AGENDA

REGULAR MEETING OF THE

CENTRAL BASIN WATERMASTER
WATER RIGHTS PANEL

PROGRESS PARK
BOARD ROOM
15500 DOWNEY AVE., PARAMOUNT, CA

THURSDAY, AUGUST 13, 2015
1:30 PM

1. FLAG SALUTE

2. ROLL CALL

3. PUBLIC COMMENTS

4. CONSENT CALENDAR

**Consent Calendar items will be considered and approved in one motion unless removed by a Water Rights Panel Member for discussion.**

   a. WATER RIGHTS PANEL MINUTES OF JULY 9, 2015
     Recommendation: Approve as submitted

   b. WARRANT REGISTER
     Recommendation: Approve as submitted

     **End of Consent Calendar**

5. ELECTION OF OFFICERS

6. TREASURER'S REPORT
   Toby Moore, Golden State Water Company

7. ADMINISTRATIVE BODY REPORT
   - Monthly Water Rights Activity Update
   - 2014 - 2015 Draft Water Rights Accounting Table
   - 2015 - 2016 Assessment Billing Update
- Basin Update

8. ATTORNEY’S REPORT

9. COMMITTEE REPORTS
   - Committee on Regional Disadvantaged Communities Incentive Program
     a. RDCIP Task Update

10. WATER METER TESTING PROGRAM
    - Well Testing Update

11. SECRETARY’S REPORT
    - Kevin Sales, KJServices Environmental Consulting

12. WRITTEN COMMUNICATIONS

13. AGENDA ITEMS FOR THE SEPTEMBER 10, 2015 WATER RIGHTS PANEL MEETING

14. WATER RIGHT PANEL MEMBER COMMENTS

The next meeting of the Central Basin Watermaster Water Rights Panel will be on Thursday, September 10, 2015, 1:30 PM, Progress Park Board Room, 15500 Downey Ave., Paramount, CA 90723.
MINUTES OF THE
CENTRAL BASIN WATERMASTER
WATER RIGHTS PANEL

PROGRESS PARK
BOARD ROOM
15500 DOWNEY AVE., PARAMOUNT, CA

THURSDAY, JULY 9, 2015
1:30 P.M.

Chairman Glancy (Lakewood) called the regular meeting of the Central Basin Watermaster Water Rights Panel to order at 1:30 pm.

1. PLEDGE OF ALLEGIANCE

Panel Member Grajeda (Montebello Land & Water Co. - alternate) led the Pledge of Allegiance.

2. ROLL CALL

Panel Members
Dan Mueller
James Glancy
Kevin Wattier
Chris Cash
Charlie Honeycutt
Toby Moore
Mark Grajeda
City of Downey
City of Lakewood
City of Long Beach
City of Paramount
City of Signal Hill
Golden State Water Co.
Montebello Land & Water Co.

Also Present
Desi Alvarez
Vince Brar
Chris Castillo
Gladis Deras
Christian Dixon
Tammy Hierlihy
Chad Lamachia
James Markman
Bill Minasian
Mohammad Mostahkami
Kevin Sales
Jason Weeks
Grace Kast
MCM Mgt.
City of Cerritos
City of South Gate
City of Pico Rivera
City of Huntington Park
Central Basin MWD
LA DWP
Richards, Watson, Gershon
City of Downey
KJ Services Environmental Consulting
Water Replenishment District
Grace Kast Consulting

ITEM No. 4a
3. **PUBLIC COMMENTS**  
No public comments were received.

4. **CONSENT CALENDAR**  
A correction was made to Item 5 of the minutes.

Panel Member Grajeda made a motion to approve Item No. 4a, with the correction noted above. Panel Member Moore (Golden State Water Co.) seconded the motion. Item 4a was approved by a unanimous voice vote of the Panel members.

Panel Member Cash (Paramount) made a motion to approve Item 4b, the Warrant Register, as presented. The motion was seconded by Panel Member Moore. Item 4b was approved by a unanimous voice vote of the Panel members.

5. **TREASURER’S REPORT**  
Panel Member Moore presented the Treasurer Report.

Mr. Moore reviewed the financial report prepared by the City of Lakewood. The City’s summary report showed that the balance of the WRP’s account as of July 9, 2015 was $78,404.56.

A motion to Receive and File the item was made by Panel Member Wattier (Long Beach) with a second by Panel Member Grajeda. The item was approved by a unanimous voice vote of the Panel members.

6. **ADMINISTRATIVE BODY REPORT**  
Chairman Glancy introduced Mr. Jason Weeks of the Water Replenishment District to provide an update on the status of the Administrative Body.

Mr. Weeks reported the following updates:

2014-2015 Water Rights Activity

There have been 20 leases and no sales since the June Water Rights Panel meeting. A summary of water rights leases and sales is provided below. A detailed summary of the leases is provided in the attached *Allowed Pumping Allocation Transfers* dated July 2, 2015.

- Leases
  - There are currently 73 leases transferring a total of 32,169 acre-feet of water rights.
- 55 leases, totaling 24,122 acre-feet, are with flex (i.e. 40% Carryover).
- 18 leases, totaling 8,047 acre-feet, are without flex.

- **Sales**
  - There have been 5 water rights sales.
    - Petersburg, L.P to California Domestic Water Company
      - 373.75 acre-feet of Total Water Rights and 299.00 acre-feet of APA
    - California Domestic Water Company to Forestar (USA) Real Estate Group Inc.
      - 373.75 acre-feet of Total Water Rights and 299.00 acre-feet of APA
    - CECC, LLC to ECOGAS, INC.
      - 1.00 acre-foot of Total Water Rights and 1.00 acre-foot of APA
    - Atkinson Brick Company to LA Brickyard, LLC
      - 11.00 acre-feet of Total Water Rights and 9.00 acre-feet of APA
    - Aqua Capital Management to LADWP
      - 1,875.00 acre-feet of Total Water Rights and 1,500.00 acre-feet of APA

- **Groundwater Production**
  - May 2015 groundwater production was approximately 15,400 acre-feet. Year-to-date Central Basin groundwater production is approximately 164,400 acre-feet.

Effective June 29, 2015, the Lenore S. Rosing Inter Vivos Trust account was closed and their rights were split equally among Barbara Hoke & Nancy Rosing and Kathryn Margulies & Jon Schwartz.

**2014-2015 Storage Activity**
There is currently 20,377.31 acre-feet of water in storage, all of which is within Individual Storage Accounts; no water has been stored in the Community Storage Pool. A summary of stored water, as of June 2015, is shown in the table below.

<table>
<thead>
<tr>
<th>PARTY</th>
<th>QUANTITY (ACRE- FEET)</th>
<th>STORAGE ACCOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downey, City of</td>
<td>1,350.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Location</td>
<td>Amount</td>
<td>Account Description</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>Cerritos, City of</td>
<td>500.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Lakewood, City of</td>
<td>500.00</td>
<td>Individual Storage Account</td>
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<td>Long Beach, City of</td>
<td>13,177.31</td>
<td>Individual Storage Account</td>
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<tr>
<td>Los Angeles, City of</td>
<td>4,500.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Maywood Mutual Water Company No. 3</td>
<td>300.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Whittier Union High School District</td>
<td>50.00</td>
<td>Individual Storage Account</td>
</tr>
</tbody>
</table>

**TOTAL**  
20,377.31

Through June a total of 899.49 acre-feet of stored water has been extracted in 2014-2015. All of this extraction has occurred from Long Beach's Individual Storage Account and is reflected in the volumes reported above.

Through June, no water has been put into storage in 2014-2015, however, a request for 500 acre-feet of Carryover Conversion from South Gate has been received and is currently being processed.

Mr. Vince Brar, of the City of Cerritos, stated to the Panel members that the City had recently received an outside request regarding any water related leases or contracts that the City of Cerritos had entered into. Mr. Brar asked the Panel if any of their agencies or other water providers in attendance at the meeting had received any recent inquiries regarding water leases or contracts. None of the Panel members were aware of any recent inquiries received requesting that type of information.

**FY 2015-2016 Assessment Billing Update**

The Panel members will receive an update report on the status of the FY 2015-2016 Combined Assessment Billing.

Mr. Weeks presented a draft Consolidated Billing letter to be included with the combined Assessment Billing being prepared by the Water Replenishment District. After its review, the Consolidated Billing invoice cover letter was approved and will be sent out with the FY 2015-2016 Assessment invoices.

At the notice of the Panel’s attorney, Mr. James Markman, a copy of the Rules of the Central Basin Water Rights Panel will be distributed in the FY 2015-2016 Assessment billing. The Court Judgment requires that a copy of the Panel Rules be provided to all the water rights owners that are parties to the Third Judgment. A copy of the Panel’s Rules was included in the July 9th Panel Meeting agenda package.
7. COMMITTEE REPORTS
Chairman Glancy introduced this item.

Chairman Glancy reviewed the proposal that the Panel had received from Grace Kast (Grace Kast Consulting) and the Ogoscue Law Group for the administration of the Water Rights Panel's Regional Disadvantaged Communities Incentive Program (RDCIP). The proposal had been initially presented to the Panel members at their May 14th meeting, where a brief presentation was given by Ms. Kast, and the proposal was briefly discussed by the Panel members. At that meeting, the Panel members asked that the item be brought back at the June meeting to allow time for the Members to review it and prepare any questions or concerns.

At the June meeting, the Panel requested that action on the RDCIP Administrative Proposal be postponed until after the June 25th Court hearing which was scheduled to include the Court's approval of the proposed RDCIP.

At the July 9th Panel meeting the members resumed their review of the proposal to provide administrative support for the RDCIP program, which was approved by the Court at their June 25th hearing.

The Kast / Ogoscue proposal includes two tasks:

Task #1 - Write application and evaluation documents for Panel review; solicit input of stakeholders; revise as necessary. Proposed budget - $15,000

Task #2 - Distribute and solicit application; respond to inquiries, assist applicants in collecting necessary information for Panel review. Communicate RDCIP to state and local decision-makers and seek support for the RDCIP program. Proposed Budget - $25,000

After a review of the proposal's basic points, Chairman Glancy opened the item up for discussion.

Panel Member Moore stated that he recommends approving Task 1 only, including an initial solicitation of potential users of the RDCIP program to determine the general level of interest.

Panel Member Cash stated that he supported moving forward with both tasks as outlined in the Kast / Ogoscue proposal, stating that their experience with the development of the RDCIP program makes them the logical choice for moving forward with the next activities to support and implement the Program.

Panel Member Grajeda stated that while he supports using Grace Kast and Tracy Ogoscue to do the work, he is not sure what level of support is actually needed and he is hesitant to move forward to the extent outlined in the
proposal without more fully understanding the level of interest among water rights holders.

Panel Member Cash responded that Task 1 of the proposal includes activities that will need to be done regardless of what form the RDCIP program takes or what level of interest it receives.

Panel Member Wattier suggested an alternate proposal that would divide Task 1 into two parts, the first being an assessment of the potential demand among users for the Program. In other words, how many water poor / cash rich water purveyors are potentially interested in the RDCIP. He suggested that there are only a handful of these potential users and that these entities could easily be contacted first to assess their interest.

Panel Member Cash and Chairman Glancy both stated that they supported Mr. Wattier's suggestion to conduct an initial assessment of interest as the first part of Task 1. Mr. Cash went on to remind the Panel that the RDCIP program as submitted to the Court also included efforts to secure funds for the "RDCIP Bank" from the state or other agencies.

Ms. Kast (Grace Kast Consulting) reminded the panel members that the Court will assess how well the Panel implemented the RDCIP program as submitted and approved by the Court. She stated that some level of administrative support of the program will be necessary regardless of the level of interest shown in the program.

Panel Member Cash suggested that Task 1 be divided into two parts, the first being an assessment of the level of interest in the RDCIP program among those water purveyors that would be interested in purchasing water for storage under the RDCIP program. He further suggested that the consultant report back to the Panel and that their findings be reviewed prior to moving on to the other activities outlined under Task 1.

Panel Member Grajeda agreed with Mr. Cash's suggestion, further stating that the initial assessment should be able to be completed fairly quickly.

Chairman Glancy requested a motion to authorize Grace Kast and Tracy Ogoscue to move forward with Task #1 of their proposal, with the amendment that Task #1 will be divided into two sub tasks:

1a - Assess the potential interest in the RDCIP Program among those water purveyors that are its most likely users. That assessment will be reported back to the Panel prior to moving on to Task 1b.

1b - Write application and evaluation documents for panel review. Task 1 will have a budget of not more than $15,000.
Panel Member Moore made the motion as listed above. The motion was seconded by Panel Member Cash and was approved by a unanimous voice vote of the Panel.

Chairman Glancy presented an overview of the Administrative Proposal submitted by KJServices for FY 2015 - 2016. The proposal provides for KJServices' continued support of the Panel at their monthly meeting, the preparation of the monthly meeting agenda and supporting documents and the monthly meeting minutes. KJServices' proposal includes a not to exceed monthly budget of $1800.

Panel Member Grajeda made a motion to approve the proposal from KJServices for administrative support for FY 2015 - 2016 as submitted. Panel Member Cash seconded the motion which was approved by a unanimous voice vote of the Panel members.

8. WATER METER TESTING CONTRACT WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES
Chairman Glancy presented the Department of Water Resources' initial well testing reports for the weeks ending June 5, 2015 through June 30, 2015. All the well meters tested during the period passed their inspection. Copies of the well test results were mailed to each of the well owners.

Several Panel members suggested that the detailed water meter testing documents no longer be included in the agenda package. In the future only the Weekly Well Test Summary reports will be included.

The Panel received and filed this agenda item.

9. SECRETARY'S REPORT
Kevin Sales of KJServices Environmental Consulting, as the secretary for the Water Rights Panel, made comments on the following items:

1. Reminded all in attendance at the Water Rights Panel meetings to please remember to sign in to help ensure an accurate attendance listing for the meeting minutes.

2. Introduced Aliah Meza from KJServices. Aliah will be attending the September meeting in Kevin’s absence.

10. WRITTEN COMMUNICATIONS
No written communications were received.

11. AGENDA ITEMS FOR NEXT MEETING
The agenda was discussed for the Water Rights Panel meeting of July 9, 2015. It was agreed that the following items would be included on the Panel's meeting agenda:

1. Treasurer's Report.
2. Attorney's Report
   b. Basin Update
4. Committee Reports
   a. RDCIP interest assessment report.

12. WATER RIGHTS PANEL MEMBER COMMENTS
The Panel's attorney Mr. Jim Markman stated that the RDCIP report was filed with the Court. He also made a brief comment on SB 485 stating that there is nothing in the Central Basin Judgment that would be affected by the proposed legislation, including the interception and treatment of storm water runoff by the Sanitation Districts. With regard to SB 485, Chairman Glancy stated that most cities were supportive of the bill though there is some concern over vagueness in portions of the bill's language, particularly in areas where it says that the Sanitation Districts must "consult with" local cities prior to intercepting and treating their storm water runoff. Chairman Glancy went on to say that many water purveyors were opposed to the current language of the bill.

Panel Member Wattier stated that the August 13th meeting will be his final one as he will be beginning his retirement shortly after.

Panel Member Moore suggested that the panel members review the draft Sustainable Groundwater Management Act on the Department of Water Resources web site.

13. ADJOURNMENT
The meeting adjourned 2:20 pm.

______________________________
CHAIRMAN

ATTEST:
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<th>Invoice No</th>
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<td>KJServices Env.</td>
<td>Administrative Services for July 2015.</td>
<td>8403</td>
<td>8/3/15</td>
<td>$1,220.00</td>
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<td>Richards, Watson, Gershon</td>
<td>General Legal Services to the Water Rights Panel - May 2015</td>
<td>202034</td>
<td>6/17/15</td>
<td>$2,009.40</td>
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<td>Richards, Watson, Gershon</td>
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<td>CA Dept. of Water Resources</td>
<td>Well Testing</td>
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<td>7/9/2015</td>
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<td>Egoscue Law Group</td>
<td>RDCIP Program</td>
<td>11006</td>
<td>8/6/15</td>
<td>$750.00</td>
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<td><strong>TOTAL</strong></td>
<td></td>
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<td><strong>$18,254.35</strong></td>
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**KJS Services**
Environmental Consulting

**Bill To:**
Central Basin Watermaster
Water Rights Panel
5050 Clark Ave.
Lakewood, CA 90712

**Invoice**

<table>
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<tr>
<th>Terms:</th>
<th>Grant #</th>
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<td>Net 30</td>
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<th>Amount</th>
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<td>Administrative support for July 2015. - Kevin Sales</td>
<td>8.5</td>
<td>80.00</td>
<td>680.00</td>
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<td>Administrative support for July 2015. - Alijah Meza</td>
<td>5.5</td>
<td>80.00</td>
<td>440.00</td>
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<td>Administrative support for July 2015. - Kristen Sales</td>
<td>1.25</td>
<td>80.00</td>
<td>100.00</td>
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Thank you for your business.

**Total**

$1,220.00
June 17, 2015

Central Basin Water Rights Panel
C/O James Clancy
City of Lakewood
5050 Clark Avenue
Lakewood, Ca 90710

Re: 12902-0001 General Legal Services to Water Rights Panel

For professional services rendered through May 31, 2015:

<table>
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<tr>
<th>Date</th>
<th>Code</th>
<th>Description</th>
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<td>05/05/15</td>
<td>JLM</td>
<td>E-mails regarding agenda items for next meeting; transmit recip motion papers</td>
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<tr>
<td>05/07/15</td>
<td>JLM</td>
<td>Telephone call to Mr. Clancy on ice co. overproduction</td>
<td>.20</td>
</tr>
<tr>
<td>05/08/15</td>
<td>JLM</td>
<td>Review judgment and forms of licenses on carryover rights issue</td>
<td>.70</td>
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<tr>
<td>05/11/15</td>
<td>BTK</td>
<td>Review file and court docket regarding judgment of 13-14 water report; prepare memorandum and attachment to Mr. Haskin regarding same</td>
<td>.30</td>
</tr>
<tr>
<td>05/11/15</td>
<td>JLM</td>
<td>Telephone call from Mr. Week on transfer form; review panel meeting agenda materials</td>
<td>.60</td>
</tr>
<tr>
<td>05/14/15</td>
<td>JLM</td>
<td>Attend board meeting</td>
<td>2.70</td>
</tr>
<tr>
<td>05/22/15</td>
<td>BTK</td>
<td>Review notice of availability of draft watermaster rules for review and comment</td>
<td>.10</td>
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Total Hours: 5.20

Timkeeeper Summary

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<th>Hours Worked</th>
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<td>BT Kim</td>
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<td>$120.00</td>
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Los Angeles | Orange County | San Francisco | Temecula
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<th>Hours Worked</th>
<th>Rate Per Hour</th>
<th>Fee Amount</th>
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<td>JL Markman</td>
<td>4.00</td>
<td>$350.00</td>
<td>$1,600.00</td>
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<td><strong>Totals</strong></td>
<td><strong>5.20</strong></td>
<td><strong>$346.15</strong></td>
<td><strong>$1,800.00</strong></td>
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**Client Costs Advanced:**

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<tr>
<th>Date</th>
<th>Description</th>
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<tbody>
<tr>
<td>05/31/15</td>
<td>Duplication</td>
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<td>05/01/15</td>
<td>Attorney Service - First Legal Network, LLC - Filing/FCSC-CCM 5/01/15</td>
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<td>05/14/15</td>
<td>Mileage - James L. Markman - 5/14/15</td>
<td>$25.30</td>
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<td>05/25/15</td>
<td>Professional Services Rendered - Case Anywhere LLC - System Access Fee</td>
<td>$60.00</td>
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<td></td>
<td><strong>Total Client Costs Advanced</strong></td>
<td><strong>$209.40</strong></td>
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</tbody>
</table>

Current Legal Fees: $1,800.00  
Current Client Costs Advanced: $209.40  
Total Current Fees and Costs: $2,009.40  
Balance Due From Previous Statement: $9,163.10  
**TOTAL BALANCE DUE FOR THIS MATTER**: $11,472.50
Re: 12902-0001 GENERAL LEGAL SERVICES TO WATER RIGHTS PANEL

For professional services rendered through June 30, 2015:

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<tr>
<td>06/02/15</td>
<td>E-MAILS REGARDING OVERPRODUCTION BY CALTRANS</td>
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<td>06/05/15</td>
<td>PREPARE NOTICE OF NON-OPPPOSITION TO PANEL’S MOTION FOR COURT APPROVAL OF RDCIP</td>
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<td>06/05/15</td>
<td>RESEARCH COURT DOCKET REGARDING ANY OPPOSITION TO MOTION FOR COURT APPROVAL OF RDCIP AND FINALIZE NOTICE OF NON-OPPosition</td>
<td>.30</td>
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<td>06/09/15</td>
<td>FINALIZE NOTICE OF NON-OPPPOSITION TO MOTION FOR COURT APPROVAL OF RDCIP; RESEARCH COURT DOCKET FOR ANY OPPOSITION; PREPARE MEMORANDUM TO MR. MARKMAN REGARDING HEARING OF MOTION FOR COURT APPROVAL</td>
<td>.30</td>
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<tr>
<td>06/11/15</td>
<td>REVIEW STATUS MEMORANDUM FROM MR. WEEKS REGARDING CALTRANS OVER-EXTRACTION ISSUES</td>
<td>.10</td>
</tr>
<tr>
<td>06/11/15</td>
<td>ATTEND PANEL MEETING</td>
<td>3.00</td>
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<tr>
<td>06/12/15</td>
<td>PREPARE CEASE AND DESIST LETTER REGARDING CENTRAL BASIN JUDGMENT TO NON-PARTY EXTRACTOR ATLAS IRON AND METAL COMPANY</td>
<td>.50</td>
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<tr>
<td>06/16/15</td>
<td>REVIEW 6-16-15 MEMORANDUM AND ATTACHMENT FROM MS. FONG REGARDING NON-PARTY EXTRACTOR DATA (ATLAS IRON &amp; METAL; NANCY FURR; AND JOHN GRANT); EXCHANGE VARIOUS FOLLOW-UP MEMORANDA WITH MESSRS. MARKMAN AND SKIDMAN</td>
<td>.30</td>
</tr>
<tr>
<td>06/17/15</td>
<td>REVIEW E-MAIL FROM MS. FONG REGARDING NON-PARTY EXTRACTORS AND DOCUMENTS RELATED TO SAME</td>
<td>.30</td>
</tr>
<tr>
<td>Date</td>
<td>Time</td>
<td>Description</td>
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<tr>
<td>------------</td>
<td>------</td>
<td>------------------------------------------------------------------------------</td>
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<tr>
<td>06/18/15</td>
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<td>RESEARCH STATUS OF COURT RULING ON MOTION FOR APPROVAL OF RDCIP</td>
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<tr>
<td>06/18/15</td>
<td></td>
<td>CONFERENCE WITH MR. MARKMAN REGARDING CEASE AND DESIST LETTERS</td>
</tr>
<tr>
<td>06/19/15</td>
<td></td>
<td>RESEARCH STATUS OF 7-8-15 STATUS CONFERENCE AND JOINT STATUS REPORT DUE DATE; PREPARE MEMORANDUM TO MESSRS. KRUSE AND MARKMAN REGARDING SAME</td>
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<tr>
<td>06/19/15</td>
<td></td>
<td>REVIEW 6-19-15 MEMORANDUM FROM MR. KRUSE REGARDING JOINT REPORT TO COURT IN ADVANCE OF 7-8-15 STATUS CONFERENCE AND BEGIN PREPARATION OF STATUS REPORT TO COURT</td>
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<td>06/23/15</td>
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<td>RESEARCH STATUS OF TENTATIVE RULING ON MOTION FOR COURT APPROVAL OF RDCIP; TELEPHONE CALLS TO AND FROM COURT CLERK REGARDING SAME</td>
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<td>06/24/15</td>
<td></td>
<td>REVIEW TENTATIVE RULING ON MOTION FOR COURT APPROVAL OF RDCIP; TELEPHONE CALL TO COURT CLERK REGARDING OFF-CALENDARING OF HEARING ON UNOPPOSED MOTION; PREPARE MEMORANDUM AND ATTACHMENT TO MS. KAST; EXCHANGE FOLLOW-UP MEMORANDUM WITH MS. EAST</td>
</tr>
<tr>
<td>06/24/15</td>
<td></td>
<td>PREPARE PROPOSED ORDER FOR HEARING ON MOTION FOR COURT APPROVAL OF RDCIP</td>
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<tr>
<td>06/24/15</td>
<td></td>
<td>PREPARE FOR HEARING ON REGIONAL DISADVANTAGED COMMUNITIES INCENTIVE PROGRAM APPROVAL</td>
</tr>
<tr>
<td>06/24/15</td>
<td></td>
<td>PREPARE LETTER TO ATLAS METALS REGARDING UNAUTHORIZED PUMPING</td>
</tr>
<tr>
<td>06/25/15</td>
<td></td>
<td>REVIEW 6-25-15 LETTER FROM MR. HOGAN REGARDING STATUS OF SUBMISSION OF JOINT REPORT; EXCHANGE FOLLOW-UP MEMORANDA WITH MESSRS. MARKMAN AND SRAHNIK REGARDING SAME</td>
</tr>
<tr>
<td>06/25/15</td>
<td></td>
<td>REVIEW MINUTE ORDER AND FINAL ORDER REGARDING GRANTING OF PANEL'S MOTION FOR APPROVAL OF RDCIP</td>
</tr>
<tr>
<td>06/25/15</td>
<td></td>
<td>REVIEW VARIOUS MEMORANDA FROM MESSRS. MARKMAN AND SRAHNIK REGARDING PREPARATION OF JOINT REPORT TO COURT IN ADVANCE OF 7-8-15 STATUS CONFERENCE; ASSIST PREPARATION OF JOINT REPORT</td>
</tr>
<tr>
<td>Timekeeper</td>
<td>Hours Worked</td>
<td>Rate Per Hour</td>
</tr>
<tr>
<td>------------</td>
<td>--------------</td>
<td>---------------</td>
</tr>
<tr>
<td>BT Kim</td>
<td>4.80</td>
<td>$300.00</td>
</tr>
<tr>
<td>JL Markman</td>
<td>4.70</td>
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</tr>
<tr>
<td>PD Skahan</td>
<td>11.70</td>
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<tr>
<td>Totals</td>
<td>21.20</td>
<td>$269.69</td>
</tr>
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</table>

Client Costs Advanced:

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/30/15</td>
<td>Duplication</td>
<td>$100.65</td>
</tr>
<tr>
<td>06/09/15</td>
<td>Attorney Service - First Legal Network, LLC - Filing/LASC-CCM 6/9/15</td>
<td>$56.81</td>
</tr>
<tr>
<td></td>
<td>Total Client Costs Advanced</td>
<td>$157.46</td>
</tr>
</tbody>
</table>

Current Legal Fees ................................................................. $5,717.50
Current Client Costs Advanced ................................................. $157.46

Total Current Fees and Costs .................................................. $5,874.96

Balance Due From Previous Statement ........................................ $11,172.50

TOTAL BALANCE DUE FOR THIS MATTER ........................................... $17,047.46
# CALIFORNIA DEPARTMENT OF WATER RESOURCES

## Southern Region Office

### INVOICE No. 1008

<table>
<thead>
<tr>
<th>Sold to:</th>
<th>Central Basin Water Rights Panel</th>
<th>Date:</th>
<th>7/9/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company:</td>
<td>Central Basin Water Rights Panel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td>c/o City of Lakewood, 5050 Clark Avenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip:</td>
<td>Lakewood, CA 90712</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phone:</td>
<td>(562) 866-9771 Ext. 2701</td>
<td>Fax:</td>
<td></td>
</tr>
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</table>

Invoice issued by: Abi Aderonmu  
Phone: 818-500-1645 x268

---

### Description of Service Provided

<table>
<thead>
<tr>
<th>Date</th>
<th>Quantity</th>
<th>Item</th>
<th>Unit Cost</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/1/15 - 6/5/15</td>
<td>12</td>
<td>Meter Tests in Central Basin, June, 2015</td>
<td>$300.00</td>
<td>$3,600.00</td>
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<tr>
<td>6/8/15 - 6/12/15</td>
<td>4</td>
<td>- ditto -</td>
<td>$300.00</td>
<td>$1,200.00</td>
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<tr>
<td>6/15/15 - 6/19/15</td>
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<td>$2,400.00</td>
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<td>$900.00</td>
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<tr>
<td>6/29/15 - 6/30/15</td>
<td>1</td>
<td>- ditto -</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
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</table>

**TOTAL AMOUNT DUE**: $8,400.00

---

### Comments:

Project: Water Meter Testing Services in the Central Basin  
DWR Contract #333182  
Customer No.: 400550

---

### Payment Instructions

Please:

* Make your check payable to the Department of Water Resources
* Return a copy of this invoice with your payment

**Mail the items to:**  
Department of Water Resources  
Attn: Cashier  
PO Box 942836  
Sacramento, CA. 94236-0001

rev 11/14
# PRODUCTION WELL METER TESTS

In the Central Basin for the
Week of 6/1/15 through 6/5/15

<table>
<thead>
<tr>
<th>Well</th>
<th>SWN/Owner No.</th>
<th>Make</th>
<th>Type</th>
<th>Serial No.</th>
<th>Test Date</th>
<th>Error %</th>
<th>Acceptable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Golden State Water Company</td>
<td>03S12W36B001S/R</td>
<td>Water Spec.</td>
<td>D</td>
<td>950081-8</td>
<td>6/2/2015</td>
<td>2.4</td>
<td>Y</td>
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<td>Golden State Water Company</td>
<td>04S11W07L005S/C</td>
<td>UltraMag</td>
<td>D</td>
<td>UM20090628</td>
<td>6/2/2015</td>
<td>4.1</td>
<td>Y</td>
</tr>
<tr>
<td>Golden State Water Company</td>
<td>04S11W18F002S/J</td>
<td>UltraMag</td>
<td>D</td>
<td>UM20080601</td>
<td>6/2/2015</td>
<td>4.5</td>
<td>Y</td>
</tr>
<tr>
<td>Long Beach, City of</td>
<td>04S12W23C001S/W</td>
<td>Rosemount</td>
<td>D</td>
<td>12271</td>
<td>6/3/2015</td>
<td>4.0</td>
<td>Y</td>
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<tr>
<td>Long Beach, City of</td>
<td>04S12W15N001S/C</td>
<td>Supertrol</td>
<td>D</td>
<td>LL25245</td>
<td>6/3/2015</td>
<td>1.2</td>
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<tr>
<td>Long Beach, City of</td>
<td>04S12W16A001S/C</td>
<td>Supertrol II</td>
<td>D</td>
<td>LL25246</td>
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<td>04S12W02G001S/</td>
<td>Water Spec.</td>
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<td>12318</td>
<td>6/3/2015</td>
<td>3.6</td>
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<tr>
<td>Huntington Park, City of</td>
<td>02S13W25Q001S/12</td>
<td>Mc Crometer</td>
<td>M</td>
<td></td>
<td>6/4/2015</td>
<td>1.4</td>
<td>Y</td>
</tr>
<tr>
<td>Huntington Park, City of</td>
<td>02S13W25D004S/16</td>
<td>Mc Crometer</td>
<td>M</td>
<td>82-10-883</td>
<td>6/4/2015</td>
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<td>Y</td>
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<tr>
<td>Huntington Park, City of</td>
<td>02S13W23J004S/18</td>
<td>Water Spec.</td>
<td>M</td>
<td>20050032-10</td>
<td>6/4/2015</td>
<td>2.6</td>
<td>Y</td>
</tr>
</tbody>
</table>

**Type:** D=Digital Meter, E=Electronic Meter, M=Mechanical Meter, *=New Meter

**Acceptable:** Y= Yes, N= No
PRODUCTION WELL METER TESTS
In the Central Basin for the
Week of 6/8/15 through 6/12/15

<table>
<thead>
<tr>
<th>Well</th>
<th>SWN/Owner No.</th>
<th>Make</th>
<th>Type</th>
<th>Serial No.</th>
<th>Test Date</th>
<th>Error %</th>
<th>Acceptable</th>
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</thead>
<tbody>
<tr>
<td>South Montebello Irrigation District</td>
<td>02S12W22G002S/7</td>
<td>Sparling M</td>
<td>132301</td>
<td>6/9/2015</td>
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<td>Y</td>
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<tr>
<td>Scentlebury, Robert P.</td>
<td>03S11W07N001S/1</td>
<td>Precision M</td>
<td>99637767</td>
<td>6/10/2015</td>
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<td>Vernon, City of</td>
<td>02S13W11R008S/1</td>
<td>Water Spec. D</td>
<td>9100053</td>
<td>6/10/2015</td>
<td>0.4</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Cerritos, City of</td>
<td>03S11W28G005S/C-2</td>
<td>Teleprod-Corp. D</td>
<td>C2-81000-8202</td>
<td>6/12/2015</td>
<td>2.0</td>
<td>Y</td>
<td></td>
</tr>
</tbody>
</table>

Type: D=Digital Meter, E=Electronic Meter, M= Mechanical Meter, **= New Meter
Acceptable: Y= Yes, N= No
# PRODUCTION WELL METER TESTS

In the Central Basin for the
Week of 6/15/15 through 6/19/15

<table>
<thead>
<tr>
<th>Owner</th>
<th>SWN/Owner No.</th>
<th>Water Meter</th>
<th>Test Date</th>
<th>Error %</th>
<th>Acceptable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Huntington Park, City of</td>
<td>02S13W23H001S/14</td>
<td>McCrometer</td>
<td>M</td>
<td>N/A</td>
<td>6/15/2015</td>
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<tr>
<td>Huntington Park, City of</td>
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<td>Water Spec.</td>
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<td>20013277-10</td>
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<tr>
<td>Huntington Park, City of</td>
<td>02S13W23D008S/17</td>
<td>Water Spec.</td>
<td>M</td>
<td>905182-12</td>
<td>6/15/2015</td>
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<tr>
<td>Golden State Water Company</td>
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<td>McCrometer</td>
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<td>E11-03096</td>
<td>6/16/2015</td>
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<td>Golden State Water Company</td>
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<td>Water Spec.</td>
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<td>950099-8</td>
<td>6/16/2015</td>
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<tr>
<td>September Properties, LLC</td>
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<td>McCrometer</td>
<td>M</td>
<td>N/A</td>
<td>6/17/2015</td>
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<tr>
<td>Southgate, City of</td>
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<td>Siemens</td>
<td>D</td>
<td>LXF3090770</td>
<td>6/17/2015</td>
</tr>
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</table>

Type: D=Digital Meter, E=Electronic Meter, M= Mechanical Meter, *=New Meter

Acceptable: Y= Yes, N= No
# PRODUCTION WELL METER TESTS

In the Central Basin for the
Week of 6/22/15 through 6/26/15

<table>
<thead>
<tr>
<th>Well Owner</th>
<th>SWN/Owner No.</th>
<th>Water Meter Type</th>
<th>Make</th>
<th>Type</th>
<th>Serial No.</th>
<th>Test Date</th>
<th>Error %</th>
<th>Acceptable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Golden State Water Company</td>
<td>03S12W13B004S/IMP03</td>
<td>Water Spec.</td>
<td>M</td>
<td></td>
<td>20013998-8</td>
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<td>0.9</td>
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Type: D=Digital Meter, E=Electronic Meter, M=Mechanical Meter, *=New Meter

Acceptable: Y=Yes, N=No
# PRODUCTION WELL METER TESTS

## In the Central Basin for the Week of 6/29/15 through 7/03/15

<table>
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</thead>
<tbody>
<tr>
<td>Owner</td>
<td>SWN/Owner No.</td>
<td>Make</td>
<td>Type</td>
<td>Serial No.</td>
</tr>
<tr>
<td>Downey, City of</td>
<td>03S12W03J001S /16</td>
<td>Water Spec.</td>
<td>D</td>
<td>990231-10</td>
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</table>

Type: D=Digital Meter, E=Electronic Meter, M=Mechanical Meter, *=New Meter

Acceptable: Y= Yes, N= No
Egoscue Law Group

3777 Long Beach Boulevard Suite 280
Long Beach, California 90807
Phone: 562.988.5978    Fax: 562.988.5802

Account Statement

Prepared for Central Basin Water Rights Panel
Re: Implementation

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous Invoice Amount</td>
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</tr>
<tr>
<td>Last Payment Received</td>
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</tr>
<tr>
<td>Previous Balance</td>
<td>$0.00</td>
</tr>
<tr>
<td>Current Charges</td>
<td>$750.00</td>
</tr>
<tr>
<td>Total Due</td>
<td>$750.00</td>
</tr>
</tbody>
</table>
Egoscue Law Group

3777 Long Beach Boulevard Suite 280
Long Beach, California 90807
Phone: 562.988.5978  Fax: 562.988.5802

Central Basin Water Rights Panel
James Glancy
5050 Clark Avenue
Lakewood, CA 90712

Invoice Date: August 06, 2015
Invoice Number: 11006
Invoice Amount: $750.00

Matter: Implementation

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>lawyer</th>
<th>Hours</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/30/2015</td>
<td>Review City of Cerritos and Compton questions and RDCIP; prepare repsonse to same</td>
<td>T.J.E.</td>
<td>2.25</td>
<td>$562.50</td>
</tr>
<tr>
<td>7/31/2015</td>
<td>Review communication from G. Kast regarding possible implementation of storage agreements; teleconference with G. Kast regarding RDCIP implementation strategy</td>
<td>T.J.E.</td>
<td>.75</td>
<td>$187.50</td>
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<tr>
<td></td>
<td>SUBTOTAL:</td>
<td></td>
<td>3.00</td>
<td>$750.00</td>
</tr>
</tbody>
</table>

Costs

| SUBTOTAL: | $0.00 |

TOTAL: $750.00
PREVIOUS BALANCE DUE: $0.00
CURRENT BALANCE DUE AND OWING: $750.00
Date: August 13, 2015
To: Central Basin Water Rights Panel
From: Jim Glancy, Chairman, City of Lakewood

Subject: Election of Chairman and Vice Chairman

Recommendation: That the Water Rights Panel takes the following action:

Hold elections and elect Panel members to serve in the position of Chairman and Vice Chairman of the Water Rights Panel for a two-year term starting August 13, 2015 and ending June 30, 2017.

Discussion

Per the Rules of the Water Rights Panel, the Panel operates with three (3) officers elected from among its members; a Chairman, Vice Chairman and Treasurer. Each elected office serves for a two-year term. If a Panel officer is replaced by action of the entity the Panel shall fill the position at its next regular meeting.

With the retirement of Vice Chair Ken Farfsing and the pending retirement of Chairman Jim Glancy, the Panel needs to elect a new Chairman and Vice Chairman to fill those positions.

From Section 9 of the Rules of the Water Rights Panel:

Organization of the Panel.

Appointments. At its first meeting of an Administrative Year following the conclusion of the two year term of its officers, the Panel shall elect a Chair, Vice Chair and Treasurer from its membership. It shall also select a Secretary and may select such assistants as may be appropriate, any of whom may, but need not be, members of the Panel. The Panel also may establish subcommittees as it deems necessary. If a Panel officer is replaced by action of an entity, the Panel shall fill the vacancy in the office at its next regular meeting.

Attachment(s)
1. Rules of the Central Basin Water Rights Panel
RULES OF
CENTRAL BASIN WATER RIGHTS PANEL
(As adopted by Resolution No. _____, adopted ______, 2014.)

The definitions set forth in the Third Amended Judgment in Los Angeles County Superior Court Civil Action No. 786656, entitled “Central and West Basin Water Replenishment District v. Charles E. Adams, et al.” (Judgment herein), are used herein with the same meanings.

1. **Consistency with Judgment.** These Rules shall be construed consistent with the Judgment. In the event of a conflict between these Rules and the Judgment, the Judgment shall prevail.

2. **Scope of Authority.** The Panel’s duties and authority shall be limited to that identified in the Judgment. The Panel shall not address matters outside the scope of its duties and authority as identified in the Judgment.

3. **Offices and Records.** The Panel’s records shall be maintained at its offices, currently located at:

   City of Lakewood  
   5050 Clark Avenue  
   Lakewood, California 90712

   Said records shall be available for inspection by any party to the Judgment during regular business hours. Copies of said records may be had upon payment of the costs of the duplication thereof and of any preparation costs pertaining thereto.

4. **Meetings.**

   a) **Regular Meetings.** Regular meetings of the Panel shall be held at 1:30 p.m. on the second Thursday of each and every month in the Board Room at Progress Park,
15500 Downey Avenue, Paramount, California, or at such time and place as otherwise determined by the Panel by resolution.

b) **Special Meetings.** Special meetings of the Panel may be called at any time by the Chair or by any four (4) members of the Panel, by written notice in compliance with the Judgment. The calling notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at any such meeting. The notice shall be provided to each Panel member and each Central Basin Water Rights holder who has requested a copy of special meeting notices at least 24 hours before the time set for the commencement of that meeting.

c) **Adjournment.** Any meeting of the Panel may be adjourned to a time and place specified in the Order of Adjournment. Less than a quorum of the Panel or the Panel’s Secretary may so adjourn from time to time. A copy of the Order or Notice of Adjournment shall be conspicuously posted on or near the door of the place where the meeting was held or to be held, within twenty-four (24) hours after the adoption of the Order of Adjournment.

d) **All Panel meetings shall be open to all Central Basin Water rights holders.**

e) The Agenda for all regular meetings of the Panel shall be posted on the Panel’s website upon the completion of that Agenda and a copy thereof together with all then available materials pertaining to agenda items shall be provided to each Panel member and each Central Basin Water rights holder who has requested a copy of regular meeting agendas and provided an email address to the Panel at least 72 hours before the time set for commencement of that meeting. The proposed agenda shall be circulated to all Panel members for review and comment at least three (3) days prior to publication of the final agenda.
5. **Terms of Office; Staggered Terms.** The initial full term of Panel members City of Lakewood, City of Paramount and City of Signal Hill shall end on June 30, 2016. The initial full term of Panel members City of Downey, Golden State Water Co., and City of Long Beach shall end on June 30, 2018. Terms thereafter shall end on the fourth anniversary of the end of the previous full term. Elections shall be held to fill seats, in the manner specified in the Judgment. As provided therein, the term initially applicable to Montebello Land & Water Co. shall be at the pleasure of the Small Water Producers Group, except as otherwise specified in the Judgment. Elections shall be conducted by mail ballot.

6. **Quorum of Panel, Necessary Votes for Action and Roll Call of Votes.** Four (4) members of the Panel shall constitute a quorum for the transaction of its affairs. Action by the affirmative vote of a majority of the entire Panel shall constitute action by the Panel.

   Any member of the Panel may request a roll call vote on any question or motion considered and the ayes and noes thereon shall be recorded in the minutes of the meeting.

7. **Agenda of Panel Meetings.** Any party requesting that a matter be considered by the Panel for action thereon shall request the same in writing directed to the Panel’s Chair for inclusion on the Agenda of the next scheduled meeting to be held at least ten (10) days after receipt of said request.

8. **Rules for Conduct of Meetings.** The conduct of Panel meetings shall follow the Rules contained in Appendix “A” hereto and, without consent of the Panel, the priorities of Panel business shall be that stated in the Agenda for a particular meeting.

9. **Organization of the Panel.**

   a) **Appointments.** At its first meeting of an Administrative Year following the conclusion of the two year term of its officers, the Panel shall elect a Chair, Vice Chair and
Treasurer from its membership. It shall also select a Secretary and may select such assistants as may be appropriate, any of whom may, but need not be, members of the Panel. The Panel also may establish subcommittees as it deems necessary. If a Panel officer is replaced by action of an entity, the Panel shall fill the vacancy in the office at its next regular meeting.

b) **Duties.** The duties of any officer selected pursuant to subsection (a) are limited to the powers of the Panel pursuant to the Judgment. No Panel member, including any Panel officer, shall sign any document or assert any position on the Panel’s behalf unless specifically authorized by the Panel and consistent with the Panel’s duties and authority as identified in the Judgment.

10. **Minutes.** Minutes of all Panel meetings shall be kept by the Secretary, or, in the absence of the Secretary, by any other Panel officer designated by the Chair. The minutes shall reflect all actions taken. Draft copies thereof shall be furnished to any party who files a request therefor in writing with the Panel. Said draft copies of minutes shall constitute notice of any Panel action therein reported and failure of a party herein to request copies thereof shall constitute his waiver of notice. Minutes shall be retained as Panel records for a minimum of two years.

11. **List of Designees.** The Panel shall utilize the then current list of party designees to receive notices under the Judgment maintained by the Administrative Body. That list shall determine the person to whom and the address at which all notices, determinations, requests, demands, objections, reports and other papers and processes to be served upon that party or delivered to that party are to be so served or delivered by the Panel.

12. **Service Upon and Delivery to Parties of Various Papers.** Service on the parties to the Judgment directed to their Designees shall be made by first class mail, postage prepaid,
addressed to the designee and at the address designated for that purpose or by mail as provided in accordance with section 4.e of these Rules. A designee may provide an email address in lieu of a mail address by providing that email address to the Panel and requesting to receive all further notices from the Panel by email.

13. **Election of Producer Representatives.**

   a) **Notice and Ballots.** On or before March 1 of an Administrative Year in which the term of the Panel member which is elected by a vote of holders of Allowed Pumping Allocation will expire, any and all nominations for that Panel member shall be provided to the Panel on a form prescribed therefore. The Panel shall annually give sixty (60) days notice to all parties that an election shall be held at the Panel’s regularly scheduled meeting in May of each Administrative Year for the purpose of electing Producer representatives to the Panel whose terms expire on June 30 of that Administrative Year in accordance with section II.B. of the Judgment. A ballot meeting the criteria set forth in 13.b below shall be provided together with the notice.

   b) **Voting.** Election of Panel members shall be by voting in accordance with section II.B of the Judgment from the categories therein prescribed. Those categories are: one member from the Small Water Producers Group (now Montebello Land and Water Co.), one member elected by Parties with Allowed Pumping Allocation of less than 5,000 acre-feet who is not a member of the Small Water Producers Group (now the City of Signal Hill), or two members if the Small Water Producers Group does not then qualify, one member elected by Parties with Allowed Pumping allocation of at least 5,000 acre-feet, but less than 10,000 acre feet (now the City of Lakewood), three members elected by Parties with Allowed Pumping allocation of 10,000 acre-feet or more (now the City of Downey, Golden State Water Company
and the City of Long Beach) and one member elected by all Parties holding Allowed Pumping Allocation (now the City of Paramount). Each submitted ballot form shall list the Producer and designee casting the vote, the Producer’s voting category and the names of the nominees for whom the votes have been cast.

c) **Conduct of Elections.** Prior to the canvassing of votes at the Panel’s May meeting, the Chair shall appoint tellers to conduct the election. Such tellers may include any member of the Panel’s staff to monitor the canvassing and counting of votes. Ballots may be submitted to the Panel’s Secretary at any time prior to the May meeting up to the time when the canvassing of the votes is considered in accordance with the meeting Agenda. The tellers shall collect the ballots from the Secretary, retire to tabulate the votes, and promptly report the results of the election to the parties present at the meeting.

1. In the event there is a challenge to the declared election results, the Panel shall appoint three (3) Producer parties as election inspectors who shall recount the election ballots and immediately certify the results of such election to the Panel and others present at the election.

2. In the event of a tie vote, the person elected shall be chosen by lot at the meeting.

d) **Court Confirmation.** The Panel member election results shall promptly be certified to the Court, which will in ordinary course confirm the same by an appropriate order appointing said members.

14. **Vacancy on the Panel and Replacement.** In the event of a vacancy on the Panel of a member who is a natural person, a successor shall be elected at a special meeting of the Panel to be called by the Panel within thirty (30) days of the vacancy occurring. The appropriate ballot
shall be distributed to the Producers having voting rights on the vacant position. The election of the successor Panel member shall be conducted in accordance with section 12 of these Rules and Regulations. Any representative of a Panel member which is a public or privately held entity shall be replaced by action of that entity.

15. **Panel Action Subject to Court Review.** Actions of the Panel shall be subject to review by the Court in accordance with sections II.E. or IV.Q. of the Judgment. The Chair and legal counsel selected by the Panel shall represent the Panel before the Court.

16. **Water Measuring Devices and Meter Test Program.** Parties producing water pursuant to the Judgment shall, pursuant to these uniform rules, install and maintain in good operating condition, at the cost of each such party, such necessary water measuring devices or meters as may be appropriate. Any such measuring device is subject to such inspection and testing as the Panel may, from time to time, deem necessary. In the event that an appointment is arranged between the Panel’s agent for testing meters and a Producer, but the Producer does not appear at the appointment in order to implement the testing, that Producer shall be obligated to reimburse the Panel for any costs charged by the Panel’s agent for appearing at the appointed time. Upon testing, the meters shall be sealed by the Panel’s agent and remain so sealed. The Panel will conduct a formal meter-testing program to help the parties accurately report their production. The Panel intends to test every meter under its jurisdiction at least once every two (2) years.

a) **Wells.** Water wells shall be equipped with a positive displacement, velocity impeller, venturi, orifice-type or electromagnetic flow meter with a totalizer. The totalizer on positive displacement, velocity impeller, venturi and orifice-type meters shall be correctable only by changing mechanical gear equipment. Producers using electromagnetic flow
meters shall ensure that electronic access to meter data is user-defined and password-protected to prevent unauthorized resetting of the totalizer. Additionally, all wells equipped with electromagnetic flow meters shall also have a run-hour meter installed to provide verification of production in the event the totalizer is inappropriately or accidentally reset or its accuracy is otherwise disputed. The meter shall be accessible and installed according to good design practices. Panel personnel shall assist any party having any question as to installation requirements.

b) **Calibrated Test Equipment.** The Panel or its approved meter tester will maintain a complete line of carefully calibrated test equipment. This equipment is the standard with which all water meters must be compared. The tolerance for each meter is plus (+) or minus (-) five percent (5%) of the standard.

c) **Repair or Replacement of Inaccurate Meters.** Defective or inaccurate meters must be repaired within thirty (30) days of receipt of notice thereof from the Panel by the Producer at the Producer’s cost.

d) **Interim Meter Tests.** Should a Producer discover that the meter which measures the water production from the Producer’s well is measuring inaccurately, the Producer shall first notify the Panel thereof, have the meter retested and, if measuring inaccurately, then have the same repaired at the earliest practical and reasonable time. Upon the completion of such repair, such Producer shall immediately have such meter tested and sealed by the Panel’s agent and it shall remain so sealed. Such testing and sealing will be accomplished by the Panel’s agent upon request therefor by said Producer. Meters may be tested and sealed by any meter tester, authorized by the Panel, as provided in subsection (e) of this Section 16. Results of such
meter tests shall be furnished to the Panel within ten (10) days of testing, on forms provided by the Panel.

e) **Panel Approved Meter Testers.** Persons, firms or corporations in the business of repairing and/or testing water measuring devices may be approved by the Panel to test and seal meters on behalf of the Panel by submitting their qualifications therefor to the Panel and obtaining the Panel’s approval to perform meter tests and seal such meters as agents of the Panel. The name, address and telephone number of all such Panel approved meter testers shall be maintained at and be available from the office of the Panel.

f) **Meter Seal by Panel and Notification of Meter Maintenance.** At the completion of all meter tests the Panel’s seal shall be placed on the meter, if the meter test demonstrates that the meter is within the accuracy standard of five percent (5%).

The Producer shall notify the Panel in writing within seven (7) days if the Panel’s seal has been broken or if any of the following events occur: (a) the meter is to be repaired or recalibrated; (b) there is any other interference affecting the meter or the Panel’s seal; (c) the meter is to be relocated even if the Panel’s seal is still intact; or (d) a new meter is to be installed.

g) **Estimation of Production Due to Meter Maintenance.** When a Producer must estimate production due to meter maintenance, he shall consult with the Panel for approval of the method of estimation. A copy of the estimate calculations shall be supplied to the Panel with the corresponding Monthly Report.

17. Each Producer shall notify the Water Rights Panel whenever a new well is drilled or a well is destroyed. Water wells scheduled for destruction shall be destroyed in accordance with established regulations.
18. **Assessment.** The Panel shall have the power, pursuant to the Judgment, to levy and collect an assessment from the parties based on Allowed Pumping Allocation for the purposes and in accordance with the provisions of Section II.B.(2) of the Judgment.

19. **Amendment.** These rules may be amended from time to time by majority vote of the Panel.
APPENDIX “A”
RULES OF PROCEDURE
FOR THE CENTRAL BASIN WATER RIGHTS PANEL

The Basic Format for an Agenda Item Discussion

Meetings must follow a written agenda. The meeting is governed by the agenda and the agenda constitutes the Panel’s agreed-upon roadmap for the meeting. Each agenda item should be handled by the Chair in the following basic format:

First, the Chair should announce the agenda item number and should state the subject matter of the agenda item.

Second, the Chair should invite the appropriate staff person or persons to report on the item, including any recommendation that they might have.

Third, the Chair should ask members of the Panel if they have questions of clarification. At this point, members of the Panel may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, if the item is required to be considered at a public meeting, the Chair should invite public comments. The Chair may and is encouraged to invite succinct comments from attending Central Basin Water Rights Holders.

Fifth, the Chair should invite general Panel discussion of the item or a motion. The Chair should announce the name of the member of the Panel who makes the motion.

Sixth, the Chair should determine if any member of the Panel wishes to second the motion. The Chair should announce the name of the member of the Panel who seconds the motion.

Seventh, the Chair should now invite discussion of the motion by the Panel. If there is no desired discussion, or after the discussion has ended, the Chair should announce that the Panel will vote on the motion.

Eighth, the Chair takes a vote. Simply asking for the “ayes”, and then asking for the “nays” normally does this. If members of the Panel do not vote, then they “abstain.” Unless the Rules of the Panel provide otherwise, then a majority of all Panel members is required to pass a motion.

Motions in General

Motions are the vehicles for decision-making by the Panel. It is not required but is usually best to have the motion before the Panel prior to commencing discussion of an agenda item. This helps the Panel focus.
Motions are made in a simple two-step process. First, the Chair should recognize the member of the Panel. Second, the member of the Panel makes a motion by preceding the member’s desired approach with the words: “I move....” So a typical motion might be: “I move that we give 10-day’s notice in the future for all our meetings.”

The Chair usually initiates the motion by either (1) inviting the members of the Panel to make a motion. “A motion at this time would be in order.” (2) suggesting a motion to the members of the Panel. “A motion would be in order that we give 10-days notice in the future for all our meetings.” (3) making the motion. As noted, the Chair has every right as a member of the Panel to make a motion.

The Three Basic Motions

There are there motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the Panel’s consideration. A basic motion might be: “I move that we create a 5-member committee to plan and put on our annual fundraiser.”

The motion to amend. If a member wants to change a basic motion that is before the Panel, they would move to amend it. A motion to amend might be: “I move that we amend the motion to have a 10-member committee.” A motion to amend takes the basic motion which is before the Panel and seeks to change it in some way.

The substitute Motion. If a member wants to completely do away with the basic motion that is before the Panel, and put a new motion before the Panel, they would move a substitute motion. A substitute motion might be: “I move a substitute motion that we cancel the annual fundraiser this year.”

“Motions to amend” and “substitute motions” are often confused. But they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to discard the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a “motion to amend” or a “substitute motion” is left to the Chair. So that if a member makes what that member calls a “motion to amend”, but the Chair determines that it is really a “substitute motion”, then the Chair’s designation governs.

Multiple Motions Before the Panel

There can only be up to three motions on the floor at the same time.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote must proceed first on the last motion that is made. So, for example, assume the first motion is a basic “motion to have a 5-member committee to plan and put on our annual fundraiser.” During the discussion of this motion, a member might make a second motion to “amend the main motion to have a 10-member committee, not a 5-member committee to plan and put on our annual fundraiser.” And perhaps, during that discussion, a member makes yet a
third motion as a “substitute motion that we do not have an annual fundraiser this year.” The proper procedure would be as follows:

First, the Chair would deal with the third (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion is passed, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the Panel of the third motion (the substitute motion). No vote would be taken on the first or second motions.

Second, if the substitute motion failed, the Chair would now deal with the second (now, the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be 5 members or 10 members). If the motion to amend passed, the Chair would now move to consider the main motion (the first motion) as amended. If the motion to amend failed, the Chair would now move to consider the main motion (the first motion) in its original format, not amended.

Third, the Chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (5-member committee), or, if amended, would be in its amended format (10-member committee). And the question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

Majority and Super-Majority Votes

Normally, a simple majority vote of a quorum present determines a question. A tie vote means the motion fails. So in a 5-member body, with all members present, a vote of 3-2 passes the motion. A vote of 2-2 with one abstention means the motion fails. If one member is absent and the vote is 2-2, the motion still fails.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion is considered and passed.

A motion to reconsider requires a majority vote to pass, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely.

Second, a motion to reconsider may be made only by certain members of the Panel. That is, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the Panel – including a member who votes in the minority on the original motion – may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a
member of the minority could make a motion to reconsider, then the item could be brought back to the Panel again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the Panel, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

**Courtesy and Decorum**

The rules of order are meant to create an atmosphere where the members of the Panel can attend to business efficiently, fairly and with full participation. At the same time, it is up to the Chair and the members of the Panel to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the Chair before proceeding to speak.

The Chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the Panel. Debate on policy is healthy, debate on personalities is not. The Chair has the right to cut off discussion that is too personal, is too loud, or is too crude. A recess of the meeting by the Chair may be necessary to do so.

Debate and discussion should be focused, but free and open. In the interest of time, the Chair may, however, limit the time allotted to speakers.

Can a member of the Panel interrupt the speaker? The general rule is “no.” There are, however, exceptions. A speaker may be interrupted for the following reasons:

**Privilege.** The proper interruption would be “point of privilege.” The Chair would then ask the interrupter to “state your point.” Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person’s ability to hear.

**Order.** The proper interruption would be “point of order.” Again, the Chair would ask the interrupter to “state your point.” Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the Chair moved to vote on a motion without allowing discussion or debate.

**Appeal.** If the Chair makes a ruling that a member of the Panel disagrees with, the member may appeal the ruling of the Chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the Chair is deemed reversed.

**Withdraw a motion.** During debate and discussion on a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the Chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.
Date: August 13, 2015
To: Central Basin Water Rights Panel
From: Toby Moore, Treasurer, Golden State Water Company

Subject: Treasurer's Report

Recommendation:
Update and discussion.

Discussion:
The attached report is a summary of receivables and payables from the CBWRP Trust account. The update is provided by the City of Lakewood which is currently providing financial services support for the Water Rights Panel.

The Panel members will also discuss the best strategy for addressing those WRP Assessment invoices that are still outstanding.

Attachment(s):
1. Treasurer's Report as of 8/13/2015
# CENTRAL BASIN WATER RIGHTS PANEL
## TREASURER’S REPORT
### August 13, 2015

**Balance as of 6/30/15** 78,404.56

**Receipts**

<table>
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<tr>
<th>Payor</th>
<th>Date</th>
<th>Deposit</th>
<th>Amount</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>City of Artesia</td>
<td>7/27/2015</td>
<td></td>
<td>24.00</td>
<td><em>WRP Invoice payment</em></td>
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</tbody>
</table>

24.00

**Disbursements**

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<thead>
<tr>
<th>Vendor</th>
<th>Date Paid</th>
<th>Check #</th>
<th>Amount</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Richards Watson &amp; Gershon</td>
<td>7/30/2015</td>
<td>65063</td>
<td>9,163.10</td>
<td><em>Legal services-April, 2015</em></td>
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<tr>
<td>KJ Sevices Env.</td>
<td>7/30/2015</td>
<td>65052</td>
<td>2,040.00</td>
<td><em>Administrative Svcs.-June, 2015</em></td>
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</table>

11,203.10

**Ending Balance** 67,225.46
CENTRAL BASIN WATER RIGHTS PANEL
AGENDA REPORT

Date: August 13, 2015
To: Central Basin Water Rights Panel
From: Jason Weeks, Water Replenishment District
Subject: Administrative Body Report

Recommendation:

1. Receive and File the Monthly Water Rights Activity.

Discussion:

2014-2015 Water Rights Activity

The 2014-2015 Administrative Year closed on June 30, 2015. In summary, there was approximately:

- 180,000 acre-feet of pumping
- 12,700 acre-feet of In-Lieu
- 71 leases transferring 32,400 acre-feet of pumping rights
  - 24,100 acre-feet with flex
  - 8,300 acre-feet without flex
- 9 water rights sales/transfers

In addition, a request was received under the terms of Section IV.K of the Central Basin Judgment which allows for increased extractions for certain water purveyors. Golden State Water Company requested increased extraction in the Central Basin of 2,814.00 acre-feet and the retirement of a like amount of unused rights in the West Coast Basin. This increased extraction is reflected in the values shown in the draft Central Basin water rights accounting table and their retirement will be reflected in the West Coast Basin accounting table.

Draft 2014-2015 water rights accounting and lease tables are currently being generated and will be distributed for review and comment at the Water Rights Panel meeting.

2014-2015 Storage Activity

2014-2015 storage activity consisted of 899.49 acre-feet extracted from storage and 2,020 acre-feet put into storage, all through Carryover Conversion. A summary of water currently in storage is provided in the table below.
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<thead>
<tr>
<th>Party</th>
<th>Quantity (acre-feet)</th>
<th>Storage Account</th>
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</thead>
<tbody>
<tr>
<td>Downey, City of</td>
<td>1,350.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Cerritos, City of</td>
<td>500.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Lakewood, City of</td>
<td>500.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Long Beach, City of</td>
<td>13,177.31</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Los Angeles, City of*</td>
<td>6,020.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Maywood Mutual Water Company No. 3</td>
<td>300.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>South Gate, City of*</td>
<td>500.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td>Whittier Union High School District</td>
<td>50.00</td>
<td>Individual Storage Account</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>22,397.31</strong></td>
<td></td>
</tr>
</tbody>
</table>


**2015-2016 Billing / Invoices**
Consolidated 2015-2016 invoices for the Water Rights Panel and the Administrative Body will be mailed to water rights holders the week of August 10th.

Attachment(s):
None
CENTRAL BASIN WATER RIGHTS PANEL
AGENDA REPORT

Date: August 13, 2015
To: Central Basin Water Rights Panel
From: James Markman - Richards, Watson, Gershon

Subject: Attorney's Report

Recommendation:

Update and Discussion

Discussion:
As events require, the Panel's attorney will provide an update on any issues or matters that are pending or that will potentially impact the Panel or water purveyors in the Central Basin, as well as issues related to the Third Judgment.

Attachment(s):
None
CENTRAL BASIN WATER RIGHTS PANEL
AGENDA REPORT

Date: August 13, 2015
To: Central Basin Water Rights Panel
From: Charlie Honeycutt - City of Signal Hill

Subject: Committee Updates

Recommendation:
Update and Discussion

Discussion:
The Panel will consider the following item:

1. Update on the initial needs assessment for the Regional Disadvantaged Communities Incentive Program (RDCIP) - Grace B. Kast and the Egoscue Law Group.

Attachment(s):
1. Egoscue Law Group - Engagement Agreement.
July 10, 2015

Via email
jglancy@lakewoodcity.org

Central Basin Water Rights Panel
Attn: Mr. James Glancy

Re: Engagement Agreement – Central Basin Water Rights Panel

Dear Mr. Glancy:

This letter is to confirm the Central Basin Water Rights Panel, as a continued client of Egoscue Law Group and to confirm our discussions regarding your engagement of our Firm for the continued development of the Central Basin Regional Disadvantaged Communities Incentive Program (“RDCIP”). We are pleased to represent you, and as required by the State Bar of California, we are providing you with this engagement letter, and the accompanying Memorandum Regarding Billing and Fee Arrangement (“Memorandum”). Together, they set forth the administrative steps our Firm follows in accepting this engagement and the general terms of our agreement to represent you.

We want to thank you for the opportunity to serve you in this matter. We believe that a good mutual understanding of the services to be performed and who will perform them, together with an understanding of the billing and fee arrangements, is the key to a mutually successful relationship. Please let us know immediately if you have any questions regarding any aspect of the matter that we are going to be handling for you, regarding this letter, or regarding the accompanying Memorandum.

1. **Scope of Representation.**

You have asked us to represent you, with respect to the Task 1 of our Proposal dated May 14, 2015 regarding implementation of the RDCIP. We understand that Task 1 has been slightly modified by the Water Rights Panel to include outreach to water rights holders to solicit potential interest in storing water under this program and is now defined as the preliminary step before proceeding with the entirety of Task 1. This representation will entail our analysis of the situation, and consultation with you and other interested parties. It will entail meetings and communications, and other tasks necessary to carry out proper representation.
Egoscue Law Group

We will be working as consulting experts at your specific instruction, as you shall determine. Accordingly, we are not undertaking any general counsel functions of review, oversight or advice concerning legal matters that may affect you and with which our specific assignments are not involved.

2. Responsible Lawyers and Subcontractor.

Tracy Egoscue will be primarily responsible for this work. Ms. Egoscue’s special hourly rate for this matter only is $250.00. Grace J. Kast will also assist ELG as a subcontractor and her hourly rate is $175.00. We understand that this is a three (3) month contract with a maximum billable of $15,000. Should you request that we take on additional work beyond the $15,000 billable and 3 month timeframe, we will exceed the allowable cost and will only do so with prior approval from you in writing.

3. Fee and Billing Arrangements.

Our standard fee and billing arrangements are set forth in the enclosed Memorandum. Your signature below approving this letter and the Memorandum indicates your acceptance of the terms of the Memorandum, as modified in this paragraph.

4. Dispute Resolution.

In the event of any dispute between you and our Firm (therein the “parties”) relating in any way to this engagement letter or our legal representation of you, either party may proceed as the law may require to initiate one or more arbitrations as follows: all fee dispute issues will be resolved by arbitration with the Los Angeles County Bar Association, and all other matters and claims arising out of or relating to this engagement letter or our professional services rendered to or for you, including without limitation disputes as to malpractice claims, or claims for breach of confidential or fiduciary relationship, will be resolved by binding arbitration with the American Arbitration Association in Los Angeles, California. An award from any binding arbitration shall be enforceable in all courts of competent jurisdiction. The arbitrator(s) shall apply the law of the State of California and shall award costs and attorneys fees to the prevailing party in such arbitrations. The parties agree that to the extent permitted by law, the resolution provisions provided in this paragraph are the sole and exclusive remedy of the parties and they waive and forego any right to pursue action in any court or other legal forum to resolve such claims. The parties acknowledge and agree that they are waiving their respective right to a trial by jury.

Please contact me immediately if this letter does not accurately reflect your understanding of our agreement. Any corrections or changes must be in writing and signed by both of us. Otherwise, please sign and return the enclosed acknowledgment copy of this letter at your earliest convenience.
We are delighted to be working with you, and look forward to accomplishing your objectives.

Tracy J. Egoscue
Egoscue Law Group

Attachment

The foregoing engagement letter, together with the accompanying Memorandum Regarding Billing and Fee Arrangement, accurately sets forth all of the terms of your engagement and is approved and accepted this ___ day of ______, 2015.

Central Basin Water Rights Panel

__________________________
Chair

__________________________
Vice Chair
Mutual Understanding. We are pleased to have the opportunity to serve you. Our experience has shown that our relationship will be best served if we start with a clear mutual understanding about fees, costs and their payment. Unless our engagement letter transmitting this memorandum to you alters these arrangements, we will assume that the following terms are acceptable to you.

Conflicts of Interest. The Firm’s intake procedures require that a fully executed copy of the engagement letter be submitted to the Management Committee of the Firm for approval, review of any conflicts of interest be undertaken based upon the information that you have provided us and that certain other routine clerical steps be completed. Subject to satisfying these procedures, we will open a file and commence work for you on this matter. Should it later develop that, based upon information that was not known at the time we started work, a conflict of interest exists or has developed, we will immediately contact you to determine what options we have within the ethical considerations of the Code of Professional Responsibility to resolve the matter or to help you obtain other counsel.

Fees for Services. Our normal billing practice is to base legal fees on the amount of time devoted to a matter at hourly rates for the attorneys and other personnel (such as paralegal assistants) involved in the project. All parties must agree to any other fee arrangements in writing. Our fees are adjusted from time to time to take account of various factors, including increased costs. You will be notified in writing of any adjustments of fees. The hourly rates for attorneys and paralegals in the Firm presently range from $150 for certain paralegals to $700 for the most experienced lawyers. This matter will be billed at a special rate. It is not possible at the beginning of any project to determine exactly the nature, extent and costs of the legal services that may be required. Even carefully prepared estimates may turn out to be high or low. Naturally, we will endeavor to minimize attorneys’ fees and costs in keeping with sound legal practices and we will keep you apprised with monthly billings. Our experience has been that our clients consider our fees to be reasonable in light of the responsibilities assumed, the effort expended, the results achieved and the expediency with which the project is completed.

Costs and Expenses. There will be no charge for costs or expenses incurred.

Statements. We generate invoices as of the last day of each month that are sent to our clients on or about the 5th day of each subsequent billing month. All amounts as billed are due and payable on receipt. The statements we send you will state the current status of your account, both for services rendered and for costs incurred on your behalf. Each person signing the engagement letter that you return to us will be jointly and severally responsible for all obligations to us. At any time you request, we will provide a statement to you no later than ten (10) days following your request. You are entitled to make subsequent requests for statements at intervals of no less than thirty (30) days. You have the
right to have the form of statement for services in any reasonable manner you choose, including a summary billing, a bill reflecting time entries, a bill reflecting date, task and attorney or an abbreviated bill. The form of our statement will include the date, task and time devoted to each task, unless you request otherwise in writing.

**Discharge and Withdrawal.** We will endeavor to represent you promptly and efficiently according to the highest legal and ethical standards. You have the right to terminate our services, however, at any time upon written notice to us. We also have the right to terminate our services to you, upon written notice, if you fail to pay for our services in a timely manner, if you fail to cooperate with a reasonable request or if we determine that continued representation of you would be unethical, impractical, improper or otherwise undesirable. We each agree to sign any documents reasonably necessary to complete any such termination.

**File Retention Policy.** In the course of your representation, we shall maintain a file. In such file we may place correspondence, pleadings, deposition transcripts, exhibits, physical evidence, expert’s reports, and other items reasonably necessary to your representation (“Client File”). The Client File shall be and remain your property. We may also place in such file documents containing our attorney work product, mental impressions or notes (“Work Product”). You agree that the Work Product shall be and remain our property.

At the conclusion of our representation (which is defined as the time that our work on the matter specified in this letter has been completed), your Client File (but not including the Work Product) shall be made available to you, and you shall have the right to take possession of any and all original contracts, wills, stockholders certificates, and other such important documents that may be in the Client File and we shall have no further responsibility with regard to such documents. We are entitled to retain a copy of your file.

If you do not take possession of the Client File at the conclusion of the representation, we shall store such file for you for a period of seven (7) years. While we store your Client File for you, you will have the right to take possession of it at any time that you choose. On the lapse of the seven (7) year period, we may send you a notice to the last address that you have provided us advising of our intention to dispose of the Client File. You shall have sixty (60) days from the date of such notice to take possession of your Client File. If you do not take possession of the Client File within such 60-day period, you agree that we may, in our discretion, dispose of the Client File without further notice to you.

**Attorneys’ Fees and Costs.** If there is litigation or arbitration to enforce this agreement, the prevailing party will be entitled to receive its attorneys’ fees and costs. California law will apply in connection with this agreement.

**Disclaimer of Guarantee.** We have made no representations, promises or guarantees to you about the outcome or success of your matter. Nothing in this agreement shall be construed as such a...
promise or guarantee and your obligation to pay the fees and costs incurred in connection with this matter is not dependent in any way on the success of the matters on which you consult with us.

**Lien.** You hereby grant the Firm a lien on any recovery, or right to recovery, by way of settlement, judgment, or otherwise, obtained through our efforts on your behalf under this agreement. Our lien will be for all amounts due and owing by you to the Firm at the conclusion or termination of our services.

**Termination or Conclusion.** Upon the termination or conclusion of our services, all unpaid charges for services rendered and costs incurred or advanced through the termination or conclusion date shall become immediately due and payable.

**Litigation Matters.** You acknowledge that your engagement of our Firm does not extend to the provision of tax advice, investment planning, or the tax ramifications of any payments made or received during the course of any litigation handled by our firm. Your engagement of our Firm extends to services in connection with litigation at the trial or arbitration level only. Any appellate work on such matter will be the subject of a separate retainer agreement executed by both parties after the merits of an appeal are evaluated.

**Professional Liability Insurance.** Our Firm maintains Professional Liability Insurance applicable to the legal services to be rendered to you.

**Additional Matters.** If you request us to represent you in additional matters, these terms will apply to such matters, unless we both agree otherwise in writing.

**Questions.** If you have questions about any aspects of our fee arrangement or our statements, feel free to raise those questions with the lawyer responsible for your work or. It is important to us that we proceed on a mutually clear and satisfactory basis in working with you. We are open to discussing all of these matters, including the amount of our statements, and we encourage you to be frank with us about them.
Date: August 13, 2015
To: Central Basin Water Rights Panel
From: James B. Glancy, Chairman, City of Lakewood

Subject: Water Meter Testing Contract

Recommendation:
Update and discussion.

Discussion:
Per the Central Basin Water Rights Panel's contract with the California Department of Water Resources (DWR) (Contract # 333182), testing of water production wells in the Central Basin are continuing on an ongoing basis.

No well testing reports have been received since the last Water Rights Panel meeting.

Attachment(s):
None