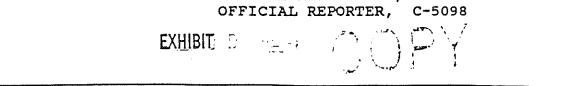
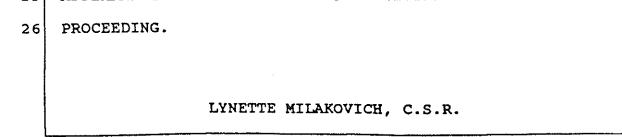
<b>4</b> "3	ſ		( <sup>1</sup>			
	1	SUPERIOR COUR	T OF THE STATE OF C	ALTFORNTA		
	2					
	3	DEPARTMENT 3 (RC)	HON. CHARLES	S. HAVENS, JUDGE		
	4	CHINO BASIN MUNICIPAL	WATER DISTRICT,			
	5	PLAINTIFF,		•		
	6	VERSUS		RCV-51010		
	7	CITY OF CHINO, ET AL.,	)			
	8	DEFENDANTS.	)			
	9		((	ł		
_	10	REPORTER'S TRANSCRIPT OF ORAL PROCEEDINGS				
	11	MARCH 11, 1993				
	12	APPEARANCES:				
	13	FOR THE WATERMASTER:	GUIDO R. SMITH			
	14		ATTORNEY AT LAW 505 CITY PARKWAY	WFST		
	ĺ		SUITE 1000			
	15		ORANGE, CA 92668	-2958		
	16	FOR CALIFORNIA STEEL				
	17	INDUSTRIES, INC.:	JOHN D. MUSICK & ATTORNEYS AT LAW	ASSOCIATES		
	18		BY: JOHN D. MUSI 4141 ARAPAHOE AVE			
	19		SUITE 200			
	20		BOULDER, CO 8030	16-4759		
	21	FOR KAISER STEEL RESOURCES:	BEST, BEST & KRIE	GER		
	22		ATTORNEYS AT LAW BY: ARTHUR L. LI			
	23		AND GENE TANAKA			
			P.O. BOX 1028			
	24		RIVERSIDE, CA 92	5902		
	25					
	26	PEPORTED BV.	LVNETTE MILAKOVIC	אי ככף		

· -



4, 4 , ·	
1	1 RANCHO CUCAMONGA, CALIFORNIA; THURSDAY, MARCH 11, 1993
2	A.M. SESSION
. 3	DEPARTMENT 3 (RC) HON. CHARLES S. HAVENS, JUDGE
4	APPEARANCES:
5	REPRESENTING THE WATERMASTER,
6	GUIDO R. SMITH, ATTORNEY AT LAW;
7	REPRESENTING CALIFORNIA STEEL
8	INDUSTRIES, INC., JOHN D. MUSICK, JR.,
9	ATTORNEY AT LAW;
10	REPRESENTING KAISER STEEL RESOURCES, INC.,
11	ARTHUR L. LITTLEWORTH AND GENE TANAKA,
12	ATTORNEYS AT LAW.
13	(LYNETTE MILAKOVICH, OFFICIAL REPORTER, C-5098.)
14	
15	THE COURT: CHINO BASIN MUNICIPAL WATER DISTRICT,
16	PARTY PLAINTIFF, VERSUS CITY OF CHINO, ET AL.
17	MR. SMITH: GOOD MORNING, YOUR HONOR. GUIDO,
18	G-U-I-D-O, SMITH, S-M-I-T-H, FOR CHINO BASIN MUNICIPAL WATER
19	AS CHINO BASIN WATERMASTER.
20	MR. LITTLEWORTH: ARTHUR L. LITTLEWORTH AND
21	GENE TANAKA OF THE FIRM BEST, BEST & KRIEGER FOR
22	KAISER STEEL RESOURCES.
23	MR. MUSICK: JOHN MUSICK ON BEHALF OF
24	CALIFORNIA STEEL INDUSTRIES, INCORPORATED, MAKING A SPECIAL
25	APPEARANCE FOR THE PURPOSE OF CONTESTING THE NOTICE IN THIS



2 THE COURT: ALL RIGHT. WHAT ABOUT THE NOTICE? 1 MR. MUSICK: WE WERE SUPPLIED WITH NOTICE ON 2 THURSDAY AFTER REPEATED REQUESTS FOR COPIES OF THE 3 DOCUMENTS. 4 THE COURT: YOU MEAN LAST THURSDAY? 5 MR. MUSICK: THAT'S CORRECT, LAST THURSDAY. 6 CALIFORNIA STEEL INDUSTRIES, INC., AS YOU 7 KNOW, YOUR HONOR, IS A PARTY TO THE PROCEEDING BOTH BY 8 9 INTERVENTION AND BY OWNERSHIP, WAS ON THE MAILING LIST BUT WAS REMOVED BY SOME MEANS -- WE ARE NOT SURE HOW -- FROM THE 10 MAILING LIST, WAS NOT PROVIDED NOTICE. WE MADE REPEATED 11 CALLS TO THE WATERMASTER ADVISORY SERVICES OFFICE FOR COPIES 12 OF THE PLEADINGS BUT NEVER RECEIVED COPIES OF THE PLEADINGS 13 14 HEREIN. WE'RE MAKING A SPECIAL APPEARANCE TODAY FOR 15 THE PURPOSE OF CONTESTING THE NOTICE AS TO ONE ISSUE. THERE 16 ARE THREE ISSUES BEFORE THE COURT PRESENTED BY MR. SMITH IN 17 HIS REQUEST FOR AN ORDER. WE'RE NOT CONTESTING NUMBER ONE 18 NOR NUMBER TWO. 19 NUMBER ONE HAS TO DO WITH THE WATERMASTER 20 ANNUAL REPORT, AND THE COURT MAY ENTER AN ORDER IN 21 ACCORDANCE WITH THAT REQUEST AS FAR AS MY CLIENT IS 22 CONCERNED. 23 POINT NUMBER TWO HAS TO DO WITH THE 24 INTERVENTION AND ASSIGNMENTS. WE HAVE NO OBJECTION TO THAT. 25 POINT NUMBER THREE HAS TO DO WITH AMENDMENTS 26

LYNETTE MILAKOVICH, C.S.R.

3 TO THE RULES AND REGULATIONS. WE DO HAVE AN OBJECTION TO 1 PROCEEDING FORWARD ON THAT. 2 THE COURT: ALL RIGHT. COMMENTS, COUNSEL? 3 MR. SMITH: YES, YOUR HONOR 4 MR. LITTLEWORTH: WE HAVE NOTHING TO DO WITH GIVING 5 NOTICE. WE'RE JUST ANOTHER PARTY. 6 7 MR. SMITH: YOUR HONOR, WE DO ADMIT THAT, FOR SOME REASON, AND WE DON'T UNDERSTAND HOW, THE NAME WAS DELETED 8 FROM THE MAILING LIST BY COMPUTER. WE HAD SUPPLIED A COPY, 9 AS WAS STATED, BY FEDERAL EXPRESS AND BY FAX TO MR. MUSICK'S 10 OFFICE. 11 WITH REGARDS TO THE NOTICE OF THIS MATTER, 12 THIS HAS BEEN GOING THROUGH THE VARIOUS COMMITTEES FOR SOME 13 TIME, SO IT'S NOT A MATTER OF THE PARTIES NOT HAVING NOTICE 14 15 OF THE FACT THIS WOULD COME BEFORE THE COURT. HOWEVER --THE COURT: AT SOME TIME. 16 MR. SMITH: AT SOME TIME. WELL --17 THE COURT: LISTEN, COUNSEL, IF YOU CONCEDE THAT 18 NOTICE WAS NOT PROPERLY GIVEN, THAT'S ALL THERE IS TO IT. 19 20 MR. SMITH: I HAVE TO STATE THAT NOTICE WAS NOT PROPERLY GIVEN, YOUR HONOR. 21 THE COURT: THAT'S ALL THERE IS TO IT. 22 MR. MUSICK: HOWEVER, YOUR HONOR, WE DO NOT WISH 23 24 THE WATERMASTER'S FIRST TWO POINTS TO BE HELD UP. WE BELIEVE THAT THAT IS IN CONFORMITY -- WE WERE PROVIDED 25

ŧ

26 ADEQUATE NOTICE AS TO THAT DOCUMENT. THE WATERMASTER'S LYNETTE MILAKOVICH, C.S.R.

4 ANNUAL REPORT WAS SUBMITTED TO US WELL AHEAD OF TIME. 1 IT WAS THE BALANCE OF PLEADINGS THAT WERE NOT. 2 WE DO NOT FEEL IT'S APPROPRIATE TO UNDULY HOLD UP THE 3 WATERMASTER ON THAT. 4 THE COURT: WELL, OF COURSE, THE COURT THEN WILL 5 6 APPROVE THE REPORT AS WELL AS THE INTERVENTION AND 7 ASSIGNMENT OF RIGHTS. THOSE ARE APPROVED. BUT THE THIRD POINT, OF COURSE, WE NEED TO 8 ADDRESS. 9 MR. MUSICK: YES, YOUR HONOR. IF I MAY BE HEARD ON 10 11 THAT. MR. LITTLEWORTH: NO, YOUR HONOR. I OBJECT TO 12 THIS. HE'S JUST TOLD ME OUT IN THE HALL AS TO WHAT HE WANTS 13 TO DO. IF HE IS GOING TO RAISE THESE POINTS, THEN I WANT TO 14 15 SEE IT IN WRITING, TOO. THE COURT: WELL --16 17 MR. MUSICK: THAT'S MY POSITION. MR. LITTLEWORTH: IF HE'S GOT OBJECTIONS -- THIS 18 NOTICE OUT HERE, WHEN IT WAS POSTED ON THERE, SAYS NO 19 OBJECTIONS. IF HE HAS OBJECTIONS, I WANT TO SEE THEM IN 20 WRITING IN ADVANCE. 21 THE COURT: WELL, HERE'S WHAT WE'RE GOING TO DO 22 TODAY. HE CONCEDED THAT HE HAS NOT HAD SUFFICIENT NOTICE 23 FOR THE THIRD POINT. WE'RE GOING TO PUT THE MATTER OVER. 24 COUNSEL WILL SUBMIT WHATEVER DOCUMENTATION IS NECESSARY IN 25

26 THE CASE, AND WE'LL HAVE A HEARING. LYNETTE MILAKOVICH, C.S.R.

## MR. LITTLEWORTH: FINE.

*6* \*

1

20

2 MR. MUSICK: WHAT IS THE TIME, YOUR HONOR? THAT IS 3 WHAT I WAS REQUESTING.

4 THE COURT: WELL, YOU'RE ALL HERE NOW, AND YOU
5 MIGHT WANT TO TAKE A LOOK AT YOUR CALENDARS, SET THIS MATTER
6 REALLY AT THE CONVENIENCE OF COUNSEL. OBVIOUSLY WE'LL HAVE
7 TO HAVE SUFFICIENT NOTICE.

MR. MUSICK: YES, YOUR HONOR. THERE IS ONE 8 PROBLEM, AS THE COURT IS AWARE OF, WITH REGARD TO NOTICE ON 9 THIS ISSUE. THERE ARE SOME 400 PARTIES THAT ACTUALLY 10 RECEIVE PUBLISHED NOTICE OF THIS MATTER. AS PART OF THE 11 WATERMASTER'S REQUEST FOR AN ORDER UNDER PARAGRAPHS ONE AND 12 PARAGRAPHS TWO, IT HAS AGREED TO SEND OUT THE WATERMASTER 13 ANNUAL REPORT AND THE INTERVENTIONS AND ASSIGNMENTS AND THIS 14 COURT'S ORDER TO ALL OF THOSE PARTIES. 15

16 I WOULD LIKE TO ASK THE WATERMASTER, AS PART
17 OF THAT, NO ADDITIONAL EXPENSE, TO SEND OUT A NOTICE OF WHEN
18 THIS ISSUE NUMBER THREE WILL BE REHEARD AND WHAT TYPE OF
19 SCHEDULE IS AGREED UPON BETWEEN THE PARTIES.

THE COURT: ANY OBJECTION TO THAT?

21 MR. SMITH: I WOULD HAVE NO OBJECTION TO THAT, YOUR 22 HONOR.

THE COURT: JUST SLIP ANOTHER PIECE OF PAPER IN AN
ENVELOPE, I TAKE IT.

25 MR. MUSICK: YES, SIR.

26 MR. SMITH: HOWEVER, YOUR HONOR, I WOULD ALSO NOTE LYNETTE MILAKOVICH, C.S.R.

5

6 THAT IT USUALLY TAKES APPROXIMATELY TEN DAYS BEFORE WE CAN 1 GET OUT NOTICE BECAUSE WE ARE REQUIRED TO COPY ALL THESE 2 450, 500 SETS. 3 THE COURT: I ASK COUNSEL FOR A DATE THAT'S 4 CONVENIENT TO ALL PARTIES AND WHICH WILL GIVE THE PARTIES 5 THE OPPORTUNITY TO DO WHAT WHAT HAS TO BE DONE. 6 MR. LITTLEWORTH: YOUR HONOR, LET ME JUST ASK ABOUT 7 8 THE NOTICE REQUIREMENT. OBVIOUSLY IF IT HAS TO BE GIVEN, SO BE IT, BUT IT'S CLEAR THAT EVERYBODY ELSE DID RECEIVE NOTICE 9 10 OF THESE RULES AND REGULATIONS. THEY STARTED THROUGH THE PROCESS A YEAR AGO. ALL OF THE VARIOUS USER COMMITTEES, THE 11 ADVISORY COMMITTEE, THE CHINO BASIN HAVE APPROVED THEM ALL. 12 THERE'S NOBODY HERE TODAY EXCEPT ONE PARTY. 13 14 NOW, IF HE DIDN'T GET PROPER NOTICE, FINE, 15 WE'LL COME BACK, AND WE'LL ARGUE IT, BUT I DON'T REALLY SEE 16 WHY THE WATERMASTER SHOULD BE PUT TO THE BURDEN OF SENDING OUT CONTINUATION NOTICE OF 400-SOME-ODD PEOPLE. 17 18 THE COURT: ISN'T IT A MATTER OF STUFFING IT INTO THE ENVELOPE? IT'S NOT A REAL BURDEN, IS IT? 19 MR. LITTLEWORTH: WELL, I DON'T KNOW. IT'S A 20 21 BURDEN THE WATERMASTER HAS. IT'S NOT MY BURDEN. THE COURT: BUT HE HASN'T COMPLAINED THIS MORNING. 22 MR. LITTLEWORTH: I'M JUST TRYING TO BE A LITTLE 23 BIT PRACTICAL HERE. 24 THE COURT: I UNDERSTAND. NOW THEN LET'S GET A 25

. 11

26

LYNETTE MILAKOVICH, C.S.R.

DATE IF YOU'VE GOT YOUR CALENDARS BEFORE YOU. I WANT TO

7 MAKE IT CONVENIENT FOR COUNSEL. WHAT WOULD YOU SUGGEST? 1 MR. MUSICK: IF THE COURT PLEASE, THE STANDARD FIVE 2 3 OR PERHAPS TEN DAYS WOULD BE ADEQUATE FOR A BRIEF TO GO IN. HOWEVER, I WOULD LIKE TO SUBMIT THAT BECAUSE THE MATTER 4 WHICH WE'RE DEALING WITH HERE UNDER PARAGRAPH THREE HAS TO 5 DO WITH THE INTERPRETATION OF THE JUDGMENT AND HAS TO DO 6 WITH THE INTERPRETATION OF WHAT THE WATERMASTER MAY DO AND 7 WHAT AN OVERLYING NONAGRICULTURAL POOL MEMBER MAY DO WITH 8 9 THEIR APPURTENANT WATER RIGHTS, THAT ISSUE HAS ALREADY BEEN REFERRED TO THE SPECIAL REFEREE. 10 THE SPECIAL REFEREE IS CONDUCTING A HEARING ON 11 JUNE 3RD ON THAT ISSUE. BRIEFS ARE TO BE IN THE MAIL ON 12 APRIL 19TH; RESPONSIVE BRIEFS ON MAY 3RD. 13 I SUBMIT THEY ARE THE SAME ISSUE. THEY ARE 14 15 PART AND PARCEL OF THE SAME ISSUE. FOR JUDICIAL ECONOMY, WE CAN ADDRESS BOTH ISSUES IN THAT AND HAVE IT BRIEFED ON THE 16 17 SAME SCHEDULE, HEARD AT THE SAME TIME, AND THE COURT CAN THEN HAVE THE BENEFIT OF THE SPECIAL REFEREE'S CONSIDERATION 18 AS OPPOSED TO REQUIRING ONE OF THE STAFF CLERKS FOR THE 19 COURT TO REVIEW THIS ISSUE. IT'S THE SAME ISSUE. 20 MR. LITTLEWORTH: NO, IT IS NOT, YOUR HONOR. AND 21 WE OPPOSE THIS VIGOROUSLY. WE -- C.S.I. BROUGHT A 22 PARTICULAR MOTION THAT WAS ULTIMATELY REFERRED TO A REFEREE. 23 WE HAVE BEEN IN CONTACT WITH THE REFEREE. THERE IS AN ORDER 24 AS TO WHAT THE REFEREE WILL DECIDE. THERE IS A DISCOVERY 25

শ্ব হ ব

26 SCHEDULE. THERE IS A BRIEFING SCHEDULE. THERE'S A HEARING LYNETTE MILAKOVICH, C.S.R. SCHEDULE. IT IS ALL SET.

, 🗹 a 2. \*

1

NOW, OUT IN THE CORRIDOR I LEARNED HE'S GOT SOME OTHER CONCERN, AND HE'S BEGINNING TO STATE IT NOW WITHOUT TALKING ABOUT LACK OF NOTICE, WITHOUT ANY NOTICE TO ANYONE. IF HE HAS A DIFFERENT COMPLAINT NOW, I WANT TO SEE IN IT WRITING, AND I WANT TO SEE IN IT ADVANCE, AND I WANT TO ARGUE IT AT THAT TIME, NOT NOW.

8 MR. MUSICK: IF THE COURT PLEASE, I WILL KEEP MY 9 RESPONSES TO THE VERY NARROW ISSUE IN FRONT OF THE REFEREE. 10 THE ISSUE IS THE INTERPRETATION OF PARAGRAPH EIGHT OF THE 11 JUDGMENT, THE MEANING OF THE WORD "APPURTENANCY," AND WHAT 12 IS ATTEMPTING TO BE DONE BY THE AMENDED RULES AND 13 REGULATIONS IS TO REDEFINE WHAT AN APPURTENANT WATER RIGHT 14 OWNER MAY DO.

15 THE COURT: GENTLEMEN, I DON'T WANT TO BE
16 APPARENTLY BRUSK IN THE CASE OR -- WELL, ALL I WANT TO DO IS
17 GET A DATE. THAT'S ALL I WANT TO DO NOW. I DON'T WANT TO
18 ARGUE THE MERITS OF THE CASE. I JUST WANT TO GET A DATE.

MR. LITTLEWORTH: HOW ABOUT THE END OF THIS MONTHSOMETIME OR THE BEGINNING OF APRIL?

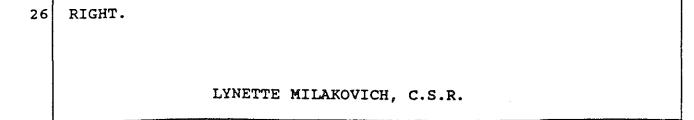
THE COURT: THAT'S MY THOUGHT, SOMETIME AT THE END
OF THE MONTH OR FIRST OF APRIL. AND I DON'T WANT TO
INCONVENIENCE COUNSEL, SO TAKE A LOOK AT YOUR CALENDAR.
LET'S TALK ABOUT A DATE.

25 MR. SMITH: COULD I ASK A QUESTION ON NOTICE? WILL 26 THIS BE SIMPLY CONSIDERED A CONTINUANCE OF THIS HEARING SO LYNETTE MILAKOVICH, C.S.R.

8

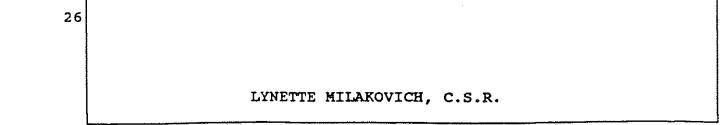
9 THAT WE WILL NOT HAVE TO MEET THE 15-DAY PLUS FIVE-DAY 1 MAILING REQUIREMENT? 2 THE COURT: YES. YES. 3 THE CLERK: ANY DAY MONDAY THROUGH THURSDAY THAT 4 5 WEEK IS FINE. THE COURT: WHAT'S CONVENIENT TO COUNSEL? 6 MR. LITTLEWORTH: SO FAR AS I'M CONCERNED, SAY THE 7 WEEK OF THE 29TH, THE FIRST PART OF THAT WEEK WOULD BE FINE 8 MONDAY OR TUESDAY OR WEDNESDAY. 9 MR. SMITH: I HAVE A TRIAL STARTING THE 29TH OF 10 MARCH, YOUR HONOR. 11 THE COURT: I THINK WE SHOULD PUT IT THE FIRST PART 12 13 OF APRIL. THE CLERK: HOW ABOUT APRIL 6TH? THAT IS PASSOVER 14 15 IF THAT CONFLICTS. THE COURT: IS THAT A PROBLEM? 16 MR. LITTLEWORTH: THAT'S SATISFACTORY FOR ME. 17 MR. MUSICK: SATISFACTORY, YOUR HONOR. 18 THE COURT: ALL RIGHT. 19 THE CLERK: 8:30. 20 THE COURT: NOTICE WAIVED? 21 MR. LITTLEWORTH: YES. 22 MR. SMITH: WELL, I THOUGHT THAT WE'RE GOING TO 23 24 GIVE NOTICE, RIGHT? THE COURT: YOU'RE CORRECT. YOU'LL GIVE NOTICE, 25

⊴0≱ n i ¥ ,



n, v. ♥	
	10
1	MR. SMITH: YES, WE WILL. 8:30 HERE, YOUR HONOR?
2	THE COURT: YES.
3	MR. MUSICK: THANK YOU, YOUR HONOR.
4	THE COURT: THANK YOU VERY MUCH, COUNSEL, FOR
5	
6	MR. SMITH: YOUR HONOR, I HAVE AN ORDER APPROVING
7	
8	THAT TO THE COURT.
9	THE COURT: YES. I ASSUMED YOU HAD SUCH AN ORDER.
10	PLEASE SUBMIT THAT TO THE CLERK AND THE COURT. IT WILL BE
11	SIGNED.
12	(ADJOURNED.)
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

.



્યો કે છે. જે		
	1	
	2	REPORTER'S CERTIFICATE
	3	
·	4	STATE OF CALIFORNIA )
<i>,</i>	5	) SS. COUNTY OF SAN BERNARDINO )
	6	COUNTI OF SAN BERNARDING J
	-	
	7	
	8	I, LYNETTE MILAKOVICH, C.S.R., OFFICIAL
		REPORTER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA,
• -	10	COUNTY OF SAN BERNARDINO, DO HEREBY CERTIFY THAT THE
	11	FOREGOING PAGES, 1 THROUGH 10, COMPRISE A FULL, TRUE, AND
	1	CORRECT TRANSCRIPT OF THE PROCEEDINGS AND TESTIMONY TAKEN
	13	THE MATTER OF THE ABOVE-ENTITLED CAUSE ON MARCH 11, 1993.
	14	
	15	
	16	
	17	
	18	$F_{\mu}$
	19	DATED THIS 15th DAY OF Maich, 1993
	20	
	21	
	22	A Milala -
	23	Mignette // MCARTUREL
	24	OFFICIAL REPORTER, C-5098
	25	

