to have water in storage account is revived and extended by these Rules and Regulations until July 1, 2010 subject to the limitations set forth in these Rules and Regulations; and

- b) In addition, a Producer that has a Local Storage Agreement for Supplemental Water that will expire after July 1, 2000 pursuant to its terms and that has Supplemental Water in a storage account as of its original date of termination, shall be revived and extended by these Rules and Regulations to July 1, 2010. The extension shall only be valid for that quantity of Supplemental Water that is then in the storage account at the end of the term set forth in the Local Storage Agreement.
- (iv) Quantification of Supplemental Water Held in Local Storage on July 1, 2000.
- a) Quantification of Groundwater Held in Local Storage. Upon the request of any Producer, Watermaster shall quantify the amount of Groundwater held in Local Storage by that Producer. Groundwater held in Local Storage by a party to the Judgment, the majority of whose stock is owned by another party to the Judgment, may be treated as the Stored Water of the majority shareholder for purposes of quantification of the amount of such Groundwater as Supplemental Water under this section 8.1(f)(iv) only.
 - b) Limitations. Watermaster's quantification of Groundwater in Local Storage pursuant to a Local Storage Agreement as of July 1, 2000 as Supplemental Water and Supplemental Water held in Local Storage as provided in section 8.1(f)(iii) above shall not be subject to the 100,000 acre-foot limitation on Supplemental Water held in Local Storage set forth in the Peace Agreement, section 5.2(b)(iv)(1), as amended, and these Rules and Regulations. However, all other Supplemental Water held in a Local Storage Account not quantified as such by Watermaster by May 31, 2001 shall be conclusively presumed to be Basin Water which shall also be subject to a Local Storage Agreement. While a party that obtains a quantification of Supplemental Water pursuant to this section is exempt from the 100,000 acre-foot limitation on the cumulative quantity of Supplemental Water that may be held in Local Storage, the exemption is limited. First, a party that obtains a Watermaster determination that quantifies some quantity of Groundwater as Supplemental Water pursuant to this Section shall not be entitled to replace the Supplemental Water Produced from Local Storage with new Supplemental Water without regard to the 100,000 acre-foot limitation on Local Storage of Supplemental Water. This means that the 100,000 acre-foot limitation applies to all Supplemental Water that is physically Recharged and stored in the Basin under a Local

Storage Agreement after July 1, 2000. A Producer shall not have the right to replace the Groundwater quantified as Supplemental Water under this Section with other Supplemental Water following its initial Transfer or Recapture from Local Storage. Second, the recovery of the Supplemental Water stored under this provision by any Producer shall not cause Material Physical Injury to any party to the Judgment or the Basin.

- c) Calculation. For users of Supplemental Water, the quantity of Supplemental Water held by a Producer in Local Storage as of July 1, 2000 is deemed to be the lesser of:
- 1) the quantity of water held by the Producer in Local Storage;
or
 - 2) the quantity of Supplemental Water used by the Producer prior to July 1, 2000.

(g) Rules and Procedures in General.

- (i) Any person desiring to store Supplemental Water in the Basin shall make appropriate Application therefor with the Watermaster pursuant to the provisions of this Article and Article X. Supplemental Water stored or Recharged in the Basin, except pursuant to a Groundwater Storage Agreement with Watermaster, shall be deemed abandoned and not classified as Stored Water. [Judgment ¶ 14.]
- (ii) Guidelines and Criteria. Any person, whether a party to the Judgment or not, may make reasonable beneficial use of the available groundwater storage capacity of Chino Basin for storage of Water pursuant to written agreement with the Watermaster as provided herein. [Judgment ¶ 12.]
- (iii) In the allocation of storage capacity, the needs and requirements of lands overlying Chino Basin and the owners of rights in the Safe Yield or Operating Safe Yield of the Basin shall have priority and preference over storage for export. [Judgment ¶ 12.]
- (iv) It is an objective in management of the Basin's waters that no Producer shall be deprived of access to the Basin's waters by reason of unreasonable pumping patterns, nor by regional or localized Recharge of Replenishment Water, insofar as such result may be practically avoided. [Judgment Exhibit "I" ¶ 1(a).]

- (v) Maintenance and improvement of water quality shall be given prime consideration. [Judgment Exhibit "I" ¶ 1(b).]
 - (vi) Financial feasibility, economic impact and the cost and optimum utilization of the Basin's resources and the physical facilities of the parties to the Judgment shall be considered equal in importance to water quantity and quality parameters. [Judgment Exhibit "I" ¶ 1(c).]
- (h) Contents of Groundwater Storage Agreements. Each Groundwater Storage Agreement shall include but not be limited to the following components [Judgment Exhibit "I" ¶ 3.]:
- (i) The quantities and the term of the storage right, which shall specifically exclude credit for any return flows;
 - (ii) A statement of the priorities of the storage right as against overlying, Safe Yield uses, and other storage rights;
 - (iii) The delivery rates, together with schedules and procedures for spreading, injection or in-lieu deliveries of Supplemental Water for direct use;
 - (iv) The calculation of storage water losses and annual accounting for water in storage; and
 - (v) The establishment and administration of withdrawal schedules, locations and methods.
- (i) Accounting. Watermaster shall calculate additions, extractions and losses of all Stored Water in Chino Basin, and any losses of water supplies or Safe Yield of Chino Basin resulting from such Stored Water, and keep and maintain for public record, an annual accounting thereof. [Judgment ¶ 29.]
- (j) No Material Physical Injury. Watermaster will ensure that any party to the Judgment may Recapture water in a manner consistent with the Peace Agreement, the OBMP, the Judgment and these Rules and Regulations. Watermaster shall not approve a Recapture plan if it is inconsistent with the terms of Peace Agreement or will cause 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 Recapture of water by any person 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 Recapture must be denied.

8.2 Local Storage: Special Considerations. Under a Local Storage Agreement with Watermaster, every party to the Judgment shall be permitted to store its Excess Carry-Over Water and Supplemental Water in the Chino Basin according to the following provisions:

- (a) Until July 1, 2010, Watermaster shall ensure that: (a) the quantity of water actually held in local storage under a Local Storage Agreement with Watermaster is confirmed and protected and (b) each party to the Judgment shall have the right to store its Excess Carry-Over Water. Thereafter, a party to the Judgment may continue to Produce the actual quantity of Excess Carry-Over Water and Supplemental Water held in its storage account, subject only to the loss provisions set forth herein. All Producers with a Local Storage Agreement for either Excess Carry-Over Water or Supplemental water shall be deemed to have received an extension of the applicable term in each of their respective Local Storage Agreements as provided in section 8.1(f)(iii)(a)-(b) above. However, such extensions shall be subject to the limitations set forth herein; e.g. the requirement that Local Storage does not cause Material Physical Injury, and the 100,000 acre-foot limitation on the cumulative total of Supplemental Water that may be placed in Local Storage after July 1, 2000. However, a Producer that obtains a determination regarding a request for classification of some quantity of Groundwater as Supplemental Water pursuant to section 8.1 above, shall also be deemed to have received an extension of their Local Storage Agreement until July 1, 2010, but only for that Supplemental Water actually stored in the Basin as of July 1, 2000. A Producer shall not have the right to replace the Groundwater classified as Supplemental Water pursuant to section 8.1 with other Supplemental Water following its initial Production from Local Storage without regard to the 100,000 acre-foot limitation.
- (b) Until July 1, 2010 or for such additional period as Watermaster, in its discretion, may establish, any party to the Judgment may make Application to Watermaster for a Local Storage Agreement pursuant to the provisions of this Article and Article X, whereby it may store Supplemental Water in the Chino Basin. [Peace Agreement § 5.2(b)(ii).]
- (c) In accordance with Article X, Watermaster shall provide written notice to all interested parties of the proposed Local Storage Agreement prior to approving the agreement.
- (d) Watermaster shall approve the storage of Supplemental Water under a 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, other than amounts classified as Supplemental Water under the procedure set forth in section 8.1 above, for all parties to the Judgment does not exceed the cumulative total of 100,000 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. [Peace Agreement § 5.2(b)(iv); Second Amendment to Peace Agreement.]

- (e) 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. [Peace Agreement § 5.2(b)(v).]
- (f) 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 100,000 acre-feet. [Peace Agreement § 5.2(b)(vii), Second Amendment to Peace Agreement.] This means Watermaster shall not approve requests for the storage of Supplemental Water in excess of the cumulative total of 100,000 acre-feet limitation. Priorities among the parties to the Judgment shall be on the basis that the completed Applications filed first in time under the provisions of Article X shall have a priority in right up to the amount of the quantity approved by Watermaster.
- (g) Any Producer that does not have a Local Storage Agreement extended by the terms of section 8.1 above, may file an Application with Watermaster for a Local Storage Agreement to place Excess Carry-Over Water in a Local Storage account. The Excess Carry-Over Water may be held in Local Storage without regard to the 100,000 acre-feet cumulative limitation on Supplemental Water until July 1, 2010. Thereafter, or at such later date that Watermaster may, in its discretion, establish, Producers shall obtain a Local Storage Agreement with Watermaster to store Excess Carry-Water in a Local Storage Account.
- (h) After July 1, 2010, Watermaster shall have discretion to place reasonable limits on the further accrual of Excess Carry-Over Water and Supplemental Water in Local Storage. However, Watermaster shall not limit the accrual of Excess Carry-Over Water for Fontana Union Mutual Water Company and Cucamonga County Water District when accruing Excess Carry-Over Water in Local Storage pursuant to the Settlement Agreement Among Fontana Union Water Company, Kaiser Steel

Resources Inc., San Gabriel Valley Water Company and Cucamonga County Water District dated February 7, 1992, to a quantity less than 25,000 acre-feet for the term of the Peace Agreement. [Peace Agreement § 5.2(b)(x).]

- (i) 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) of the Peace Agreement. [Peace Agreement § 5.2(b)(xi).]
- (j) Watermaster will impose a uniform loss against all water in storage in an amount of 2 (two) percent where the Party holding the storage account: (i) has previously contributed to the implementation of the OBMP as a Party to the Judgment, is in compliance with their continuing covenants under the Peace and Peace II Agreements or in lieu thereof they have paid or delivered to Watermaster “financial equivalent” consideration to offset the cost of past performance prior to the implementation of the OBMP and (ii) promised continued future compliance with Watermaster’s Rules and Regulations. Where a Party has not satisfied the requirements of subsection (j)(i) and (j)(ii) herein, Watermaster will assess a 6 (six) percent loss. Following a Watermaster determination that Hydraulic Control has been achieved, Watermaster will assess losses of less than 1 (one) percent where the Party satisfies subsection (j)(i) and (j)(ii). [Peace II Agreement § 7.4.]
- (k) Watermaster shall allow water held in storage to be Transferred pursuant to the provisions of section 5.3 of the Peace Agreement as provided in Article X. Storage capacity is not Transferable. [Peace Agreement § 5.2(b)(xiii).]
- (l) Monetary payment shall not be accepted as a form of mitigation for Material Physical Injury where the injury is not confined to a specific party or parties. Where the Material Physical Injury is confined to a specific party or parties, monetary payment may be accepted as a form of mitigation, if acceptable to the affected party or parties.
- (m) Applicants for Local Storage of Supplemental Water agreements shall submit such Application prior to initiation of the placement of the Supplemental Water into storage except as provided in sections 8.1 and 8.2 above.
- (n) Any Supplemental Water stored or recharged in the Basin, except pursuant to a Local Storage Agreement for Supplemental Water with Watermaster, shall be deemed abandoned and not classified as Stored Water. [Judgment ¶ 14.]

8.3 Groundwater Storage and Recovery Program; Special Considerations. The parties, through Watermaster, may initiate a regional Storage and Recovery (sometimes called "conjunctive use") Program, for the mutual benefit of the Appropriators and the Non-Agricultural Pool in the Chino Basin according to the following provisions:

- (a) 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 [Peace Agreement § 5.2(c)(i).];
- (b) A proposed Applicant for a Storage and Recovery Program must submit the information set forth in Article X to Watermaster prior to Watermaster's consideration of an Application for a Storage and Recovery agreement;
- (c) 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 [Peace Agreement § 5.2(c)(iii).];
- (d) 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.
 - (i) The initial target for the cumulative quantity of water held in storage is 500,000 acre-feet in addition to the existing storage accounts. The 500,000 acre-feet target may be comprised of any combination of participants and is in excess of up to an additional 100,000 acre-feet of Supplemental Water and Excess Carry-Over Rights that may be stored under Local Storage Agreements.
 - (ii) 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. [Peace Agreement § 5.2(c)(iv).];
- (e) The 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") with the benefits of such compensation to be spread as broadly as possible as directed by the Non-Agricultural and the Appropriative Pools [Peace Agreement § 5.2(c)(v).];
- (f) The compensation received from the use of available storage capacity under a Storage and Recovery Program, may be used to offset the Watermaster's cost of operation, to reduce any 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 [Peace Agreement § 5.2(c)(vi).];

- (g) 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 [Peace Agreement §§ 5.2(a)(iii) and 5.2(c)(viii) (labeled “(xiii)”)];
- (h) Watermaster reserves discretion to negotiate appropriate terms and conditions or to deny any request to enter into a Storage and Recovery Program Agreement. With respect to persons who are not parties to the Judgment, Watermaster reserves complete discretion to ensure that maximum compensation, as defined in section (e) above, is received. Watermaster shall base any decision to approve or disapprove any proposed Storage and Recovery Program Agreement upon the record as provided in Article X. However, it may not approve a proposed Storage and Recovery Program Agreement unless it has first imposed conditions to reasonably and fully mitigate any threatened or potential Material Physical Injury [Peace Agreement § 5.2(c)(ix).];
- (i) Any party to the Judgment may seek review of the Watermaster's decision regarding a Storage and Recovery Program Agreement as provided in Article X;
- (j) 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; and
- (k) 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.
- (l) Any losses from storage assessed as a Leave Behind in excess of actual losses (“dedication quantity”) will be dedicated by Watermaster towards groundwater Production by the Desalters to thereby avoid a Desalter replenishment obligation that may then exist in the year of recovery. Any dedication quantity which is not required to offset Desalter Production in the year in which the loss is assessed, will be made available to the members of the Appropriative Pool. The dedication quantity will be pro-rated among the members of the Appropriative Pool in accordance with each Producer's combined total share of Operating Safe Yield and the previous year's actual production. However, before any member of the Appropriative Pool may receive a distribution of any dedication quantity, they must

be in full compliance with the 2007 Supplement to the OBMP Implementation Plan and current in all applicable Watermaster assessments. [Peace II Agreement § 7.5.]

8.4 Recapture.

- (a) All Recapture of water held in a storage account under a Groundwater Storage Agreement shall be subject to the requirement that the Recovery of the water not result in Material Physical Injury to a party to the Judgment or the Basin.
- (b) Recapture of water held in a Local Storage Account that pre-exists the adoption of these Rules and Regulations and that was extended by Watermaster in accordance with Article V of the Peace Agreement and these Rules and Regulations until July 1, 2005, shall be in accordance with the provisions of the plan for Recapture previously approved by Watermaster. Any amendments to an approved Recapture plan shall require additional Watermaster's approval under the provisions of Article X .
- (c) A person with an approved plan for Recapture shall have the right to process amendments to the previously approved plan in accordance with the provisions of Article X.

ARTICLE IX TRANSFERS

- 9.0 Scope. Any Transfer shall be made only in accordance with the Judgment, the Peace Agreement section 5.3, the Peace II Agreement, the OBMP and this Article IX.
- 9.1 In General. Watermaster will ensure that any party to the Judgment may Transfer water in a manner that is consistent with the Judgment, the Peace and Peace II Agreements, the OBMP and the law. Watermaster shall approve a Transfer if it is consistent with the terms of the Peace Agreement and Peace II Agreement, and will not 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. Upon receipt of written request by Watermaster, a party to the Judgment shall exercise Best Efforts to provide Watermaster with a preliminary projection of any anticipated Transfer of Production within the Year.
- 9.2 Application to Transfer. A party to the Judgment may make Application to Watermaster to Transfer water as provided in the Judgment under the procedures set forth in Article X.
- (a) Watermaster shall provide reasonable advance written notice to all the Active Parties of a proposed Transfer, prior to approving the Transfer as provided in Article X.
 - (b) 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.
 - (c) 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.
 - (d) 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. [Peace Agreement § 5.3(b)(v).] However, nothing herein shall be construed as impairing or restraining Watermaster's duty and discretion with regard to cumulative impacts in the context of section 9.3.

- (e) Transfers which occur between the same parties in the same year shall be considered as a single Transfer for the purpose of determining Material Physical Injury.
- 9.3 Integrated Watermaster Review. In reviewing Transfers under these Rules and Regulations, Watermaster shall exercise reasonable discretion. Watermaster shall review each proposed Transfer based upon the record before it and considering the potential impacts of the proposed Transfer alone. However, Watermaster shall also consider the cumulative impacts of Transfers generally when carrying out its responsibilities to implement the OBMP and Recharge and monitoring programs authorized by these Rules and Regulations or the Judgment.
- (a) Watermaster will evaluate the cumulative physical impact of Transfers on the Basin, if any, by July 1, 2003, and a minimum of once every two years thereafter.
 - (b) Watermaster will take the results of its evaluation into account when carrying out its obligations under section 7.1 of these Rules and Regulations.
- 9.4 Transfer of Non-Agricultural Pool Production Rights. 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 section 9.2(b) above. The members of the Overlying (Non-Agricultural) Pool shall have the discretionary right to Transfer or lease their quantified Production rights and carry-over water held in storage accounts in quantities that each member may from time to time individually determine as Transfers in furtherance of the Physical Solution:
- (a) within the Overlying (Non-Agricultural) Pool;
 - (b) to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000; or
 - (c) to Watermaster and thence to members of the Appropriative Pool in accordance with the following guidelines set forth in the Overlying (Non-Agricultural) Pool Pooling Plan:
 - (i) By December 31 of each year, the members of the Overlying (Non-Agricultural) Pool shall notify Watermaster of the amount of water each member shall make available in their individual discretion for purchase by the Appropriators. The Pool Committee of the Overlying (Non-Agricultural) Pool may, by affirmative action of its members from time to time, establish a price for such water or a method pursuant to which such price will be established. By January 31 of each year, Watermaster shall provide a Notice of Availability of each Appropriator's pro-rata share of such water;

- (ii) Except as they may be limited by paragraph 9.4(v) below, each member of the Appropriative Pool will have, in their discretion, a right to purchase its pro-rata share of the supply made available from the Overlying (Non-Agricultural) Pool at the price at which the water is being offered. Each Appropriative Pool member's pro-rata share of the available supply will be based on each Producer's combined total share of Operating Safe Yield and the previous year's actual Production by each party;
- (iii) If any member of the Appropriative Pool fails to irrevocably commit to their allocated share by March 1 of each year, its share of the Overlying (Non-Agricultural) Pool water will be made available to all other members of the Appropriative Pool according to the same proportions as described in 9.3(ii) above and at the price at which the water is being offered. Each member of the Appropriative Pool shall complete its payment for its share of water made available by June 30 of each year.
- (iv) Commensurate with the cumulative commitments by members of the Appropriative Pool pursuant to (ii) and (iii) above, Watermaster will purchase the surplus water made available by the Overlying (Non-Agricultural) Pool water on behalf of the members of the Appropriative Pool on an annual basis at which the water is being offered and each member of the Appropriative Pool shall complete its payment for its determined share of water made available by June 30 of each year.
- (v) Any surplus water cumulatively made available by all members of the Overlying (Non-Agricultural) Pool that is not purchased by Watermaster after completion of the process set forth herein will be pro-rated among the members of the Pool in proportion to the total quantity offered for transfer in accordance with this provision and may be retained by the Overlying (Non-Agricultural) Pool member without prejudice to the rights of the members of the Pool to make further beneficial use or transfer of the available surplus.
- (vi) Each Appropriator shall only be eligible to purchase their pro-rata share under this procedure if the party is: (i) current on all their assessments; and (ii) in compliance with the OBMP.
- (vii) The right of any member of the Overlying (Non-Agricultural) Pool to transfer water in accordance with this Paragraph 9.3(i)-(iii) in any year is dependent upon Watermaster making a finding that the member of the Overlying (Non-Agricultural) Pool is using recycled water where it is both physically available and appropriate for the designated end use in lieu of pumping groundwater.

- (viii) Nothing herein shall be construed to affect or limit the rights of any Party to offer or accept an assignment as authorized by the Judgment Exhibit “G” paragraph 6 above, or to affect the rights of any Party under a valid assignment.
- (d) 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.
- (e) Any member of the Non-Agricultural Pool (including without limitation any member of the Non-Agricultural Pool that is also a member of the Appropriative Pool) may elect to transfer (a) some or all of the annual share of Operating Safe Yield of the transferor in and for the year in which the transfer occurs (except that such transfer shall exclude any dedication to Watermaster required by Section 5(c) of Exhibit “G” to the Judgment), and (b) any quantity of water held in storage by the transferor (including without limitation carryover and excess carryover) to any member of the Appropriative Pool, in either case at any price that the transferor and transferee may deem appropriate and for the purpose of satisfying the transferee's desalter replenishment obligation. Any such transfer shall be effective upon delivery by the transferor or transferee to Watermaster staff of written notice of such transfer in the form attached hereto as Form 12. The transferee's desalter replenishment obligation shall be credited by the number of acre feet so transferred.

9.5 Early Transfer.

- (a) Pursuant to the Peace Agreement, Watermaster approved an Early Transfer of the quantity of water not Produced by the Agricultural Pool that is remaining after all the land use conversions are satisfied pursuant to section 5.3(h) of the Peace Agreement to the Appropriative Pool. The quantity of water subject to Early Transfer under this section shall be the quantity of water not Produced by the Agricultural Pool that is remaining after all the land use conversions are satisfied pursuant to section 5.3(h) of the Peace Agreement.
 - (i) 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. [Peace Agreement § 5.3(g)(ii).]
 - (ii) 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. [Peace Agreement § 5.3(g)(iii).]

- (iii) Nothing herein shall be construed as modifying the procedures or voting rights within or by the members of the Agricultural Pool. [Peace Agreement § 5.3(g)(v).]
 - (b) The amount of water converted from agricultural use to urban use prior to execution of the Peace Agreement was 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 assigned share of Operating 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 use to that party to the Judgment which is a member of the Appropriative Pool, on the Effective Date of the Peace Agreement, and whose Sphere of Influence or authorized service area contains the land ("purveyor"). Upon such conversion of water use the purveyor will pledge that the amount of water needed for such urban land use, when such urban land use is established, up to 2.0 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 the Peace Agreement. No monetary damages shall be awarded.
- 9.6 Voluntary Agreement. 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 water allocated from the Agricultural Pool to the overlying land for agricultural use on behalf of the member of the Agricultural Pool unless otherwise prohibited by general law. The Appropriator providing service shall be entitled to a pumping credit to offset Production pursuant to the Peace Agreement section 5.3(i). This provision will be construed as permitting Watermaster to accept new voluntary agreements only to the extent that such voluntary agreements occur within areas eligible for conversion as described in Attachment 1 to the Judgment, previously added to the Judgment as an amendment of the Order of the Court dated November 17, 1995.
- 9.7 Assignment of Overlying Rights. In addition to the Voluntary Agreement under section 9.6 above, should an Appropriator take an assignment of rights from a Non-Agricultural Pool member, the agreement shall provide that the Appropriator may undertake to provide water service to such overlying land, but only to the extent necessary to provide water service to said overlying lands. Watermaster shall make available to members of the Non-Agricultural Pool and/or Appropriative Pool, a standard form which shall be completed and filed with Watermaster. Any assignment, lease and/or license shall be ineffective

unless provided on the standard form approved by Watermaster and filed with Watermaster. [Based on Judgment Exhibit "H" ¶ 13; Exhibit "G" ¶ 6.]

ARTICLE X
APPLICATIONS, CONTESTS AND COMPLAINTS

- 10.0 Purpose. This Article sets forth the Watermaster rules and procedures for processing requests by a person for: (i) Watermaster approval of Recharge and Transfer; (ii) Qualifying Storage and Recapture; (iii) amendments to previously approved Applications; (iv) reimbursement or a credit for costs incurred by a party to the Judgment in furtherance of the OBMP; and (v) a Complaint for redress arising from an alleged Material Physical Injury to a party to the Judgment or the Basin. However, the procedures described in this Article X shall not be construed to apply to Watermaster actions, decisions, or rules other than as expressly set forth herein. All proceedings hereunder shall be conducted in an expeditious manner.
- 10.1 Notice and Opportunity to be Heard. Watermaster shall provide reasonable notice and opportunity to be heard to any person requesting Watermaster review or approval of any matter arising under this Article.
- 10.2 Judicial Review.
- (a) The Complaint procedures set forth in this Article X are not intended to constitute an exclusive remedy or constitute a requirement that a party to the Judgment exhaust this discretionary remedy. However, a party to the Judgment may elect to avail itself of the procedures set forth herein by filing a Complaint and requesting relief from any actual or threatened Material Physical Injury to any person or to the Basin where the alleged injury arises from the Recharge, Transfer or Qualifying Storage or Recapture of water by any person other than Watermaster.
- (b) Once a party to the Judgment elects to pursue redress under the provisions of this Article, it shall exhaust this process until conclusion unless there is a sudden, unexpected event or emergency that causes a need for immediate judicial review or in the event that the Watermaster has failed to take action on a longstanding request. Thus, other than in the event of an emergency or where Watermaster has engaged in undue delay, a party to the Judgment may not seek judicial review of a Watermaster action on a pending Application or Complaint until the Watermaster Board has taken final action under the provisions of this Article. However, the procedures described in this Article X shall not preclude any party from seeking judicial review of any action, decision or rule of Watermaster in accordance with paragraph 31 of the Judgment.
- 10.3 Applications for Watermaster Approval: In General. Any party to the Judgment requesting approval by Watermaster for the Recharge, Transfer, Qualifying Storage or Recapture of water in the Basin, or reimbursements or credits against OBMP Assessments, or any person requesting approval of an agreement to participate in a Storage and Recovery Program, may make Application to Watermaster as provided in these Rules and Regulations.

- (a) Requests for Watermaster approval shall be processed by Application to the Watermaster.
- (b) All Applications shall be submitted to Watermaster in compliance with the requirements set forth in this Article. Approved forms for use by persons requesting Watermaster approval pursuant to this section are attached hereto as Appendix 1. Watermaster shall have no obligation to process incomplete Applications.
- (c) No person shall obtain a right to engage in the activities subject to an Application to Watermaster under these Rules and Regulations or the Judgment unless and until the proposed action is approved by Watermaster as provided herein.
- (d) Upon approval by Watermaster, the person shall have the right to proceed in accordance with the terms and conditions of the Watermaster approval. The rights of a party shall be construed consistent with the Judgment and subject to the terms and conditions set forth in Watermaster's approval.

10.4 Recharge Applications. Any party to the Judgment may make a request for Watermaster approval to engage in Recharge by submitting an Application to Watermaster that includes the following information.

- (a) The identity of the person proposing to engage in Recharge;
- (b) The quantity of water to be Recharged;
- (c) The quality of water to be Recharged;
- (d) The duration of the Recharge;
- (e) The method of the Recharge; and
- (f) The facilities to be used in the Recharge, and their location.

10.5 Transfer Applications. Any party to the Judgment may request Watermaster's approval for a Transfer by submitting an Application to Watermaster. A party to the Judgment that Produces water may in the same Fiscal Year request approval of a Transfer to offset all or a portion of its Replenishment Obligation, subject to the Watermaster's authority to approve or reject the Application under the provisions of this Article. An Application for Transfer shall include the following information:

- (a) The identity of the transferee and transferor;
- (b) The maximum quantity of water to be Transferred;
- (c) The duration of the Recovery of the quantity of water Transferred;

- (d) The location of the Production facilities from which the water will be Transferred, if known;
- (e) The location of the Production facilities from which the Transferred water will be Recaptured and Produced, if known; and
- (f) The rate of extraction at which the Transferred water will be Recaptured and Produced.

10.6 Qualifying Storage Agreements. A party to the Judgment may request Watermaster's approval of a Local Storage Agreement to store Supplemental Water, or, after July 1, 2005, a party to the Judgment may request Watermaster's approval of the accumulation of Excess Carry-Over Water in the event the party's aggregate Carry-Over Water exceeds its share of assigned Operating Safe Yield or Safe Yield. Prior to July 1, 2005, a party to the Judgment shall also be required to obtain a Local Storage Agreement to store Excess Carry-Over Water, and Watermaster shall approve such agreements under uniform terms and conditions. In addition, so long as there is then less than 100,000 acre-feet of Supplemental Water that was placed in Local Storage after July 1, 2000, a party to the Judgment's request to store Supplemental Water under a Local Storage Agreement shall be approved by Watermaster. The Applicant may include a plan for Recapture within the request for approval of the Qualifying Storage or subsequently identify the proposed plan for Recapture under an independent Application for Recapture or combine the request for subsequent approval in an Application for Transfer.

- (a) Any party to the Judgment may file an Application to store Supplemental Water pursuant to a Local Storage Agreement. The Application shall include the following information:
 - (i) The identity of the person(s) that will Recharge, Store and Recover the water;
 - (ii) The quantity of Supplemental Water to be Stored and Recovered;
 - (iii) The proposed schedule and method for the Recharge of water for Storage, if any;
 - (iv) The proposed schedule for Recovery, if any;
 - (v) The location of the Recharge facilities through which the Stored water will be Recharged, if any;
 - (vi) The location of the Production facilities through which the Stored water will be Recovered, if known; and

- (vii) The water levels and water quality of groundwater in the areas likely to be affected by the storage and Recovery.
- (b) Each Producer shall have the right to store its un-Produced Carry-Over Water in the Basin. Excess Carry-Over Water placed into Local Storage after July 1, 2005 shall require a Local Storage Agreement with Watermaster. A Producer may file an Application prior to July 1, 2005 for a Local Storage Agreement for Excess Carry-Over Water that will be placed into Local Storage after July 1, 2005. Such an Application shall include the following information:
 - (i) The identity of the person(s) that will store and Recover the Carry-Over Water;
 - (ii) The quantity of Carry-Over Water to be stored and Recovered;
 - (iii) The proposed schedule for the Recovery, to the extent known;
 - (iv) The location of the Production facilities through which the stored Carry-Over Water will be Recovered, to the extent known; and
 - (v) The water levels and water quality of Groundwater in the areas likely to be affected by the Production of the stored Carry-Over Water.

10.7 Storage and Recovery Program. Any person may request Watermaster's approval of an Agreement to participate in a Storage and Recovery Program by submitting an Application to Watermaster that, at a minimum, includes the following information:

- (a) The identity of the person(s) that will Recharge, store and Recover the water as well as its ultimate place of use;
- (b) The quantity of water to be Stored and Recovered;
- (c) The proposed schedule for the Recharge of water for storage, if any;
- (d) The proposed schedule and method for Recovery;
- (e) The location of the Recharge facilities through which the Stored Water will be Recharged;
- (f) The location of the Production facilities through which the Stored Water will be Recovered;
- (g) The water levels and water quality of the Groundwater in the areas likely to be affected by the Storage and Recovery, if known; and

- (h) Any other information that Watermaster requires to be included.
- 10.8 Recapture. Any person may file an Application for approval of its Recovery of water held in storage. Recapture of water may be approved by Watermaster as a component of and coincident with a request for approval of Qualifying Storage or a Transfer. However, an Applicant for Qualifying Storage may request, and Watermaster may approve, a Groundwater Storage Agreement where the plan for Recovery is not yet known. An Application for Recapture shall include the following information:
- (a) The identity of the person(s) that Recharged and stored the water;
 - (b) The identity of the person(s) that will Recover the water as well as its ultimate place of use;
 - (c) The quantity of water to be Recovered;
 - (d) The proposed schedule for Recovery;
 - (e) The location of the Production facilities through which the Stored Water will be Recovered;
 - (f) The existing water levels and water quality of the Groundwater in the areas likely to be affected by the Recovery; and
 - (g) Any other information that Watermaster requires to be included.
- 10.9 Credits Against OBMP Assessments and Reimbursements. Any Producer, including the State of California, may make Application to Watermaster to obtain a credit against OBMP Assessments or for reimbursements by filing an Application that includes the following information:
- (a) The identity of the party to the Judgment;
 - (b) The specific purposes of the OBMP satisfied by the proposed project;
 - (c) The time the project is proposed to be implemented and a schedule for completion;
 - (d) The projected cumulative project costs; and
 - (e) The specific capital or operations and maintenance expenses incurred in the implementation of any project or program, including the cost of relocating Groundwater Production facilities.
- 10.10 Watermaster Summary and Notification of a Pending Application. Upon Watermaster's receipt of an Application for Recharge, Transfer, Storage, Recapture or for a credit or

reimbursement, Watermaster shall prepare a written summary and an analysis (which will include an analysis of the potential for Material Physical Injury) of the Application and provide Active Parties with a copy of the written summary and advance notice of the date of Watermaster's scheduled consideration and possible action on any pending Applications. The notice shall be accompanied by the Watermaster summary and analysis and it shall reasonably describe the contents of the Application and the action requested by the Applicant. Watermaster shall provide the following minimum notice to the Active Parties:

- (a) Applications for Recharge: 30 (thirty) days.
- (b) Applications for Transfer: 30 (thirty) days.
- (c) Applications for Storage and Recovery: 90 (ninety) days.
- (d) Local Storage Agreement or Recapture: 30 (thirty) days.

10.11 All Applications Considered by Pool Committees. All Applications shall be considered by the Pool Committees. Following its completion of the summary and analysis and the issuance of the required notice as provided in section 10.10, Watermaster Staff shall place the Application on the first available Pool Committee Agenda for each of the respective Pool Committees for consideration, discussion, recommendations or proposed conditions. The Application shall not be considered by the Advisory Committee until at least twenty-one (21) days after the last of the three Pool Committee meetings to consider the matter.

10.12 Watermaster Investigations of Applications. Watermaster may, in its discretion, cause an investigation of the Groundwater or the portion of the Basin affected by a pending Application. Any party to the proceeding may be requested to confer and cooperate with the Watermaster, its staff or consultants to carry out such investigations.

10.13 Contesting an Application. Following consideration of an Application by each Pool Committee, a Contest to the Application may be filed by any party to the Judgment. Contests to Applications filed by parties to the Judgment or other persons requesting Watermaster's approval pursuant to this Article shall be submitted in writing a minimum of fourteen (14) days prior to the date scheduled for Advisory Committee consideration and possible action. The Contest shall describe the basis for the Contest and the underlying facts and circumstances. Watermaster shall provide notice of the Contest to the Active Parties.

10.14 Contents of a Contest.

- (a) Each Contest shall include the name and address of the Contestant and show that the Contestant has read either the application or the related notice.

- (b) If the Contest is based upon the allegation that the proposed action may result in Material Physical Injury to a party to the Judgment or the Basin, there shall be an allegation of the specific injury to the Contestant or to the Basin which may result from the proposed action and an identification of any then available evidence to support the allegation. If the Contest identifies documentary evidence other than Watermaster records or files, the Contestant shall serve copies of the documentary evidence on Watermaster and the Applicant seven (7) days prior to the hearing. If relevant to the Contest, the Contestant shall provide Watermaster with the location of the Contestant's extraction and place of use. The location shall be described with sufficient accuracy so that the position thereof relative to the proposed action may be determined. If relevant to the Contest, the Contestant shall describe the Contestant's purpose of use.
 - (c) If a Contest is based upon other grounds it shall summarize the grounds of the Contest.
 - (d) The Contest shall set forth any conditions or amendments to the proposed action which, if agreed upon, would result in withdrawal of the Contest.
 - (e) If Watermaster finds the Contest fails to comply with this provision, it may reject the Contest and deny the request for hearing if the Contestant fails to correct the defect and file a proper Contest within five (5) business days of the Watermaster's rejection. In any instance where a rebuttable presumption is applicable, the Watermaster shall include a statement in the rejection of the Contest that the Contestant has failed to reference any potential substantial evidence to overcome the presumption of no Material Physical Injury.
- 10.15 Extensions of Time and Continuance for Good Cause. An Applicant or Contestant may request an extension of time to file a Contest and Answer or for a continuance of a scheduled hearing and the request may be granted by Watermaster staff where good cause exists.
- 10.16 Applicant May Answer the Contest. An Applicant or project proponent may elect to file a written Answer to any Contest.
- (a) Contents. An Answer shall be responsive to the allegations contained in the Contest.
 - (b) Time for Filing. Answers shall be filed at least seven (7) days prior to the scheduled hearing. If the Applicant intends to rely on documentary evidence other than Watermaster records or files, the Applicant shall serve copies of the documentary evidence upon Watermaster and the Contestant a minimum of three (3) days prior to the hearing.

10.17 Uncontested Applications by Parties to the Judgment.

- (a) The Advisory Committee and Board shall consider and may approve any uncontested Application. No hearing shall be required for an uncontested Application by a party to the Judgment unless there is good cause to hold a hearing. Where good cause appears, the Advisory Committee and the Board may deny, condition, or continue an uncontested Application. However, Watermaster shall not deny an Application until it has referred the matter to a hearing officer. In the case of a proposed denial or conditional approval, and upon the request of the Applicant, Watermaster shall schedule an appropriate and timely hearing in general conformity with this Article X.
- (b) An uncontested Application shall be considered at the first regularly scheduled meeting of the Advisory Committee following the expiration of the Contest period.
- (c) The Advisory Committee shall consider the Application, the staff Summary and Analysis and staff report and any rebuttable presumption that may be applicable and make any determinations under the Judgment in accordance with the provisions of section 10.25 herein.
- (d) Following consideration by the Advisory Committee, the matter shall be transmitted to the Board for consideration. The Board shall also consider the Application, the staff summary and Analysis and staff report and any rebuttable presumption that may be applicable, as well as the Advisory Committee action consistent with the Judgment. The Board's determination shall be made in accordance with the provisions of section 10.25 herein.
- (e) In each case where Watermaster the Advisory Committee or Board denies or conditions an uncontested Application made by a party to the Judgment, it must support its determination by substantial evidence and act in a manner that is consistent with the Judgment and the Peace Agreement.

10.18 Contested Applications. In each case where a Contest is filed, the matter shall be set for hearing by Watermaster staff in coordination with the hearing officer and the parties to the proceeding.

10.19 Applications by Persons not Parties to the Judgment. In its sole discretion, Watermaster may review, consider, process and decide upon Applications made by persons not parties to the Judgment. However, Watermaster may not approve or conditionally approve such an Application without first holding a hearing in accordance with this Article X.

10.20 Complaints in General. Any party to the Judgment may file a Complaint with Watermaster alleging that the conduct of another person is causing or will cause Material Physical Injury in violation of these Rules and Regulations, the Judgment and the Peace Agreement.

- (a) The Complaint shall identify the name of the Complainant, the specific action or conduct that is causing or will or may cause Material Physical Injury, and any recommended mitigation measures or conditions that might avoid or reduce the alleged Material Physical Injury.
- (b) Upon receipt of the Complaint by Watermaster, it shall prepare a summary of the allegations and serve the summary along with a notice of the Complaint to the parties to the Judgment within 30 (thirty) days from filing.
- (c) Any party to the Judgment may file an Answer to the Complaint within 14 (fourteen) days of the date of the notice of Complaint or other time as may be prescribed in the Watermaster notice of the Complaint.
- (d) Watermaster shall schedule a hearing on the Complaint within 30 (thirty) days of the notice of the Complaint.
- (e) A party to the Judgment's failure to appear or Contest a hearing on the approval of an Application of any matter before Watermaster shall not be a bar to the party's right to file a Complaint as provided herein. However, a party shall not be permitted to file a Complaint if it knew or should have known of a particular harm that that party would suffer and had a reasonable opportunity to object at the time of the original approval process but did not file such a Contest.
- (f) Any party to the Judgment may request an extension of time to file an Answer or to continue the hearing, which may be granted for good cause by Watermaster.
- (g) Any party to a Complaint proceeding that intends to rely upon documentary evidence at the hearing, other than Watermaster documents or files, shall serve copies of the evidence upon Watermaster and the other parties to the proceeding a minimum of seven (7) days in advance of the hearing.
- (h) Watermaster may, in its discretion, cause an investigation of the injury alleged to exist by the pending Complaint. Any party to the proceeding may be requested to confer and cooperate with the Watermaster, its staff or consultants to carry out such investigations.

10.21 All Complaints Considered by Pool Committees. All Complaints shall be considered by the Pool Committees. Following consideration by the respective Pool Committees, if the Complaint is not dismissed any person(s) directly impacted by the Complaint may file an Answer in accordance with the provisions of section 10.16 and the Complaint shall be set for hearing.

10.22 Designation of Hearing Officer for Applications, Contests and Complaints. The Watermaster Board shall develop and maintain a panel of five individuals that have

technical expertise and some familiarity with the Basin. The hearing officer shall be selected by the mutual agreement of each side. If mutual agreement cannot be reached, each side to any hearing on an Application or Complaint shall rank their preferred hearing officer from one (1) to five (5). The panel member receiving the highest total score shall be selected by the Watermaster Board as the Hearing Officer, unless he or she is unable to serve in which case the panel member receiving the next highest rank shall be selected. Ties shall be broken by vote of the Watermaster Board. Watermaster may add or remove new members to the five member panel from time to time or as circumstances may warrant. There shall be only two sides in any hearing and intervenors shall be assigned to a side.

10.23 Duty of the Hearing Officer. The hearing officer shall conduct the hearings in accordance with the provisions of this Article. It shall be the responsibility of the hearing officer to compile the record, develop proposed findings and recommendations supported by substantial evidence in the record within thirty days of the hearing and transmit the record to the Advisory Committee and thereafter the Watermaster Board for further action. The hearing officer shall have and shall exercise the power to regulate all proceedings in any matter before it, and to take and do all acts and measures necessary or proper for the efficient performance of its duties.

10.24 Procedure at Hearings on Applications, Contests and Complaints

- (a) Parties Recognized at Hearing. Only the Applicant(s), Contestant(s), Watermaster staff and other party or parties to the Judgment which the hearing officer, in its discretion, allows to intervene as Applicant or Contestant, may be allowed to appear at the hearing.
- (b) Appearances. Persons appearing on their own behalf shall identify themselves at the beginning of the hearing. When a person is represented by an agent or attorney, such agent or attorney shall likewise enter an appearance before the hearing officer and thereafter will be recognized as fully controlling the case on behalf of that party to the proceeding.
- (c) Conduct of Hearings. Hearings shall be open to the public. The hearing officer has and shall exercise the power to regulate all proceedings in any manner before it, and to do all acts and take all measures necessary or proper for the efficient performance of its duties. The hearing officer may rule on the admissibility of evidence and may exercise such further and incidental authority as necessary for the conduct of the proceedings.
- (d) Evidence. The hearing need not be conducted according to technical rules of evidence and witnesses. Any relevant, non-repetitive evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs. Hearsay evidence may be used for the purpose of

supplementing or explaining any direct evidence but shall not be sufficient by itself to support a finding unless it would be admissible over objection in civil actions.

- (e) Rebuttable Presumption. A rebuttable presumption under these Rules and Regulations means that the presumption shall be sufficient to approve an Application, unless a party to the Judgment opposing the Application produces substantial evidence to rebut the presumption. Once the party to the Judgment opposing the Application produces substantial evidence in support of their contention that an action may cause Material Physical Injury to a party to the Judgment or the Basin, the presumption shall be deemed rebutted.
- (f) Official Notice. Before or after submission of a matter for decision, official notice may be taken by the Hearing Officer of such facts as may be judicially noticed by the courts of this State.
- (g) Evidence by Reference. Public records of Watermaster which are relevant to the subject of the hearing and books, reports or other papers and pleadings which have been prepared by Watermaster and submitted previously to the Court, may in the discretion of the hearing officer, be received into evidence as exhibits without the need of supplying copies to Watermaster or other parties to the proceeding.
- (h) Examination of Witnesses. Each party to the proceeding shall have the right to call and examine witnesses and introduce exhibits. Watermaster staff and consultants may participate in the hearing as appropriate, using their technical knowledge and experience for the primary purpose of developing a full, fair and accurate record, including the questioning of any witness or the agents for any party to the proceeding
- (i) Order of Procedure. There shall be an opening statement by Watermaster staff, summarizing the subject matter and purpose of the hearing and the procedures to be followed. The designated hearing officer will then ask all persons wishing to participate in the hearing to identify themselves. Staff shall present any written reports, or summary of any findings resulting from an investigation of the Application or the Complaint. The Applicant or the Complainant shall then proceed in the case in chief, followed by the Contestant(s) or the Respondents. The Applicant and the Complainant will then be afforded an opportunity to present any responsive evidence. The hearing officer may allow further response as the interests of justice may require. Questions from the hearing officer or Watermaster staff shall be appropriate at any time.
- (j) Opening Statements and Closing Briefs. Prior to presenting their case, any party to the proceeding may file a written opening statement, or may make an oral opening statement, the length of which may be prescribed by the hearing officer. At the

close of the hearing, if the hearing officer deems it advisable, time will be allowed for the filing of written briefs.

- (k) Record. The record of the hearing shall consist of all documents submitted for consideration as well as all testimony presented. Tape recordings of all testimony shall be made. Any party, at that party's sole expense, may have a court reporter present at the hearing.
- (l) Completion of Record. The Hearing Officer may request assistance from Watermaster staff and general counsel in completing the record, proposed findings and recommendations. The Hearing Officer shall transmit his or her proposed findings to the Advisory Committee within thirty days of the close of the hearing. The proposed findings of the hearing officer shall be based upon substantial evidence in the record.

10.25 Watermaster Determinations.

- (a) Watermaster shall consider and may approve, deny, or condition any contested Application. Prior to rendering a determination on a contested Application or a Complaint, both the Advisory Committee or the Board may also each remand the matter for further findings by the hearing officer a maximum of one time each. The hearing officer shall conduct any additional hearings and complete its review and rehearing and transmit its subsequent report to the Advisory Committee within thirty days from the date of notice from Watermaster of the need for additional findings.
- (b) A contested Application or a Complaint shall be considered at the first regularly scheduled meeting of the Advisory Committee following the transmittal of the record, proposed findings of fact and recommendations by the hearing officer and no later than 30 days from the date of the hearing. The Advisory Committee shall consider the Application, the staff summary and analysis and staff report, any rebuttable presumption, the Contest, Answer, the record, proposed findings of fact and any recommendations of the hearing officer. The Advisory Committee may amend, modify, accept or reject the report of the hearing officer, or it may direct the hearing officer to conduct a re-hearing to receive additional evidence, direct the filing of additional briefs or request oral argument.
 - (i) The findings and decision adopted by the Advisory Committee shall be supported by citations to substantial evidence in the record.
 - (ii) If the Advisory Committee fails to base its decision on substantial evidence in the record or fails to consider the proposed findings of fact developed by the Hearing Officer, subject to the right of the Advisory Committee to remand for further findings, any Advisory Committee mandate shall not be

binding on the Watermaster Board. This provision shall not be considered in construing the power of the Watermaster Board or the Advisory Committee that may exist under the Judgment.

- (c) Following consideration by the Advisory Committee, the matter shall be transmitted to the Board for consideration within the next thirty (30) days. The Board shall also consider the Application, the staff summary, analysis and staff report, any rebuttable presumption that may be applicable, the Contest, the Answer, the record, the proposed findings of fact and recommendations of the hearing officer, as well as the Advisory Committee action consistent with the Judgment. The Watermaster Board may amend, modify, accept or reject the report of the hearing officer, or it may direct the hearing officer to conduct a re-hearing to receive additional evidence, direct the filing of additional briefs or request oral argument. If the Board directs the hearing officer to conduct a re-hearing, then the proposed findings of fact and any recommendations shall be transmitted to the Advisory Committee for re-consideration prior to transmittal to the Board.
- (d) Watermaster Action. In acting upon a Complaint, or by approving, denying or conditioning in whole or in part any Application under this Article, the determinations made by the Watermaster Advisory Committee and Board shall be based upon substantial evidence in the record developed by the hearing officer and then before the Advisory Committee and Board. In making such determinations, the Advisory Committee and Board shall act in a manner consistent with the Judgment, the Peace Agreement and these Rules and Regulations. Each shall support its determinations by written findings. Each shall consider all relevant evidence presented and give due consideration to the policies and purposes set forth in the Judgment as well as Article X, section 2 of the Peace Agreement and the OBMP Implementation Plan.
- (e) No Restriction on Rights to Judicial Review Following Determination by Watermaster. Nothing herein shall be construed as imposing any limitation on any party's rights to seek judicial review of a Watermaster decision under this Article pursuant to paragraph 31 of the Judgment once Watermaster has rendered a decision on the respective Application or, in the case of a Complaint, to seek judicial review of a Watermaster decision where a party to the Judgment has elected to pursue Watermaster review of an action under this Article.
- (f) Emergency Review. In the event of a sudden, unforeseen and unexpected emergency impacting the health, safety and welfare of a party to the Judgment or the Basin, the party to the Judgment may seek immediate judicial review in accordance with the provisions of the Judgment and the Local Rules.
- (g) Undue Delay. Absent a Watermaster determination that extraordinary circumstances exist, Watermaster shall render its final decision on any Application

filed under this Article within 180 days from the date the Application is deemed complete by Watermaster Staff. In the event Watermaster fails to offer a satisfactory response to repeated requests by a party to the Judgment to approve, deny or condition an Application or to rule on a Complaint, a party to the Judgment may request judicial review of the matter prior to the final Watermaster action.

(h) Effective Date of Watermaster Action.

- (i) For purposes of judicial review, any action determination or rule of Watermaster shall be the date on which the decision is filed.
- (ii) For the purposes of determining the date on which an approved Application pursuant to Article X shall be considered effective, the approval shall relate back to date the completed Application is filed.

10.26 Application, Contests, Complaints Fees and Expenses.

- (a) Each party to the proceeding shall bear its own costs and expenses associated with the proceeding.
- (b) Watermaster's summary and analysis and participation in any hearing under this Article X shall be considered a general Watermaster administrative expense.
- (c) Upon request by the Agricultural Pool, Non-Agricultural Pool, or Appropriative Pool, the parties shall renegotiate this section 10.26. This renegotiation shall consider, but shall not be limited to, the adoption of a Court-approved resolution to address potential costs, fees and procedures incurred by parties to the Judgment and Watermaster in resolving frivolous and repetitiously unsuccessful similar contests.
- (d) Nothing herein shall be construed as precluding the right or claim by any party to the Judgment to request a reviewing Court under paragraph 31 of the Judgment to award litigation fees and costs to the extent such fees and costs may be available under general law.

EXHIBIT A



Reset Technical Memorandum

To:	Peter Kavounas, General Manager of the Chino Basin Watermaster
From:	Mark Wildermuth and Andy Malone
Date:	August 10, 2015
Subject:	Methodology to Reset Safe Yield Using Long-Term Average Hydrology and Current and Projected Future Cultural Conditions
Job No.:	007-014-076

The Safe Yield of the Chino Basin is defined within the Judgment as:

The *long-term average* annual quantity of ground water (excluding replenishment 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. (emphasis added)

The “long-term average annual quantity of ground water which can be produced from the Basin” is directly related to the long-term average hydrologic conditions, such as precipitation. The “cultural conditions” refer to the overlying land uses and water-management practices that affect the net recharge to the Basin, including but not limited to, impervious cover, channel lining, land use conversions from agricultural to urban uses, installation and operation of the Chino Desalter well fields, construction of recharge basins and the location and magnitude of groundwater pumping, etc.

The Judgment additionally provides for a Physical Solution to provide maximum flexibility and adaptability in order that Watermaster and the Court may be free to use existing and future technological, social, institutional and economic options, in order to maximize beneficial use of the waters of Chino Basin. (Restated Judgment, ¶ 40).

Subject to these requirements, Watermaster developed an optimum basin management program [OBMP] that both preserved the quantity of the Basin’s waters and maximized their beneficial use. (Restated Judgment, ¶ 41).

Watermaster’s OBMP Implementation Plan called for an initial redetermination of Basin’s Safe Yield in 2010/2011, using monitoring data that would be gathered for the first time during 2000/01 through 2009/10. (OBMP Implementation Plan, pages 44-45

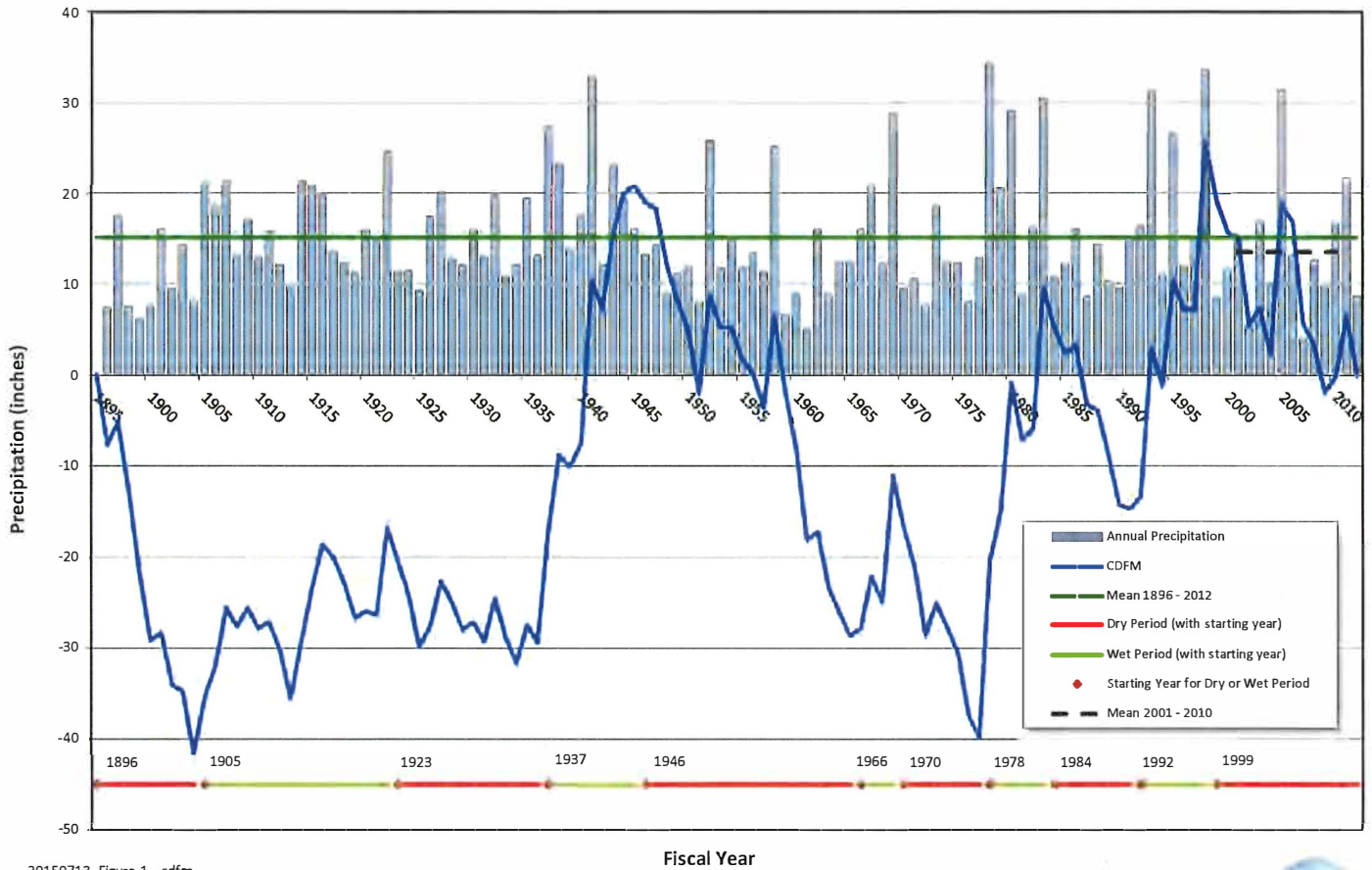
[Program Element 8 – Develop and Implement Groundwater Storage Management Program, Program Element 9 – Develop and Implement Storage and Recovery Programs]). This requirement is additionally carried forward in Section 6.5 of Watermaster’s Rules and Regulations, which states that the “Safe Yield shall be recalculated in year 2010/11 based upon data from the ten-year period 2000/01 to 2009/10.”

The methodology to redetermine the Safe Yield for 2010/11 and the recommended methodology for future Safe Yield evaluations is listed below. This methodology is consistent with professional custom, standard and practice, and the definition of Safe Yield in the Judgment and the Physical Solution.

1. Use the data collected during 2000/01 to 2009/10 (and in the case of subsequent resets newly collected data) in the re-calibration process for the Watermaster’s groundwater-flow model.
2. Use a long-term historical record of precipitation falling on current and projected future land uses to estimate the long-term average net recharge to the Basin.
3. Describe the current and projected future cultural conditions, including, but not limited to the plans for pumping, stormwater recharge and supplemental-water recharge.
4. With the information generated in [1] through [3] above, use the groundwater-flow model to redetermine the net recharge to the Chino Basin taking into account the then existing current and projected future cultural conditions.
5. Qualitatively evaluate whether the groundwater production at the net recharge rate estimated in [4] above will cause or threaten to cause "undesirable results" or "Material Physical Injury". If groundwater production at net recharge rate estimated in [4] above will cause or threaten to cause "undesirable results" or "Material Physical Injury" then Watermaster will identify and implement prudent measures necessary to mitigate "undesirable results" or "Material Physical Injury", set the value of Safe Yield to ensure there is no "undesirable results" or "Material Physical Injury", or implement a combination of mitigation measures and a changed Safe Yield.



Figure 1 Annual Precipitation Over the Chino Basin and Cumulative Departure from Mean (CDFM) Precipitation
 Based on Monthly Precipitation Estimates from PRISM



20150713 Figure 1-- cdfm
 Created 03/05/2013
 Printed 7/13/2015



EXHIBIT B

EXHIBIT B

Attachment: Peace Agreement, Section 7.2 (e)(ii)
 Schedule for Use of Re-Operation Water**, and
 Calculation of Remaining Desalter Replenishment Obligation (DRO)
 Production from 2017-18 through 2029-30 is estimated

Production Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Peace I Desalter Production	29,227.997	29,541.300	27,008.810	26,275.588	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000
Peace II Desalter Production	14.555	448.690	1,154.052	1,527.215	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000
Appropriative Pool DRO Contribution	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)
Re-Operation Water**	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)
Non-Agricultural Pool Assessment	0.000	0.000	0.000	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)
Remaining DRO	6,742.552	7,489.990	5,662.862	4,567.803	16,765.000	16,765.000	16,765.000	16,765.000	16,765.000

Production Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Peace I Desalter Production	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000
Peace II Desalter Production	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000
Appropriative Pool "DRO Contribution	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)
Re-Operation Water**	(12,500.000)	(12,500.000)	(12,500.000)	(5,000.000)	(5,000.000)	(5,000.000)	(5,000.000)	(5,000.000)
Non-Agricultural Pool Assessment	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)
Remaining DRO	16,765.000	16,765.000	16,765.000	24,265.000	24,265.000	24,265.000	24,265.000	24,265.000

EXHIBIT C

EXHIBIT C

Attachment: Peace II Agreement, Section 6.2(b)(ii)

Allocation of Appropriative Pool Desalter Replenishment Obligation (DRO) Contributions (by agency)

Production Year 2013-14 Desalter Replenishment Obligation (DRO) Contribution:

10,000.000 AF

Appropriative Pool Party	Production Year 2013/14 Common Data (Headings from Approved 2014/2015 Assessment Package)			Methodology for 85/15 split between shares of Operating Safe Yield and % of Land Use Conversions		
	a	b	c = %b	d = (DRO Contrib*.85)*a	e = (DRO Contrib*.15)*c	f = d + e
	Percent of Operating Safe Yield (Column 2A)	Land Use Conversions (Page 12A)*	Percent of Land Use Conversions	85% DRO Contribution Based on Percent of Operating Safe Yield	15% DRO Contribution Based on Percent of Land Use Conversions	Desalter Replenishment Obligation Contribution
Arrowhead Mtn Spring Water Co	0.000%	0.000	0.000%	0.000	0.000	0.000
Chino Hills, City of	3.851%	1,133.906	4.334%	327.335	65.013	392.348
Chino, City of	7.357%	7,623.064	29.138%	625.345	437.074	1,062.419
Cucamonga Valley Water District	6.601%	598.364	2.287%	561.085	34.308	595.393
Fontana Union Water Company	11.657%	0.000	0.000%	990.845	0.000	990.845
Fontana Water Company	0.002%	834.000	3.188%	0.170	47.818	47.988
Fontana, City of	0.000%	0.000	0.000%	0.000	0.000	0.000
Golden State Water Company	0.750%	0.000	0.000%	63.750	0.000	63.750
Jurupa Community Services District	3.759%	13,876.196	53.040%	319.515	795.602	1,115.117
Marygold Mutual Water Company	1.195%	0.000	0.000%	101.575	0.000	101.575
Monte Vista Irrigation Company	1.234%	0.000	0.000%	104.890	0.000	104.890
Monte Vista Water District	8.797%	55.075	0.211%	747.745	3.158	750.903
Niagara Bottling, LLC	0.000%	0.000	0.000%	0.000	0.000	0.000
Nicholson Trust	0.007%	0.000	0.000%	0.595	0.000	0.595
Norco, City of	0.368%	0.000	0.000%	31.280	0.000	31.280
Ontario, City of	20.742%	2,041.095	7.802%	1,763.070	117.028	1,880.098
Pomona, City of	20.454%	0.000	0.000%	1,738.590	0.000	1,738.590
San Antonio Water Company	2.748%	0.000	0.000%	233.580	0.000	233.580
San Bernardino, County of (Shooting Park)	0.000%	0.000	0.000%	0.000	0.000	0.000
Santa Ana River Water Company	2.373%	0.000	0.000%	201.705	0.000	201.705
Upland, City of	5.202%	0.000	0.000%	442.170	0.000	442.170
West End Consolidated Water Co	1.728%	0.000	0.000%	146.880	0.000	146.880
West Valley Water District	1.175%	0.000	0.000%	99.875	0.000	99.875
	100.000%	26,161.700	100.000%	8,500.000	1,500.000	10,000.000

Attachment: Peace II Agreement, Section 6.2 (b)(iii)

Allocation of Appropriative Pool Remaining Desalter Replenishment Obligation (RDRO)

Production Year 2013-14:	acre-feet
CDA Production - Peace I Allocation	29,227.997
CDA Production - Peace II Allocation	14.555
Total Desalter Replenishment Obligation (Total DRO):	29,242.552
Desalter Replenishment Obligation Contribution (DROC)	(10,000.000)
Re-Operation Water	(12,500.000)
RDRO	6,742.552

Appropriative Pool Party	Operating Safe Yield	Production Year 2013/14 Common Data (From Approved 2014/2015 Assessment Package - Appendix A)					Methodology for Calculation of Adjusted Physical Production (APP)	Methodology for Calculation of "RDRO"
	a	b	c	d	e	f	APP = [b+(c*50%)+d+e+f]	Individual Party RDRO = ((a+APP)/(Total a + Total APP)) * RDRO
	Assessment Package Page 2A: Column 2D	Physical Production	Voluntary Agreements (w/Ag)	Assignments (w/Non-Ag)	Storage and Recovery Programs	Other Adjustments	*Note: APP for City of Chino does not include "Other Adjustments" for this period	
Arrowhead Mtn Spring Water Co	0.000	379.111	0.000	0.000	0.000	0.000	379.111	15.905
Chino Hills, City of	2,111.422	2,150.925	(286.221)	0.000	0.000	5,359.300	7,367.115	397.669
Chino, City of	4,033.857	6,725.430	(6,686.440)	(104.278)	0.000	65.288	3,277.932	306.764
Cucamonga Valley Water District	3,619.454	16,121.550	0.000	0.000	0.000	0.000	16,121.550	828.227
Fontana Union Water Company	6,391.736	0.000	0.000	0.000	0.000	0.000	0.000	268.163
Fontana Water Company	1.000	15,377.579	0.000	0.000	0.000	0.000	15,377.579	645.203
Fontana, City of	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	411.476	736.362	0.000	0.000	0.000	0.000	736.362	48.157
Jurupa Community Services District	2,061.118	18,406.630	0.000	(379.499)	0.000	(8.784)	18,018.347	842.427
Marygold Mutual Water Company	655.317	1,314.734	0.000	0.000	0.000	0.000	1,314.734	82.653
Monte Vista Irrigation Company	676.759	0.000	0.000	0.000	0.000	0.000	0.000	28.393
Monte Vista Water District	4,823.954	12,521.892	(151.480)	0.000	0.000	(5,371.667)	7,074.485	499.195
Niagara Bottling, LLC	0.000	1,342.588	0.000	0.000	0.000	0.000	1,342.588	56.328
Nicholson Trust	4.000	0.000	0.000	0.000	0.000	0.000	0.000	0.168
Norco, City of	201.545	0.000	0.000	0.000	0.000	0.000	0.000	8.456
Ontario, City of	11,373.816	21,980.342	(4,428.101)	(1,855.196)	0.000	0.000	17,911.096	1,228.639
Pomona, City of	11,215.852	12,909.293	0.000	0.000	0.000	0.000	12,909.293	1,012.163
San Antonio Water Company	1,506.888	1,159.242	0.000	0.000	0.000	0.000	1,159.242	111.857
San Bernardino, County of (Shooting Park)	0.000	16.390	0.000	0.000	0.000	0.000	16.390	0.688
Santa Ana River Water Company	1,301.374	0.000	0.000	0.000	0.000	48.515	48.515	56.634
Upland, City of	2,852.401	2,822.046	0.000	0.000	0.000	0.000	2,822.046	238.070
West End Consolidated Water Co	947.714	0.000	0.000	0.000	0.000	0.000	0.000	39.761
West Valley Water District	644.317	0.000	0.000	0.000	0.000	0.000	0.000	27.032
	54,834.000	113,964.114	(11,552.242)	(2,338.973)	0.000	92.652	105,876.384	6,742.552

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 July 26, 2021 I served the following:

1. DECLARATION OF TRACY J. EGOSCUE IN SUPPORT OF AGRICULTURAL POOL'S MOTION FOR ATTORNEY'S FEES

/X/ 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.

/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.

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

Executed on July 26, 2021 in Rancho Cucamonga, California.



By: Janine Wilson
Chino Basin Watermaster

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