

DRAFT

**JOINT REPRESENTATION AGREEMENT FOR LEGAL SERVICES BETWEEN
MAIN SAN GABRIEL BASIN WATERMASTER AND SAN GABRIEL BASIN WATER
QUALITY AUTHORITY, AND NOSSAMAN LLP**

Main San Gabriel Basin Watermaster ("Watermaster"), and San Gabriel Basin Water Quality Authority ("WQA") (collectively referred to hereinafter as "Clients") and Nossaman LLP ("Nossaman"), hereby agree as follows:

1. Term of Agreement

This Agreement will be effective as of August 1, 2025, and will continue until terminated in accordance with Paragraph 11.

2. Scope of Services

Nossaman will provide the Clients with legal services in connection with the negotiation of an extension to the Baldwin Park Operable Unit Project Settlement Agreement ("the Negotiations"). Such services shall be provided in accordance with the terms and conditions of this Agreement.

On matters covered by this Agreement, Nossaman agrees to provide such legal services as it determines are reasonably required to represent Clients, to take reasonable steps to keep Clients informed of important facts and developments and to respond to Clients' reasonable inquiries concerning the Negotiations. Clients agree to cooperate with Nossaman in its provision of such services, to keep it informed of relevant developments and to abide by the terms of this Agreement.

3. Waiver of Potential Conflict of Interest and Statement of Common Interest.

Watermaster is a long-term client of the Nossaman firm. Watermaster waives the potential conflicts in this joint representation if and only if it will not impair its ability to retain the Nossaman law firm in any future disputes that may arise relating to the Baldwin Park Operable Unit or any other issue even if those disputes involve adversity with WQA. WQA is agreeable to such a waiver of conflicts of interest.

Based upon the information that both the WQA and Watermaster have provided, Nossaman believes that it can jointly represent the two Clients in connection with the Negotiations and that this joint representation will currently not create any actual conflict of interest. However, the representation may in the future involve actual conflicts of interest if the interests of the WQA and Watermaster diverge over time. Should that occur, Nossaman will endeavor to apprise you promptly of any such conflicts so that one or the other of the agencies can obtain independent counsel as they deem appropriate.

Multiple representation of Clients may result in economic or tactical advantages. Sharing the attorneys' fees can reduce the costs for the Clients. Clients should be aware

however, that multiple representation also involves significant risks. First, multiple representation may result in divided or at least shared attorney-client loyalties. Although Nossaman is not currently aware of any actual or reasonably foreseeable adverse effects of divided or shared loyalty, it is possible that issues may arise as to which Nossaman representation of one of the Clients may be materially limited by the representation of the other Client.

As a result of the joint retention of Nossaman with regard to the Negotiations, each Client recognizes that anything disclosed by it to Nossaman may be disclosed by Nossaman to the other Client and that they have no confidences from one another with respect to the Negotiations. The Clients acknowledge their common interests in the Negotiations and that all communications regarding the Negotiations between either or both of them and Nossaman are intended to be confidential as to all others and are made for the purpose of securing legal advice and planning in connection with the Negotiations. Each Client shall maintain the confidentiality of its communications relating to the Negotiations and not disclose such confidential information to parties not signatories to this Agreement except as may otherwise be required by law or necessary to enforce this agreement. Clients shall instruct recipients of confidential information that they are obligated to maintain its confidentiality.

Each of the Clients acknowledge that they have been advised to consult independent counsel regarding the import of waiving any actual or potential conflicts of interest arising out of the Negotiations and have been advised of their right to consult independent counsel at any time even after executing this Agreement. Clients acknowledge that they share common interests with respect to the Negotiations, and there appears to be no conflict of interest in Nossaman's joint representation of the Clients. However, the Clients acknowledge that during the course of the Negotiations, various matters may arise which could create an actual or potential conflict of interest.

In the event of a conflict between WQA and Watermaster, there is a risk that Nossaman may be disqualified from continuing to represent one or the other of the agencies absent written consent. Nossaman anticipates that if such a conflict or dispute were to arise, Nossaman would continue to represent its long-term client Watermaster notwithstanding any adversity between Watermaster and WQA. By executing this Agreement, WQA consents to Nossaman continued and future representation of Watermaster and agree not to assert any such conflict of interest or seek to disqualify the Nossaman firm from representing Watermaster, notwithstanding any adversity that may develop. WQA and Watermaster consent to Nossaman's joint representation of both Clients and WQA consents to our continued representation of Watermaster in the event that a conflict emerges.

4. Parties' Representatives and Client Dispute Resolution.

Frederic A. Fudacz will be the partner-in-charge from Nossaman with overall responsibility for servicing the legal needs of the Clients. The partner-in-charge will be changed only upon prior consent of the Clients.

Kelly Gardner will act as the "Client Representative" of Watermaster and Randy Schoellerman shall act as the "Client Representative" of WQA, when needed to provide instructions to Nossaman and to give and receive notices pursuant to Paragraph 8 below. Ms. Gardner and Mr. Schoellerman will communicate the Clients' agreed upon instructions to Nossaman and will also promptly advise Nossaman of any disagreements between the Clients. In the event the Clients cannot agree on instructions to Nossaman and if the matter is either procedural or not likely to significantly impact the Clients' interests, Nossaman may proceed in its best judgment. If the matter in dispute is material the Clients agree to resolve the dispute as promptly as possible and will agree upon and appoint an arbitrator to resolve the dispute with final and binding authority to do so.

5. Fees and Costs

a. Fees for Services

Nossaman will charge Clients on an hourly rate basis according to Exhibit "A" attached hereto, which reflects **at least** a 10% reduction in Nossaman's usual hourly rates. Nossaman may add new attorneys or paralegals to Exhibit "A" upon notice to Clients of their names and their hourly rates. From time to time, Nossaman's rate structure in general, or the rates of particular attorneys, paralegals or clerks, may be increased. If so, Clients will be advised of the new rates, which will include the same 10% discount.

Nossaman's hourly rates apply to all time spent on the Clients' behalf, including but not limited to, preparing, analyzing, review and revising correspondence and documents; factual and legal research; consultation and advice; conducting negotiations; conferences; conferring with other attorneys at Nossaman or attorneys also involved in the matter; or such other services of a professional nature as Nossaman reasonably deems necessary.

b. Expenses

Nossaman may incur various costs and expenses or will provide certain in-house services while performing legal services. Clients agree to pay for these items in addition to Nossaman fees for legal services. The costs and expenses and in-house services may include, but will not necessarily be limited to, filing fees fixed by law or assessed by courts or other agencies; court reporters' fees; witness fees; experts' fees; consultants' fees; process server fees; investigation expenses; out of town travel expenses; long distance telephone charges; messenger and private courier delivery charges; photocopying and other reproduction services; computerized research charges; and similar items. No expert consultant shall be retained without notice to and prior approval of Clients.

Nossaman's in-house services such as duplicating and fax expenses will be charged in accordance with its general policies which are designed to reimburse Nossaman for its cost of providing those services. External costs and expenses shall be charged at its cost, except for computer research for which the firm maintains fixed

subscription charges with the service providers. Instead of prorating the cost of the fixed subscription charges among all of the clients using computerized research during a given month, Nossaman shall bill the Clients at the provider's regular rates which may be more or less than a prorated share of our monthly subscription fee depending upon the usage in any given month. Nossaman shall not charge Clients for word processing, overtime expenses associated with administrative or secretarial personnel, regular postage, local phone calls and similar items unless these items are unusually large in amount and Nossaman obtains Clients' agreement in advance. Nossaman shall not add a "handling" charge for costs and expenses incurred on Clients' behalf.

6. Billings and Payments

Nossaman shall submit its billing statements to Watermaster and WQA monthly in arrears. Each billing statement shall include the name of each attorney or paralegal providing services, time billed by each attorney or paralegal on a daily basis (with a minimum charge of 0.1 hours), a description of the services provided, the hourly rate for each attorney or paralegal in accordance with **Exhibit "A,"** as the same may be amended from time to time, total monthly fees billed, a description of all ordinary and extraordinary expenses and a total of monthly expenses billed. Watermaster and WQA shall each pay 50% of Nossaman's monthly billing unless some other arrangement is agreed to in writing by the Clients with respect to specific services of Nossaman. Each Client's share of Nossaman's monthly billing statement shall be paid by each Client within thirty (30) days of mailing by Nossaman.

7. Files

Nossaman's files for work prepared pursuant to this Agreement are Clients' property. Nossaman shall release its files for work performed pursuant to this Agreement to Clients or to anyone else Clients designate upon a written request from the Client Representative. Clients agree that Nossaman may, in its sole discretion, and at its cost, copy all or any portion of the file and that Nossaman may have a reasonable period of time before releasing the documents in order to copy all or any portion of such files. Nossaman will, from time to time, send portions of Clients' files that are not currently needed to an off-site storage facility. The cost of this facility will be Nossaman's sole expense. Nossaman shall not be the guarantor of the security of any off-site storage facility. Clients agree that Nossaman shall not be responsible for any damages which may occur as a result of the loss of any of Clients' files Nossaman stores at an off-site storage facility. Clients also agree that Nossaman may, after the passage of two years without it having performed any work for Clients pursuant to this Agreement upon prior written notice to Clients, destroy Clients' files unless Clients provide Nossaman with written instruction to forward the files to Clients or to another person Clients designate.

8. Insurance

Nossaman agrees to carry reasonable liability insurance and to have its brokers provide certificates on request to clients. Nossaman will carry the statutorily required workers' compensation insurance. It will carry automobile and general liability insurance

together with umbrella insurance providing limits of no less than \$30 million per occurrence and in the aggregate and errors and omissions insurance with limits of no less than \$40 million per claim and \$80 million in the aggregate.

9. Notices

Any notices to Clients permitted or required under this Agreement shall be delivered, e-mailed, or mailed to the Client Representative. Any notices to Nossaman shall be delivered, e-mailed, or mailed addressed as follows:

Nossaman LLP
Attn: Frederic A. Fudacz
777 South Figueroa Street, 34th Floor
Los Angeles, California 90017
Email Address: FFudaczNossaman.com

Main San Gabriel Basin Watermaster
Attn.: Kelly Gardner, Executive Officer
725 North Azusa Ave.
Azusa CA 91702
Tel: (626) 815-1300
Email address: kelly@watermaster.org

San Gabriel Basin Water Quality Authority
Randy Schoellerman, Executive Director
1720 W. Cameron Ave.
Suite 100
West Covina CA 91790
Tel: (626) 338-5555
Email address: randy@wqa.com

Any party may change its address by giving notice to the other parties in accordance with this paragraph.

10. Withdrawal and Termination

The Clients may terminate this Agreement at any time, with or without good cause, by delivering to Nossaman a joint written termination notice. Nossaman may terminate this Agreement upon Clients' consent or for good cause. Good cause includes but is not limited to the following: Failure to pay bills on time; refusal to cooperate in provision of legal services; a failure to follow Nossaman's advice on a material matter; the development of an irreconcilable disagreement between Nossaman and the Clients as to the conduct of the engagement; other material breaches of this Agreement; or any other fact or circumstance that would render Nossaman's continued representation contrary to this Agreement, or to law, or to the Rules of Professional Conduct.

11. Integration

Unless amended in a signed writing, this Agreement shall constitute the final, complete and exclusive statement of the understanding between Clients and Nossaman, which supersedes all previous written or oral agreements, and all prior communications between the parties on the subjects covered herein. Nothing in this Agreement and nothing in Nossaman's statements to Clients should be construed as a guarantee or promise about the outcome of any aspect of the Negotiations. Nossaman makes no such guarantees or promises. Comments about the course or outcome of the matter or any phase thereof which Nossaman attorneys or other representatives may make from time to time are expressions of opinion only. Likewise, the amount of legal fees and costs that may be incurred pursuant to this Agreement is not capable of precise prediction, and no estimates of legal expenses should be relied upon as a promise, guarantee, or representation of fact.

12. Counterparts: This Agreement may be executed simultaneously in one or more counterparts, each of which will be considered an original, but all of which together will constitute one and the same instrument.

13. Successors and Assigns: This Agreement will be binding on, and will inure to the benefit of, the Parties to it and their respective legal representatives, successors, and assigns.

14. Severability: If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the Parties that all other provisions of this Agreement be construed to remain fully valid, enforceable, and binding on the Parties.

15. Attorney's Fees: If any legal action or any arbitration or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing Party or Parties will be entitled to recover reasonable attorney fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

16. Legal Capacity: The undersigned represent and warrant that they have the right, power, legal capacity, and authority to enter into and perform the obligations under this Agreement, on their own behalf and on behalf of anyone they represent and that no further approval or consent of any person or entity is necessary for them to enter into and perform the obligations contained in the Agreement.

17. Applicable Law: This Agreement shall be construed and interpreted under the laws of the State of California, without reference to choice of law rules.

DATED: August ____, 2025

MAIN SAN GABRIEL BASIN WATERMASTER

By: _____
KELLY GARDNER
Executive Officer

DATED: August ____, 2025

SAN GABRIEL BASIN WATER QUALITY
AUTHORITY

By: _____
RANDY SCHOELLERMAN
Executive Director

DATED: August ____, 2025

NOSSAMAN LLP

By: _____
FREDERIC A. FUDACZ
Partner

EXHIBIT "A"

Effective January 1, 2025

Billing Rates charged in one-tenth increments

Timekeepers:	Hourly Rate:
Partners	
Frederic A. Fudacz	\$620.00
Alfred E. Smith	\$620.00
Robert D. Thornton	\$620.00
Paul S. Weiland	\$620.00
Marco D. Costales	\$620.00
Associates	
Raven McGuane	\$417.00
Alex J. Van Roekel	\$403.00
Paralegals/Clerks	
Jenna L. Valledor	\$337.00