

LAW OFFICES
WILLIAM S. WALTER

A PROFESSIONAL CORPORATION

THE BELLO HOUSE

679 MONTEREY STREET

SAN LUIS OBISPO, CALIFORNIA 93401

TELEPHONE (805) 541-6601

FACSIMILE (805) 541-6640

EMAIL

WWALTER@TCSN.NET

October 22, 2004

Roger W. Briggs, PE
California Regional Water Quality Control Board
Central Coast Region
895 Aerovista Place, Suite 101
San Luis Obispo, California 93401-7906

RE: Expenditures for David Pierson's Huer Huero Ranch

Dear Mr. Briggs:

This letter is submitted in behalf of David Pierson. As per your meeting in your offices on September 23, 2004 with Haig Keligian, Mr. Pierson has reviewed his expenditures in trying to meet the requirements of your Staff. The following information for your review is submitted in mitigation of the proposed penalties:

| | |
|---|--------------------|
| 1. Engineering erosion control plan systems fees paid for said system to EDA | \$20,574.00 |
| 2. Total amount for supplies related to erosion | 10,405.74 |
| 3. Legal expenditures regarding erosion control paid to William S. Walter | 3,040.00 |
| 4. Aerial Seeding cost | 7,629.00 |
| 5. Labor cost for 2002 | 10,968.20 |
| 6. Approximate Labor cost for 2003 (labor contractor will forward bills) | 30,000.00 |
| Estimated Total Expenses | \$82,616.94 |

Roger W. Briggs, PE
California Regional Water Quality Control Board
October 22, 2004
Page 2

In view of the extent to which money was expended to comply with you Staff's requests, Mr. Pierson feels that the arbitrary fine is unwarranted.

In behalf of our clients, we respectfully request that you review the basis for your stated fine, as I believe it is unwarranted or at the least excessive. Your cooperation in this matter will be appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "William S. Walter", written over a horizontal line.

William S. Walter

cc: Jennifer Soloway

⑫

⑬
Pierson

\$ 437.50

11-14-02

Repair roads and slopes

10 hours, 5 laborers

\$ 625.00

Supervision & transportation

\$ 250.00

\$ 875.00

One Hardware stakes

\$ 92.50

\$ 967.50

Total Pierison to date -

\$ 1,404.00

Dave,

I estimate another 3 or 4 days
to finish your work.

Haig, I believe we are pretty much
finished on your ranch unless
the Soil & Water Resouce people
come up with anything else
Dave.

(11)

(3)

Prison

11-15-02

Repair slopes and cut terraces

10 hours, 6 labors

\$ 750.00

supervision & transportation

250.00

\$ 1,000.00

11-16-02

Repair slopes and cut terraces

10 hours, 6 labors

\$ 750.00

supervision & transportation

250.00

1000.00

11-17-02

Repair slopes & cut terraces

10 hours, 6 labors

\$ 750.00

supervision & transportation

250.00

\$ 1,000.00

11-18-02

Place burlap strips and slit fencing & straw waddles

10 hours, 6 labors

\$ 750.00

supervision & transportation

250.00

\$ 1,000.00

11-19-02

Finish with the slit fencing and straw waddles

start road repair

8 hours, 6 labors

600.00

supervision & transportation

250.00

850.00

continued

⑧

④

Prison (Continued)

11-20-02

Finish road repair and spread straw.

6 labors, 8 hours

Supervisor & transportator

| |
|---------------|
| \$ 600.00 |
| <u>250.00</u> |
| 850.00 |

11-21-02

Flagging for seeding and cleanup.

4 labors, 8 hours

Supervisor

| |
|---------------|
| 400.00 |
| <u>125.00</u> |
| 525.00 |

Total for Prison

\$6,225.00

Haig

11-21-02

Flagging for seeding
2 labors, 8 hours

Supervisor

| |
|---------------|
| 400.00 |
| <u>125.00</u> |

11-22-02

Repair road and add straw waddles & steel fence

6 labors, 10 hours

Supervisor & transportator

| |
|---------------|
| 750.00 |
| <u>250.00</u> |
| 1000.00 |

continued

Pierson 2002

Labor

| | |
|----------|-----------------|
| 11-14-02 | \$1,404.00 (11) |
| 11-21-02 | \$6,275.00 (8) |
| 12-30- | 2,654.20 (15) |
| 12-20 | 685.00 (12) |
| | <hr/> |
| | \$10,968.20 |

Supplies

| | |
|----------|-----------------|
| 11-11-02 | \$2,136.54 (14) |
| 11-21-02 | \$8,269.00 (13) |
| | <hr/> |
| | \$10,405.54 |

Total \$20,373.74

(16)

Dave Pierson

Storm Damage Repair

| | | |
|---------|----------|-----------|
| 1/2 Day | 12-17-02 | \$ 425.00 |
| 3 hours | 12-20-02 | 265.00 |
| | | <hr/> |
| | | \$ 685.00 |

Please send to

Dave Williams
Box 320
Creston Ca 93532

(15)

12-31-02 Door Pierson

Ed De Vaul Aerial Application

100 acres at \$15.00 per acre
on 11-20-02 \$1,500.00

Stakes for silt fencing
repairs \$94.20

3 men 4 hours repairs 635
Dec 30, 02 \$ 120.00
\$1,714.20

Clean up Bubbling Springs

3 men 2 days at \$75 each 510.00
Dump fees 3 loads 430.00

\$2,654.20

FARM SUPPLY COMPANY

Correspondence Address:

P.O. Box 111

San Luis Obispo, CA 93406

(805) 543-3751



14

PASO ROBLES STORE
1108 PASO ROBLES STREET PASO ROBLES, CA 93446
(805) 238-1177

INVOICE 000000

Page 1

Date 11/11/02

Sold to: 32628
DAVID C PIERSON

PO BOX 1833
RANCHO SANTA FE, CA 92067

| Slsp Terms | Check/Card# | Tax % Wh Reference# | Receipt# |
|------------------|-------------|---------------------|----------|
| NAR CHARGE TO AR | | 7.25 PR | 865281 |

| Item | Description | Quantity | UM | Price | UM | Extension |
|--------|-------------------------------|----------|----|-------|----|-----------|
| 175039 | STRAW WATTLES 9"X12' | 40.00 | EA | 16.88 | EA | 675.20 |
| 175026 | SILT FENCE 36"X100 POST 10' | 15.00 | EA | 42.95 | EA | 644.25 |
| 175000 | JUTE NETTING 4FT X 225 FT | 10.00 | EA | 49.99 | EA | 499.90 |
| 410197 | HOE ORGANIC 6" | 4.00 | EA | 15.05 | EA | 60.20 |
| 410149 | RAKE BOW 17" ALUM. 60" 32-417 | 2.00 | EA | 22.99 | EA | 45.98 |
| 414222 | SHOVEL SQ PT DO-IT LH (AMES) | 2.00 | EA | 15.79 | EA | 31.58 |
| 467 | DELIVERY CHARGE | 1.00 | EA | 35.00 | EA | 35.00 |

**NO RECOMMENDATION
EITHER MADE OR IMPLIED**

**MILL TAX ASSESSMENT ON
APPLICABLE ITEMS HAS BEEN PAID**

This sale is subject to the terms & conditions
on the reverse side of this invoice.

REC'D
BY:

| Non-Taxable | Taxable | Tax | Tendered | Total |
|-------------|---------|--------|-----------|---------|
| .00 | 1992.11 | 144.43 | .00 | 2136.54 |
| | | | Cash Back | .00 |

THANK YOU

3



FARM SUPPLY COMPANY

Correspondence Address:

P.O. Box 111
San Luis Obispo, CA 93406
(805) 543-3751

PASO ROBLES STORE
1102 PASO ROBLES STREET PASO ROBLES, CA 93446
(805) 238-1177

INVOICE 938244

Page 1

Date 11/21/02

Sold to: 32668
DAVID C PIERSON

PO BOX 1833
RANCHO SANTA FE, CA 92067

| Ship Terms | Check/Card# | Tax % | Wh Reference# | Receipt# |
|------------------|-------------|-------|---------------|----------|
| NAR CHARGE TO AC | | 7.25 | PR | 974913 |

| Item | Description | Quantity | UM | Price | UM | Extension |
|----------|----------------------|----------|-----|-------|---------|-----------|
| 41340.00 | SEED ANN RYE/ BARLEY | EA | .20 | EA | 8268.00 | |

*Thank you
Mell*

NO RECOMMENDATION MILL TAX ASSESSMENT ON
 EITHER MADE OR IMPLIED APPLICABLE ITEMS HAVE BEEN PAID

| | Non-Taxable | Taxable | Tax | Tendered | Total |
|--|-------------|---------|-----|-----------|---------|
| | 8268.00 | .00 | .00 | .00 | 8268.00 |
| | | | | Cash Back | .00 |

This sale is subject to the terms & conditions
 on the reverse side of this invoice.
 RECD
 BY:

THANK YOU

STATEMENT

Fertilizing

Weed Control

Pest Control

Seeding

Ed De Vault Aerial Application

Post Office Box 513, Paso Robles, California 93446
(805) 238-4575

David Williams
PO Box 320
Creston, CA 93432

*Bill
2575*

Amount \$ 4800.⁰⁰ Date 11-20-03

11/20/02 400 acres barley/rye grass seed
100 lbs per acre
@ 12.⁰⁰/acre

4,800.⁰⁰

Ed De Vault Aerial Application



CUSTOMER'S COPY

SERVING SAN LUIS OBISPO COUNTY WITH QUALITY MATERIALS SINCE 1937
POST OFFICE BOX 698
ATASCADERO, CA 93423-0698

DISCLOSURE IN ACCORDANCE WITH FEDERAL CONSUMER PROTECTION ACT

- In compliance with Federal Credit Legislation, we are pleased to outline credit terms by De Cou Lumber Co., which are as follows:
- A. You will be furnished with a statement of your account monthly. All accounts due and payable on 10th of month.
- B. If the "new balance" which is shown on your statement is paid within ten (10) days of the billing date shown on the statement, no FINANCE CHARGE is assessed.
- C. Past due accounts are subject to a FINANCE CHARGE which is computed by a periodic rate of 1 1/2% per month (or a minimum charge of \$.50) WHICH IS AN ANNUAL PERCENTAGE RATE of eighteen percent (18%) applied to the "previous balance" shown on your monthly statement after deducting current payments and credits shown on the statement.
- D. In the event suit is necessary to enforce payment of a delinquent account, customers are liable for reasonable attorney's fees of creditors.

8965 EL CAMINO REAL

PHONE: FAX 805 / 466-2535 805 / 466-6330

RETURNED GOODS POLICY: ITEMS MUST BE IN ORIGINAL CONDITION ACCOMPANIED BY INVOICE WITHIN 30 DAYS OF PURCHASE. WE RESERVE THE RIGHT TO PAY BY CHECK. CERTAIN ITEMS MAY BE SUBJECT TO A 25% RETURN CHARGE.

TYPE OF TRANSACTION CASH SALE

SOLD TO:

CASH ACCOUNT FOR STORE 1

SHIP TO: (same as sold to unless noted)

DECOU LBR & ACE HDQRE
8965 EL CAMINO REAL
ATASCADERO, CA 93423000

12-30-02 09:22:26
004397733

Sale

67105006134
MC xxxxxxxxxxxx8262
Invoice #: 003952
Batch #: 000634
Appr Code: 031598

Amount: \$ 83.23
Total: \$ 83.23

| CUSTOMER CODE | SEQUENCE # | TRANSACTION# | TRANS DATE | STORE | S'MAN | WRITTEN BY | OPER# | DATE DELIVERED | DATE WANTED |
|---------------|------------|--------------|------------|-------|-------|------------|-------|----------------|-------------|
| CASH | 09127 | 154623 | 123002 | 1 | 0 | 0 | 8 | | 010001 |

| | | | |
|---------------|--------------------|-----|--------------|
| REFERENCE NO. | CUSTOMER ORDER NO. | JOB | SALESMAN |
| 0 | | | DAVID PORTER |

| ITEM NO. | QTY. ORD. | QTY. SHIP'D | DESCRIPTION | UNITS | UNIT PRICE | EXTENSION |
|----------|-----------|-------------|------------------|--------|------------|-----------|
| 1348FS | 40 | 40 | 1X3X48 DF STAKES | 40.000 | 0.750EACH | 30.4 |
| 1336FS | 80 | 80 | 1X3X36 DF STAKES | 80.000 | 0.590EACH | 47.2 |

| | | | | |
|--|-----------|-------|----------|--------------|
| AGREE TO THE TERMS AND CONDITIONS AND LIEN RIGHTS STATED HEREON BOTH FACE & BACK. ABOVE MATERIALS | SUB-TOTAL | TAX % | TAX AMT. | TOTAL AMOUNT |
| RECEIVED BY: X 83.23 Type: 2 | 77.60 | 7.250 | 5.63 | 83.23 |

Monday AM

Hoig & Darr

Here are the labor totals since the last bill on Friday the 15th.

The seed arrived to the temporary air strip built on Felipe's land on Wed afternoon along with the equipment to load the plane. On Thur morning they started at 6:30 AM and flew seeds on for 8 hours. We will be billed for the seed thru farm supply and for the seeding sometime this week.

We supplied 4 flaggers and an air strip to keep the costs down to \$15 per acre for the seeding and \$20
continued

(2)

per acre for the seed.

Jeff Enrick was out to inspect the work and was very pleased with the job. We had to fix one section of Hoega road along the Heur Heuro River and one spot in his SE corner. All work was completed on Sat.

Dave, Jeff wants straw waddles placed on every third terrace.

That would probably cost \$10,000. So we won't do it.

Call me with questions. I'll be gone until 12-2-02 Dave

Kelegian

Jan A
\$ 2,187.5

11-12-02

Place and stake silt fencing,
straw waddles

5 labors 9 hours

supervision & transportation

\$ 562.50

\$ 250.00

\$ 812.50

11-13-02 Morning

Place and stakes silt fencing
straw waddles and straw bales

5 labors 4 hours

supervisions and transportation

\$ 250.00

\$ 125.00

\$ 375.00

Total for Kelegian

\$ 3,375.00

Move to Pierson

11-13-02 Afternoon

Deliver straw and place
bales on ridgelines

5 labors 5 hours

supervision and transportation

\$ 312.50

125.00

\$ 437.50

(continued)

Thank you!
Phil

③

Hourly total for the week

Paid
check # 2/23

\$1,525.00

Perkins total for the week

\$6,225.00

Total for the job
Hourly \$4,900.

Perkins \$7,629.

Use my cell phone to reach me
this week, all business Utah until
Monday.

Happy Thanksgiving

Dave

Hurry

Storm Damage Cleanup

12-17 + 1/2 12-18 and 1/2 12-20

| | |
|------------------|----------------|
| 8 men at \$200. | = \$1,600 |
| 1 foreman at 400 | = 400 |
| Labor | <u>\$2,000</u> |

Supplies

| | | |
|--------------|---------------|------------------|
| Home Depot | 94.76 | Stakes & Staples |
| Ace Hardware | <u>108.54</u> | Stakes |
| | 203.20 | |

Please send \$2,203.20 to

Dave Williams
 P.O. Box 320
 Creston, Ca 93432.



2,200

12/20/02

Also, straw bales (4 loads) rain gear was charged to your account at farm supply along with jute netting and culvert pipes

Friday 7 AM
4 pages!

Dave & Harry.

Here are the labor and supply totals as of 7 AM on Friday 11-15-02

As you both know we have to pay the men today. I will advance the money but checks from each of you ASAP. will sure help.

The supplies from Farm Supply etc. were charged and you will be billed directly from them.

Please forward checks to

Creston Real Estate

P.O. Box 320

Creston, Calif. 93432-0320

Thank

Dave.

Kelozian

2002

Supplies

12-17
12-18
12-20
12-20

203.20
396.46
232.73
83.23
437.50
73.92
5029.23
\$6,456.27

(3)
(1)
(2)
(5)
(7)
(10)
(4)

Balance

12-20
11-6-12
11-20

2000
3,375
1,525
\$6,900

(3)
(6) (7)
(8) (9)

Total \$13,356.27



FARM SUPPLY COMPANY

Correspondence Address:
 P.O. Box 111
 San Luis Obispo, CA 93406
 (805) 543-3751

②

PASO ROBLES STORE
 1108 PASO ROBLES STREET PASO ROBLES, CA 93446
 (805) 238-1177

INVOICE 958624

Page 1

Date 12/20/02

Sold to: 34825
 HAIG KELEGIAN

26 SUNSET COVE
 NEWPORT COAST, CA 92657

| Slsp Terms | Check/Card# | Tax % Wh Reference# | Receipt# |
|------------------|-------------|---------------------|----------|
| DCC CHARGE TO AR | | 7.25 PR | 597975 |

| Item | Description | Quantity UM | Price UM | Extension |
|--------|-----------------|-------------|----------|-----------|
| 121330 | STRAW | 28.00 EA | 6.50 EA | 182.00 |
| 467 | DELIVERY CHARGE | 1.00 EA | 35.00 EA | 35.00 |
| | | | | Total |

NO RECOMMENDATION EITHER MADE OR IMPLIED **MILL TAX ASSESSMENT ON APPLICABLE ITEMS HAS BEEN PAID**

| | | | | | |
|---|-----|--------|-----------|-----|--------|
| This sale is subject to the terms & conditions on the reverse side of this invoice. | .00 | 217.00 | 15.73 | .00 | 232.73 |
| | | | Cash Back | | .00 |

REC'D BY: *Phone Dave*
 THANK YOU



FARM SUPPLY COMPANY

Correspondence Address:
 P.O. Box 111
 San Luis Obispo, CA 93406
 (805) 543-3751

①

PASO ROBLES STORE
 1108 PASO ROBLES STREET PASO ROBLES, CA 93446
 (805) 238-1177

INVOICE 956231

Page 1

Date 12/18/02

Sold to: 34825
 HAIG KELEGIAN
 26 SUNSET COVE
 NEWPORT COAST, CA 92657

| Slsp Terms | Check/Card# | Tax % Wh Reference# | Receipt# |
|------------------|-------------|---------------------|----------|
| JWM CHARGE TO AR | | 7.25 PR | S95310 |

| Item | Description | Quantity UM | Price UM | Extension |
|--------|--|-------------|----------|-----------|
| 175000 | JUTE NETTING 4FT X 225 FT | 2.00 EA | 49.99 EA | 99.98 |
| 734130 | 12" CORR. DRAIN PIPE SO. 20FT. | 40.00 FT | 5.45 FT | 218.00 |
| 467 | DELIVERY CHARGE RAY KNOWS WHERE TO GO | 1.00 EA | 45.00 EA | 45.00 |
| 128005 | NURSERY DECOR 5.99 | 1.00 EA | 5.99 EA | 5.99 |

*Before noon if possible
 Jute already taken
 5151 gate combo*

*DD
 Hwy 58*

**NO RECOMMENDATION
 EITHER MADE OR IMPLIED.**

**MILL TAX ASSESSMENT ON
 APPLICABLE ITEMS HAS BEEN PAID**

This sale is subject to the terms & conditions
 on the reverse side of this invoice.

REC'D BY: *[Signature]*

| Non-Taxable | Taxable | Tax | Tendered | Total |
|-------------|---------|-------|-----------|--------|
| 45.00 | 323.97 | 23.49 | .00 | 392.46 |
| | | | Cash Back | .00 |

THANK YOU



FARM SUPPLY COMPANY

Correspondence Address:
P.O. Box 111
San Luis Obispo, CA 93406
(805) 543-3751

PASO ROBLES STORE
1108 PASO ROBLES STREET PASO ROBLES, CA 93446
(805) 238-1177

INVOICE 980609

Page 1

Date 01/24/03

Sold to: 34825
HAIG KELEGIAN

26 SUNSET COVE
NEWPORT COAST, CA 92657

| Slsp Terms | Check/Card# | Tax % Wh Reference# | Receipt# |
|------------------|-------------|---------------------|----------|
| CMS CHARGE TO AR | | 7.25 PR | T22784 |

| Item | Description | Quantity UM | Price UM | Extension |
|--------|---------------------|-------------|----------|-----------|
| 733906 | 12" CORR. BLIND TEE | 2.00 EA | 34.46 EA | 68.92 |
| | | | | Total |

Haig

**NO RECOMMENDATION
EITHER MADE OR IMPLIED**

MILL TAX ASSESSMENT ON

APPLICABLE TAXES HAS BEEN PAID

This sale is subject to the terms & conditions on the reverse side of this invoice.

REC'D BY:

| | | | | |
|-----|-------|------|-----------|-------|
| .00 | 68.92 | 5.00 | .00 | 73.92 |
| | | | Cash Back | .00 |

THANK YOU

9

3

Hourly total for the week

\$1,525.00

Persons total for the week

\$6,225.00

Total for the jobs
Hourly \$4,900.

Person \$7,629.

Use my cell phone to reach me
this week, all be in Utah until
Monday.

Happy Thanksgiving
Dave

⑦

● Kelegian ●

Jan A
\$ 2,187.5

11-12-02

Place and stake silt fencing,
straw waddles

5 labors 9 hours

\$ 562.50

supervision & transportation

\$ 250.00

\$ 812.50

11-13-02 Morning

Place and stake silt fencing
straw waddles and straw bales

5 labors 4 hours

\$ 250.00

supervision and transportation

\$ 125.00

\$ 375.00

Total for Kelegian

\$ 3,375.00

Move to Puerson

11-13-02 Afternoon

Deliver straw and place
bales on ridgelines

5 labors 5 hours

\$ 312.50

supervision and transportation

125.00

\$ 437.50

(continued)

⑥ 11-6-02

Kelegian

Deliver rice straw to site
and place and stake bales

| | |
|---------------------------------|------------------|
| 5 labours 8 hours at \$1250 per | \$ 500.00 |
| Supervision & Transportation | \$ 250.00 |
| | <u>\$ 750.00</u> |

11-7-02

Kelegian

spread rice straw on lower
slopes

| | | |
|-----------------------|------------------------|------------------|
| 5 labours 4 1/2 hours | } Rain in afternoon | \$ 285.00 |
| Supervision 1/2 Day | | \$ 125.00 |
| | | <u>\$ 410.00</u> |

11-8-02
11-9-02
11-10-02

} Heavy Rain

11-11-02

Road repair, erosion repair

| | |
|----------------------------------|--------------------|
| 5 labours 9 hours | \$ 562.50 |
| Supervision & Transportation | 250.00 |
| | <u>\$ 812.50</u> |
| Home Dept, tools, stakes, gloves | \$ 125.00 |
| Ace Hardware, stakes | 90.00 |
| | <u>\$ 2,187.50</u> |

(continued)

(4)

12-31-02

Haig

Ed De Vaul Aerial Application
Aerial Application of seed
for erosion control on 11-20-02

300 acres at \$15.00 per acre = \$4,500.00

Stakes for hay bales, straw waddles
and silt fences 83.23

Straw bales for hillside repair
84 bales at \$6.50 each, delivered 546.00
binder Hay and feed. (old invoice)

P.O. Box 320, Creston Ca, 93432 \$5,029.23

Haig,

The last two storms have not
resulted in any more damage. The
seed we sprayed has taken root
and unless we have any more really
fierce storms, I think we will
finally be finished with this
continuous repair cycle we have
been on.

Happy New Year!

Dave

③

Hourly

Storm Damage Cleanup

12-17 + 1/2 12-18 and 1/2 12-20

| | |
|------------------|--------------|
| 8 men at \$200. | = \$1,600 |
| 1 foreman at 400 | = <u>400</u> |
| Labor | \$2,000 |

Supplies

| | | |
|--------------|---------------|------------------|
| Home Depot | 94.76 | Stakes & staples |
| Ace Hardware | <u>108.54</u> | Stakes |
| | 203.20 | |

Please send \$2,203.20 to

Dear Williams
P.O. Box 320
Creston, Ca 93432.

Also, straw bales (4 loads) rain gear was charged to your account at farm supply along with jute netting and culvert pipes