

Director's Report: Pam Nelson

- 1) **Aguanga Town Hall Meeting-9/22:** Sup. Stone heard our local concerns about land use and emergency coverage for the area. I presented Tony Mann's "success report" about the Interpretive Program at Lake Skinner and he was very interested in continuing it.
- 2) **Co. Code Enforcement Meeting (Kathy Gifford/Tony Carsten)-9/25:** A few Aguanga residents and I met the interim Code Enf. Dir., K. Gifford. We explained the land use abuse in our area covering illegal grading, creek and riparian disruption and OHV tracks. I stressed that our RCD is worried that the county is not following CEQA and the MSHCP by not enforcing some of the land use ordinances.
- 3) **San Jacinto Sierra Club Meeting-9/27:** Holly Owens of the CA Wild Heritage Campaign presented a powerpoint on Riverside proposed wildernesses and wild & scenic rivers. The group was small, but interesting (as well as the presentation) and I hope to continue contact for partnerships on projects. I will ask Holly to give us a presentation.
- 4) **Press Event for Bono's Wilderness Bill-10/9:** Congresswoman Mary Bono (at the visitor center at the San Jacinto Monument) announced that she would introduce the Riverside Wilderness Bill.
- 5) **Co. Code Enforcement Meeting (Brian Black)-10/10:** our neighborhood group was given a progress report on the ongoing land use problems we have reported in the Aguanga area. It's apparent we have work to do yet, since the officials can't distinguish a track from a road (they told us as long as they don't see jumps, these tracks could be roads). Also, the area on 79s that is called Canyonlands (for the future family sports camp) is still doing illegal work in Temecula Cr. Code said they haven't done anything because there was a lawsuit, but now they can since it has been released. We have written several letters about our concern here. I'll be following this. This project and several others are showing that the MSHCP is being ignored.
- 6) **Watershed Council EPA Grant application sent-10/14:** after weeks of very hard work and frustration, Bob W. got the grant in the mail. I helped with a few sections and Dan helped with the proper delivery. Thanks, Bob
- 7) **Ethics Training at RCRC-10/17:** After a few hours at the RCRC, our members became "ethical" and received certificates to prove it. There were some interesting points brought up and it appears ethics are only related to benefitting from a money exchange, no matter how remote. The Brown Act and others were reviewed quickly.
- 8) **Bureau of Reclamation Stakeholder's-10/17:** The Bureau is trying hard to figure out the best way to monitor the health of our watershed. Bob, Scott Thomas and I presented the hopes we have for setting up a watershed council through the EPA grant that was just submitted. The Bureau has matching funds available that I've have been having discussions with Scott about looking into creating projects that would fit the criteria for these funds.
- 9) **Point X and Vail Lake Planning Commission-10/18:** Point X got a temporary denial with the permanent one to follow on Nov. 1. Vail Lake (Bill Johnson) is still getting his way and the planning commission is helping him do whatever he wants even though the MSHCP is being ignored.
- 10) **Resource Conservation and Development (RC&D)-10/23:** This umbrella organization that is composed of RCDs and any group that has conservation concerns could be very useful to regional conservation efforts. Making this group stronger would benefit us greatly. There can be lots of assistance provided through the group and its grants.

- 11) MWD Education Partnership meeting:-10/23: Vicki attended this in my place and found that the Interpretive Program at Lake Skinner has lots of support from many county agencies. We should be happy that we saved this program. Tony Mann's work at the Center was very valuable and the Center will be a great place for our environmental education projects.
- 12) Land use issues at Glen Oaks—County Panel-10/25: A panel has been set up of county and local officials. Wine Country land use and criminal problems are the topics as well as land use ordinance and zoning interpretation and enforcement in our district.
- 13) LAFCO Commission-10/26: Vicki will report the outcome. She has submitted our map and Lafco was very impressed. We have to now submit an application, but we have to decide whether to continue forward or not depending on the other RCD's (RC and SJ) support. We either keep our existing boundary or go with the watershed line as is presented in the map we submitted. A partial change of our boundary is not an option since it doesn't follow the watershed concept of RCD boundaries that started this boundary change process.
- 14) San Jacinto RCD Board Meeting-10/26: I'll be attending the meeting with Bob W.(acting as historian) to ask the following:
 - explanation of MOUs --what are the projects in our district, how can we keep more informed and possibly participate? What will happen to the projects that Jim Gilmore is managing , since he is ill? Will this affect projects in our district?
 - what do they see are the problems with the proposed watershed boundary that we submitted to Lafco?
 - will they be participating in the RC&D soon? We need more representation from the RCDs.

Committee reports:

Mitigation: covered in action items of agenda

Watershed: Del can fill in anything not shown above.

Schoolhouse: Progress on Intepretive Program as seen above.

DIRECTOR'S REPORT
Thursday, October 26, 2006
Charolette Fox

1. Meetings attended or scheduled:

September 28 -- Listening Session on Cooperative Conservation, U.S. Dept of the Interior, San Bernardino

October 3 – Hearing on septic tanks/sewer systems for Quail Valley; 7:00pm at Canyon Lake Middle School

October 7 – Backup trainer for Master Composter Class, Riverside County Waste Management Dept.

October 16 -- Legislative call-in for CPRS

October 16 – WaterReuse Meeting, WMWD

October 17 – Ethics Training, RCRC

October 17 – Santa Margarita Stakeholders Meeting, RCWD

October 19 – Legislative call-in for California environmental collaborative

October 19 – Advisory Committee Meeting, EMWD/Division 1

October 25 – Water Dialogue, MWD

October 26 – Advisory Committee Meeting, EMWD/Division 3

*** October 26 – GAMA Groundwater Monitoring of Upper Santa Ana Watershed, WMWD**

*** October 27 – Water Facilities Inspection Trip, MWD**

November 8 – Delta Visioning Workshop, MWD

November 15 – AQMD public workshop, AQMD Hdqtrs

Continued

November 16 – UCR Seminar “Reducing Wildfire Risks”

November 17 – AQMD Policy Institute, AQMD Hdqtrs

November 30 – Mitigation Workshop, RCRC

December 4 – Enviro Summit, Sacramento

2. CONFERENCE ANNOUNCEMENTS

- **Sierra Business Council Conference 2006**
“Bridging the Rural/Urban Divide”
November 2-3, Yosemite Lodge Mountain Room
<http://sbccouncil.org/conference>
(emerging water and energy issues, partnerships)
(speakers include the Senior Attorney for NRDC)
- **California Water Policy Conference**
“Beating the Odds: Getting from Plan to Action”
November 16 & 17, Wilshire Grand Hotel, Los Angeles
www.cawaterpolicy.org
- **Blakely Center Annual Conference (UCR)**
“Revitalizing the Suburbs”
January 25, Historic Mission Inn, Riverside
(Registration & Agenda not posted yet)
- **Gregory Canyon Seminar (postponed, to be rescheduled)**
Cupa Cultural Center

3. Activities

- **Contacted water departments, elected officials, and water professionals to recruit candidates for the Water Leaders Class, a one-year program to mentor future water decision makers.**
- **No updated info on EMARCD’s website (as of Oct 24).**

- Responded to legislative “Calls to Action” on various state and national environmental bills.
- Accepted positions on 2 Advisory Committees for EMWD.
- Accepted position on AQMD’s new Policy Institute program

4. Articles for the October newsletter were due on October 19.

Lottiefox

From: <stantoned11@mchsi.com>
To: "DEL ROSS" <delross@verizon.net>
Cc: "Charolette Fox" <lottiefox@verizon.net>; "Dan Matrisciano" <danishelen@earthlink.net>; "Gary Watts" <gwatts@parks.ca.gov>; "Robert Wheeler" <robertdwheeler@verizon.net>; "Terry Whittington" <bikemanterry@verizon.net>; "Vicki Long" <VickiGLong@AOL.com>; "Bob Hewitt" <Robert.Hewitt@ca.usda.gov>
Sent: Thursday, October 26, 2006 8:42 AM
Subject: Re: Mitigation Property- Sherwood- Riverstone

First a comment in reply to Del's message. The funding to the District would not be for any "work" on the property. Management would be sole responsibility of RCA (actually it would be Riverside County Parks and Open Space District because they do MSHCP management). If EMARCD wants to do any work, which RCA would surely allow if it improves and meets their objectives, then it would be funded external to the endowment.

Next comment relates to The Environmental Trust. My understanding is that the proponent needs to have a commitment by tomorrow or the court sends the property back down the list of who wants which properties. Not sure how this fits in since RCA already took ownership, so they may have already satisfied the court. Other projects I was working on ran out of time. I can better explain the process at tonight's meeting.

My gut feeling is that EMARCD should avoid this, but if they come up with \$95,000 then it is worth considering. No way I would support any project for \$5000. That is why TET went bankrupt!

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
ELSINORE-MURRIETTA-ANZA RESOURCE CONSERVATION DISTRICT AND MISSION
RESOURCE CONSERVATION DISTRICT

The Elsinore-Murrietta-Anza Resource Conservation District, herein after identified as EMARCD, and the Mission Resource Conservation District, herein after identified as MRCD, have been enabled by Division 9 of the State Public Resources Code to perform a broad range of functions which include watershed planning and management. The combined service areas of EMARCD and MRCD encompasses much of the Santa Margarita River watershed area and the Resource Conservation Districts, with technical support from the Natural Resources Conservation Service, are currently offering non-regulatory programs of conservation education, technical support and water quality monitoring.

Recognizing the mutual benefits of a cooperative, integrated approach to watershed management and recognizing joint responsibility for the ecological integrity of the Santa Margarita River resource system, this Memorandum of Understanding is entered into by and between the Elsinore-Murrietta-Anza Resource Conservation District and Mission Resource Conservation District (MRCD).

Within the limitations of their authorities, resources and established policies of EMARCD and MRCD, the districts will cooperate to co-sponsor a Santa Margarita River Watershed Project implemented by a Watershed Council which will incorporate the Districts non-regulatory approach to coordinated resource management planning. Further, EMARCD and MRCD will apply available technical, financial and educational resources, whatever their source, and will coordinate them to meet the agreed upon goals of the Santa Margarita River Watershed Project. Both Districts will actively identify and foster partnerships to achieve common goals more efficiently and economically.

This Memorandum may be amended or terminated at any time by mutual consent of the parties hereto or may be terminated by either party by giving sixty (60) days notice in writing to the other.

ELSINORE-MURRIETTA-ANZA RESOURCE CONSERVATION DISTRICT

by Robert D. Wheeler
Robert Wheeler, President

22 June 1996
Dated

MISSION RESOURCE CONSERVATION DISTRICT

by Ray Pack
Ray Pack, President

21 JUNE 96
Dated

**MEMORANDUM OF UNDERSTANDING
COOPERATIVE WORKING AGREEMENT**

Between the

SAN JACINTO BASIN RESOURCE CONSERVATION DISTRICT

and the

**ELSINORE-MURRIETA-ANZA RESOURCE CONSERVATION
DISTRICT**

PURPOSE

The purpose of this Memorandum of Understanding is to establish a Cooperative Working Agreement between the San Jacinto Basin Resource Conservation District (SJBRC D) and the Elsinore-Murrieta-Anza Resource Conservation District (EMARCD). This Cooperative Working Agreement is to provide a provision for the SJBRC D Irrigation Mobile Lab to provide conservation programs within the EMARCD service area.

WHAT SJBRC D WILL DO

Provide conservation programs in Irrigation Water Management, Nutrient Management, Integrated Pest Management, Invasive Plant Management and Grower Education within the EMARCD service area. Copies of evaluation reports will be available upon request of EMARCD directors.

WHAT EMARCD WILL DO

Support SJBRC D by any way available and by assisting SJBRC D in obtaining grants and other funding to promote the conservation programs.

Lottiefox

From: "DEL ROSS" <delross@verizon.net>
To: "Charolette Fox" <lottiefox@verizon.net>; "Dan Matrisciano" <danishelen@earthlink.net>; "Ed Stanton" <stantoned11@mchsi.com>; "Gary Watts" <gwatts@parks.ca.gov>; "Robert Wheeler" <robertdwheeler@verizon.net>; "Terry Whittington" <bikemanterry@verizon.net>; "Vicki Long" <VickiGLong@AOL.com>
Cc: "Bob Hewitt" <Robert.Hewitt@ca.usda.gov>; "Jeff Brandt" <JBrandt@dfg.ca.gov>
Sent: Wednesday, November 01, 2006 9:34 AM
Subject: Fw: Judge assails S.D.'s landmark habitat plan - Ruling orders portion of blueprint be revised (SD UT 14 Oct 06)

----- Original Message -----

From: Ed Stanton
To: DEL ROSS
Sent: Wednesday, November 01, 2006 8:44 AM
Subject: RE: Judge assails S.D.'s landmark habitat plan - Ruling orders portion of blueprint be revised (SD UT 14 Oct 06)

Would you forward? I don't have all those addresses on this computer.

Edward Stanton
 Center for Natural Lands Management
 425 E. Alvarado St., Suite H
 Fallbrook, CA 92028
 760-731-7790 (p)
 760-731-7791 (f)

-----Original Message-----

From: DEL ROSS [mailto:delross@verizon.net]
Sent: Wednesday, November 01, 2006 8:41 AM
To: Ed Stanton
Subject: Re: Judge assails S.D.'s landmark habitat plan - Ruling orders portion of blueprint be revised (SD UT 14 Oct 06)

Thanks. Suggest you forward this to entire EMARCD.
Del

----- Original Message -----

From: Ed Stanton
To: delross@verizon.net
Sent: Wednesday, November 01, 2006 8:20 AM
Subject: FW: Judge assails S.D.'s landmark habitat plan - Ruling orders portion of blueprint be revised (SD UT 14 Oct 06)

Per your request.

Edward Stanton
 Center for Natural Lands Management
 425 E. Alvarado St., Suite H

Fallbrook, CA 92028
760-731-7790 (p)
760-731-7791 (f)

-----Original Message-----

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Judge assails S.D.'s landmark habitat plan

Ruling orders portion of blueprint be revised

By **Mike Lee**
STAFF WRITER

October 14, 2006

A U.S. District Court judge shot a hole through San Diego's once-heralded blueprint for balancing development and ecology yesterday, setting a precedent for legal challenges to similar programs nationwide.

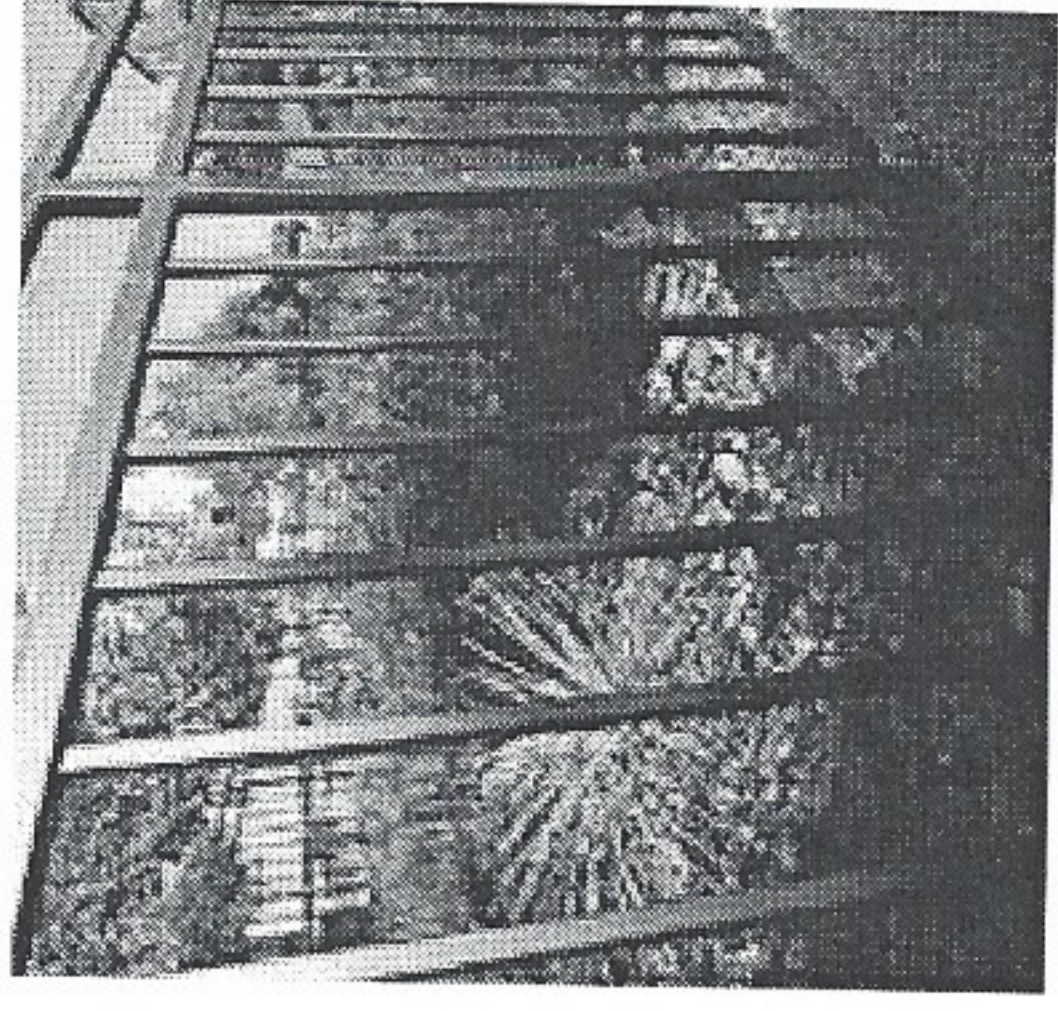
Senior Judge Rudi Brewster ruled that federal approvals for the city's plan virtually guaranteed development, but "would permit monumental destruction" of several protected species that live in vernal pools, or temporary wetlands.

He ordered the U.S. Fish and Wildlife Service to stop current or projected development on such sites and revise its conservation plan for seven species in San Diego.

Brewster's ruling also criticized the city's "vague and noncommittal" funding assurances for its initiative, though it was not immediately clear how officials would resolve this issue.

The injunction against some development was rendered in San Diego and came about eight years after some environmentalists filed a lawsuit.

It heartened conservationists, even though they said much of the habitat they sued to protect has



JOHN GIBBINS /
David Hogan of the Center for Diversity knelt by the last v.

been paved over.

at a developed site in Mira Mesa. "In the past, the agencies have been a little more willing to let political expedience rather than biological necessity make decisions that the court recognized that," said Daniel Rohlf of Portland, Ore., a lawyer for the plaintiffs.

San Diego's blueprint and others like it are known as habitat conservation plans. Congress authorized them in 1982 as a way to meet requirements of the federal Endangered Species Act.

The plans allow for the expansion of homes, roads and businesses while setting aside land where threatened and endangered species live. During the past quarter-century, some 675 such blueprints have been adopted nationwide, and two more are being prepared in San Diego County.

"This decision will almost certainly increase legal scrutiny on other similar plans, and locally it will be used to improve plans the works," said David Hogan, urban wildlands director for the Center for Biological Diversity in San Diego.

The center was one of 14 national, state and local environmental groups that challenged the city's portion of a document forming the Multiple Species Conservation Program.

Other local jurisdictions, including San Diego County, have related agreements but weren't targeted by the suit.

Representatives for the mayor's office and the Fish and Wildlife Service said they had not seen the judge's order, which was issued Friday afternoon, and could not comment.

The federal agency is likely to appeal the ruling.

Efforts to reach development groups that had defended the habitat plan in court were unsuccessful.

"What we are looking for is the preservation of the (plan)," Donna Morafcik, spokeswoman for the Building Industry Association in San Diego County, said earlier this week.

Much of the San Diego program remains untouched by the ruling, which focused on seven vernal-pool species out of several covered by the agreement between the Fish and Wildlife Service and the city.

The affected species include the San Diego fairy shrimp, the Otay Mesa mint and the San Diego button celery.

They are of particular concern to environmentalists because they live almost entirely on lands within the city's conservation plan. Only Southern California's Mediterranean climate supports the specific habitat needed by these species, and court records show that 10 percent of it has been destroyed.

Brewster was convinced by such arguments, even though he seemed to understand that skeptics would question why developers have to work around a handful of species unknown to most people.

“If this type of destruction is treated on a case-by-case basis as an unimportant loss, it does not take long before life on this planet is in jeopardy,” he said.

Even by the standards of environmental litigation, the lawsuit has had a tortured existence. Brewster is the third judge on the case, and has an administrative record of more than 80 volumes.

Despite all the legal wrangling, Brewster didn't find a lot of ambiguity.

“The species are left in a 'heads I lose, tails you win' position that substitutes inadequate conservation measures in the place of conservation and recovery standards of the (Endangered Species Act),” the judge said.

While Brewster is unlikely to be the last jurist to rule on the issue, he answered an important national question: How aggressive should Fish and Wildlife Service be when it trades damage to some habitat for protection of other habitat?

A fundamental issue is whether San Diego's habitat plan should have been designed to help species fully recover, or if it can meet a demanding standard of not jeopardizing the species' continued existence.

“This is a key legal question of interest to conservation advocates and economic interests alike,” Rohlf said in a recent paper for the Bar Association.

Andrew Hartzell, a lawyer for the Building Industry Association in the case, said before yesterday's ruling that he believes it's habitat plans bear the entire burden of getting plants and animals off the federal protection list.

Hogan, the conservationist, said Brewster got it right.

“This decision may set an important precedent because the government has previously disregarded its obligation to use these plans to help with the recovery of the listed (species),” Hogan said.

Habitat conservation plans have become wildly popular since the late 1990s. That's when San Diego city and county officials passed pieces of the historic Multiple Species Conservation Plan.

“This is a momentous occasion, the first time this has ever been done and a national model,” Bruce Babbitt, then secretary of the Department of the Interior, proclaimed in 1997 when San Diego County supervisors approved the framework.

Business boosters and property owners typically embrace the blueprints because they come with assurances that the government will make more concessions later.

The arrangements also appeal to government agencies because they can consolidate the protection of numerous species into one instead of dealing with them piecemeal.

Certain conservationists laud the documents.

“Multispecies planning efforts are positive things because they allow this sort of comprehensive view of open space and development. Michael White, a biologist with the Conservation Biology Institute, a nonprofit research group in Encinitas.

“The other thing that the planning has done is allowed an enormous amount of (state and federal) money to be funneled into things otherwise wouldn't be here,” White said.

In San Diego's case, however, Brewster was not impressed by the city's “unlikely funding plan” and he chastised the Fish and Wildlife Service for approving it.

■Mike Lee: (619) 542-4570; mike.lee@uniontrib.com

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Lottiefox

From: "DEL ROSS" <delross@verizon.net>
To: "Charolette Fox" <lottiefox@verizon.net>; "Dan Matrisciano" <danishelen@earthlink.net>; "Ed Stanton" <stantoned11@mchsi.com>; "Gary Watts" <gwatts@parks.ca.gov>; "Robert Wheeler" <robertdwheeler@verizon.net>; "Terry Whittington" <bikemanterry@verizon.net>; "Vicki Long" <VickiGLong@AOL.com>
Cc: "Aldo Licitra" <licitra@cityoftemecula.org>; "Bob Hewitt" <Robert.Hewitt@ca.usda.gov>
Sent: Wednesday, October 25, 2006 11:46 AM
Attach: FINAL SETTLEMENT AGMT.pdf; envl2897- Johnson v. State Water Resources Control Board (Cal. Aopp. 4th Dist. 2004).pdf
Subject: Fw: Settlement

Attached is the proposed final settlement agreement between San Diego Regional Water Quality Board and Johnson / Vail Lake. It will be finalized by the Board at the next meeting. The agreement basically says both parties walk away - no fine- no payment - no potential SEP restoration money for us. The original fine was for \$422,000 for violations of stormwater permits.

The agreement is the follow-up to the case in Superior Court (2004) where Johnson won his case. According to my source at R9WQCB, the Attorney General felt the case was not strong enough to risk losing at Appellate Court and thence- setting a precedent.

If you would like particulars of the case, please read the attached case. Johnson graded w/o stormwater permit- trying to use an agricultural permit instead (issued by Riverside Ag Commissioner). R9WQCB saw through the ruse and fined him big time in 2002. R9WQCB apparently plans no further action.

Let's keep up the vigilance on Vail Lake/ Ranch!!!
 Del Ross

----- Original Message -----

From: "Lori Costa" <LCosta@waterboards.ca.gov>
To: <delross@verizon.net>
Cc: "Vinty Siev" <vsiev@waterboards.ca.gov>
Sent: Monday, October 23, 2006 11:02 AM
Subject: Re: Settlement

Attached is the settlement agreement.

Lori Costa
 Executive Assistant
 San Diego Regional Water Quality Control Board
 (858) 467-2357

>>> "DEL ROSS" <delross@verizon.net> 10/23/2006 10:40 AM >>>
 I cannot find a reference to a "settlement" of the Johnson Vale Lake Order

2002-027 on your website. The links you sent only pointed to the Order itself, not the lawsuit, nor the settlement. Review of the actual settlement is important to us. Please help.

Del Ross
EMARCD

----- Original Message -----

From: "Vinty Siev" <vsiev@waterboards.ca.gov>

To: <delross@verizon.net>

Sent: Monday, October 23, 2006 8:52 AM

Subject: Re: Settlement

Sorry the second link is bad since I mistyped it. The first link should take you right to the settlement agreement. Here is the correct second link:

<http://www.waterboards.ca.gov/sandiego/orders/orders-02.html>

Vinty Siev
LAN Administrator Assistant, Region 9
Phone: (858) 467-2705
vsiev@waterboards.ca.gov

>>> "DEL ROSS" <delross@verizon.net> 10/22/2006 8:55 AM >>>

Vinty Siev
LAN Administrator Assistant, Region 9
Phone: (858) 467-2705
vsiev@waterboards.ca.gov

In your notice of Oct 20, you included a notice of a settlement between the Regional Board and Mr. Johnson of Vail Ranch. The downloadable reference said there were more details on the Regional Board's website.

I couldn't find the reference on the site. Can you point me to it. Any more details?

Del Ross, P.E.
Assoc Director Water Quality
Elsinore- Murrieta- Anza Resource Conservation District (EMARCD)
Tel: (951) 652-9052

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release of All Claims ("Agreement"), is made and entered into by WILLIAM P. JOHNSON and VAIL LAKE USA, LLC (individually and collectively referred to as "JOHNSON"), and the REGIONAL WATER QUALITY CONTROL BOARD-SAN DIEGO REGION ("REGIONAL BOARD"). JOHNSON and the REGIONAL BOARD are sometimes collectively referred to in this Agreement as the "Parties" or separately as a "Party." The Parties are entering into this Agreement based on their collective desire to resolve those claims between JOHNSON and the REGIONAL BOARD described and identified in Paragraphs A, B, C, and D below.

RECITALS

The undersigned Parties execute this Agreement with reference to and in contemplation of the following facts:

A. The REGIONAL BOARD is a public entity established within the California Environmental Protection Agency. Pursuant to Water Code section 13200, subdivision (f) the REGIONAL BOARD has jurisdiction over discharges of waste that could affect the quality of the waters of the state within the San Diego Region, pursuant to California's Porter-Cologne Water Quality Control Act (California Water Code § 13000, et seq.). Vail Lake and the surrounding area are within the San Diego Region.

B. Commencing in or about July 1999, JOHNSON conducted certain activities on a 132-acre parcel of real property located adjacent to Vail Lake in Riverside County, California. ("The Project.") In February 2000, the REGIONAL BOARD requested JOHNSON file a Notice of Intent and to design and implement a Storm Water Pollution Prevention Plan ("SWPPP") under the state's General Construction Storm Water Permit, which the REGIONAL BOARD alleged was required as a result of JOHNSON's activities.

C. Following a public hearing, the REGIONAL BOARD issued an administrative civil liability order ("ACL Order") under Water Code section 13385 against JOHNSON in the total amount of \$422,200.00. This liability was based upon allegations of two separate violations pertaining to the Project : (1) liability in the amount of \$360,000.00 for 600 days for failure to file a Notice of Intent from July 7, 1999 to February 26, 2001; and (2) liability in the amount of \$62,200.00 for failure to provide the required technical report and information at \$100 per day, commencing from the date the report and information were due (May 31, 2000) until the date of the hearing (February 13, 2002).

D. On April 25, 2003, JOHNSON filed an action naming the REGIONAL BOARD and the State Water Resources Control Board as defendants and respondents, entitled *William P. Johnson, et al. v. Regional Water Quality Control Board-San Diego, etc., et al.*, San Diego Superior Court Case No. 815227 ("the Action.") The Action included a Petition for Writ of Mandate challenging the ACL, and six additional causes of action for damages.

E. The State Water Resources Control Board demurred to the Action, and was subsequently dismissed from the Action with prejudice. Upon stipulation of the parties, the court bifurcated the Action's first cause of action seeking a petition for a writ of administrative mandate. On September 30, 2005, the Court granted JOHNSON's petition for a writ of administrative mandate.

F. The Parties desire to enter into this Agreement in order to fully and finally settle and resolve of all claims which have, or might be made, by reason of the matter described above, including, but not limited to, the injuries and damages alleged in the Action, Case No. 815227, for the period commencing July 7, 1999 through and including the date this Agreement is approved by the REGIONAL BOARD. None of the Parties are admitting the sufficiency of any claims, allegations, assertions, contentions, or positions of any other party, nor the sufficiency of any defenses to any such claims, allegations, assertions, contentions or positions. The terms and conditions of this Agreement are not to be construed as an admission of liability on the part of any Party and this settlement is a resolution of disputed claims.

G. Each Party is willing to enter into this Agreement only upon the assurance that the other Party is willing to comply with its obligations, but the REGIONAL BOARD's willingness and ability to enter into the Agreement is conditioned upon approval of the Agreement at a public meeting. If such approval has not occurred by ~~October 31, 2006~~, this Agreement will be null and void and of no further force and effect.
November 30, 2006

H. JOHNSON acknowledges that the REGIONAL BOARD enters into this Agreement on behalf of itself, and not on behalf of any other department, agency, or entity of the State of California. This Agreement is binding only upon the REGIONAL BOARD, and does not and cannot bind or inure to the benefit of any other department, agency, or entity of the State of California.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the Parties hereto agree as follows:

AGREEMENT

1. **Settlement of Claims.** This Settlement Agreement is intended to be a full and complete settlement of the disputes enumerated in this Agreement between the Parties, and only for the time period between July 7, 1999 and the date this Agreement is approved by the REGIONAL BOARD. If such approval has not occurred by ~~October 31, 2006~~, this Agreement will be null and void and of no further force and effect. *November 30, 2006, wey*

2. **Dismissal of Superior Court Action by JOHNSON.** JOHNSON will dismiss, with prejudice, the Action filed in the Superior Court of the State of California, County of San Diego, Case No. GIC 815227 within fifteen (15) days of approval of this Agreement by all Parties, including approval by the REGIONAL BOARD at a public meeting.

3. **Withdrawal of ACL by REGIONAL BOARD.** Within 5 days of the dismissal of the Action by JOHNSON, and in compliance with the Writ of Mandate issued by the Court as described in Paragraph E above, the REGIONAL BOARD will rescind the ACL order.

4. **Mutual and General Releases.** The following releases shall become effective upon the approval of the REGIONAL BOARD of this Agreement.

(a) **Release of JOHNSON.** Except for those obligations expressly set forth in subdivision (c) below, the REGIONAL BOARD, for itself and its past and present agents, related entities, employees, fiduciaries, attorneys, successors, assigns, affiliates, directors, officers, members, representatives, successors and assigns, hereby forever releases, waives, and discharges, JOHNSON and its past and present agents, related entities and each of them from potential civil liability for violations under the REGIONAL BOARD's jurisdiction and arising out of JOHNSON's activities at Vail Lake between July 7, 1999 and the date this Agreement is approved by the Board of Directors of the REGIONAL BOARD.

(b) **JOHNSON's Release of the REGIONAL BOARD.** Except for those obligations expressly set forth in subdivision (c) below, WILLIAM P. JOHNSON and VAIL LAKE USA, LLC, for themselves and their respective past and present agents, related entities, employees, fiduciaries, attorneys, successors, assigns, affiliates, directors, officers, members, representatives, and heirs, hereby forever release, waive, discharge, and hold harmless the REGIONAL BOARD and its past and present agents, related entities, employees, subsidiaries, shareholders, partners, fiduciaries, attorneys, successors, assigns, affiliates, directors, officers, members and representatives and each of them from any and all causes of action, actions, liabilities, demands, obligations, costs, expenses, damages, rights, debts, judgments, contracts, attorneys' fees, losses or claims, of any nature whatsoever, whether known, unknown, suspected, unsuspected, fixed, contingent, liquidated, unliquidated, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, arising under federal, state, local, or common law which relate in any way to the Regional Board's actions related the issuance of ACL Order described in Paragraph C above, or the exercise of the

REGIONAL BOARD's jurisdiction over JOHNSON's activities at Vail Lake for the period commencing July 7, 1999 through and including the date the Board of Directors of the REGIONAL BOARD approves this Agreement.

(c) **Reserved Claims.** Notwithstanding any other provision of this Agreement, nothing in this Agreement is intended to release the Parties from their obligations under this Agreement, the REGIONAL BOARD'S continued obligations to regulate and monitor the Project and/or VAIL LAKE in its entirety, or the obligations of any other state department, agency, or entity to regulate and monitor the Project and/or VAIL LAKE in its entirety.

5. **No Third Party Benefits.** This Agreement is made for the sole benefit of the Parties, and no other person or entity shall have any rights or remedies under or by reason of this Agreement unless otherwise expressly provided for herein.

6. **Entire Agreement.** This Agreement constitutes the entire understanding between the Parties as to the subject matter hereof and may not be modified, amended or terminated except by written agreement signed by the Parties.

7. **Approvals, Consents, Waivers.** No approval, acceptance or consent of a Party required by any provision of this Agreement, nor any waiver of any required approval, acceptance, consent or condition, shall be deemed to have occurred until set forth in writing, signed by the Party, and delivered to the other Party. Any consent or approval by a Party in any single instance shall not be deemed to be or construed to be consent or approval in any like matter arising at a subsequent date.

8. **Cooperation/Documentation.** The Parties will, at their own cost and expense, execute such other instruments, documents, information and data as may be reasonably necessary for the purposes of and to effectuate the terms of this Agreement.

9. **Assignment.** Subject only to the express restrictions contained in this Agreement, all of the rights, duties and obligations contained in this Agreement shall inure to the benefit of and be binding upon the Parties, and their successors and assigns.

10. **Attorneys' Fees.** Each Party shall bear its own costs and attorneys' fees, and any other expenses, related to all matters subject to resolution by this Agreement, including such costs, fees, and expenses incurred for administrative proceedings, litigation, and mediation. If any Party brings an action to enforce the terms of this Agreement or to declare rights hereunder, the prevailing Party in such action shall be entitled to its reasonable attorneys' fees and costs to be paid by the losing Party as awarded by the court or arbitrator.

11. **Headings.** Headings herein are used for convenience of reference only and do not define or limit the scope of provisions of this Agreement.
12. **Agreement as Defense.** This Agreement may be pleaded as a full and complete defense and may be used as the basis for an injunction against any action, suit or proceeding which may be prosecuted, instituted or attempted by any Party in breach thereof.
13. **Severability.** If any provision of this Agreement, or part thereof, is held invalid, void or voidable as against public policy or otherwise, the invalidity shall not affect other provisions, or parts thereof, which may be given effect without the invalid provision or part. To this extent, the provisions, and parts thereof, of this Agreement are declared to be severable.
14. **No Admission of Liability.** This Agreement embodies a compromise of claims and shall not be used or construed as an admission of liability or fault for any purpose.
15. **Reliance.** Each Party declares and represents that this Agreement is being made without reliance upon any statement or representation not contained herein of any other Party, or of any agent or attorney of any other Party. Each Party represents to each other Party that it has reviewed each term of this Agreement with its counsel and that it shall never dispute the validity of this Agreement on the ground that it did not have advice of its counsel.
16. **Controlling Law and Venue.** This Agreement is being made and delivered and is intended to be performed in the State of California, and the execution, validity, construction, and performance of this Agreement shall be construed and enforced in accordance with the laws of California. This Agreement shall be deemed made and entered into in San Diego County, which shall be the exclusive venue for any action relating to this Agreement.
17. **Warranties of Authority and Against Prior Assignment.** Each person who signs this Agreement on behalf of a Party warrants and represents to every other Party that he or she has the authority to make this Agreement on behalf of the Party for which he or she signs. Each of the Parties to this Agreement represents and warrants that it is the sole and exclusive owner of the rights, claims and causes of action herein released and that it has not heretofore assigned or transferred or purported to assign or transfer to any other person or entity any obligations, rights, claims, or causes of action herein released.
18. **Counterparts.** This Agreement may be signed in counterparts, each of which shall be deemed an original, but which together shall constitute the agreement of the Parties when each Party has signed a counterpart.

19. **Integration.** This is an integrated agreement. The terms of this Agreement are contractual, and not merely a recital. This Agreement supersedes all prior representations and agreements, if any, between the Parties or their legal counsel regarding its subject matter.

20. **Knowing, Free and Voluntary Making.** The parties have read the Agreement, and acknowledge that they know and fully understand its contents. The Parties acknowledge that they have fully discussed this Agreement with their respective attorneys and fully understand the consequences of this Agreement. The Parties have relied and are relying solely upon their own judgment, belief and knowledge of the nature, extent, effect and consequences relating to this Agreement and/or upon the advice of their own legal counsel concerning the legal and income tax consequences of this Agreement. The Parties will execute the Agreement freely and voluntarily.

21. **Notices.** Notices concerning this Agreement shall be sent by certified mail to the following addresses. Any party may notify the other parties of a change of notice address by letter sent by certified mail. **For the Regional Board:**

Mr. John H. Robertus
Executive Officer
Regional Water Quality Control
Board, San Diego Region
9771 Clairemont Mesa Boulevard, Suite A
Sacramento, California 95812 **With a copy to:**

John W. Richards, Esq.
Office of Chief Counsel
State Water Resources Control Board
Post Office Box 100
Sacramento, California 95812
For Johnson:

William Johnson
P.O. Box 1955
Rancho Santa Fe, CA 92067 **With a copy to:**

Craig M. Collins
BLUM COLLINS, LLP
AON Center
707 Wilshire Boulevard, Ste .4880
Los Angeles, CA 90017

The undersigned, on the dates and at the place set forth below, subscribe their hands to and acknowledge their assent to and agreement with the terms and conditions set forth in this Agreement.

Dated: _____, 2006

CALIFORNIA REGIONAL WATER QUALITY
CONTROL BOARD, SAN DIEGO REGION

By: _____

John H. Robertus
Executive Officer

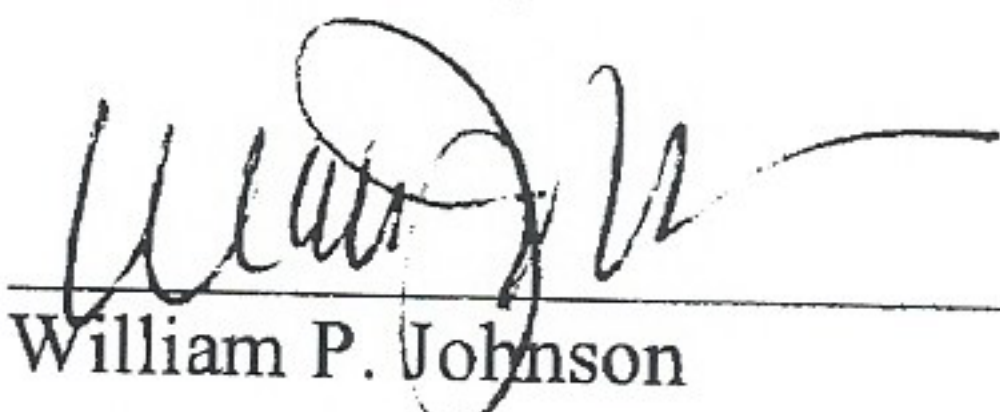
Dated: 9/10, 2006

VAIL LAKE USA, LLC
A California Limited Liability Company

By: _____

Its: Manager

Dated: 9/10, 2006



William P. Johnson

Approved as to form:

Bill Lockyer
Attorney General of the State of California

By: _____

Deborah M. Fletcher
Deputy Attorney General
Attorneys for California Regional Water
Quality Control Board, San Diego Region

COLLINS LAW FIRM

By: _____

Craig M. Collins
Attorneys for William P. Johnson and
Vail Lake USA, LLC

Lottiefox

From: "DEL ROSS" <delross@verizon.net>
To: "McPherson, Sheri" <Sheri.McPherson@sdcounty.ca.gov>
Cc: "Charolette Fox" <lottiefox@verizon.net>; "Pam Nelson" <pamela05n@peoplepc.com>
Sent: Wednesday, October 25, 2006 2:48 PM
Subject: Integrated Regional Water Management Plan

Sheri- The EMARCD has participated in each of the stakeholder meetings for the Integrated water management plan. We are pleased that our views and those of other stakeholders were considered. The meetings were very informative and well hosted.

We are concerned that the Upper Santa Margarita Watershed was not on the list of areas to be included in the plan.

I would appreciate your response as our Board meeting is tomorrow evening, and we will need to make a more formal response if we are not included.

Thanks,

Del Ross, P.E.
Chair Watershed Committee
Elsinore - Murrieta - Anza Resource Conservation District
(EMARCD)
Del Tell: (951) 652-9052 Cell: (951) 551-7468

cc: Pam Nelson, President EMARCD
cc: Charlotte Fox Secretary

DEL ROSS - ASSOCIATE DIRECTOR'S REPORT- SEPTEMBER- OCTOBER 2006

I- Summary.

EMARCD was well represented at a number of very important developments in the Santa Margarita Watershed. The San Diego Regional Water Quality Control Board is conducting a TMDL (water quality) study and the US Bureau of reclamation is proceeding with an alternative TMDL program. Our input as stakeholders has been well received.

One major action item- Bob Wheeler conceived of the idea and spearheaded the effort to apply for an EPA "capacity" grant to create a Watershed Council to address ALL of the issues in the watershed.

The Integrated Water Management Plan- the Upper Santa Margarita was excluded from the program. That news was reconfirmed today October 26. Will need to get support from others and prepare a letter of solidarity.

II- Events

Webcasts- I "captured" a several webcasts from Izaak Walton League and EPA this month. Not yet ready to "publish" them. Dan promised to lend a hand . These can be used for "outreach" and for our own education. Most are 2 hours long and consist of "streaming" audio and slide presentations

- IDDE (Illicit Discharges) Sept. 12
- Brownfields Funding Sept 19
- TMDL 3rd Party Review Sept 21
- Volunteer Monitoring Oct 11
- Pharmaceuticals in stormwater Oct 24

Meetings and other events

- Sept 15- Bureau Reclamation Meeting of Stakeholders re potential 3rd Party TMDL
- Democracy in Action- Temecula Sept 20- Presentation by Matt Hann- SDSU re Liberty Quarry
- TMDL Meeting- Sept 22 re ENN and TMDL by Regional Board- EMARCD will be on the TAC for this project addressing water quality in the entire Santa Margarita River
- California Waste Assoc. Sept 27- Industrial Stormwater regulations presented by LA Regional Board
- Water Reuse – Inland Valley Oct 20
- Site assessment- Easement presented by Neudecker (Helix) – examined site – took pictures

III Outreach to Regulators and other Agencies

- Contacted Murrieta NPDES, Temecula NPDES and Riverside Flood Control re potential for Mitigation re \$280,000

