

# CHINO BASIN WATERMASTER



## NOTICE OF MEETING

**Thursday, August 22, 2013**

11:00 a.m. – Watermaster Board Meeting

LUNCH WILL BE SERVED

**AT THE CHINO BASIN WATERMASTER OFFICES  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730  
(909) 484-3888**

# CHINO BASIN WATERMASTER

**Thursday, August 22, 2013**

11:00 a.m. – Watermaster Board Meeting

***AGENDA PACKAGE***

**CHINO BASIN WATERMASTER  
WATERMASTER BOARD MEETING**

11:00 a.m. – August 22, 2013

**WITH**

*Mr. Bob Kuhn, Chair*

*Mr. Jim Curatalo, Vice-Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

**Note: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by one motion in the form listed below. There will be no separate discussion on these items prior to voting unless any members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.**

**A. MINUTES**

1. Minutes of the Board Meeting held June 27, 2013 *(Page 1)*
2. Minutes of the Board Special Confidential Meeting held on July 25, 2013 *(Page 7)*
3. Minutes of the Board Special Confidential Meeting held on August 12, 2013 *(Page 9)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the Month of May 2013 *(Page 11)*
2. Watermaster VISA Check Detail for the Month of May 2013 *(Page 25)*
3. Combining Schedule for the Period July 1, 2012 through May 31, 2013 *(Page 29)*
4. Treasurer's Report of Financial Affairs for the Period May 1, 2013 through May 31, 2013 *(Page 33)*
5. Budget vs. Actual Report for the Period July 1, 2012 through May 31, 2013 *(Page 37)*
6. Cash Disbursements for the Month of June 2013 *(Page 51)*
7. Watermaster VISA Check Detail for the Month of June 2013 *(Page 63)*
8. Combining Schedule for the Period July 1, 2012 through June 30, 2013 *(Page 67)*
9. Treasurer's Report of Financial Affairs for the Period June 1, 2013 through June 30, 2013 *(Page 71)*
10. Budget vs. Actual Report for the Period July 1, 2012 through June 30, 2013 *(Page 75)*
11. Fiscal Year 2012-2013 Engineering Services Task Order Increase *(Page 89)*

**C. INTERVENTION**

1. **TAMCO Request for Intervention as an Overlying (Non-Agricultural) Party**  
Approve TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool, effective as of fiscal year 2013/14. *(Page 95)*

**II. BUSINESS ITEMS**

**A. BUDGET TRANSFER FORMS T-13-06-01 and T-13-06-02**

Approve Budget Transfer Forms (T-13-06-01 for Engineering Services and T-13-06-02 for Legal Services) Between the Various Watermaster accounts for FY 2012/2013 as of June 30, 2013 as presented. *(Page 105)*

**B. PRADO BASIN HABITAT SUSTAINABILITY PROGRAM COST-SHARING AGREEMENT AMENDMENT**

Approve the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes. *(Page 113)*

**III. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. General Manager Contract Extension

**IV. BUSINESS ITEM**

**C. GENERAL MANAGER CONTRACT EXTENSION**

Approve the General Manager's Contract Extension, subject to the terms to be disclosed at the Board meeting, and affirm the General Manager's prior Contract and Contract Amendment. *(Page 123)*

**V. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Annotated Judgment
2. CDA Request re Remediation of Chino Airport Groundwater Plume

**B. CFO REPORT**

1. CCG Motion

**C. GM REPORT**

1. Recharge Master Plan Update Amendment
2. Safe Yield Recalculation
3. Other

**D. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

**VI. INFORMATION**

1. Cash Disbursements for July 2013 *(Page 135)*
2. Update on Wineville Proof of Concept project *(Page 147)*
3. Update on Archibald South & Chino Airport Plumes *(Page 149)*

**VII. COMMITTEE MEMBER COMMENTS**

**VIII. OTHER BUSINESS**

**IX. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. CCG Motion for Leave to Sue Watermaster
2. Potential Litigation (Two Matters)

**X. FUTURE MEETINGS AT WATERMASTER**

<del>Tuesday, August 27, 2013</del>	<del>10:00 a.m.</del>	<del>Safe Yield Recalculation Workshop (RESCHEDULED)</del>
Tuesday, August 27, 2013	9:00 a.m.	GRCC Meeting
Thursday, August 29, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, August 29, 2013	1:30 p.m.	Safe Yield Recalculation Workshop
Thursday, September 5, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, September 12, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, September 12, 2013	11:00 a.m.	Non-Agricultural Pool Meeting
Thursday, September 12, 2013	1:30 p.m.	Agricultural Pool Meeting
Thursday, September 19, 2013	9:00 a.m.	Advisory Committee Meeting
<del>Tuesday, September 24, 2013</del>	<del>9:00 a.m.</del>	<del>GRCC Meeting (CANCELLED)</del>
Thursday, September 26, 2013	11:00 a.m.	Watermaster Board Meeting

**Meeting Adjourn**

# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Board Meeting held on June 27, 2013
2. Board Confidential Meeting held on July 25, 2013
3. Board Confidential Meeting held on August 12, 2013

**Minutes**  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD MEETING**

*June 27, 2013*

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on June 27, 2013 at 11:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Bob Kuhn, Chair  
Jim Curatalo  
Bob Craig  
Steve Elie  
Bob Bowcock  
Paul Hofer  
Jeff Pierson for Geoffrey Vanden Heuvel  
Charles Field

Three Valleys Municipal Water District  
Fontana Union Water Company  
Jurupa Community Services District  
Inland Empire Utilities Agency  
Vulcan Materials Company (Calmat Division)  
Agricultural Pool  
Agricultural Pool  
Western Municipal Water District

**WATERMASTER BOARD MEMBERS ABSENT**

Peter Rogers

City of Chino Hills

**Watermaster Staff Present**

Danielle Maurizio  
Joseph Joswiak  
Janine Wilson  
Brenda Corona

Assistant General Manager  
Chief Financial Officer  
Recording Secretary  
Recording Secretary

**Watermaster Consultants Present**

Scott Slater  
Mark Wildermuth

Brownstein Hyatt Farber & Schreck  
Wildermuth Environmental Inc.

**Others Present**

Bob Feenstra  
Brian Geye  
David DeJesus  
Marty Zvirbulis  
Jo Lynne Russo-Pereyra  
Dave Crosley  
Nadeem Majaj  
Sheri Rojo  
Terry Catlin  
Curtis Paxton  
Jack Safely  
Todd Corbin  
Darron Poulsen  
Chuck Hays  
Sandra Rose  
Rick Hansen  
Ron Craig  
Eunice Ulloa  
Rick Rees

Ag Pool – Dairy  
Auto Club Speedway  
Three Valleys Municipal Water District  
Cucamonga Valley Water District  
Cucamonga Valley Water District  
City of Chino  
City of Chino Hills  
Fontana Water Company  
Inland Empire Utilities Agency  
Chino Desalter Authority  
Western Municipal Water District  
Jurupa Community Services District  
City of Pomona  
City of Fontana  
Monte Vista Water District  
Three Valleys Municipal Water District  
City of Chino Hills  
Chino Basin Water Conservation District  
Ag Pool – State (Amec)

Chair Kuhn called the Watermaster Board meeting to order at 11:02 a.m.

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

There was one addition and no reorders made to the agenda.

A third item was added under Confidential Session: "Contract Negotiation."

**I. CONSENT CALENDAR****A. MINUTES**

1. Minutes of the Board Meeting held May 23, 2013

**B. FINANCIAL REPORTS**

1. Disbursements for the month of April 2013
2. Watermaster VISA Check Detail for the month of April 2013
3. Combining Schedule for the Period July 1, 2012 through April 30, 2013
4. Cash Treasurer's Report of Financial Affairs for the Period April 1, 2013 through April 30, 2013
5. Budget vs. Actual Report for the Period July 1, 2012 through April 30, 2013

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 2,000.000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland's storage account. Date of Application: April 8, 2013
2. **Consider Approval for Notice of Sale or Transfer** – The purchase of 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of Application: April 17, 2013
3. **Consider Approval for Notice of Sale or Transfer** – The purchase of 782.000 acre-feet of water from San Antonio Water Company by the City of Ontario. This purchase is made first from San Antonio Water Company's net underproduction in Fiscal Year 2012-13, with any remainder to be recaptured from storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares. Date of Application: May 1, 2013

**D. WATERMASTER LEGAL COUNSEL RATES SCHEDULE**

Consider Approval of the Updated Brownstein Hyatt Farber Schreck Rate Schedule.

*Motion by Paul Hofer, second by Charles Field, and by unanimous vote*

***Moved to approve Consent Calendar Items A through D, as presented***

**II. BUSINESS ITEMS****A. RECHARGE MASTER PLAN UPDATE AMENDMENT**

Approve Section 5 titled "Monitoring, Reporting, and Accounting Practices to Estimate Long -Term Average Annual Net New Stormwater Recharge."

Ms. Maurizio reported that Section 5 of the RMPU Amendment is for the monitoring, reporting, and accounting of MS4 recharge. The hybrid alternative is the one that has been proposed by the Steering Committee and Pools. Draft No. 5 of Section 5 is included in the package. This version (Draft No. 5) reflects changes that have been made up until this point, as approved by the Advisory Committee. There have been discussions about incentivizing recharge, which is not included within the scope of Task 5. Watermaster needs to move forward so that we can complete the Amendment in time to have it to the Court in October. The MS4 credit issue is on the long list of issues for WM to address (from Refresh, Recharge, and Reunite topics). Section 5 was approved by majority vote at the Appropriative Pool and Agricultural Pool, by unanimous vote at the Non-Agricultural Pool, and by majority vote by the Advisory Committee. Staff's recommendation is for the Board to approve Section 5, as presented.

Sheri Rojo with Fontana Water Company (FWC) stated that FWC was one of the Parties who voted against approving Section 5. MS4 allows for recharge within the Basin, so the developed land has a requirement to recharge the water that hits that land. FWC is looking for opportunities to be incentivized to increase capture of water within the Basin and obtain some credit. The 2010 Recharge Master Plan states if a Party develop recharge, it will be allowed to receive credit for it. During this phase of the Recharge Master Plan the Parties were advised that reallocation would be addressed later, then advised that allocation would not be addressed at all; however, Section 5 does address allocation because by doing nothing any water that's recharged, automatically gets credited to the Parties based on their Operating Safe Yield, so it will all go back and added to the Safe Yield of the Basin. What is disconcerting from a basin management standpoint is that water that would otherwise be recharged and increase in capture is not encouraged; once the land is developed, that opportunity is going to be lost. This is a big concern for the City of Fontana and FWC, which is why FWC has continued to request this be addressed. This is why FWC voted no on Section 5. Ms. Rojo further stated that this was a Pool topic, but now believes Watermaster is handling it, and Watermaster stated it would take about six months before this concern can be addressed. Ms. Maurizio confirmed it would take at least six months to address and stated it was a topic that was brought up during the Refresh, Recharge, and Reunite process; however, CBWM is following what the court ordered. Mr. Kuhn asked if there is still going to be opportunity for FWC to discuss this concern, and Ms. Maurizio stated yes.

Mr. Hays, City of Fontana Public Works Director, commented on the Task 5 document. He stated it was set up to develop, monitor, and record, but by the document remaining silent on the allocation of the water, it all goes back to Operating Safe Yield. The parties without any Operating Safe Yield can make it difficult for them to improve the situation they are in. Any recharge FWC can recharge in the Basin is what we should be looking at for the future generations, 20-30 years from now. If we don't take action now and do all the recharge that we can, we're never going to be able to do when everything is developed. There was simple language in the 2010 Recharge Master Plan Update, Section 7.1, it speaks to the Parties that go above and beyond minimum MS4 compliance should receive credit for the recharge that is captured. Mr. Hayes asked why was this language removed, if that language is actually a tool that can allow the Basin to maximize recharge and put the basin water to maximum beneficial use.

Mr. Wildermuth commented that he wrote the report that Mr. Hays is referring to. We had a stakeholder process and we talked about this. The sections came through in pieces and that language did make it in to the final draft. When Watermaster went to court, the recommendation was silent as to the allocation; it stated how to move forward with other portions of it, and that's why there is a distinction. The Court did not order what Mr. Hays is referring to what's in the final document. The concept at that time was to get more recharge and that seemed like a management tool that could be used, so Mr. Wildermuth made it as a recommendation. The Court's order did not specify any type of allocation. Mr. Slater stated that Staff's response is the issue of allocation in characterization of the water can be addressed a little later. No one is suggesting that the arguments that are being made with regard to how the water should be allocated, provided for, or that there's been a decision as to predicate facts for that. It is something that Staff would prefer to address later and stay on track now. The suggestion is to wait as more time is needed to discuss the allocation. A letter was written to Mr. Jacobs, attorney for the City of Fontana, on June 10, 2013 which expressly states that this issue is being reserved.

More discussion ensued

Ms. Maurizio stated pages 81 and 82 of the meeting package discuss what was in the 2010 Recharge Master Plan Update, and what was placed in to the Order. The conversation about accounting for New Yield was included, but what was not placed in there were items 1 and 2 of the Update that talked about incentivizing it. That was not placed into the court order which is

why we're not addressing it right now. As for the six months waiting period until Watermaster can discuss this issue; one of the items Ms. Maurizio was going to report today under the GM report is that Mr. Kavounas has been compiling the issues that came out of Refresh, Recharge, and Reunite, and when he returns from his vacation he intends to discuss this with the Board and prioritize everything.

Mr. Bowcock stated he would like to go on record that our intent is to reward those that embark on projects, and we are going to encourage staff to take that up as an issue now.

Further discussion ensued.

Mr. Slater stated in the process of trying to comply with the precise requirements of the Court, it was viewed that Watermaster was over-performing in WEI's initial report. It was a collected decision to be made, that we would not try to do all at once, but break it down and address certain things sequentially, so we agreed to what we could agree to at that time, and deferred a portion. What has come before you now, are represented by Staff as sufficient to comply and stay on schedule. There is a clear legal policy, and economic issue that pertains to how the water is allocated that has not been addressed and is being reserved. The questions Parties are asking are: When should it be addressed, how soon, and by whom? That is why Staff stated it's about six months out. Parties can direct Staff to come back with a schedule or a process under which it's going to be handled, but for right now Staff's recommendation is to sequence it, and not include it at this time. The City of Fontana and FWC are suggesting it get included now.

*Motion by Bob Kuhn, second by Jim Curatalo; roll call vote was taken*

Bob Bowcock – Yes	Bob Craig – Yes	James Curatalo – Yes
Steve Elie – Yes	Charlie Field – Abstain	Paul Hofer – Yes
Jeff Pierson – Yes	Bob Kuhn – Yes	

***Move to approve Staff's recommendation to adopt Section 5 by unanimous vote with Director Field abstaining***

**B. BUDGET TRANSFER FORM T-13-04-01**

Consider Staff's Recommendation to Approve Budget Transfer Form T-13-04-01.

Watermaster CFO, Joe Joswiak, stated as discussed over the last four or five months in the financial reports B5, CBWM created the estimated budget for salary purposes as to allocation within the administrative, OBMP, and the implementation projects. Over the past four or five months we've had staff shifting of priorities, so we're getting a little farther away from our original estimates. Transfer Form T-13-04-01 reallocates some salary funds within the salary categories and absorbs some of those costs, but it does not allocate any funds to any other categories, for example: legal, engineering, and reserve. It will not cause any special assessments, but it will bring our salaries back into budget for the end of the year. No questions or comments were made.

*Motion by Jeff Pierson, second by Bob Bowcock, and by unanimous vote*

***Moved to approve Business Item B, as presented.***

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Annotated Judgment

Mr. Slater gave a report and received direction from the Board to prepare a strawman draft of an Annotated Judgment and circulate among the Pools.

2. CDA Request re Remediation of Chino Airport Groundwater Plume

Mr. Slater gave a report

3. Court Filings

Mr. Slater gave a report and requested the Board's support to request a 30 day extension to review the MWD concerns regarding Cyclic Storage the Agreement and its content. Mr. Slater also stated the Ag Pool Filing would be extended for the purpose of efficiency. The Board unanimously agreed.

4. Santa Ana Sucker Appeal

Mr. Slater gave an update

**B. ENGINEERING REPORT**

State of the Basin Part II Presentation

Mr. Wildermuth gave an update

**C. GM REPORT**

1. Prado Basin Habitat Sustainability Program Update

Ms. Maurizio gave an update

2. Watermaster Policy on Well Data Gathering and Reporting

Ms. Maurizio gave an update

3. Sunding Report Update

Ms. Maurizio gave an update

4. Consider Cancelling July Meeting

Ms. Maurizio gave an update

5. June 18, 2013 Ethics & Sexual Harassment Prevention Training

Ms. Maurizio gave an update

6. Other

Ms. Maurizio reported the meeting changes and stated the updated schedule is in the meeting package.

**IV. INFORMATION**

Cash Disbursements for May 2013

**V. BOARD MEMBER COMMENTS**

Mr. Craig requested a monthly informational update on the two plumes and status on the Wineville Basin Proof of Concept Project.

**VI. OTHER BUSINESS**

The regular open Watermaster Board meeting was convened to hold its confidential session at 12:15 p.m.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. Potential Litigation

2. In Re: CalPers Appeal

Mr. Slater reported that the Board has authorized legal counsel to file an additional appeal

3. Contract Negotiation

The confidential session concluded at 12:26 p.m.

There was one reportable action from the confidential session.

**VIII. FUTURE MEETINGS AT WATERMASTER**

<del>Tuesday, June 18, 2013</del>	<del>T.B.A.</del>	<del>Safe Yield Recalculation Workshop</del>
Tuesday, June 25, 2013	9:00 a.m.	GRCC Meeting
Thursday, June 27, 2013	11:00 a.m.	Watermaster Board Meeting
Thursday, July 11, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, July 11, 2013	1:30 p.m.	Agricultural Pool Special Confidential Session
Thursday, July 18, 2013	9:00 a.m.	Appropriative Pool Special Meeting
Thursday, July 18, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, July 25, 2013	9:00 a.m.	Watermaster Board Special Confidential Session
Thursday, July 25, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Tuesday, July 30, 2013	<b>T.B.A.</b>	Safe Yield Recalculation Workshop
Thursday, August 29, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting

Chair Kuhn adjourned the Watermaster Board meeting at 12:26 p.m.

Secretary: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_

**Minutes**  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD CONFIDENTIAL MEETING/CONFERENCE CALL**

July 25, 2013

The Watermaster Board confidential meeting (conference call) was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on July 25, 2013, at 9:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Bob Kuhn, Chair  
Jim Curatalo  
Bob Craig  
Paul Hofer  
Bob Bowcock  
Charles Field  
Jeff Pierson, Alternate

Three Valleys Municipal Water District  
Fontana Union Water Company  
Jurupa Community Services District  
Ag Pool – Crops  
Vulcan Materials Company (Calmat Division)  
Western Municipal Water District  
Agricultural Pool

**WATERMASTER BOARD MEMBERS ON CALL**

Steve Elie  
Peter Rogers  
Geoffrey Vanden Heuvel

Inland Empire Utilities Agency  
City of Chino Hills  
Agricultural Pool

**WATERMASTER STAFF PRESENT**

Peter Kavounas  
Danni Maurizio  
Joe Joswiak  
Brenda Corona

General Manager  
Assistant General Manager  
Chief Financial Officer  
Recording Secretary

**WATERMASTER CONSULTANTS PRESENT**

Scott Slater  
Brad Herrema  
Dr. Bill Mathis

Brownstein, Hyatt, Farber & Schreck  
Brownstein, Hyatt, Farber & Schreck  
Mathis Group

**POOL/ADVISORY CHAIRS PRESENT**

Bob Feenstra, Chair Agricultural Pool  
Brian Geye, Chair, Non-Agricultural Pool  
Marty Zvirbulis, Chair, Appropriative Pool

Agricultural Pool - Dairy  
Auto Club Speedway  
Cucamonga Valley Water District

**OTHERS PRESENT**

David DeJesus  
Ken Jeske

Three Valleys Municipal Water District  
California Steel Industries

Chair Kuhn called the Watermaster Board confidential meeting to order at 9:00 a.m.

**AGENDA - ADDITIONS/REORDER**

**I. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

ACTIONS: Provided by legal counsel after meeting concluded

1. General Manager Performance Evaluation

***Authorize Board representatives to extend a contract extension offer to the General Manager Peter Kavounas***

- 2. CCG Motion for Leave to Sue Watermaster  
Non-Agricultural Pool Member Ken Jeske representing California Steel Industries left the room when Item 2 was discussed

***No reportable action***

Chair Kuhn adjourned the Watermaster Board confidential meeting at 10:02 a.m.

Secretary: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_

**Minutes**  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD CONFIDENTIAL MEETING/CONFERENCE CALL**  
*August 12 2013*

The Watermaster Board confidential meeting (conference call) was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on August 12, 2013, at 10:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Bob Kuhn, Chair

Three Valleys Municipal Water District

**WATERMASTER BOARD MEMBERS ON CALL**

Jim Curatalo  
Bob Craig  
Bob Bowcock  
Steve Elie  
Peter Rogers

Fontana Union Water Company  
Jurupa Community Services District  
Vulcan Materials Company (Calmat Division)  
Inland Empire Utilities Agency  
City of Chino Hills

**WATERMASTER BOARD MEMBERS ABSENT**

Geoffrey Vanden Heuvel  
Paul Hofer  
Charles Field

Agricultural Pool  
Agricultural Pool  
Western Municipal Water District

**WATERMASTER STAFF PRESENT**

Peter Kavounas  
Brenda Corona

General Manager  
Recording Secretary

**WATERMASTER CONSULTANTS ON CALL**

Scott Slater

Brownstein, Hyatt, Farber & Schreck

**WATERMASTER CONSULTANTS PRESENT**

Brad Herrema

Brownstein, Hyatt, Farber & Schreck

**POOL/ADVISORY CHAIRS ON CALL**

Brian Geye, Chair, Non-Agricultural Pool  
Rosemary Hoerning, Chair, Advisory Committee  
Jo Lynne Russo-Pereyra, Alternate, Appropriative Pool

Auto Club Speedway  
City of Upland  
Cucamonga Valley Water District

**OTHERS PRESENT**

David DeJesus

Three Valleys Municipal Water District

Chair Kuhn called the Watermaster Board confidential meeting to order at 10:00 a.m.

**AGENDA - ADDITIONS/REORDER**

I. **CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. CCG Motion for Leave to Sue Watermaster

ACTIONS: Provided by legal counsel after meeting concluded

***Authorize legal counsel to file an opposition to the CCG Motion on or before August 19, 2013***

Chair Kuhn adjourned the Watermaster Board confidential meeting at 10:17 a.m.

Secretary: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_

# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

1. Cash Disbursements for the Month of May 2013
2. Watermaster VISA Check Detail for the Month of May 2013
3. Combining Schedule for the Period July 1, 2013 through May 31, 2013
4. Treasurer's Report of Financial Affairs for the Period May 1, 2013 through May 31, 2013
5. Budget vs. Actual Report for the Period July 1, 2013 through May 31, 2013
6. Cash Disbursements for the Month of June 2013
7. Watermaster VISA Check Detail for the Month of June 2013
8. Combining Schedule for the Period July 1, 2012 through June 30, 2013
9. Treasurer's Report of Financial Affairs for the Period June 1, 2013 through June 30, 2013
10. Budget vs. Actual Report for the Period July 1, 2012 through June 30, 2013
11. Fiscal Year 2012 – 2013 Engineering Services Task Order Increase



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Cash Disbursement Report - Financial Report B1 (May 31, 2013)

### SUMMARY

Issue: Record of cash disbursements for the month of May 31, 2013.

Recommendation: Staff recommends the Cash Disbursements for May 31, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A monthly cash disbursement report is provided to keep all members apprised of Watermaster expenditures.

## DISCUSSION

Total cash disbursements during the month of May 2013 were \$399,301.72. The most significant expenditures during the month were to Brownstein Hyatt Farber Schreck in the amounts of \$52,469.54 and \$78,624.37 (check number 16904 dated May 6, 2013 and check number 16966 dated May 29, 2013); and Wildermuth Environmental, Inc. in the amount of \$88,772.74 (check number 16968 dated May 29, 2013).

## ATTACHMENTS

1. Financial Report - B1

**CHINO BASIN WATERMASTER**  
Cash Disbursements For The Month of  
May 2013

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/01/2013	16891	COMPUTER NETWORK	87272	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	87272		Replacement keyboard and mouse-Accountant	6055 · Computer Hardware	195.20
TOTAL						195.20
Bill Pmt -Check	05/01/2013	16892	GRAINGER	9125430869	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	9125430869		9125430869	7103.6 · Grdwtr Qual-Supplies	25.59
TOTAL						25.59
Bill Pmt -Check	05/01/2013	16893	HOGAN LOVELLS	2730193	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	2730193		Non-Ag Pool Legal Services - April 2013	8567 · Non-Ag Legal Service	4,425.95
TOTAL						4,425.95
Bill Pmt -Check	05/01/2013	16894	MCCALL'S METER SALES & SERVICE	23855	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	23855		23855	7102.5 · In-line Meter-Repair & Maint.	250.00
				23855	7102.8 · In-line Meter-Calib & Test	450.00
TOTAL						700.00
Bill Pmt -Check	05/01/2013	16895	PRAXAIR DISTRIBUTION, INC.	45968200	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	45968200		Water quality supplies	7103.6 · Grdwtr Qual-Supplies	41.79
TOTAL						41.79
Bill Pmt -Check	05/01/2013	16896	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	8000909000168851		Send equipment for repairs	7103.6 · Grdwtr Qual-Supplies	14.14
TOTAL						14.14
Bill Pmt -Check	05/01/2013	16897	RAUCH COMMUNICATION CONSULTANTS, LLC Apr-1302		1012 · Bank of America Gen'l Ckg	
Bill	04/24/2013	Apr-1302		Progress Billing - Annual report	6061.3 · Rauch	665.00
TOTAL						665.00
Bill Pmt -Check	05/01/2013	16898	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	20001		Week ending 4/21/13	6017 · Temporary Services	659.20
TOTAL						659.20
Bill Pmt -Check	05/01/2013	16899	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	001017890001		Vision premium - May 2013	60182.2 · Dental & Vision Ins	55.05
TOTAL						55.05
Bill Pmt -Check	05/01/2013	16900	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013			Wash 4 trucks on 4/11/13 - 3 trucks on 4/25/13	6177 · Vehicle Repairs & Maintenance	175.00

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**CHINO BASIN WATERMASTER**  
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Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						175.00
Bill Pmt -Check	05/02/2013	16901	LUX BUS AMERICA, CO.	Westside Basin Tour May 21, 2013	1012 - Bank of America Gen'l Ckg	
Bill	05/01/2013			Charter bus May 21, 2013 Westside Basin Tour	6174 - Transportation	588.00
TOTAL						588.00
Bill Pmt -Check	05/06/2013	16903	STAPLES BUSINESS ADVANTAGE	8025443891	1012 - Bank of America Gen'l Ckg	
Bill	04/27/2013	8025443891		Miscellaneous office supplies	6031.7 - Other Office Supplies	113.10
TOTAL						113.10
Bill Pmt -Check	05/06/2013	16904	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	
Bill	03/31/2013	531481		531481	6073 - BHFS Legal - Personnel Matters	2,499.30
Bill	03/31/2013	531482		531482	6907.33 - Desalter/Hydraulic Control	8,644.95
Bill	03/31/2013	531480		531480	8375 - BHFS Legal - Appropriative Pool	2,801.29
				531480	8475 - BHFS Legal - Agricultural Pool	2,581.68
				531480	8575 - BHFS Legal - Non-Ag Pool	2,444.39
				531480	8575.1 - Paragraph 15 - CSI/Aqua Capital	686.25
				531480	6275 - BHFS Legal - Advisory Committee	1,191.73
				531480	6375 - BHFS Legal - Board Meeting	4,908.72
				531480	6071 - BHFS Legal - Court Coordination	164.70
				531480	6072 - BHFS Legal - Annotated Judgment	3,175.20
				531480	6074 - BHFS Legal - Interagency Issues	496.80
				531480	6078 - BHFS Legal - Miscellaneous	1,112.13
				531480	6078.10 - Refresh, Recharge & Reunite	14,702.81
				531480	6907.33 - Desalter/Hydraulic Control	521.55
				531480	6907.39 - Recharge Master Plan	2,607.75
				531480	8078.11 - Safe Yield Recalculation	3,930.29
TOTAL						52,469.54
Bill Pmt -Check	05/06/2013	16905	CRAIG, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	04/03/2013	4/03 CDA Meeting		4/03/13 CDA Meeting	6311 - Board Member Compensation	125.00
Bill	04/11/2013	4/11 Appro Pool Mtg		4/11/13 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
Bill	04/16/2013	4/16 Budget Workshop		4/16/13 Budget Workshop	6311 - Board Member Compensation	125.00
Bill	04/18/2013	4/18 Advisory Comm		4/18/13 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	05/06/2013	16906	CURATALO, JAMES		1012 - Bank of America Gen'l Ckg	
Bill	04/04/2013	4/04 RMPU Mtg		4/04/13 RMPU Meeting	6311 - Board Member Compensation	125.00
Bill	04/09/2013	4/09 Personnel Comm		4/09/13 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	04/16/2013	4/16 Budget Workshop		4/16/13 Budget Workshop	6311 - Board Member Compensation	125.00

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**CHINO BASIN WATERMASTER**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	04/22/2013	4/22 Admin Mtg		4/22/13 Administrative Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	05/06/2013	16907	DE BOOM, NATHAN	Ag Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/06/2013	16908	DURRINGTON, GLEN		1012 · Bank of America Gen'l Ckg	
Bill	04/03/2013	4/03 CDA Meeting		4/03/13 CDA Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	05/06/2013	16909	ELIE, STEVEN	4/02/13 Administrative Meeting	1012 · Bank of America Gen'l Ckg	
Bill	04/02/2013	4/02 Admin Mtg		4/02/13 Administrative Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
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Bill Pmt -Check	05/06/2013	16910	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	
Bill	04/03/2013	4/03 CDA Meeting		4/03/13 CDA Meeting	8411 · Compensation	25.00
				4/03/13 CDA Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/09/2013	4/09 Personnel Comm		4/09/13 Personnel Committee Meeting	8411 · Compensation	25.00
				4/09/13 Personnel Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/10/2013	4/10 Admin Meeting		4/10/13 Administrative Meeting	8411 · Compensation	25.00
				4/10/13 Administrative Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	05/06/2013	16911	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	04/03/2013	4/03 CDA Mtg		4/03/13 CDA Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/04/2013	4/04 RMPU Mtg		4/04/13 RMPU Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/11/2013	4/11 Appro Pool Mtg		4/11/13 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/16/2013	4/16 Budget Workshop		4/16/13 Budget Workshop	8470 · Ag Meeting Attend -Special	125.00
Bill	04/18/2013	4/18 RMPU Mtg		4/18/13 RMPU Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/18/2013	4/18 Advisory Comm		4/18/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						875.00
Bill Pmt -Check	05/06/2013	16912	HUITSING, JOHN		1012 · Bank of America Gen'l Ckg	

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	04/03/2013	4/03 CDA Mtg		4/03/13 CDA Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
<b>TOTAL</b>						<b>250.00</b>
<b>Bill Pmt -Check</b>	<b>05/06/2013</b>	<b>16913</b>	<b>KOOPMAN, GENE</b>	<b>Ag Pool Member Meeting Compensation</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
<b>TOTAL</b>						<b>125.00</b>
<b>Bill Pmt -Check</b>	<b>05/06/2013</b>	<b>16914</b>	<b>KUHN, BOB</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/09/2013	4/09 Personnel Comm		4/09/13 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	04/11/2013	4/11 Appro Pool Mtg		4/11/13 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	04/16/2013	4/16 Budget Workshop		4/16/13 Budget Workshop	6311 · Board Member Compensation	125.00
Bill	04/22/2013	4/22 Admin Mtg		4/22/13 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	04/23/2013	4/23 Admin Mtg		4/23/13 Administrative Meeting	6311 · Board Member Compensation	125.00
<b>TOTAL</b>						<b>625.00</b>
<b>Bill Pmt -Check</b>	<b>05/06/2013</b>	<b>16915</b>	<b>PARK PLACE COMPUTER SOLUTIONS, INC.</b>	<b>474</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/30/2013	474		IT Consultant - April 2013	6052.1 · Park Place Comp Solutn	2,400.00
<b>TOTAL</b>						<b>2,400.00</b>
<b>Bill Pmt -Check</b>	<b>05/06/2013</b>	<b>16916</b>	<b>PAYCHEX</b>	<b>2013042500</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/30/2013	2013042500		April 2013	6012 · Payroll Services	240.20
<b>TOTAL</b>						<b>240.20</b>
<b>Bill Pmt -Check</b>	<b>05/06/2013</b>	<b>16917</b>	<b>PIERSON, JEFFREY</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/03/2013	4/03 CDA Meeting		4/03/13 CDA Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/11/2013	4/11 Ag Pool Meeting		4/11/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/18/2013	4/18 RMPU Mtg		4/18/13 RMPU Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/18/2013	4/18 Advisory Comm		4/18/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
<b>TOTAL</b>						<b>500.00</b>
<b>Bill Pmt -Check</b>	<b>05/06/2013</b>	<b>16918</b>	<b>ROGERS, PETER</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/09/2013	4/09 Personnel Comm		4/09/13 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	04/23/2013	4/23 Budget Workshop		4/23/13 Budget Workshop	6311 · Board Member Compensation	125.00
<b>TOTAL</b>						<b>250.00</b>
<b>Bill Pmt -Check</b>	<b>05/06/2013</b>	<b>16919</b>	<b>APPLIED COMPUTER TECHNOLOGIES</b>	<b>2108</b>	<b>1012 · Bank of America Gen'l Ckg</b>	

**CHINO BASIN WATERMASTER**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	04/26/2013	2108		Database Consultant - April 2013	6052.2 · Applied Computer Technol	3,057.80
TOTAL						3,057.80
Bill Pmt -Check	05/06/2013	16920	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	05/06/2013	16921	VANDEN HEUVEL, ROB		1012 · Bank of America Gen'l Ckg	
Bill	04/03/2013	4/03 CDA Mtg		4/03/13 CDA Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	05/06/2013	16922	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	04/29/2013	012519116950792103		012519116950792103	6022 · Telephone	507.25
Bill	04/30/2013	012561121521714508		012561121521714508	7405 · PE4-Other Expense	183.88
TOTAL						691.13
Bill Pmt -Check	05/06/2013	16923	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	05/02/2013	08-k2 213849		Service for May 2013	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53
Bill Pmt -Check	05/13/2013	16924	ACWA JOINT POWERS INSURANCE AUTHORITY	00198	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2013	00198		Insurance Premium - 00198	1409 · Prepaid Life, BAD&D & LTD	209.90
TOTAL						209.90
Bill Pmt -Check	05/13/2013	16925	CALPERS 457 PLAN	Banking for 04/14/13-04/27/13	1012 · Bank of America Gen'l Ckg	
General Journal	04/27/2013	04/27/2013	CALPERS 457 PLAN	Employee 457 deductions for 04/14/13-04/27/13	2000 · Accounts Payable	3,173.36
TOTAL						3,173.36
Bill Pmt -Check	05/13/2013	16926	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	86852		Replacement of fuser for HP 3600 printer	6055 · Computer Hardware	316.00
Bill	04/30/2013	86774		7 port hub and backup drive	6055 · Computer Hardware	573.48
TOTAL						889.48
Bill Pmt -Check	05/13/2013	16927	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	04/26/2013	7003730910002744		Miscellaneous office and meeting supplies	6031.7 · Other Office Supplies	1,176.11
TOTAL						1,176.11

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Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/13/2013	16928	PRAXAIR DISTRIBUTION, INC.	45982938	1012 - Bank of America Gen'l Ckg	
Bill	04/26/2013	45982938		Water quality supplies	7103.6 - Grdwtr Qual-Supplies	145.37
TOTAL						145.37
Bill Pmt -Check	05/13/2013	16929	PREMIERE GLOBAL SERVICES	13755741	1012 - Bank of America Gen'l Ckg	
Bill	04/26/2013	13755741		CDA call on 3/28	7305 - PE3&5-Supplies	79.79
				Agenda call on 4/02	8412 - Meeting Expenses	8.46
				Agenda call on 4/02	8312 - Meeting Expenses	8.46
				Agenda call on 4/02	8512 - Meeting Expense	8.45
				Budget calls w/WE Inc and BHFS on 4/08	6141.3 - Admin Meetings	54.58
				SAR Underflow Calculations Meeting/Call	6909.1 - OBMP Meetings	146.83
				Non Ag Pool meeting call on 4/11	8512 - Meeting Expense	54.01
				Confidential call	6909.1 - OBMP Meetings	35.97
				RMPIU call on 4/18	7204 - Comp Recharge-Supplies	10.06
				Board confidential call on 4/18	6312 - Meeting Expenses	100.20
				SAR call on 4/25	6909.1 - OBMP Meetings	125.12
				Board agenda call on 4/25	6312 - Meeting Expenses	59.09
				Monthly fee	6022 - Telephone	19.95
				Service fee	6022 - Telephone	24.75
TOTAL						735.70
Bill Pmt -Check	05/13/2013	16930	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	04/27/2013	04/27/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/14/13-04/27/13	2000 - Accounts Payable	7,104.83
TOTAL						7,104.83
Bill Pmt -Check	05/13/2013	16931	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	04/26/2013	20029		Week ending 4/28/13	6017 - Temporary Services	824.00
TOTAL						824.00
Bill Pmt -Check	05/13/2013	16932	THREE VALLEYS MUNICIPAL WATER DIST	June 6, 2013 Leadership Breakfast	1012 - Bank of America Gen'l Ckg	
Bill	05/08/2013			June 6, 2013 Leadership Breakfast-Kavounas	6191 - Conferences - General	15.00
TOTAL						15.00
Bill Pmt -Check	05/13/2013	16933	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	300732989		April 2013	6175 - Vehicle Fuel	165.74
TOTAL						165.74
Check	05/15/2013	05/15/2013	Service Charge	Service Charge	1012 - Bank of America Gen'l Ckg	
				Service Charge	6039.1 - Banking Service Charges	237.76
TOTAL						237.76

CHINO BASIN WATERMASTER  
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Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	05/20/2013	05/20/2013	Payroll and Taxes for 04/28/13-05/11/13	Payroll and Taxes for 04/28/13-05/11/13	1012 - Bank of America Gen'l Ckg	
				Direct Deposits for 04/28/13-05/11/13	1012 - Bank of America Gen'l Ckg	20,698.05
				Payroll Taxes for 04/28/13-05/11/13	1012 - Bank of America Gen'l Ckg	6,405.42
TOTAL						<u>27,103.47</u>
Bill Pmt -Check	05/20/2013	16934	CITRUS FORD		1012 - Bank of America Gen'l Ckg	
Bill	05/16/2013			Replacement wheel cap for expedition	6177 - Vehicle Repairs & Maintenance	70.23
TOTAL						<u>70.23</u>
Bill Pmt -Check	05/20/2013	16935	EGOSCUE LAW GROUP	10343	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	10343		Ag Pool Legal Services - April 2013	8467 - Ag Legal & Technical Services	6,957.50
TOTAL						<u>6,957.50</u>
Bill Pmt -Check	05/20/2013	16936	EUROFINS EATON ANALYTICAL		1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	L0120632		L0120632	7108.4 - Hydraulic Control-Lab Svcs	1,592.00
Bill	04/30/2013	L0120631		L0120631	7108.4 - Hydraulic Control-Lab Svcs	440.00
TOTAL						<u>2,032.00</u>
Bill Pmt -Check	05/20/2013	16937	GEOTECHNICAL SERVICES	17614	1012 - Bank of America Gen'l Ckg	
Bill	04/22/2013	17614		17614	7104.7 - Grdwtr Level-WM Staff-Cap Equip	8,057.74
TOTAL						<u>8,057.74</u>
Bill Pmt -Check	05/20/2013	16938	GUARANTEED JANITORIAL SERVICE, INC.	4-29616	1012 - Bank of America Gen'l Ckg	
Bill	05/15/2013	4-29616		May 2013	6024 - Building Repair & Maintenance	865.00
TOTAL						<u>865.00</u>
Bill Pmt -Check	05/20/2013	16939	MATHIS CONSULTING GROUP	153811	1012 - Bank of America Gen'l Ckg	
Bill	05/10/2013	153811		GM Evaluation - 153811	6013 - Human Resources Services	2,500.00
TOTAL						<u>2,500.00</u>
Bill Pmt -Check	05/20/2013	16940	MCCALL'S METER SALES & SERVICE	23900	1012 - Bank of America Gen'l Ckg	
Bill	05/05/2013	23900		23900	7102.5 - In-line Meter-Repair & Maint.	191.88
				23900	7102.7 - In-line Meter-Labor	2,433.24
TOTAL						<u>2,625.12</u>
Bill Pmt -Check	05/20/2013	16941	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	05/05/2013	20050		Week ending 5/05/13	6017 - Temporary Services	659.20
TOTAL						<u>659.20</u>

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Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/20/2013	16942	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	2x81x0		Flo Thru Meter repair	7103.6 - Grdwtr Qual-Supplies	86.97
TOTAL						86.97
Bill Pmt -Check	05/20/2013	16943	VERIZON WIRELESS	9704365422	1012 - Bank of America Gen'l Ckg	
Bill	05/15/2013	9704365422		Monthly service	6022 - Telephone	361.49
TOTAL						361.49
Bill Pmt -Check	05/20/2013	16944	WESTERN DENTAL SERVICES, INC.	11882	1012 - Bank of America Gen'l Ckg	
Bill	05/15/2013	11882		Dental insurance premium - May 2013	60182.2 - Dental & Vision Ins	30.00
TOTAL						30.00
Bill Pmt -Check	05/23/2013	16945	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	XXXX-XXXX-XXXX-9341		Lunch for 4/22 budget review	6141.3 - Admin Meetings	210.33
				Flowers for funeral - employee's father	6141.3 - Admin Meetings	119.84
				Purchase janitorial supplies	6031.7 - Other Office Supplies	17.65
				Repair expense for Flow Thru Meter	7103.6 - Grdwtr Qual-Supplies	757.71
				Purchase bottom sounder for water level measuren	7104.6 - Grdwtr Level-Supplies	1,131.91
				Lunch-Chino Creek Wellfield Remediation meeting	7103.6 - Grdwtr Qual-Supplies	50.57
				PK mtg w/Bob Feenstra	8412 - Meeting Expenses	26.59
				PK mtg w/Ken Manning	8312 - Meeting Expenses	31.71
				PK mtg w/Charles Moorrees and Terri Layton	8312 - Meeting Expenses	14.33
				PK mtg w/Terry Catlin	8312 - Meeting Expenses	22.20
TOTAL						2,382.84
Bill Pmt -Check	05/23/2013	16946	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	
Bill	05/23/2013	June 2013		Medical insurance premium - June 2013	60182.1 - Medical Insurance	5,402.63
TOTAL						5,402.63
Bill Pmt -Check	05/23/2013	16947	CALPERS 457 PLAN	Payroll and Taxes for 04/28/13-05/11/13	1012 - Bank of America Gen'l Ckg	
General Journal	05/20/2013	05/20/2013	CALPERS 457 PLAN	Employee 457 deductions for 04/28/13-05/11/13	2000 - Accounts Payable	3,173.36
TOTAL						3,173.36
Bill Pmt -Check	05/23/2013	16948	CHINO HILLS, CITY OF*	9	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	9		March-April 2013	7107.61 - Grd Level-Chino Hills ASR	2,822.00
TOTAL						2,822.00
Bill Pmt -Check	05/23/2013	16949	COMPUTER NETWORK	87475	1012 - Bank of America Gen'l Ckg	
Bill	05/22/2013	87475		Replacement of DVD Drive	6055 - Computer Hardware	70.20
TOTAL						70.20

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/23/2013	16950	CUCAMONGA VALLEY WATER DISTRICT	Lease due June 1, 2013	1012 - Bank of America Gen'l Ckg	
Bill	05/16/2013			Lease due June 1, 2013	1422 - Prepaid Rent	6,098.00
TOTAL						<u>6,098.00</u>
Bill Pmt -Check	05/23/2013	16951	GREAT AMERICA LEASING CORP.	13656879	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	13656879		Invoice	6043.1 - Ricoh Lease Fee	2,795.00
				Usage for Black Copies	6043.2 - Ricoh Usage & Maintenance Fee	1,431.34
				Usage for Color Copies	6043.2 - Ricoh Usage & Maintenance Fee	929.26
TOTAL						<u>5,155.60</u>
Bill Pmt -Check	05/23/2013	16952	INLAND EMPIRE UTILITIES AGENCY	1800002196	1012 - Bank of America Gen'l Ckg	
Bill	05/16/2013	180000296		1800002196	7108.75 - Prado Basin - IEUA Charges	6,275.92
TOTAL						<u>6,275.92</u>
Bill Pmt -Check	05/23/2013	16953	JOHN J. SCHATZ	April 2013	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013			Appropriative Pool - April 2013	8367 - Legal Service	6,489.69
TOTAL						<u>6,489.69</u>
Bill Pmt -Check	05/23/2013	16954	KAVOUNAS, PETER	Travel Expense Reimbursement	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013			Travel expense reimbursement	6171.1 - GM - Reimbursement	13.56
TOTAL						<u>13.56</u>
Bill Pmt -Check	05/23/2013	16955	LEGAL SHIELD	111802	1012 - Bank of America Gen'l Ckg	
Bill	05/22/2013	111802		Employee deductions - May 2013	60194 - Other Employee Insurance	51.80
TOTAL						<u>51.80</u>
Bill Pmt -Check	05/23/2013	16956	MIJAC ALARM	333445	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	333445		Commercial monitoring from 4/01/13-6/30/13	6026 - Security Services	147.00
TOTAL						<u>147.00</u>
Bill Pmt -Check	05/23/2013	16957	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	05/11/2013	05/11/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/28/13-05/11/13	2000 - Accounts Payable	7,104.83
TOTAL						<u>7,104.83</u>
Bill Pmt -Check	05/23/2013	16958	R&D PEST SERVICES	0165837	1012 - Bank of America Gen'l Ckg	
Bill	05/22/2013	0165837		Continuing treatment for pest control	6024 - Building Repair & Maintenance	85.00
TOTAL						<u>85.00</u>
Bill Pmt -Check	05/23/2013	16959	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 - Bank of America Gen'l Ckg	

**CHINO BASIN WATERMASTER**  
Cash Disbursements For The Month of  
May 2013

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/22/2013	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	469.84
TOTAL						469.84
Bill Pmt -Check	05/23/2013	16960	STATE COMPENSATION INSURANCE FUND	1970970-12	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2013	1970970-12		Premium on account - 5/26/13-6/26/13	60183 · Worker's Comp Insurance	899.25
TOTAL						899.25
Bill Pmt -Check	05/23/2013	16961	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2013			Retiree Medical	60182.4 · Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	05/23/2013	16962	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2013	20073		Week ending 5/12/13	6017 · Temporary Services	824.00
TOTAL						824.00
Bill Pmt -Check	05/23/2013	16963	UNITED HEALTHCARE	0031322256	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2013	0031322256		Dental premium - June 2013	60182.2 · Dental & Vision Ins	583.53
TOTAL						583.53
Bill Pmt -Check	05/23/2013	16964	VERIZON BUSINESS	68177635	1012 · Bank of America Gen'l Ckg	
Bill	05/16/2013	68177635		68177635	6053 · Internet Expense	1,543.35
TOTAL						1,543.35
Bill Pmt -Check	05/23/2013	16965	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	1394905143		Medical insurance - May 2013	60182.1 · Medical Insurance	5,402.63
TOTAL						5,402.63
General Journal	05/25/2013	05/25/2013	Payroll and Taxes for 05/12/13-05/25/13	Payroll and Taxes for 05/12/13-05/25/13	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 05/12/13-05/25/13	1012 · Bank of America Gen'l Ckg	18,033.57
				Payroll Check for 05/12/13-05/25/13	1012 · Bank of America Gen'l Ckg	3,967.19
				Payroll Taxes for 05/12/13-05/25/13	1012 · Bank of America Gen'l Ckg	6,106.39
				Payroll Taxes for 05/12/13-05/25/13	1012 · Bank of America Gen'l Ckg	1,537.61
TOTAL						29,644.76
Bill Pmt -Check	05/29/2013	16966	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	533456		533456	6907.32 · Chino Airport Plume	28,055.25
Bill	04/30/2013	533457		533456	6073 · BHFS Legal - Personnel Matters	19,692.64
Bill	04/30/2013	533459		533459	8375 · BHFS Legal - Appropriative Pool	2,095.73
				533459	8475 · BHFS Legal - Agricultural Pool	3,316.35
				533459	8575 · BHFS Legal - Non-Ag Pool	4,033.87

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**May 2013**

Type	Date	Num	Name	Memo	Account	Paid Amount
				533459	6275 · BHFS Legal - Advisory Committee	2,194.65
				533459	6375 · BHFS Legal - Board Meeting	624.33
				533459	6071 · BHFS Legal - Court Coordination	1,454.85
				533459	6078 · BHFS Legal - Miscellaneous	3,070.80
				533459	6078.11 · Safe Yield Recalculation	7,893.45
				533459	6907.32 · Chino Airport Plume	263.25
				533459	6907.39 · Recharge Master Plan	3,807.90
TOTAL				533459	6907.40 · Storage Agreements	<u>2,121.30</u>
						78,624.37
<b>Bill Pmt -Check</b>	<b>05/29/2013</b>	<b>16967</b>	<b>LIATTI &amp; ASSOCIATES</b>			
Bill	05/28/2013				1012 · Bank of America Gen'l Ckg	
Bill	05/29/2013	476		Brokerage fee for workers comp insurance	60183 · Worker's Comp Insurance	1,106.62
TOTAL				D&O insurance coverage premium	1401 · Prepaid Insurance-Pkg	<u>6,809.20</u>
						7,915.82
<b>Bill Pmt -Check</b>	<b>05/29/2013</b>	<b>16968</b>	<b>WILDERMUTH ENVIRONMENTAL INC</b>			
Bill	04/30/2013	2013094			1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	2013095		2013094	6906 · OBMP Engineering Services	345.00
Bill	04/30/2013	2013096		2013095	6906 · OBMP Engineering Services	232.50
				2013096	6906 · OBMP Engineering Services	3,658.75
Bill	04/30/2013	2013097		2013096	6907.32 · Chino Airport Plume	3,658.75
Bill	04/30/2013	2013098		2013097	6906 · OBMP Engineering Services	2,557.50
Bill	04/30/2013	2013099		2013098	6906 · OBMP Engineering Services	4,796.25
Bill	04/30/2013	2013100		2013099	7103.3 · Grdwtr Qual-Engineering	17,222.50
Bill	04/30/2013	2013101		2013100	7104.3 · Grdwtr Level-Engineering	11,292.07
Bill	04/30/2013	2013102		2013101	7107.61 · Grd Level-Chino Hills ASR	7,372.00
Bill	04/30/2013	2013103		2013102	7107.2 · Grd Level-Engineering	3,711.80
Bill	04/30/2013	2013104		2013103	7108.3 · Hydraulic Control-Engineering	772.45
Bill	04/30/2013	2013105		2013104	7108.3 · Hydraulic Control-Engineering	1,009.25
Bill	04/30/2013	2013106		2013105	7108.3 · Hydraulic Control-Engineering	11,188.44
Bill	04/30/2013	2013107		2013106	7108.7 · Hydraulic Control - Prado Basin	8,029.00
Bill	04/30/2013	2013108		2013107	7202.3 · Comp Recharge-Implementation	7,860.98
Bill	04/30/2013	2013109		2013108	7402 · PE4-Engineering	4,635.50
TOTAL				2013109	7502 · PE6&7-Engineering	<u>430.00</u>
						88,772.74
<b>General Journal</b>	<b>05/31/2013</b>	<b>05/31/2013</b>	<b>Wage Works FSA Direct Debits - May 2013</b>	<b>Wage Works FSA Direct Debits - May 2013</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
				Wage Works FSA Direct Debits - May 2013	1012 · Bank of America Gen'l Ckg	685.78
				Wage Works FSA Direct Debits - May 2013	1012 · Bank of America Gen'l Ckg	685.78
				Wage Works FSA Direct Debits - May 2013	1012 · Bank of America Gen'l Ckg	115.39
				Wage Works FSA Direct Debits - May 2013	1012 · Bank of America Gen'l Ckg	<u>76.25</u>
TOTAL						1,563.20

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
May 2013

Financial Report - B1

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
					Total Disbursements:	<u>399,301.72</u>

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: VISA Check Detail Report - Financial Report B2 (May 31, 2013)

### SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of May 31, 2013.

Recommendation: Staff recommends the VISA Check Detail Report for May 31, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

#### BACKGROUND

A monthly VISA Check Detail report is provided to keep all members apprised of Watermaster expenditures charged against the General Manager, Assistant General Manager and Chief Financial Officer's Bank of America VISA card.

#### DISCUSSION

Total cash disbursement during the month of May 2013 was \$2,382.84. This payment was processed by check number 16945 dated May 23, 2013. The monthly charges for May 2013 were for routine and customary expenditures and properly documented with receipts.

#### ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER  
VISA Check Detail Report  
May 2013

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/23/2013	16945	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2013	XXXX-XXXX-XXXX-9341		Lunch for 4/22 budget review	6141.3 · Admin Meetings	210.33
				Flowers for funeral - employee's father	6141.3 · Admin Meetings	119.84
				Purchase janitorial supplies	6031.7 · Other Office Supplies	17.65
				Repair expense for Flow Thru Meter	7103.6 · Grdwtr Qual-Supplies	757.71
				Purchase bottom sounder for water level measurement	7104.6 · Grdwtr Level-Supplies	1,131.91
				Lunch-Chino Creek Wellfield Remediation meeting	7103.6 · Grdwtr Qual-Supplies	50.57
				PK mtg w/Bob Feenstra	8412 · Meeting Expenses	26.59
				PK mtg w/Ken Manning	8312 · Meeting Expenses	31.71
				PK mtg w/Charles Moorrees and Terri Layton	8312 · Meeting Expenses	14.33
				PK mtg w/Terry Catlin	8312 · Meeting Expenses	22.20
					<b>Total Disbursements:</b>	<b><u>2,382.84</u></b>

TOTAL

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through May 31, 2013 - Financial Report B3 (May 31, 2013)

### SUMMARY

Issue: Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through May 31, 2013.

Recommendation: Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through May 31, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

---

### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2012 through May 31, 2013 is provided to keep all members apprised of the FY 2012/2013 cumulative Watermaster revenues, expenditures and changes in working capital for the period listed.

## DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Working Capital has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 13.0, the Watermaster accounting system. The Combining Schedule provided balances to the supporting documentation in the Watermaster accounting system as presented.

## ATTACHMENTS:

1. Financial Report - B3

CHINO BASIN WATERMASTER  
COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL  
FOR THE PERIOD JULY 1, 2012 THROUGH MAY 31, 2013

Financial Report - B3

WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2012-2013
		APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
<b>Administrative Revenues:</b>									
Administrative Assessments		6,329,126		283,393				6,612,519	\$6,612,663
Interest Revenue		12,387	1,137	369			0	13,893	39,600
Mutual Agency Project Revenue	151,550							151,550	152,938
Grant Income								-	0
Miscellaneous Income	22,298							22,298	0
<b>Total Revenues</b>	<b>173,848</b>	<b>6,341,513</b>	<b>1,137</b>	<b>283,762</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>6,800,261</b>	<b>6,805,201</b>
<b>Administrative &amp; Project Expenditures:</b>									
Watermaster Administration	910,296							910,296	695,643
Watermaster Board-Advisory Committee	139,885							139,885	177,279
Ag Pool Misc. Expense - Ag Fund								-	400
Pool Administration		120,641	141,615	72,998				335,254	627,959
Optimum Basin Mgmt Administration	1,013,341							1,013,341	1,196,641
OBMP Project Costs	2,313,504							2,313,504	3,756,351
Debt Service	315,751							315,751	501,055
Basin Recharge Improvements	52,000							52,000	272,829
Education Funds Use							257	257	257
Mutual Agency Project Costs	10,000							10,000	10,000
<b>Total Administrative/OBMP Expenses</b>	<b>1,050,181</b>	<b>3,704,596</b>	<b>120,641</b>	<b>141,615</b>	<b>72,998</b>	<b>-</b>	<b>-</b>	<b>5,090,288</b>	<b>7,238,413</b>
<b>Net Administrative/OBMP Expenses</b>	<b>(876,333)</b>	<b>(3,704,596)</b>							
<b>Allocate Net Admin Expenses To Pools</b>	<b>876,333</b>		588,689	254,887	32,757			-	
<b>Allocate Net OBMP Expenses To Pools</b>		<b>3,388,845</b>	<b>2,276,504</b>	<b>985,669</b>	<b>126,672</b>			-	
<b>Allocate Debt Service to App Pool</b>		<b>315,751</b>	<b>315,751</b>					-	
<b>Agricultural Expense Transfer*</b>			<b>1,382,171</b>	<b>(1,382,171)</b>				-	
<b>Total Expenses</b>		<b>4,683,756</b>	<b>-</b>	<b>232,427</b>	<b>-</b>	<b>-</b>	<b>257</b>	<b>5,090,288</b>	<b>7,238,413</b>
<b>Net Administrative Income</b>		<b>1,657,757</b>	<b>1,137</b>	<b>51,335</b>	<b>-</b>	<b>-</b>	<b>(256)</b>	<b>1,709,973</b>	<b>(433,212)</b>
<b>Other Income/(Expense)</b>									
Replenishment Water Assessments		625,202		22,789				647,991	0
Non-Ag Stored Water Purchases		1,786,217						1,786,217	0
Interest Revenue					35			35	0
MWD Water Purchases								-	0
Non-Ag Stored Water Purchases		(2,289,276)						(2,289,276)	0
MWD Water Purchases								-	0
Groundwater Replenishment								-	0
Refund-Excess Reserves		(764,137)		(24,510)				(788,647)	0
Refund-Recharge Debt								-	0
<b>Net Other Income/(Expense)</b>		<b>(641,994)</b>	<b>-</b>	<b>(1,721)</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>(643,680)</b>	<b>0</b>
<b>Net Transfers To/(From) Reserves</b>	<b>1,066,293</b>	<b>1,015,763</b>	<b>1,137</b>	<b>49,614</b>	<b>35</b>	<b>-</b>	<b>(256)</b>	<b>1,066,293</b>	<b>(433,212)</b>
<b>Working Capital, July 1, 2012</b>		<b>4,984,619</b>	<b>477,493</b>	<b>133,837</b>	<b>24,627</b>	<b>158,251</b>	<b>256</b>	<b>5,779,084</b>	
<b>Working Capital, End Of Period</b>		<b>6,000,382</b>	<b>478,630</b>	<b>183,452</b>	<b>24,662</b>	<b>158,251</b>	<b>0</b>	<b>6,845,377</b>	<b>6,845,377</b>
<b>11/12 Assessable Production</b>		<b>79,342.533</b>	<b>34,353.325</b>	<b>4,414.887</b>				<b>118,110.745</b>	
<b>11/12 Production Percentages</b>		<b>67.176%</b>	<b>29.086%</b>	<b>3.738%</b>				<b>100.000%</b>	

\*Fund balance transfer as agreed to in the Peace Agreement.

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Treasurer's Report of Financial Affairs for the Period May 1, 2013 through May 31, 2013 - Financial Report B4 (May 31, 2013)

### SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of May 1, 2013 through May 31, 2013.

Recommendation: Staff recommends the Treasurer's Report of Financial Affairs for the Period May 1, 2013 through May 31, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A Treasurer's Report of Financial Affairs for the Period May 1, 2013 through May 31, 2013 is provided to keep all members apprised of the total cash in banks (Bank of America, LAIF, and CalTRUST) and on hand at the Watermaster office (petty cash) at the end of the period stated. The Treasurer's Report details the change (increase or decrease) in the overall cash position of Watermaster, as well as the changes (increase or decrease) to the assets and liabilities section of the balance sheet. The report also provides a detailed listing of all deposits and/or withdrawals in the California State Treasurer's Local Agency Investment Fund (LAIF) and/or CalTRUST, the most current effective yield as of the last quarter, and the ending balance in LAIF as of the reporting date.

## DISCUSSION

The Treasurer's Report of Financial Affairs has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 13.0, the Watermaster accounting system. The Treasurer's Report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

## ATTACHMENTS

1. Financial Report - B4

**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
MAY 1 THROUGH MAY 31, 2013**

Financial Report - B4

**DEPOSITORIES:**

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	194,408		
Zero Balance Account - Payroll	\$	-		194,408
Local Agency Investment Fund - Sacramento				6,836,430
<b>TOTAL CASH IN BANKS AND ON HAND</b>				<b>\$ 7,031,338</b>
TOTAL CASH IN BANKS AND ON HAND	5/31/2013			7,430,640
	4/30/2013			7,430,640
<b>PERIOD INCREASE (DECREASE)</b>				<b>\$ (399,302)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable			\$	(588)
Assessments Receivable				-
Prepaid Expenses, Deposits & Other Current Assets				(8,470)
(Decrease)/Increase in Liabilities: Accounts Payable				68,824
Accrued Payroll, Payroll Taxes & Other Current Liabilities				(113,167)
Transfer to/(from) Reserves				(345,901)
				(345,901)
<b>PERIOD INCREASE (DECREASE)</b>				<b>\$ (399,302)</b>

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**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 4/30/2013	\$ 500	\$ 93,710	\$ -	\$ 7,336,430	\$ 7,430,640
Deposits	-	500,000	-	-	500,000
Transfers	-	(83,757)	83,757	(500,000)	(500,000)
Withdrawals/Checks	-	(315,545)	(83,757)	-	(399,302)
					(399,302)
Balances as of 5/31/2013	\$ 500	\$ 194,408	\$ -	\$ 6,836,430	\$ 7,031,338
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ 100,698</b>	<b>\$ -</b>	<b>\$ (500,000)</b>	<b>\$ (399,302)</b>

**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
MAY 1 THROUGH MAY 31, 2013**

Financial Report - B4

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
5/13/2013	Withdrawal	L.A.I.F	\$ (500,000)				
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$ (500,000)</b>				

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.28% was the effective yield rate at the Quarter ended March 31, 2013.

**INVESTMENT STATUS  
May 31, 2013**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 6,836,430			
<b>TOTAL INVESTMENTS</b>	<b>\$ 6,836,430</b>			

Funds on hand are sufficient to meet all foreseen and planned Administrative and project expenditures during the next six months.

All investment transactions have been executed in accordance with the criteria stated in Chino Basin Watermaster's Investment Policy.

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Budget vs. Actual Report for the Period July 1, 2012 through May 31, 2013 -  
Financial Report B5 (May 31, 2013)

### SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2012 through May 31, 2013.

Recommendation: Staff recommends the Budget vs. Actual Report for the Period July 1, 2012 through May 31, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A Budget vs. Actual Report for the period July 1, 2012 through May 31, 2013 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimum Basin Management Program Expenses; Project Expenses; and Other Income/Expenses.

## DISCUSSION

The Budget vs. Actual report has been created from QuickBooks Enterprise Solutions 13.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

As part of the Mid-Year Review presented during the February 2013 meetings, the Budget Transfer form (T-13-02-01) was approved and incorporated into the financial reports as of January 31, 2013. The Budget Transfer form (T-13-02-01) is a zero-based document, which means the reductions and additions within the general ledger accounts equal. Overall, the approved expense budget for FY 2012-2013 of \$7,238,413.48 (which includes the additional "Carry Over" funding of \$433,212.48) was NOT increased.

During the June 2013 meetings, the Budget Transfer form (T-13-04-01) was approved and incorporated into the financial reports as of May 31, 2013. The Budget Transfer form (T-13-04-01) is a zero-based document, which means the reductions and additions within the general ledger accounts equal. The only general ledger accounts changed were related to the Watermaster staff salaries. Overall, the approved expense budget for FY 2012-2013 of \$7,238,413.48 (which includes the additional "Carry Over" funding of \$433,212.48) was NOT increased.

Year-To-Date (YTD) for the eleven months ending May 31, 2013, all but two categories were at or below the projected budget. Overall, the (YTD) Actual Expenses were \$1,725,291 or 25.3% below the (YTD) Budgeted Expenses of \$6,817,380. The two categories above budget were the Watermaster Legal Services (6070's) over budget by the amount of \$23,411 and the Groundwater Quality Monitoring Expenses (7103's) over budget by the amount of \$5,078.

It is anticipated that a final Budget Transfer request will be presented as part of the End-of-Year Review in the upcoming months.

## SALARIES EXPENSE

The chart below summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format.

As of May 31, 2013, the total (YTD) Watermaster salary expenses are \$233,423 or 17.0% below the (YTD) budgeted amount of \$1,374,187. The budget was developed with a staffing level of 9.5 Full Time Equivalentents (FTE's). As of May 31, 2013, the actual staffing level is 8.0 Full Time Equivalentents (FTE's).

Regarding the current Field Technician position that we are recruiting for, the cutoff date for receipt of applications was May 31, 2013. Watermaster received more than 250 applications for the Field Technician position. Staff is reviewing and evaluating the potential applicants for the next step, which will be the interview. It is anticipated that the interviews could be completed by late July and the new employee could start by mid to late August.

Watermaster utilizes an in-house database time and attendance system to allocate staff's actual hours worked and also allocates the hours to a specific project or activity. Watermaster staff time could be

charged to Administrative, OBMP, or Implementation Project categories. Most recently, some Watermaster staff spent more time on administrative related tasks and less time on specific project related areas. When the FY 2012/13 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which projects or activities. The staffing dollars are then allocated into those specific areas and budgeted on a 1/12 monthly budget. When actual staffing activities vary from the budgeted assumptions, a positive or negative variance can be created. This is what is currently taking place within the administrative salary category. Note that the Budget Transfer Form (T-13-04-01) corrected the Watermaster staffing budget variances in May 2013.

At fiscal year end, the vacation, sick, and admin leave accrued balances by employee will be adjusted either as a increase to the accrual balance or a decrease to the accrual balance and the correct ending balance will be recorded on the Balance Sheet as a Current Liability. This is a standard accounting journal entry that is completed each fiscal year. I mention this year-end journal entry because the increase or decrease will be reflected in the accounts 60185 or 60186 as needed.

The table below shows how on a consolidated basis, the Watermaster employee activity compares with the budgeted activity. In some cases, the activity is above the budget, and in most cases, the activity is below the budget. The following details are provided:

	Jul '12 - May '13	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>WM Salary Expense</b>					
6011 · WM Staff Salaries	516,299.11	627,978.46	-111,679.35	82.22%	663,560.00
6011.2 · WM Staff - Admin. Paid Leave	2,380.75	2,500.00	-119.25	95.23%	2,500.00
6201 · Advisory Committee - WM Staff Salaries	12,668.81	20,263.00	-7,594.19	62.52%	22,105.00
6301 · Watermaster Board - WM Staff Salaries	21,191.24	28,512.00	-7,320.76	74.32%	31,104.00
8301 · Appropriative Pool - WM Staff Salaries	19,886.94	27,046.25	-7,159.31	73.53%	29,505.00
8401 · Agricultural Pool - WM Staff Salaries	18,769.32	23,769.17	-4,999.85	78.97%	25,930.00
8501 · Non-Agricultural Pool - WM Staff Salaries	10,699.03	13,488.75	-2,789.72	79.32%	14,715.00
6901 · OBMP - WM Staff Salaries	191,100.63	193,841.17	-2,740.54	98.59%	212,554.00
7101.1 · Production Monitor - WM Staff Salaries	52,084.28	58,996.33	-6,912.05	88.28%	67,996.00
7102.1 · In-line Meter - WM Staff Salaries	3,275.76	9,658.92	-6,383.16	33.91%	10,537.00
7103.1 · Grdwater Quality - WM Staff Salaries	37,406.50	55,058.67	-17,652.17	67.94%	60,064.00
7104.1 · Grdwater Level - WM Staff Salaries	48,829.45	52,028.92	-3,199.47	93.85%	59,577.00
7105.1 · Sur Wtr Qual - WM Staff Salaries	0.00	2,858.17	-2,858.17	0.0%	3,118.00
7107.1 · Grd Level Monitoring - WM Staff Salaries	0.00	1,540.00	-1,540.00	0.0%	1,680.00
7108.1 · Hydraulic Control - WM Staff Salaries	1,083.60	6,859.42	-5,775.82	15.8%	7,483.00
7108.11 · Prado Basin - WM Staff Salaries	7,300.44	10,000.00	-2,699.56	73.0%	10,000.00
7201 · Comp Recharge - WM Staff Salaries	34,395.73	44,312.50	-9,916.77	77.62%	55,250.00
7301 · PE3&5 - WM Staff Salaries	5,493.21	10,430.08	-4,936.87	52.67%	13,651.00
7401 · PE4 - WM Staff Salaries	846.99	3,630.67	-2,783.68	23.33%	4,688.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	2,919.93	6,000.00	-3,080.07	48.67%	8,000.00
7501 · PE6&7 - WM Staff Salaries	1,405.48	6,896.08	-5,490.60	20.38%	7,523.00
7601 · PE8&9 - WM Staff Salaries	4,148.80	9,028.33	-4,879.53	45.95%	12,940.00
7701 · Inactive Well - WM Staff Salaries	0.00	385.00	-385.00	0.0%	420.00
<b>Subtotal WM Staff Costs</b>	<b>992,186.00</b>	<b>1,215,081.89</b>	<b>-222,895.89</b>	<b>81.66%</b>	<b>1,324,900.00</b>
60185 · Vacation	65,419.74	68,489.83	-3,070.09	95.52%	72,898.00
60186 · Sick Leave	37,347.53	42,394.25	-5,046.72	88.1%	44,921.00
60187 · Holidays	45,810.45	48,221.00	-2,410.55	95.0%	48,221.00
<b>Subtotal WM Paid Leaves</b>	<b>148,577.72</b>	<b>159,105.08</b>	<b>-10,527.36</b>	<b>93.38%</b>	<b>166,040.00</b>
<b>Total WM Salary Costs</b>	<b>1,140,763.72</b>	<b>1,374,186.97</b>	<b>-233,423.25</b>	<b>83.01%</b>	<b>1,490,940.00</b>

BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

The chart listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of May 31, 2013 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format.

As of May 31, 2013, the BHFS expenses are \$322 or 0.05% below the (YTD) budgeted amount of \$637,244. As approved during the July 2012 meetings, the Pools, Advisory Committee and the Board meeting for the month of August were not held. For the month of April, the Board meeting scheduled for April 25, 2013 was not held. As a result, the related meeting expenses from (BHFS) are lower than budgeted. For the month of May, there were some individual line items that were over the budgeted amount, but overall the BHFS expenses were on target with the overall legal budget.

As reported during the current monthly meetings, Watermaster's legal counsel filed an appeal with CalPERS regarding CalPERS original determination (from February 2013) which rejected the base salary of the former CEO, Desi Alvarez, with regards to his retirement pension benefit. The expense of approximately \$25K which relates to the filing of the appeal letter is captured in account 6073 (Personnel Matters). This activity was not anticipated during the budget process and therefore not budgeted for.

The eleven month average of the Brownstein Hyatt Farber Schreck legal services invoicing totals \$57,569. Subtracting the year-to-date legal expenses of \$636,922 from the annual budget amount of \$679,955 reveals a remaining budget balance of \$43,033. It is probable that the legal services invoicing for June might be higher than the remaining budget amount by approximately \$14,536.

Currently, a Budget Transfer request to reallocate the (BHFS) legal services budget is not scheduled for this month, but might be part of the End-of-Year Review or other adjustments in the upcoming months.

The following details are provided:

	Jul '12 - May '13	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6070 · Watermaster Legal Services</b>					
6071 · BHFS Legal - Court Coordination	24,453.52	32,954.17	-8,500.65	74.21%	35,950.00
6072 · BHFS Legal - Annotated Judgment	29,215.70	57,000.00	-27,784.30	51.26%	57,000.00
6073 · BHFS Legal - Personnel Matters	37,794.94	7,625.00	30,169.94	495.67%	7,625.00
6074 · BHFS Legal - Interagency Issues	18,476.80	31,093.33	-12,616.53	59.42%	33,920.00
6075 · BHFS Legal - Replenishment Water	0.00	0.00	0.00	0.0%	0.00
6076 · BHFS Legal - Storage Issues	6,642.00	0.00	6,642.00	100.0%	0.00
6077 · BHFS Legal - Party Status Maintenance	0.00	0.00	0.00	0.0%	0.00
6078 · BHFS Legal - Miscellaneous (Note 1)	54,877.94	48,554.17	6,323.77	113.02%	51,150.00
6078.10 · BHFS Legal - Refresh, Recharge, Reunite	36,196.31	25,000.00	11,196.31	144.79%	25,000.00
6078.11 · BHFS Legal - Safe Yield Reevaluation	15,895.79	0.00	15,895.79	100.0%	0.00
6078.20 · BHFS Legal - Approp. Pool Issue Resolution	2,084.85	0.00	2,084.85	100.0%	0.00
<b>Total 6070 · Watermaster Legal Services</b>	<b>225,637.85</b>	<b>202,226.67</b>	<b>23,411.18</b>	<b>111.58%</b>	<b>210,645.00</b>
6275 · BHFS Legal - Advisory Committee	20,537.38	26,840.00	-6,302.62	76.52%	29,280.00
6375 · BHFS Legal - Board Meeting	52,614.09	58,886.67	-6,272.58	89.35%	64,240.00
8375 · BHFS Legal - Appropriative Pool	44,529.23	46,840.00	-2,310.77	95.07%	49,280.00
8475 · BHFS Legal - Agricultural Pool	26,174.37	26,840.00	-665.63	97.52%	29,280.00
8575 · BHFS Legal - Non-Ag Pool	27,955.25	26,840.00	1,115.25	104.16%	29,280.00
8575.10 · BHFS Legal - Paragraph 15 CSI/Aqua	10,759.13	10,000.00	759.13	107.59%	10,000.00
<b>Total BHFS Legal Services</b>	<b>182,569.45</b>	<b>196,246.67</b>	<b>-13,677.22</b>	<b>93.03%</b>	<b>211,360.00</b>
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 · South Archibald Plume	0.00	29,150.00	-29,150.00	0.0%	31,800.00
6907.32 · Chino Airport Plume	67,665.40	29,150.00	38,515.40	232.13%	31,800.00
6907.33 · Desalter/Hydraulic Control	58,144.81	45,925.00	12,219.81	126.61%	50,100.00
6907.34 · Santa Ana River Water Rights	10,269.70	21,312.50	-11,042.80	48.19%	23,250.00
6907.35 · Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 · Santa Ana River Habitat	4,351.40	10,220.83	-5,869.43	42.57%	11,150.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	10,954.17	-10,954.17	0.0%	11,950.00
6907.39 · Recharge Master Plan	56,149.14	50,791.67	5,357.47	110.55%	54,500.00
6907.40 · Storage Agreements	9,998.68	16,316.67	-6,317.99	61.28%	17,800.00
6907.41 · Prado Basin Habitat Sustainability	153.00	7,150.00	-6,997.00	2.14%	7,800.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907 · WM Legal Counsel</b>	<b>228,714.85</b>	<b>238,770.84</b>	<b>-10,055.99</b>	<b>95.79%</b>	<b>257,950.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>636,922.15</b>	<b>637,244.18</b>	<b>-322.03</b>	<b>99.95%</b>	<b>679,955.00</b>

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Discussions with the new General Manager regarding Watermaster issues and topics; (2) Assessment Package Review, Workshops; (3) Research Pool Membership issues; (4) Research Watermaster Peace I and II Obligations and Task Lists; (5) Review OBMP Milestones; (6) Stormwater and New Yield; (7) Annual Financial Audit Response; (8) Review Consulting Agreement(s); (9) Coordination of Ongoing Watermaster Projects; and (10) Review of draft documents.

### OBMP ENGINEERING SERVICES AND LEGAL COSTS

For May 31, 2013, the accounts 6901-6906 (Optimum Basin Mgmt Program) section was above the Year-To-Date (YTD) budget by \$10,937 or 2.4%. Within the category 6907 (Optimum Basin Mgmt Program Legal Fees) are the remaining Brownstein Hyatt Farber Schreck (BHFS) Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget \$60,275

while some other line item activities were below the budget \$70,331. Above the budget line items were the Peace II CEQA of \$1,071; the Chino Airport Plume of \$38,515; Desalter/Hydraulic Control of \$12,220; the Paragraph 31 Motion of \$3,112; and the Recharge Master Plan of \$5,357. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the South Archibald Plume of \$29,150; the Santa Ana River Water Rights of \$11,043; the Santa Ana River Habitat of \$5,869; the Regional Water Quality Control Board of \$10,954; Storage Agreements of \$6,318; and Prado Basin Habitat Sustainability of \$6,997. For the eleven months ended May 31, 2013, the overall cumulative (YTD) budget was \$238,771 and the actual (BHFS) legal expenses totaled \$228,715 which resulted in an under budget variance of \$10,056 or 4.2%.

The chart below summarizes the Optimum Basin Management Program (OBMP) expenses as of May 31, 2013 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format.

Overall, the Optimum Basin Management Program (OBMP) category was \$899,979 compared to a (YTD) budget of \$907,459 for an under budget of \$7,480 or 0.8% as of May 31, 2013.

	Jul '12 - May '13	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6900 · Optimum Basin Mgmt Plan</b>					
6901 · WM Staff Salaries	191,100.63	193,841.17	-2,740.54	98.59%	212,554.00
6902.31 · OBMP - Wildermuth Staff	3,085.40	0.00	3,085.40	100.0%	0.00
6903 · OBMP SAWPA Group	10,593.00	11,000.00	-407.00	96.3%	11,000.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	171,509.44	99,828.00	71,681.44	171.81%	99,828.00
6906.7 · OBMP - Data Requests	4,655.00	0.00	4,655.00	100.0%	0.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
6906 · OBMP Engineering Services - Other	287,336.11	352,875.08	-65,538.97	81.43%	388,996.00
<b>Total 6906 · OBMP Engineering Services</b>	<b>463,640.55</b>	<b>452,703.08</b>	<b>10,937.47</b>	<b>102.42%</b>	<b>488,824.00</b>
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.30 · Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 · South Archibald Plume	0.00	29,150.00	-29,150.00	0.0%	31,800.00
6907.32 · Chino Airport Plume	67,665.40	29,150.00	38,515.40	232.13%	31,800.00
6907.33 · Desalter/Hydraulic Control	58,144.81	45,925.00	12,219.81	126.61%	50,100.00
6907.34 · Santa Ana River Water Rights	10,269.70	21,312.50	-11,042.80	48.19%	23,250.00
6907.35 · Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 · Santa Ana River Habitat	4,351.40	10,220.83	-5,869.43	42.57%	11,150.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	10,954.17	-10,954.17	0.0%	11,950.00
6907.39 · Recharge Master Plan	56,149.14	50,791.67	5,357.47	110.55%	54,500.00
6907.40 · Storage Agreements	9,998.68	16,316.67	-6,317.99	61.28%	17,800.00
6907.41 · Prado Basin Habitat Sustainability	153.00	7,150.00	-6,997.00	2.14%	7,800.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907 · WM Legal Counsel</b>	<b>228,714.85</b>	<b>238,770.84</b>	<b>-10,055.99</b>	<b>95.79%</b>	<b>257,950.00</b>
<b>Total 6907 · OBMP Legal Fees</b>	<b>228,714.85</b>	<b>238,770.84</b>	<b>-10,055.99</b>	<b>95.79%</b>	<b>257,950.00</b>
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	1,104.95	0.00	1,104.95	100.0%	0.00
6909.3 · Other OBMP Expenses	1,740.00	1,977.00	-237.00	88.01%	1,977.00
6909.4 · Printing	0.00	0.00	0.00	0.0%	0.00
6909.5 · Ad Hoc Litigation Committee	0.00	0.00	0.00	0.0%	0.00
6909.6 · OBMP Expenses - Miscellaneous	0.00	9,166.67	-9,166.67	0.0%	10,000.00
<b>Total 6909 · OBMP Other Expenses</b>	<b>2,844.95</b>	<b>11,143.67</b>	<b>-8,298.72</b>	<b>25.53%</b>	<b>11,977.00</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>899,979.38</b>	<b>907,458.76</b>	<b>-7,479.38</b>	<b>99.18%</b>	<b>982,305.00</b>

OBMP IMPLEMENTATION PROJECTS COSTS

The OBMP Implementation Projects (accounts 7100's – 7700's) were (Under) budget as of May 31, 2013 with the exception of the Groundwater Quality Monitoring category (7103's) which was over budget by the amount of \$5,078. The over budget category was a direct result of increased activities and allocating the budget in equal 1/12 portions throughout the fiscal year. The Year-To-Date expense in this category was slightly ahead of budget and should level off as the fiscal year progresses. A Budget Transfer request is not anticipated at this time.

The chart below summarizes the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format.

As of May 31, 2013, the total (YTD) Engineering Services expenses are \$217,036 or 11.7% below the (YTD) budget amount of \$1,859,784. The following details are provided:

	Jul '11 - May '13	Budget	\$ Over Budget	% of Budget	Annual Budget
6902.31 · OBMP - Wildermuth Staff	3,085.40	0.00	3,085.40	100.0%	0.00
6906 · OBMP Engineering Services - Other	287,336.11	352,875.08	-65,538.97	81.43%	388,996.00
6906.1 · OBMP - Watermaster Model Update	171,509.44	99,828.00	71,681.44	171.81%	99,828.00
6906.7 · OBMP - Data Requests	4,655.00	0.00	4,655.00	100.0%	0.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
7101.31 · Prod Monitor-Engineering-SubContractor	6,354.19	0.00	6,354.19	100.0%	0.00
7103.3 · Grdwtr Qual-Engineering	73,452.45	61,228.00	12,224.45	119.97%	66,816.00
7103.31 · Grdwtr Qual-Engineering-SubContractor	11,387.67	0.00	11,387.67	100.0%	0.00
7103.5 · Grdwtr Qual-Lab Svcs	32,352.00	38,568.00	-6,216.00	83.88%	38,568.00
7104.3 · Grdwtr Level-Engineering	142,960.93	166,280.58	-23,319.65	85.98%	181,397.00
7107.2 · Grd Level-Engineering	118,910.91	130,404.92	-11,494.01	91.19%	137,259.00
7107.3 · Grd Level-SAR Imagery	90,008.00	67,500.00	22,500.00	133.33%	90,000.00
7107.6 · Grd Level-Contract Svcs	61,797.25	112,191.67	-50,394.42	55.08%	122,300.00
7107.61 · Grd Level-Chino Hills ASR	53,006.78	137,963.83	-84,957.05	38.42%	150,506.00
7107.8 · Grd Level-Cap Equip Exte	0.00	20,546.00	-20,546.00	0.0%	20,546.00
7108.3 · Hydraulic Control-Engineering	87,139.42	84,294.84	2,844.58	103.38%	88,002.00
7108.4 · Hydraulic Control-Lab Svcs	75,506.00	62,022.58	13,483.42	121.74%	67,661.00
7108.7 · Hydraulic Control-Prado Basin Habitat	118,292.87	192,189.58	-73,896.71	61.55%	208,856.25
7108.9 · Hydraulic Control-Contract Svcs	0.00	4,125.00	-4,125.00	0.0%	4,500.00
7109.3 · Recharge & Well - Engineering	0.00	4,000.00	-10,770.00	0.0%	4,000.00
7202.3 · Comp Recharge-Implementation	210,054.78	189,712.53	20,342.25	110.72%	210,055.00
7303 · PE3&5-Engineering - Other	30,344.00	27,815.33	2,528.67	109.09%	30,344.00
7402 · PE4-Engineering	59,151.26	47,727.50	11,423.76	123.94%	52,066.00
7403 · PE4-Contract Svcs	0.00	13,750.00	-13,750.00	0.0%	15,000.00
7502 · PE6&7-Engineering	5,011.39	46,760.63	-41,749.24	10.72%	50,470.30
7502.1 · PE6&7-Engineering Svcs (Plume)	7,070.67	0.00	7,070.67	100.0%	0.00
7602 · PE8&9-Engineering	0.00	0.00	0.00	0.0%	0.00
<b>Total Wildermuth Environmental, Inc. Costs</b>	<b>1,649,518.52</b>	<b>1,859,784.07</b>	<b>-217,035.55</b>	<b>88.69%</b>	<b>2,027,170.55 *</b>

\* Wildermuth and Subcontractor Engineering Budget of \$1,982,360 plus Carryover Funds from FY 2011/12 of \$44,810.55 = \$2,027,170.55  
Carryover Funds FY 2011/12 = \$24,500.00 (7107.2), \$1,000.00 (7107.6), \$4,500.00 (7107.8), \$8,856.25 (7108.7) and \$5,954.30 (7502) = \$44,810.55

As noted above, \$44,810.55 has been "Carried Over" from FY 2011/12 per the Watermaster policy 4.17 which was approved during FY 2011/12. These amounts, along with any other "Carried Over" expenses were not included in the Assessment process billed and completed in November 2012 because these dollar amounts were previously funded from last year's Assessment process.

The total Engineering Services budget of \$2,027,171 includes direct labor costs for Wildermuth Environmental, Inc. (69%) along with other direct charges such as equipment rental, laboratory fees, travel costs, reproduction costs, and outside professional services (31%).

**PRADO BASIN HABITAT SUSTAINABILITY PROGRAM**

The Prado Basin Habitat Sustainability Program came about as a result of the Peace II Agreement SEIR mitigation measure 4.4-3 and was adopted by IEUA's Board in October, 2010. The purpose of the mitigation measure is to ensure that the Prado Basin riparian habitat will not be impacted by Hydraulic Control. The basic program tasks are to convene a committee that will develop this adaptive management plan, to install necessary monitoring wells, to complete vegetation and aerial surveys, and to implement photo station monitoring. In terms of the financial aspects of this program, there is a cost sharing agreement, which was approved by the Watermaster Board in September, 2012 for a total budget of \$440,000. This is a 50/50 cost sharing agreement between Watermaster and IEUA with a not to exceed amount of \$220,000 for each party. Included in that cost is hiring a consultant to develop the adaptive management plan, WEI performing the project management tasks related to the monitoring well installation, hiring a contractor to construct and install up to seventeen monitoring wells at nine separate sites, and United States Bureau of Reclamation performing vegetation monitoring every three years. Grants have been applied for to offset the cost of this program; however, it is not yet known if any will be received.

The process of invoicing IEUA for their 50% portion of the (WEI) invoices will be completed by Watermaster staff at the end of every quarter. The information listed below is provided for the period of May 1, 2012 through May 31, 2013:

	Wildermuth Environmental, Inc.	50% Billing "TO" IEUA	50% Billing "FROM" IEUA	Costs For Watermaster	Watermaster Staff "Hours"	Watermaster Staff "Costs"
May 2012 - Jun. 2012	\$ 11,143.75	\$ (5,571.88)	\$ -	\$ 5,571.88	4.00	\$ 411.38
Jul. 2012 - May 2013	\$ 118,292.87	\$ (59,146.44)	\$ 6,275.92	\$ 65,422.36	67.00	\$ 7,300.44
<b>Totals</b>	<b>\$ 129,436.62</b>	<b>\$ (64,718.31)</b>	<b>\$ 6,275.92</b>	<b>\$ 70,994.23</b>	<b>71.00</b>	<b>\$ 7,711.82</b>
	7108.7	7108.71, 7108.72	7108.75			7108.11

**OTHER INCOME AND EXPENSE**

In March 2012, the initial payment of \$295,200 (which included a 10% contingency) was issued to the Chino Basin Desalter Authority for work related to the Chino Creek Well Field extensometer project. In October, Watermaster was notified by the Project Administrator that the extensometer project was completed and a refund in the amount of \$21,710 was due to Watermaster. Watermaster received the funds of \$21,710 on October 23, 2012 and deposited the funds into our Bank of America bank account. The funds were recorded as Miscellaneous Income, category (4900).

As of March 31, 2013 the 3<sup>rd</sup> quarter LAIF interest income of \$6,038.48 was recorded to the Watermaster financial reports. The interest income on funds invested at LAIF is as follows:

- 1<sup>st</sup> Quarter (July 2012 - September 2012): \$4,275.69
- 2<sup>nd</sup> Quarter (October 2012 - December 2012): \$3,613.94
- 3<sup>rd</sup> Quarter (January 2013 - March 2013): \$6,038.48

There were no other significant items to report within the category of Other Income and Expenses for the month of May 31, 2013.

**"CARRY OVER" FUNDING**

With the approval of the new "Carry Over" funding policy on March 22, 2012, there were amounts of \$433,212.48 carried over into the current fiscal year budget (FY 2012/13) as follows:

<b>"Carried Over" Expenses At June 30, 2012</b>	
Verizon VoIP Equipment, Installation	\$ 1,500.00
GM Search Expenses - Balance of Contract	\$ 9,000.00
Wildermuth Project Expenses	\$ 44,810.55
Chino Hills ASR Project	\$ 104,977.00
Recharge Improvement Projects	\$ 272,829.00
Appropriative Pool Legal Services Fund Balance	\$ 95.93
<b>Total Balance, June 30, 2012</b>	<b>\$ 433,212.48</b>
<b>"Carried Over" Balance, July 1, 2012</b>	<b>\$ 433,212.48</b>
<b>Less: (Invoices Received To Date FY 2012/13)</b>	
GM Search Expenses - Balance of Contract	\$ (9,000.00)
Wildermuth Project Expenses	\$ (44,810.55)
Appropriative Pool Legal Services Fund Balance	\$ (95.93)
Verizon VoIP Equipment, Reversal	\$ (1,500.00)
Recharge Project - Turner Basin Invoice from IEUA	\$ (52,000.00)
<b>Updated Balance as of May 31, 2013</b>	<b>\$ 325,806.00</b>

Watermaster carried over \$272,829 in the Recharge Improvements Project categories. The amount of \$162,236 has been appropriated for use for the upcoming 3-year Turner Basin Improvements (7690.2), estimated in the range of \$270K+. The amount of \$30,900 has been appropriated for the Hickory Basin improvement project (7690.3) while the remaining amount of \$79,693 has been appropriated for Other Recharge Improvement Projects (7690.9).

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At June 30, 2013, any remaining balances of the FY 2011/12 expenses (if any), along with any new FY 2012/13 expenses, will then be "Carried Over" into the FY 2013/14 budget. During the audit fieldwork, there were discussions with the Charles Z. Fedak & Company senior auditor and Watermaster staff regarding the proper accounting treatment of the "Carried Over" funding process. The senior auditor has approved and concurs with the current accounting treatment and process for recording the "Carried Over" funding.

With the exceptions previously noted, there were no other unusual or significant transactions or events which occurred during the month of May 2013.

**AUDIT FIELD WORK**

Auditors from the audit firm of Charles Z. Fedak & Company were previously onsite at the Watermaster offices on July 16<sup>th</sup> and 17, 2102 to conduct scheduled field work for the FY 2011/2012 financial audit. Final field work was completed during the week of October 5<sup>th</sup> with the Annual Financial and Audit

Reports issued on December 20, 2012. The presentation of the "Draft" Annual Financial and Audit Reports to the Board by the Senior Manager of Charles Z. Fedak & Company was completed on December 20, 2012. The "Final" Annual Financial and Audit Reports have been posted to the Watermaster website.

The final report to Watermaster staff from the Senior Manager revealed no operational or internal control issues or concerns. Watermaster was issued an "Unqualified" or "Clean" audit report. There was an adjusting entry regards to GASB No. 27 which deals with Accounting for Pensions by State and Local Government Employers. As a direct result of the ongoing pension discussions and public scrutiny within California, the auditors have been ensuring that all of their public agency/government clients are following GASB No. 27. According to the Summary of Statement No. 27, "Employers that participate in *cost sharing multiple employer defined pension plans* are required to recognize pension expenditures/expense equal to the employer's contractually required contributions and a liability for unpaid contributions".

Since Watermaster has less than 100 active members/employees, Watermaster is required by CalPERS to participate in a risk pool. Watermaster currently is a member of the "Miscellaneous 2.5% at 55 Risk Pool". There are approximately 163 governmental agencies participating as part of this risk pool. Some of the public agencies who are currently participants of this pool are the Association of California Water Agencies, City of Lake Elsinore, Crestline Village Water District, Lake Arrowhead Community Services District, Monte Vista County Water District, and Rancho Cucamonga Fire Protection District, just to name a few.

According to CalPERS, "At the time of joining a risk pool, a side fund is created to account for the difference between the funded status of the pool and the funded status of your plan". According to recent information from CalPERS, Watermaster's Side Fund is currently \$122,863. CalPERS calculates the interest due and principal reduction each year and reduces the Side Fund balance. Watermaster staff has received a current amortization schedule from CalPERS for the outstanding liability amount to determine if the estimated balance of \$122,863 should be paid off in full to reduce current and future interest expense. The auditors have recommended, and Watermaster staff has complied, to record the outstanding liability of \$122,863 on the Balance Sheet for the CalPERS Side Fund. The previous audit firm of Mayer Hoffman McCann did not request or require Watermaster to book this entry on the Balance Sheet.

As part of the FY 2013/2014 budget process, Watermaster staff brought to the Pools, Advisory Committee and Board, a staff recommendation which will include the options available for the CalPERS Side Fund of \$122,863, including one option which would be payoff the current balance. On May 23, 2013 the Watermaster Board approved the recommendation to pay off the CalPERS Side Fund of \$122,863 before June 30, 2013.

#### ASSESSMENT INVOICING

The Watermaster Board approved the Assessment Package at the November 15, 2012 meeting. Watermaster staff created and emailed the Assessment invoices on Wednesday, November 21, 2012. The Assessment invoices were due 30 days from invoice date, so payment should have been received by Watermaster on or before December 21, 2012, prior to the Holiday office closure. ALL payments have been received and posted.

This year's Assessment invoicing included the standard Assessment amounts per the Assessment Package, along with any Special Assessments and the "Excess Cash Reserve" refund credits of \$788,647. The Appropriative Pool had a Special Assessment of \$75,000 as approved during their "Closed Session" on September 13, 2012. The \$75,000 was allocated to the Appropriative Pool members based upon a formula of 50% of the FY 2011/12 "Averaged Production & Exchanges" and 50% of the "Assigned Share of Operating Safe Yield.

On Friday, November 30, 2012, the Watermaster staff created and emailed the Assessment invoicing to the Appropriative Pool members for the Non-Agricultural Pool Stored Water Purchase. The Assessment invoices were due 30 days from invoice date, so payment should have been received by Watermaster on or before December 31, 2012. At the time of this report being issued, ALL payments have been received and posted.

Per the terms of the Settlement Agreement, the 4<sup>th</sup> of five annual payments to the Non-Agricultural Pool members for the Stored Water Purchase were to be issued on or before January 15, 2013. The nine checks totaling \$2,289,275.69 were mailed on January 10, 2013.

**ATTACHMENTS**

1. Financial Report - B5

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	1/12th (8.33%) of the Total Budget				11/12th (92%) of the Total Budget				100% of the Total Budget			
	For The Month of May 2013				Year-To-Date as of May 31, 2013				Fiscal Year End as of June 30, 2013			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
<b>Income</b>												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	151,550.48	152,938.00	-1,387.52	99.09%	151,550.48	152,938.00	-1,387.52	99.09%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	6,329,126.18	6,360,952.00	-31,825.82	99.5%	6,329,126.18	6,360,952.00	-31,825.82	99.5%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	283,393.27	251,711.00	31,682.27	112.59%	283,393.27	251,711.00	31,682.27	112.59%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	13,893.25	29,700.00	-15,806.75	46.78%	13,893.25	39,600.00	-20,706.75	47.71%
4900 · Miscellaneous Income	588.00	0.00	588.00	100.0%	22,298.00	0.00	22,298.00	100.0%	22,298.00	0.00	22,298.00	100.0%
<b>Total Income</b>	<b>588.00</b>	<b>0.00</b>	<b>588.00</b>	<b>100.0%</b>	<b>6,800,261.18</b>	<b>6,795,301.00</b>	<b>4,960.18</b>	<b>100.07%</b>	<b>6,805,261.18</b>	<b>6,805,201.00</b>	<b>60.18</b>	<b>100.0%</b>
<b>Gross Profit</b>	<b>588.00</b>	<b>0.00</b>	<b>588.00</b>	<b>100.0%</b>	<b>6,800,261.18</b>	<b>6,795,301.00</b>	<b>4,960.18</b>	<b>100.07%</b>	<b>6,805,261.18</b>	<b>6,805,201.00</b>	<b>60.18</b>	<b>100.0%</b>
<b>Expense</b>												
6010 · Salary Costs	63,502.19	274,059.17	-210,556.98	23.17%	596,941.90	713,331.46	-116,389.56	75.27%	751,684.00	751,684.00	0.00	100.0%
6020 · Office Building Expense	8,032.75	8,453.00	-420.25	95.03%	94,816.43	97,928.00	-3,111.57	96.82%	107,345.00	107,345.00	0.00	100.0%
6030 · Office Supplies & Equip.	2,034.79	850.00	1,184.79	239.39%	22,254.32	22,775.00	-520.68	97.71%	24,500.00	24,500.00	0.00	100.0%
6040 · Postage & Printing Costs	3,505.50	4,297.33	-791.83	81.57%	41,811.70	56,470.67	-14,658.97	74.04%	52,368.00	62,368.00	-10,000.00	100.0%
6050 · Information Services	11,289.31	11,691.33	-402.02	96.56%	114,351.14	131,938.00	-17,586.86	86.67%	143,796.00	143,796.00	0.00	100.0%
6060 · Contract Services	4,410.00	4,000.00	410.00	110.25%	44,800.59	44,900.00	-99.41	99.78%	44,900.00	44,900.00	0.00	100.0%
6070 · Watermaster Legal Services	17,368.16	8,418.33	8,949.77	206.31%	225,637.55	202,226.67	23,411.18	111.58%	210,645.00	210,645.00	0.00	100.0%
6080 · Insurance	20.14	0.00	20.14	100.0%	17,496.86	19,393.00	-1,896.14	90.22%	19,393.00	19,393.00	0.00	100.0%
6110 · Dues and Subscriptions	0.00	0.00	0.00	0.0%	25,627.77	27,500.00	-1,872.23	93.19%	27,500.00	27,500.00	0.00	100.0%
6140 · WM Admin Expenses	0.00	208.34	-208.34	0.0%	1,982.60	2,291.66	-309.06	86.51%	2,500.00	2,500.00	0.00	100.0%
6150 · Field Supplies	196.82	600.00	-403.18	32.8%	608.17	1,400.00	-791.83	43.44%	1,400.00	1,400.00	0.00	100.0%
6170 · Travel & Transportation	1,851.03	1,371.67	479.36	134.95%	15,867.63	16,878.33	-1,010.70	99.93%	17,170.00	17,170.00	0.00	100.0%
6190 · Conferences & Seminars	15.00	125.00	-110.00	12.0%	3,991.79	14,875.00	-10,883.21	26.84%	15,000.00	15,000.00	0.00	100.0%
6200 · Advisory Comm - WM Board	2,702.11	4,448.67	-1,746.56	60.74%	33,412.26	48,936.33	-15,524.07	68.28%	53,385.00	53,385.00	0.00	100.0%
6300 · Watermaster Board Expenses	13,439.74	10,299.50	3,140.24	130.49%	106,472.59	113,584.50	-7,121.91	93.73%	123,894.00	123,894.00	0.00	100.0%
8300 · Appr PI-WM & Pool Admin	4,664.07	11,190.42	-6,496.35	41.95%	120,641.29	143,190.51	-22,549.22	84.25%	154,380.93	154,380.93	0.00	100.0%
8400 · Agri Pool-WM & Pool Admin	4,082.28	5,273.58	-1,191.30	77.41%	47,503.44	58,009.42	-10,505.98	81.89%	63,283.00	63,283.00	0.00	100.0%
8467 · Ag Legal & Technical Services	12,725.00	17,583.33	-4,858.33	72.37%	71,520.64	193,416.67	-121,896.03	36.98%	211,000.00	211,000.00	0.00	100.0%
8470 · Ag Meeting Attend -Special	2,100.00	1,441.67	658.33	145.66%	20,875.00	15,858.33	5,016.67	131.63%	17,300.00	17,300.00	0.00	100.0%
8471 · Ag Pool Expense	0.00	0.00	0.00	0.0%	1,715.50	65,000.00	-63,284.50	2.64%	65,000.00	65,000.00	0.00	100.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	0.00	400.00	-400.00	0.0%	400.00	400.00	0.00	100.0%
8500 · Non-Ag PI-WM & Pool Admin	3,631.68	8,919.25	-5,287.57	40.73%	72,998.33	109,076.75	-36,078.42	67.54%	116,995.00	116,995.00	0.00	100.0%
6500 · Education Funds Use Expens	0.00	0.00	0.00	0.0%	257.00	257.00	0.00	100.0%	257.00	257.00	0.00	100.0%
9400 · Depreciation Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9500 · Allocated G&A Expenditures	-19,640.82	-61,046.50	41,405.68	32.17%	-235,692.42	-671,511.50	435,619.08	35.13%	-732,558.00	-732,558.00	0.00	100.0%
6900 · Optimum Basin Mgmt Plan	97,905.44	62,846.24	35,059.20	155.79%	899,979.35	907,458.76	-7,479.38	99.18%	982,308.00	982,305.00	3.00	100.0%
6950 · Mutual Agency Projects	0.00	0.00	0.00	0.0%	10,000.00	10,000.00	0.00	100.0%	10,000.00	10,000.00	0.00	100.0%
9501 · G&A Expenses Allocated-OBMP	9,743.91	17,861.33	-8,117.42	54.55%	113,361.38	196,474.67	-83,113.29	57.7%	214,336.00	214,336.00	0.00	100.0%
7101 · Production Monitoring	3,756.07	-30,937.83	34,693.90	-12.14%	59,170.97	59,683.83	-512.86	99.14%	68,746.00	68,746.00	0.00	100.0%
7102 · In-line Meter Installation	3,203.87	7,150.16	-3,946.29	44.82%	50,521.90	98,981.84	-48,459.94	51.04%	106,162.00	106,162.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	11,305.04	11,264.16	40.88	100.36%	167,312.10	162,233.84	5,078.26	103.13%	173,498.00	173,498.00	0.00	100.0%
7104 · Gdwtr Level Monitoring	19,871.35	-5,668.83	25,540.18	-347.01%	202,830.00	230,142.83	-27,312.83	88.13%	252,974.00	252,974.00	0.00	100.0%
7105 · Sur Wtr Qual Monitoring	0.00	259.83	-259.83	0.0%	0.00	2,858.17	-2,858.17	0.0%	3,118.00	3,118.00	0.00	100.0%

	1/12th (8.33%) of the Total Budget				11/12th (92%) of the Total Budget				100% of the Total Budget			
	For The Month of May 2013				Year-To-Date as of May 31, 2013				Fiscal Year End as of June 30, 2013			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7107 · Ground Level Monitoring	18,727.01	91,294.58	-15,567.57	50.26%	328,310.94	578,773.42	-251,462.48	56.4%	628,918.00	628,918.00	0.00	100.0%
7108 · Hydraulic Control Monitoring	13,662.94	37,010.83	-23,447.89	36.65%	263,622.47	359,491.42	-105,968.95	70.52%	386,602.25	386,502.25	0.00	100.0%
7109 · Recharge & Well Monitoring Prog	0.00	2,000.00	-2,000.00	0.0%	0.00	4,000.00	-4,000.00	0.0%	4,000.00	4,000.00	0.00	100.0%
7200 · PE2- Comp Recharge Pgm	1,965.15	-19,553.36	21,518.51	-10.05%	1,013,657.63	1,352,311.36	-338,653.73	74.96%	1,408,758.00	1,408,758.00	0.00	100.0%
7300 · PE3&5-Water Supply/Desalte	18,123.83	-18,667.08	36,790.91	-97.09%	30,078.31	44,662.08	-8,583.77	80.78%	50,995.00	50,995.00	0.00	100.0%
7400 · PE4- Mgmt Plan	2,550.00	-1,145.84	3,695.90	-222.55%	61,867.00	67,399.84	-5,432.84	91.94%	74,254.00	74,254.00	0.00	100.0%
7500 · PE6&7-CoopEfforts/SaltMgmt	3,117.50	-9,663.41	12,780.91	-32.26%	16,421.71	69,656.71	-43,235.00	27.53%	65,993.30	65,993.30	0.00	100.0%
7600 · PE8&9-StorageMgmt/Conj Use	0.00	-30,059.16	30,059.16	0.0%	4,178.82	9,349.16	-5,170.34	44.7%	13,290.00	13,290.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	367,761.00	773,884.00	-406,133.00	47.52%	773,884.00	773,884.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	0.00	76.67	-76.67	0.0%	0.00	843.33	-843.33	0.0%	920.00	920.00	0.00	100.0%
9502 · G&A Expenses Allocated-Projects	9,997.01	43,185.17	-33,288.16	22.92%	122,631.06	475,036.83	-352,505.78	25.79%	518,222.00	518,222.00	0.00	100.0%
<b>Total Expense</b>	<b>346,488.77</b>	<b>409,464.55</b>	<b>-62,975.78</b>	<b>84.62%</b>	<b>5,090,288.00</b>	<b>6,617,379.89</b>	<b>-1,727,091.89</b>	<b>74.67%</b>	<b>7,238,413.48</b>	<b>7,238,413.48</b>	<b>0.00</b>	<b>100.0%</b>
<b>Net Ordinary Income</b>	<b>-345,900.77</b>	<b>-409,464.55</b>	<b>63,563.78</b>	<b>84.48%</b>	<b>1,709,973.18</b>	<b>-22,078.89</b>	<b>1,732,052.07</b>	<b>-7,744.83%</b>	<b>-433,152.30</b>	<b>-433,212.48</b>	<b>60.18</b>	<b>99.99%</b>
<b>Other Income</b>												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	625,201.94	0.00	625,201.94	100.0%	625,201.94	0.00	625,201.94	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	22,789.05	0.00	22,789.05	100.0%	22,789.05	0.00	22,789.05	100.0%
4225 · Interest Income	0.00	0.00	0.00	0.0%	34.86	0.00	34.86	100.0%	46.86	0.00	46.86	100.0%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	2,500.00	0.00	2,500.00	100.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	1,786,216.90	0.00	1,786,216.90	100.0%	1,786,216.90	0.00	1,786,216.90	100.0%
<b>Total Other Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>2,434,242.75</b>	<b>0.00</b>	<b>2,434,242.75</b>	<b>100.0%</b>	<b>2,436,754.75</b>	<b>0.00</b>	<b>2,436,754.75</b>	<b>100.0%</b>
<b>Other Expense</b>												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	2,289,275.69	0.00	2,289,275.69	100.0%	2,289,275.69	0.00	2,289,275.69	100.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	8,928.00	0.00	8,928.00	100.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	764,137.00	0.00	764,137.00	100.0%	764,137.00	0.00	764,137.00	100.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	24,510.00	0.00	24,510.00	100.0%	24,510.00	0.00	24,510.00	100.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9999 · To/(From) Reserves	-345,900.77	-409,464.55	63,563.78	84.48%	1,086,293.24	-22,078.89	1,086,372.13	-4,829.47%	-1,083,248.24	-433,212.48	-650,035.76	250.05%
<b>Total Other Expense</b>	<b>-345,900.77</b>	<b>-409,464.55</b>	<b>63,563.78</b>	<b>84.48%</b>	<b>4,144,215.93</b>	<b>-22,078.89</b>	<b>4,166,294.82</b>	<b>-18,770.04%</b>	<b>2,003,602.45</b>	<b>-433,212.48</b>	<b>2,436,814.93</b>	<b>-462.5%</b>
<b>Net Other Income</b>	<b>345,900.77</b>	<b>409,464.55</b>	<b>-63,563.78</b>	<b>84.48%</b>	<b>-1,709,973.18</b>	<b>22,078.89</b>	<b>-1,732,052.07</b>	<b>-7,744.83%</b>	<b>433,152.30</b>	<b>433,212.48</b>	<b>-60.18</b>	<b>99.99%</b>
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

Note: Please see the staff report (Financial Report-B5) for additional detailed information on the account categories.



# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Cash Disbursement Report - Financial Report B1 (June 30, 2013)

### SUMMARY

Issue: Record of cash disbursements for the month of June 30, 2013.

Recommendation: Staff recommends the Cash Disbursements for June 30, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A monthly cash disbursement report is provided to keep all members apprised of Watermaster expenditures.

## DISCUSSION

Total cash disbursements during the month of June 2013 were \$405,576.54. The most significant expenditures during the month were to Public Employees Retirement System in the amount of \$122,863.00 (check number 16988 dated June 3, 2013); and Wildermuth Environmental, Inc. in the amount of \$113,277.14 (check number 17033 dated June 26, 2013).

## ATTACHMENTS

1. Financial Report - B1

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**June 2013**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/03/2013	16969	DGO AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
Bill	05/30/2013			Wash 4 trucks on 5/08/13 and 5/22/13	6177 - Vehicle Repairs & Maintenance	200.00
TOTAL						<u>200.00</u>
Bill Pmt -Check	06/03/2013	16970	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 - Bank of America Gen'l Ckg	
Bill	05/30/2013	0023230253		Office Water Bottle - May 2013	6031.7 - Other Office Supplies	81.95
TOTAL						<u>81.95</u>
Bill Pmt -Check	06/03/2013	16971	BOWCOCK, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	05/02/2013	5/02 CC Wellfield Mt		5/02/13 Chino Creek Wellfield Remediation Mtg	6311 - Board Member Compensation	125.00
Bill	05/16/2013	5/16 Advisory Comm		5/16/13 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 - Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Meeting		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						<u>500.00</u>
Bill Pmt -Check	06/03/2013	16972	CALPERS 457 PLAN	Payroll and Taxes for 05/12/13-05/25/13	1012 - Bank of America Gen'l Ckg	
General Journal	05/25/2013	05/25/2013	CALPERS 457 PLAN	Employee 457 deductions for 05/12/13-05/25/13	2000 - Accounts Payable	3,023.36
TOTAL						<u>3,023.36</u>
Bill Pmt -Check	06/03/2013	16973	CHARLES Z. FEDAK & COMPANY	Progress Billing	1012 - Bank of America Gen'l Ckg	
Bill	05/30/2013			May 2013	6062 - Audit Services	4,410.00
TOTAL						<u>4,410.00</u>
Bill Pmt -Check	06/03/2013	16974	CRAIG, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag/Appro Pool		5/09/13 Ag/Appropriative Pool Meetings	6311 - Board Member Compensation	125.00
Bill	05/16/2013	5/16 Appro/Advisory		5/16/13 Special Appropriative Pool/Advisory Comm	6311 - Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						<u>375.00</u>
Bill Pmt -Check	06/03/2013	16975	CURATALO, JAMES		1012 - Bank of America Gen'l Ckg	
Bill	05/20/2013	5/20 Brd Agenda Rev		5/20/13 Board Agenda Review	6311 - Board Member Compensation	125.00
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 - Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						<u>375.00</u>
Bill Pmt -Check	06/03/2013	16976	DE BOOM, NATHAN	Ag Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**June 2013**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/03/2013	16977	DIRECTV		1012 · Bank of America Gen'l Ckg	
Bill	05/30/2013	019447404		5/19/13 -6/18/13	6031.7 · Other Office Supplies	94.99
TOTAL						94.99
Bill Pmt -Check	06/03/2013	16978	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/03/2013	16979	ELIE, STEVEN		1012 · Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Appro Pool Mtg		5/09/13 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 · Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	06/03/2013	16980	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 RMPU Mtg		5/16/13 RMPU Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 Advisory Comm		5/16/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	06/03/2013	16981	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/09/2013	5/09 Appro Pool Mtg		5/09/13 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 RMPU Mtg		5/16/13 RMPU Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 Advisory Comm		5/16/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	06/03/2013	16982	HOGAN LOVELLS	2738174	1012 · Bank of America Gen'l Ckg	
Bill	05/30/2013	2738174		May 2013	8567 · Non-Ag Legal Service	647.70
TOTAL						647.70
Bill Pmt -Check	06/03/2013	16983	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**June 2013**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
<b>Bill Pmt -Check</b>	<b>06/03/2013</b>	<b>16984</b>	<b>KOOPMAN, GENE</b>		<b>1012 - Bank of America Gen'l Ckg</b>	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	05/09/2013	5/09 Appro Pool Mtg		5/09/13 Appropriative Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
<b>TOTAL</b>						<b>250.00</b>
<b>Bill Pmt -Check</b>	<b>06/03/2013</b>	<b>16985</b>	<b>KUHN, BOB</b>		<b>1012 - Bank of America Gen'l Ckg</b>	
Bill	05/20/2013	5/20 Board Agenda Re		5/20/13 Board Agenda Review	6311 - Board Member Compensation	125.00
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 - Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						<b>375.00</b>
<b>Bill Pmt -Check</b>	<b>06/03/2013</b>	<b>16986</b>	<b>OFFICE DEPOT</b>		<b>1012 - Bank of America Gen'l Ckg</b>	
Bill	05/30/2013	657838205001		File folders	6031.7 - Other Office Supplies	35.60
Bill	05/30/2013	657814179001		(2) white boards	6031.7 - Other Office Supplies	194.38
<b>TOTAL</b>						<b>229.98</b>
<b>PS</b>						
<b>Bill Pmt -Check</b>	<b>06/03/2013</b>	<b>16987</b>	<b>PIERSON, JEFFREY</b>		<b>1012 - Bank of America Gen'l Ckg</b>	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 RMPU Mtg		5/16/13 RMPU Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 Advisory Comm		5/16/13 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/23/2013	5/23 Board Meeting		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						<b>500.00</b>
<b>Bill Pmt -Check</b>	<b>06/03/2013</b>	<b>16988</b>	<b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>	<b>Payor #3493</b>	<b>1012 - Bank of America Gen'l Ckg</b>	
Bill	05/30/2013			Payoff CalPERS Side Fund	2950 - CalPERS SideFund	122,863.00
<b>TOTAL</b>						<b>122,863.00</b>
<b>Bill Pmt -Check</b>	<b>06/03/2013</b>	<b>16989</b>	<b>ROGERS, PETER</b>		<b>1012 - Bank of America Gen'l Ckg</b>	
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 - Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						<b>250.00</b>
<b>Bill Pmt -Check</b>	<b>06/03/2013</b>	<b>16990</b>	<b>THE LAWTON GROUP</b>	<b>6017</b>	<b>1012 - Bank of America Gen'l Ckg</b>	
Bill	05/30/2013	20095		Week ending 5/19/13	6017 - Temporary Services	824.00
<b>TOTAL</b>						<b>824.00</b>
<b>Bill Pmt -Check</b>	<b>06/03/2013</b>	<b>16991</b>	<b>VANDEN HEUVEL, GEOFFREY</b>	<b>6311</b>	<b>1012 - Bank of America Gen'l Ckg</b>	
Bill	05/17/2013	5/17 Admin Mtg		5/17/13 Administrative Meeting	6311 - Board Member Compensation	125.00

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
June 2013

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	06/03/2013	16992	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/03/2013	16993	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	05/30/2013	012519116950792103		012519116950792103	6022 · Telephone	482.28
Bill	05/30/2013	012561121521714508		012561121521714508	7405 · PE4-Other Expense	183.88
TOTAL						666.16
Bill Pmt -Check	06/03/2013	16994	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	05/30/2013	001017890001		Vision Premium - June 2013	60182.2 · Dental & Vision Ins	55.05
TOTAL						55.05
Bill Pmt -Check	06/03/2013	16995	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2013	08-k2 213849		Service for June 2013	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53
Bill Pmt -Check	06/03/2013	16996	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	05/25/2013	05/25/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/12/13-05/25/13	2000 · Accounts Payable	6,982.96
TOTAL						6,982.96
Bill Pmt -Check	06/05/2013	16997	APPLIED COMPUTER TECHNOLOGIES	2111	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	2111		Database Services - May 2013	6052.2 · Applied Computer Technol	3,517.80
TOTAL						3,517.80
Bill Pmt -Check	06/05/2013	16998	CHEF DAVE'S CAFE & CATERING		1012 · Bank of America Gen'l Ckg	
Bill	05/20/2013	3667		Breakfast and lunch for 5/20/13 Basin Tour	6312 · Meeting Expenses	650.50
Bill	05/23/2013	3673		Lunch for 5/23/2013 Board Meeting	6312 · Meeting Expenses	431.90
TOTAL						1,082.40
Bill Pmt -Check	06/05/2013	16999	PARK PLACE COMPUTER SOLUTIONS, INC.	475	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	475		IT Services - May 2013	6052.1 · Park Place Comp Solutn	3,150.00
TOTAL						3,150.00
Bill Pmt -Check	06/05/2013	17000	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2013	20118		Week ending 5/26/13	6017 · Temporary Services	824.00

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**June 2013**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						824.00
General Journal	06/08/2013	06/08/2013	Payroll and Taxes for 05/26/13-06/08/13	Payroll and Taxes for 05/26/13-06/08/13	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 05/26/13-06/08/13	1014 · Bank of America P/R Ckg	18,973.84
				Payroll Taxes for 05/26/13-06/08/13	1014 · Bank of America P/R Ckg	6,022.00
TOTAL						24,995.84
Check	06/17/2013	06/17/2013	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	226.88
TOTAL						226.88
Bill Pmt -Check	06/18/2013	17001	LIATTI & ASSOCIATES	481	1012 · Bank of America Gen'l Ckg	
Bill	05/28/2013	481		481 - Broker Fee	6085 · Business Insurance Package	20.14
				481 - Broker Fee	1405 · Prepaid Ins-Bus Pkg Policy	1,450.48
TOTAL						1,470.62
Bill Pmt -Check	06/18/2013	17002	PHILADELPHIA INSURANCE COMPANY	VOID: 480	1012 · Bank of America Gen'l Ckg	0.00
Bill Pmt -Check	06/19/2013	17003	ACWA JOINT POWERS INSURANCE AUTHORITY	00198	1012 · Bank of America Gen'l Ckg	
Bill	06/11/2013	00198		00198	1409 · Prepaid Life, BAD&D & LTD	206.66
TOTAL						206.66
Bill Pmt -Check	06/19/2013	17004	AMERICAN WATER WORKS ASSOCIATION	7000669704	1012 · Bank of America Gen'l Ckg	
Bill	06/18/2013	7000669704		Membership dues - D. Maurizio	6111 · Membership Dues	238.00
TOTAL						238.00
Bill Pmt -Check	06/19/2013	17005	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	06/18/2013	1394905143		Medical Premium - July 2013	60182.1 · Medical Insurance	4,395.31
TOTAL						4,395.31
Bill Pmt -Check	06/19/2013	17006	CALPERS 457 PLAN	Payroll and Taxes for 05/26/13-06/08/13	1012 · Bank of America Gen'l Ckg	
General Journal	06/08/2013	06/08/2013	CALPERS 457 PLAN	Employee 457 deductions for 05/26/13-06/08/13	2000 · Accounts Payable	3,023.36
TOTAL						3,023.36
Bill Pmt -Check	06/19/2013	17007	CHINO HILLS, CITY OF*	10	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	10		May 2013	7107.61 · Grd Level-Chino Hills ASR	1,234.53
TOTAL						1,234.53
Bill Pmt -Check	06/19/2013	17008	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**June 2013**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/07/2013	87700		87700	6055 · Computer Hardware	238.40
Bill	06/14/2013	87757		External backup drive	6055 · Computer Hardware	534.60
TOTAL						773.00
Bill Pmt -Check	06/19/2013	17009	CORELOGIC INFORMATION SOLUTIONS	80877946	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	80877946		80877946	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80877946	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	06/19/2013	17010	CUCAMONGA VALLEY WATER DISTRICT	Lease due July 1, 2013	1012 · Bank of America Gen'l Ckg	
Bill	06/18/2013			Lease due July 1, 2013	1422 · Prepaid Rent	6,098.00
TOTAL						6,098.00
Bill Pmt -Check	06/19/2013	17011	EGOSCUE LAW GROUP	10368	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	10368		May 2013	8467 · Ag Legal & Technical Services	12,725.00
TOTAL						12,725.00
Bill Pmt -Check	06/19/2013	17012	GREAT AMERICA LEASING CORP.	13781868	1012 · Bank of America Gen'l Ckg	
Bill	05/28/2013	13781868		Monthly Invoice	6043.1 · Ricoh Lease Fee	2,795.00
				Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	374.17
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	336.33
TOTAL						3,505.50
Bill Pmt -Check	06/19/2013	17013	GUARANTEED JANITORIAL SERVICE, INC.	4-29685	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2013	4-29685		June 2013	6024 · Building Repair & Maintenance	865.00
TOTAL						865.00
Bill Pmt -Check	06/19/2013	17014	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	1,054.92
TOTAL						1,054.92
Bill Pmt -Check	06/19/2013	17015	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	06/18/2013	111802		Employee deductions - June 2013	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	06/19/2013	17016	MATHIS CONSULTING GROUP	153840	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2013	153840		153840 - GM Evaluation	6013 · Human Resources Services	5,500.00
TOTAL						5,500.00
Bill Pmt -Check	06/19/2013	17017	MIJAC ALARM	336280	1012 · Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
June 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/05/2013	336280		Fire monitoring from 6/01/13-8/31/13	6026 · Security Services	396.00
				Opening & Closing Reports from 6/01/13-8/31/13	6026 · Security Services	54.00
TOTAL						450.00
Bill Pmt -Check	06/19/2013	17018	PAYCHEX	2013053000	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	2013053000		May 2013	6012 · Payroll Services	432.14
TOTAL						432.14
Bill Pmt -Check	06/19/2013	17019	PRAXAIR DISTRIBUTION, INC.	46316095	1012 · Bank of America Gen'l Ckg	
Bill	06/04/2013	46316095		Water quality supplies	7103.6 · Grdwtr Qual-Supplies	41.79
TOTAL						41.79
Bill Pmt -Check	06/19/2013	17020	PREMIERE GLOBAL SERVICES	13951822	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	13951822		CCWF call on 4/30	7108.6 · Hydraulic Control-Supplies	44.25
				Agenda call on 4/30	8312 · Meeting Expenses	15.10
				Agenda call on 4/30	8412 · Meeting Expenses	15.10
				Agenda call on 4/30	8512 · Meeting Expense	15.11
				Call on 5/01	6909.1 · OBMP Meetings	8.64
				CCWF call on 5/02	7108.6 · Hydraulic Control-Supplies	35.90
				CDA call on 5/02	7305 · PE3&5-Supplies	37.37
				CDA call on 5/07	7305 · PE3&5-Supplies	22.83
				Non-Ag Pool conference call meeting	8512 · Meeting Expense	174.78
				Call on 5/15 re Wineville Basin	6909.1 · OBMP Meetings	29.39
				RMPU call on 5/16	7204 · Comp Recharge-Supplies	6.51
				Monthly fee	6022 · Telephone	14.50
				Monthly fee	6022 · Telephone	19.95
TOTAL						439.43
Bill Pmt -Check	06/19/2013	17021	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	06/08/2013	06/08/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/26/13-06/08/13	2000 · Accounts Payable	6,325.64
TOTAL						6,325.64
Bill Pmt -Check	06/19/2013	17022	SANTA ANA WATERSHED PROJECT AUTHORIT	9142	1012 · Bank of America Gen'l Ckg	
Bill	06/18/2013	9142		Middle Santa Ana River TMDL Task Force	8471 · Ag Pool Expense	11,389.00
TOTAL						11,389.00
Bill Pmt -Check	06/19/2013	17023	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013				60182.4 · Retiree Medical	136.61
TOTAL						136.61

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**June 2013**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/19/2013	17024	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	05/28/2013	20129		Week ending 6/02/13	6017 · Temporary Services	1,086.72
				Week ending 6/02/13	6017 · Temporary Services	824.00
				Week ending 6/02/13-OT	6017 · Temporary Services	50.40
Bill	06/09/2013	20163		Week ending 6/09/13	6017 · Temporary Services	824.00
				Week ending 6/09/13	6017 · Temporary Services	1,811.20
				Week ending 6/09/13	6017 · Temporary Services	386.40
<b>TOTAL</b>						<b>4,982.72</b>
Bill Pmt -Check	06/19/2013	17025	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	
Bill	05/28/2013	300732989		May 2013	6175 · Vehicle Fuel	72.80
<b>TOTAL</b>						<b>72.80</b>
Bill Pmt -Check	06/19/2013	17026	UNITED HEALTHCARE	0031577464	1012 · Bank of America Gen'l Ckg	
Bill	06/18/2013	0031577464		Dental Premium - July 2013	60182.2 · Dental & Vision Ins	583.53
<b>TOTAL</b>						<b>583.53</b>
Bill Pmt -Check	06/19/2013	17027	VERIZON BUSINESS	00414114	1012 · Bank of America Gen'l Ckg	
Bill	06/17/2013	00414114		00414114	6053 · Internet Expense	1,526.89
<b>TOTAL</b>						<b>1,526.89</b>
Bill Pmt -Check	06/19/2013	17028	VERIZON WIRELESS	9706030468	1012 · Bank of America Gen'l Ckg	
Bill	06/12/2013	9706030468		Monthly service	6022 · Telephone	361.51
<b>TOTAL</b>						<b>361.51</b>
Bill Pmt -Check	06/19/2013	17029	WESTERN DENTAL SERVICES, INC.	11882	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2013	11882		Dental Premium - June 2013	60182.2 · Dental & Vision Ins	30.00
<b>TOTAL</b>						<b>30.00</b>
Bill Pmt -Check	06/26/2013	17030	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	XXXX-XXXX-XXXX-9341		PK mtg w/Bob Bowcock	6312 · Meeting Expenses	26.84
				PK mtg w/Brian Geye	8512 · Meeting Expense	33.47
				PK mtg w/Rick Hansen	8312 · Meeting Expenses	36.42
				PK mtg w/Geoff Vanden Heuvel	6312 · Meeting Expenses	26.24
				PK mtg w/Curtis Paxton	8312 · Meeting Expenses	31.83
				PK mtg w/Eunice Ulloa and Bob Wagner	8312 · Meeting Expenses	32.97
				Coupling valve and adaptor for water quality	7103.6 · Grdwtr Qual-Supplies	31.16
				Toilet paper canisters for restrooms	6031.7 · Other Office Supplies	26.41
				Ad in Brown & Caldwell for field technician	6016 · New Employee Search Costs	200.00
				Firewall software upgrade and maintenance	6054 · Computer Software	3,007.96

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**June 2013**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
				Remote control entry gate openers for office	6031.7 · Other Office Supplies	114.00
				(2) ice chests for drinks for Basin Tour	6031.7 · Other Office Supplies	86.79
				Lunch for Pk, DM, BH mtg re Wineville Basin	6909.1 · OBMP Meetings	78.19
				To laminate information for the Basin Tour	6342 · Postage and Printing	134.81
				To laminate information for Board Members	6342 · Postage and Printing	123.66
				Field staff uniforms	6154 · Uniforms	196.82
				Replacement office chair	6031.7 · Other Office Supplies	107.99
<b>TOTAL</b>						<b>4,295.56</b>
<b>Bill Pmt -Check</b>	<b>06/26/2013</b>	<b>17031</b>	<b>CORELOGIC INFORMATION SOLUTIONS</b>	<b>80857027</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	05/31/2013	80857027		80857027	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80857027	7101.4 · Prod Monitor-Computer	62.50
<b>TOTAL</b>						<b>125.00</b>
<b>Bill Pmt -Check</b>	<b>06/26/2013</b>	<b>17032</b>	<b>CUCAMONGA VALLEY IAAP</b>	<b>June 26, 2013 Chapter Meeting - 2 CBWM Staff</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/26/2013			Fee for Wilson & Ruiz - 06/26/13 Chapter Meeting	6192 · Training & Seminars	52.00
<b>TOTAL</b>						<b>52.00</b>
<b>P 61</b>			<b>WILDERMUTH ENVIRONMENTAL INC</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill Pmt -Check	06/26/2013	17033				
Bill	05/31/2013	2013146		2013146	6906 · OBMP Engineering Services	5,166.09
Bill	05/31/2013	2013148		2013148	6906 · OBMP Engineering Services	5,039.92
Bill	05/31/2013	2013149		2013149	6906 · OBMP Engineering Services	1,046.25
Bill	05/31/2013	2013150		2013150	6906 · OBMP Engineering Services	30,262.50
Bill	05/31/2013	2013151		2013151	7103.3 · Grdwtr Qual-Engineering	9,255.75
Bill	05/31/2013	2013152		2013152	7104.3 · Grdwtr Level-Engineering	14,765.42
Bill	05/31/2013	2013153		2013153	7107.61 · Grd Level-Chino Hills ASR	2,557.50
Bill	05/31/2013	2013154		Michael C. Carpenter	7107.6 · Grd Level-Contract Svcs	4,911.46
				Western Gunn Hydrology, LLC	7107.6 · Grd Level-Contract Svcs	5,253.47
				2013154	7107.2 · Grd Level-Engineering	1,770.05
Bill	05/31/2013	2013155		2013155	7108.7 · Hydraulic Control - Prado Basin	6,111.73
Bill	05/31/2013	2013157		2013157	7303 · PE3&5-Engineering	17,052.00
Bill	05/31/2013	2013158		2013158	7402 · PE4-Engineering	2,312.50
Bill	05/31/2013	2013159		2013159	7502 · PE6&7-Engineering	3,117.50
Bill	05/31/2013	2013147		2013147	6906.7 · OBMP - Data Requests	4,655.00
<b>TOTAL</b>						<b>113,277.14</b>
<b>Bill Pmt -Check</b>	<b>06/26/2013</b>	<b>17034</b>	<b>PHILADELPHIA INSURANCE COMPANY</b>	<b>480</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/26/2013			To replace check #17002- lost in the mail	6085 · Business Insurance Package	201.45
				To replace check #17002- lost in the mail	1405 · Prepaid Ins-Bus Pkg Policy	14,504.75
						<b>14,706.20</b>

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**June 2013**

TOTAL	Type	Date	Num	Name	Memo	Account	Paid Amount
	General Journal	06/28/2013	06/28/2013	Payroll and Taxes for 06/09/13-06/22/13	Payroll and Taxes for 06/09/13-06/22/13	1012 · Bank of America Gen'l Ckg	
					Direct Deposits for 06/09/13-06/22/13	1014 · Bank of America P/R Ckg	18,535.42
					Payroll Taxes for 06/09/13-06/22/13	1014 · Bank of America P/R Ckg	<u>6,471.83</u>
TOTAL							25,007.25
	General Journal	06/30/2013	06/30/2013	Wage Works FSA Direct Debits - June 2013	Wage Works FSA Direct Debits - June 2013	1012 · Bank of America Gen'l Ckg	
					Wage Works FSA Direct Debits - June 2013	60194 · Other Employee Insurance	76.25
					Wage Works FSA Direct Debits - June 2013	60194 · Other Employee Insurance	570.39
					Wage Works FSA Direct Debits - June 2013	60194 · Other Employee Insurance	<u>570.39</u>
TOTAL							1,217.03
						<b>Total Disbursements:</b>	<u><u>405,576.54</u></u>



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: VISA Check Detail Report - Financial Report B2 (June 30, 2013)

### SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of June 30, 2013.

Recommendation: Staff recommends the VISA Check Detail Report for June 30, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A monthly VISA Check Detail report is provided to keep all members apprised of Watermaster expenditures charged against the General Manager, Assistant General Manager and Chief Financial Officer's Bank of America VISA card.

## DISCUSSION

Total cash disbursement during the month of June 2013 was \$4,295.56. This payment was processed by check number 17030 dated June 26, 2013. The monthly charges for June 2013 were for routine and customary expenditures and properly documented with receipts.

## ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER  
VISA Check Detail Report  
June 2013

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/26/2013	17030	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	XXXX-XXXX-XXXX-9341		PK mtg w/Bob Bowcock	6312 · Meeting Expenses	26.84
				PK mtg w/Brian Geye	8512 · Meeting Expense	33.47
				PK mtg w/Rick Hansen	8312 · Meeting Expenses	36.42
				PK mtg w/Geoff Vanden Heuvel	6312 · Meeting Expenses	26.24
				PK mtg w/Curtis Paxton	8312 · Meeting Expenses	31.83
				PK mtg w/Eunice Ulloa and Bob Wagner	8312 · Meeting Expenses	32.97
				Coupling valve and adaptor for water quality	7103.6 · Grdwtr Qual-Supplies	31.16
				Toilet paper canisters for restrooms	6031.7 · Other Office Supplies	26.41
				Ad in Brown & Caldwell for field technician	6016 · New Employee Search Costs	200.00
				Firewall software upgrade and maintenance	6054 · Computer Software	3,007.96
				Remote control entry gate openers for office	6031.7 · Other Office Supplies	114.00
				(2) ice chests for drinks for Basin Tour	6031.7 · Other Office Supplies	86.79
				Lunch for PK, DM, BH mtg re Wineville Basin	6909.1 · OBMP Meetings	78.19
				To laminate information for the Basin Tour	6342 · Postage and Printing	134.81
				To laminate information for Board Members	6342 · Postage and Printing	123.66
				Field staff uniforms	6154 · Uniforms	196.82
				Replacement office chair	6031.7 · Other Office Supplies	107.99
					<b>Total Disbursements:</b>	<b><u>4,295.56</u></b>

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TOTAL

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Committee Members  
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through June 30, 2013 - Financial Report B3 (June 30, 2013)

### SUMMARY

Issue: Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through June 30, 2013.

Recommendation: Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through June 30, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

---

### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2012 through June 30, 2013 is provided to keep all members apprised of the FY 2012/2013 cumulative Watermaster revenues, expenditures and changes in working capital for the period listed.

## DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Working Capital has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 13.0, the Watermaster accounting system. The Combining Schedule provided balances to the supporting documentation in the Watermaster accounting system as presented.

## ATTACHMENTS:

1. Financial Report - B3

CHINO BASIN WATERMASTER  
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL  
 FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2012-2013
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
<b>Administrative Revenues:</b>										
Administrative Assessments			6,329,126		283,393				6,612,519	6,612,663
Interest Revenue			16,315	1,424	491			0	18,230	39,600
Mutual Agency Project Revenue	151,550								151,550	152,938
Grant Income									-	0
Miscellaneous Income	22,298								22,298	0
<b>Total Revenues</b>	<b>173,848</b>	-	<b>6,345,441</b>	<b>1,424</b>	<b>283,884</b>	-	-	<b>0</b>	<b>6,804,598</b>	<b>6,805,201</b>
<b>Administrative &amp; Project Expenditures:</b>										
Watermaster Administration	1,084,995								1,084,995	659,071
Watermaster Board-Advisory Committee	152,376								152,376	165,279
Ag Pool Misc. Expense - Ag Fund				-					-	400
Pool Administration			131,231	209,010	79,848				420,089	625,359
Optimum Basin Mgmt Administration		1,083,430							1,083,430	1,195,253
OBMP Project Costs		2,535,391							2,535,391	3,808,911
Debt Service		315,751							315,751	501,055
Basin Recharge Improvements		101,000							101,000	272,829
Education Funds Use								257	257	257
Mutual Agency Project Costs		10,000							10,000	10,000
<b>Total Administrative/OBMP Expenses</b>	<b>1,237,371</b>	<b>4,045,573</b>	<b>131,231</b>	<b>209,010</b>	<b>79,848</b>	-	-	<b>257</b>	<b>5,703,289</b>	<b>7,238,413</b>
<b>Net Administrative/OBMP Expenses</b>	<b>(1,063,522)</b>	<b>(4,045,573)</b>								
Allocate Net Admin Expenses To Pools	1,063,522		714,436	309,333	39,754				-	-
Allocate Net OBMP Expenses To Pools		3,729,822	2,505,559	1,084,844	139,418				-	-
Allocate Debt Service to App Pool		315,751	315,751						-	-
Agricultural Expense Transfer*			1,603,187	(1,603,187)					-	-
<b>Total Expenses</b>			<b>5,270,164</b>	-	<b>259,020</b>	-	-	<b>257</b>	<b>5,703,289</b>	<b>7,238,413</b>
<b>Net Administrative Income</b>			<b>1,075,277</b>	<b>1,424</b>	<b>24,864</b>	-	-	<b>(256)</b>	<b>1,101,309</b>	<b>(433,212)</b>
<b>Other Income/(Expense)</b>										
Replenishment Water Assessments			625,202		22,789	-			647,991	0
Non-Ag Stored Water Purchases			1,786,217						1,786,217	0
Interest Revenue						(4,849)			(4,849)	0
MWD Water Purchases						-			-	0
Non-Ag Stored Water Purchases			(2,289,276)						(2,289,276)	0
MWD Water Purchases						-			-	0
Groundwater Replenishment						-			-	0
Interest Expense - CalPERS Side Fund			(8,594)		(334)				(8,928)	0
Refund-Excess Reserves			(764,137)		(24,510)				(788,647)	0
Refund-Recharge Debt			-						-	0
<b>Net Other Income/(Expense)</b>			<b>(650,588)</b>	-	<b>(2,055)</b>	<b>(4,849)</b>	-	-	<b>(657,492)</b>	<b>0</b>
<b>Net Transfers To/(From) Reserves</b>		<b>443,816</b>	<b>424,689</b>	<b>1,424</b>	<b>22,810</b>	<b>(4,849)</b>	-	<b>(256)</b>	<b>443,816</b>	<b>(433,212)</b>
		0								
Working Capital, July 1, 2012			4,984,619	477,493	133,837	24,627	158,251	256	5,779,084	
Working Capital, End Of Period			5,409,307	478,917	156,647	19,778	158,251	0	6,222,901	6,222,901
<b>11/12 Assessable Production</b>			<b>79,342,533</b>	<b>34,353,325</b>	<b>4,414,887</b>				<b>118,110,745</b>	
<b>11/12 Production Percentages</b>			<b>67.176%</b>	<b>29.086%</b>	<b>3.738%</b>				<b>100.000%</b>	

\*Fund balance transfer as agreed to in the Peace Agreement.

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# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Treasurer's Report of Financial Affairs for the Period June 1, 2013 through June 30, 2013 - Financial Report B4 (June 30, 2013)

### SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of June 1, 2013 through June 30, 2013.

Recommendation: Staff recommends the Treasurer's Report of Financial Affairs for the Period June 1, 2013 through June 30, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A Treasurer's Report of Financial Affairs for the Period June 1, 2013 through June 30, 2013 is provided to keep all members apprised of the total cash in banks (Bank of America, LAIF, and CalTRUST) and on hand at the Watermaster office (petty cash) at the end of the period stated. The Treasurer's Report details the change (increase or decrease) in the overall cash position of Watermaster, as well as the changes (increase or decrease) to the assets and liabilities section of the balance sheet. The report also provides a detailed listing of all deposits and/or withdrawals in the California State Treasurer's Local Agency Investment Fund (LAIF) and/or CalTRUST, the most current effective yield as of the last quarter, and the ending balance in LAIF as of the reporting date.

## DISCUSSION

The Treasurer's Report of Financial Affairs has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 13.0, the Watermaster accounting system. The Treasurer's Report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

## ATTACHMENTS

1. Financial Report - B4

**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
JUNE 1 THROUGH JUNE 30, 2013**

Financial Report - B4

**DEPOSITORIES:**

Cash on Hand - Petty Cash		\$ 500
Bank of America		
Governmental Checking-Demand Deposits	\$ 315,970	
Zero Balance Account - Payroll	\$ -	315,970
Local Agency Investment Fund - Sacramento		6,456,534
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>6/30/2013</b>	<b>\$ 6,773,004</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>5/31/2013</b>	<b>7,031,338</b>
		<b>\$ (258,334)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable		\$ 132,299
Assessments Receivable		-
Prepaid Expenses, Deposits & Other Current Assets		(6,642)
(Decrease)/Increase in Liabilities: Accounts Payable		179,145
Accrued Payroll, Payroll Taxes & Other Current Liabilities		57,541
Transfer to/(from) Reserves		(620,676)
		<b>\$ (258,334)</b>

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**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 5/31/2013	\$ 500	\$ 194,408	\$ -	\$ 6,836,430	\$ 7,031,338
Deposits	-	527,138	-	(4,896)	522,243
Transfers	-	(51,447)	50,003	(375,000)	(376,444)
Withdrawals/Checks	-	(354,130)	(50,003)	-	(404,133)
Balances as of 6/30/2013	\$ 500	\$ 315,970	\$ -	\$ 6,456,534	\$ 6,773,004
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ 121,562</b>	<b>\$ -</b>	<b>\$ (379,896)</b>	<b>\$ (258,334)</b>

**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
JUNE 1 THROUGH JUNE 30, 2013**

Financial Report - B4

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
6/26/2013	Withdrawal	L.A.I.F	\$ (375,000)				
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$ (375,000)</b>	<b>-</b>			

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.24% was the effective yield rate at the Quarter ended June 30, 2013.

**INVESTMENT STATUS  
June 30, 2013**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 6,456,534			
<b>TOTAL INVESTMENTS</b>	<b>\$ 6,456,534</b>			

Funds on hand are sufficient to meet all foreseen and planned Administrative and project expenditures during the next six months.

All investment transactions have been executed in accordance with the criteria stated in Chino Basin Watermaster's Investment Policy.

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Budget vs. Actual Report for the Period July 1, 2012 through June 30, 2013 -  
Financial Report B5 (June 30, 2013)

### SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2012 through June 30, 2013.

Recommendation: Staff recommends the Budget vs. Actual Report for the Period July 1, 2012 through June 30, 2013 be received and filed as presented.

Financial Impact: Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### Future Consideration

Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

---

### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

A Budget vs. Actual Report for the period July 1, 2012 through June 30, 2013 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimal Basin Management Program Expenses; Project Expenses; and Other Income/Expenses.

## DISCUSSION

The Budget vs. Actual report has been created from QuickBooks Enterprise Solutions 13.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

As part of the Mid-Year Review presented during the February 2013 meetings, the Budget Transfer form (T-13-02-01) was approved and incorporated into the financial reports as of January 31, 2013. The Budget Transfer form (T-13-02-01) is a zero-based document, which means the reductions and additions within the general ledger accounts equal. Overall, the approved expense budget for FY 2012-2013 of \$7,238,413.48 (which includes the additional "Carry Over" funding of \$433,212.48) was NOT increased.

During the April 2013 meetings, the Budget Transfer form (T-13-04-01) was approved and incorporated into the financial reports as of May 31, 2013. The Budget Transfer form (T-13-04-01) is a zero-based document, which means the reductions and additions within the general ledger accounts equal. The only general ledger accounts changed were related to the Watermaster staff salaries. Overall, the approved expense budget for FY 2012-2013 of \$7,238,413.48 (which includes the additional "Carry Over" funding of \$433,212.48) was NOT increased.

During the August 2013 meetings, the Budget Transfer forms (T-13-06-01 for Engineering Services and T-13-06-02 for Legal Services) were submitted for approval. Because the fiscal year-end financials required budget transfers, these two Budget Transfer forms were incorporated into the financial reports as of June 30, 2013. The Budget Transfer forms (T-13-06-01 and T-13-06-02) are zero-based documents, which mean the reductions and additions within the general ledger accounts equal. The only general ledger accounts changed were related to the Watermaster Administrative staff salaries, Engineering Services and Legal Services. Overall, the approved expense budget for FY 2012-2013 of \$7,238,413.48 (which includes the additional "Carry Over" funding of \$433,212.48) was NOT increased.

Year-To-Date (YTD) for the twelve months ending June 30, 2013, all categories were at or below the projected budget. Overall, the (YTD) Actual Expenses were \$1,535,124 or 21.2% below the (YTD) Budgeted Expenses of \$7,238,414.

As mentioned above, the final Budget Transfer requests will be presented as part of the June 30, 2013 financial reports.

## SALARIES EXPENSE

The chart listed below summarized the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format.

As of June 30, 2013, the total (YTD) Watermaster salary expenses are \$78,926 or 5.6% below the (YTD) budgeted amount of \$1,399,003. The budget was developed with a staffing level of 9.5 Full Time Equivalents (FTE's). As of June 30, 2013, the actual staffing level is 8.0 Full Time Equivalents (FTE's).

Regarding the current Field Technician position that we are recruiting for, the cutoff date for receipt of applications was May 31, 2013. Watermaster is currently in the process of reviewing the large quantity of applications received. Watermaster received more than 250+ applications for the Field Technician position. Staff is reviewing and evaluating the potential applicants for the next step which will be the interview. It is anticipated that the interviews could be completed by late July and the new employee could start by mid to late August.

Watermaster utilizes an in-house database time and attendance system to allocate staff's actual hours worked and also allocates the hours to a specific project or activity. Watermaster staff time could be charged to Administrative, OBMP, or Implementation Project categories. Most recently, some Watermaster staff spent more time on administrative related tasks and less time on specific project related areas. When the FY 2012/13 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which projects or activities. The staffing dollars are then allocated into those specific areas and budgeted on a 1/12 monthly budget. When actual staffing activities vary from the budgeted assumptions, a positive or negative variance can be created. This is what is currently taking place within the administrative salary category. Note that the Budget Transfer Form (T-13-04-01) corrected the Watermaster staffing budget variances in May 2013.

Budget Transfer Form (T-13-06-01 for Engineering Services and T-13-06-02 for Legal Services) transferred the amounts of \$61,172 and \$30,765 respectively from the Watermaster Administrative salaries budget account of 6011. These Budget Transfers adjusted the budget shortfalls as of June 30, 2013.

At fiscal year-end, the vacation, sick, and admin leave accrued balances by employee were adjusted as an increase to the accrual balances and the correct ending balances have been recorded on the Balance Sheet as a Current Liability. This is a standard accounting journal entry that is completed each fiscal year. I mention this year-end journal entry because the increase was reflected in the accounts 60185.2, 60185.3 and 60186.1 as of June 30, 2013.

The table listed below shows how on a consolidated basis, the Watermaster employee activity compares with the budgeted activity. In some cases, the activity is above the budget, and in most cases, the activity is below the budget. The following details are provided:

	Jul '12 - Jun '13	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>WM Salary Expense</b>					
6011 · WM Staff Salaries	556,804.47	571,623.00	-14,818.53	97.41%	571,623.00
6011.2 · WM Staff - Admin. Paid Leave	24,844.75	2,500.00	22,344.75	993.79%	2,500.00
6201 · Advisory Committee - WM Staff Salaries	13,695.20	22,105.00	-8,409.80	61.96%	22,105.00
6301 · Watermaster Board - WM Staff Salaries	22,898.10	31,104.00	-8,205.90	73.62%	31,104.00
8301 · Appropriative Pool - WM Staff Salaries	21,445.86	29,505.00	-8,059.14	72.69%	29,505.00
8401 · Agricultural Pool - WM Staff Salaries	20,205.44	25,930.00	-5,724.56	77.92%	25,930.00
8501 · Non-Agricultural Pool - WM Staff Salaries	11,726.39	14,715.00	-2,988.61	79.69%	14,715.00
6901 · OBMP - WM Staff Salaries	202,997.37	212,554.00	-9,556.63	95.5%	212,554.00
7101.1 · Production Monitor - WM Staff Salaries	57,877.45	67,996.00	-10,118.55	85.12%	67,996.00
7102.1 · In-line Meter - WM Staff Salaries	3,275.76	10,537.00	-7,261.24	31.09%	10,537.00
7103.1 · Grdwater Quality - WM Staff Salaries	38,129.71	60,064.00	-21,934.29	63.48%	60,064.00
7104.1 · Grdwater Level - WM Staff Salaries	54,524.10	59,577.00	-5,052.90	91.52%	59,577.00
7105.1 · Sur Wtr Qual - WM Staff Salaries	0.00	3,118.00	-3,118.00	0.0%	3,118.00
7107.1 · Grd Level Monitoring - WM Staff Salaries	0.00	1,680.00	-1,680.00	0.0%	1,680.00
7108.1 · Hydraulic Control - WM Staff Salaries	1,083.60	7,483.00	-6,399.40	14.48%	7,483.00
7108.11 · Prado Basin - WM Staff Salaries	7,837.27	10,000.00	-2,162.73	78.37%	10,000.00
7201 · Comp Recharge - WM Staff Salaries	36,874.15	55,250.00	-18,375.85	66.74%	55,250.00
7301 · PE3&5 - WM Staff Salaries	5,492.31	13,651.00	-8,158.69	40.23%	13,651.00
7401 · PE4 - WM Staff Salaries	900.67	4,688.00	-3,787.33	19.21%	4,688.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	2,919.93	8,000.00	-5,080.07	36.5%	8,000.00
7501 · PE6&7 - WM Staff Salaries	1,405.48	7,523.00	-6,117.52	18.68%	7,523.00
7601 · PE8&9 - WM Staff Salaries	43,693.53	12,940.00	30,753.53	337.66%	12,940.00
7701 · Inactive Well - WM Staff Salaries	0.00	420.00	-420.00	0.0%	420.00
<b>Subtotal WM Staff Costs</b>	<b>1,128,631.54</b>	<b>1,232,963.00</b>	<b>-104,331.46</b>	<b>91.54%</b>	<b>1,232,963.00</b>
60185 · Vacation	80,502.52	72,898.00	7,604.52	110.43%	72,898.00
60185.2 · Comp Time Accrual Adjustment	1,262.28	0.00	1,262.28	100.0%	0.00
60185.3 · Vacation Accrual Adjustment	13,855.74	0.00	13,855.74	100.0%	0.00
60186 · Sick Leave	38,301.14	44,921.00	-6,619.86	85.26%	44,921.00
60186.1 · Sick Leave Accrual Adjustment	11,713.06	0.00	11,713.06	100.0%	0.00
60187 · Holidays	45,810.45	48,221.00	-2,410.55	95.0%	48,221.00
<b>Subtotal WM Paid Leaves</b>	<b>191,445.19</b>	<b>166,040.00</b>	<b>25,405.19</b>	<b>115.3%</b>	<b>166,040.00</b>
<b>Total WM Salary Costs</b>	<b>1,320,076.73</b>	<b>1,399,003.00</b>	<b>-78,926.27</b>	<b>94.36%</b>	<b>1,399,003.00</b>

**BROWNSTEIN HYATT FARBER SCHRECK EXPENSES**

The chart listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of June 30, 2013 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format.

As of June 30, 2013, the BHFS expenses are at the (YTD) adjusted budgeted amount of \$710,720. Budget Transfer Form (T-13-06-02) adjusted the budget from \$679,955 to \$710,720 which is an increase in the budget of \$30,765 or 4.5%. As approved during the July 2012 meetings, the Pools, Advisory Committee and the Board meeting for the month of August were not held. For the month of April, the Board meeting scheduled for April 25, 2013 was not held. As a result, the related meeting expenses from (BHFS) are lower than budgeted. For the month of June, there were some individual line items that were over the budgeted amount, but overall the BHFS expenses were on target with the overall legal budget.

As reported during the current monthly meetings, Watermaster's legal counsel filed an appeal with CalPERS regarding CalPERS original determination (from February 2013) which rejected the base salary

of the former CEO, Desi Alvarez, with regards to his retirement pension benefit. The expense of approximately \$35K which relates to the filing of the appeal letter is captured in account 6073 (Personnel Matters). This activity was not anticipated during the budget process and therefore not budgeted for.

The following details are provided:

	Jul '12 - Jun '13	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6070 · Watermaster Legal Services</b>					
6071 · BHFS Legal - Court Coordination	28,395.07	35,950.00	-7,554.93	78.99%	35,950.00
6072 · BHFS Legal - Annotated Judgment	38,313.35	57,000.00	-18,686.65	67.22%	57,000.00
6073 · BHFS Legal - Personnel Matters	50,141.59	50,990.00	-848.41	98.34%	50,990.00
6074 · BHFS Legal - Interagency Issues	18,476.80	33,920.00	-15,443.20	54.47%	33,920.00
6075 · BHFS Legal - Replenishment Water	0.00	0.00	0.00	0.0%	0.00
6076 · BHFS Legal - Storage Issues	6,642.00	0.00	6,642.00	100.0%	0.00
6077 · BHFS Legal - Party Status Maintenance	0.00	0.00	0.00	0.0%	0.00
6078 · BHFS Legal - Miscellaneous (Note 1)	64,186.21	51,150.00	13,036.21	125.49%	51,150.00
6078.10 · BHFS Legal - Refresh, Recharge, Reunite	36,196.31	25,000.00	11,196.31	144.79%	25,000.00
6078.11 · BHFS Legal - Safe Yield Recalculation	19,491.74	12,000.00	7,491.74	162.43%	12,000.00
6078.20 · BHFS Legal - Approp. Pool Issue Resolution	4,054.95	0.00	4,054.95	100.0%	0.00
<b>Total 6070 · Watermaster Legal Services</b>	<b>265,898.02</b>	<b>266,010.00</b>	<b>-111.98</b>	<b>99.96%</b>	<b>266,010.00</b>
6275 · BHFS Legal - Advisory Committee	21,659.02	22,280.00	-620.98	97.21%	22,280.00
6375 · BHFS Legal - Board Meeting	58,568.26	59,240.00	-671.74	98.87%	59,240.00
8375 · BHFS Legal - Appropriative Pool	46,386.83	46,680.00	-293.17	99.37%	46,680.00
8475 · BHFS Legal - Agricultural Pool	28,171.47	29,280.00	-1,108.53	96.21%	29,280.00
8575 · BHFS Legal - Non-Ag Pool	31,114.83	29,280.00	1,834.83	106.27%	29,280.00
8575.10 · BHFS Legal - Paragraph 15 CS/Aqua	10,759.13	10,000.00	759.13	107.59%	10,000.00
<b>Total BHFS Legal Services</b>	<b>196,659.54</b>	<b>196,760.00</b>	<b>-100.46</b>	<b>99.95%</b>	<b>196,760.00</b>
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 · South Archibald Plume	0.00	21,800.00	-21,800.00	0.0%	21,800.00
6907.32 · Chino Airport Plume	67,665.40	31,800.00	35,865.40	212.76%	31,800.00
6907.33 · Desalter/Hydraulic Control	65,754.31	50,100.00	15,654.31	131.25%	50,100.00
6907.34 · Santa Ana River Water Rights	10,681.45	23,250.00	-12,568.55	45.94%	23,250.00
6907.35 · Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 · Santa Ana River Habitat	4,756.85	11,150.00	-6,393.15	42.66%	11,150.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	11,950.00	-11,950.00	0.0%	11,950.00
6907.39 · Recharge Master Plan	64,398.53	54,500.00	9,898.53	118.16%	54,500.00
6907.40 · Storage Agreements	12,769.78	17,800.00	-5,030.22	71.74%	17,800.00
6907.41 · Prado Basin Habitat Sustainability	153.00	7,800.00	-7,647.00	1.96%	7,800.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907 · WM Legal Counsel</b>	<b>248,162.10</b>	<b>247,950.00</b>	<b>212.10</b>	<b>100.09%</b>	<b>247,950.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>710,719.66</b>	<b>710,720.00</b>	<b>-0.34</b>	<b>100.0%</b>	<b>710,720.00</b>

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Discussions with the new General Manager regarding Watermaster issues and topics; (2) Assessment Package Review, Workshops; (3) Research Pool Membership issues; (4) Research Watermaster Peace I and II Obligations and Task Lists; (5) Review OBMP Milestones; (6) Stormwater and New Yield; (7) Annual Financial Audit Response; (8) Review Consulting Agreement(s); (9) Coordination of Ongoing Watermaster Projects; and (10) Review of draft documents.

#### OBMP ENGINEERING SERVICES AND LEGAL COSTS

For June 30, 2013, the accounts 6901-6906 (Optimum Basin Mgmt Program) section was below the Year-To-Date (YTD) budget by \$2,946 or 0.6%. Within the category 6907 (Optimum Basin Mgmt Program Legal Fees) are the remaining Brownstein Hyatt Farber Schreck (BHFS) Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget \$65,601 while some other line item activities were below the budget \$65,389. Above the budget line items were the Peace II CEQA of \$1,071; the Chino Airport Plume of \$38,865; Desalter/Hydraulic Control of \$15,654; the Paragraph 31 Motion of \$3,112; and the Recharge Master Plan of \$9,899. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the South Archibald Plume of \$21,800; the Santa Ana River Water Rights of \$12,569; the Santa Ana River Habitat of \$6,393; the Regional Water Quality Control Board of \$11,950; Storage Agreements of \$5,030; and Prado Basin Habitat Sustainability of \$7,647. For the twelve months ended June 30, 2013, the overall cumulative (YTD) budget was \$247,950 and the actual (BHFS) legal expenses totaled \$248,162 which resulted in an over budget variance of \$212.

The chart listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of June 30, 2013 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format.

Overall, the Optimum Basin Management Program (OBMP) category was \$962,285 compared to a (YTD) budget of \$980,917 for an under budget of \$18,632 or 1.9% as of June 30, 2013.

	Jul '12 - Jun '13	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6900 · Optimum Basin Mgmt Plan</b>					
6901 · WM Staff Salaries	202,997.37	212,554.00	-9,556.63	95.5%	212,554.00
6902.31 · OBMP - Wildermuth Staff	3,085.40	0.00	3,085.40	100.0%	0.00
6903 · OBMP SAWPA Group	10,593.00	11,000.00	-407.00	96.3%	11,000.00
<b>6906 · OBMP Engineering Services</b>					
6906.1 · OBMP - Watermaster Model Update	171,509.44	108,440.00	63,069.44	158.16%	108,440.00
6906.7 · OBMP - Data Requests	9,576.25	0.00	9,576.25	100.0%	0.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
6906 · OBMP Engineering Services - Other	313,264.77	388,996.00	-75,731.23	80.53%	388,996.00
<b>Total 6906 · OBMP Engineering Services</b>	<b>494,490.46</b>	<b>497,436.00</b>	<b>-2,945.54</b>	<b>99.41%</b>	<b>497,436.00</b>
<b>6907 · OBMP Legal Fees</b>					
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 · South Archibald Plume	0.00	21,800.00	-21,800.00	0.0%	21,800.00
6907.32 · Chino Airport Plume	67,665.40	31,800.00	35,865.40	212.78%	31,800.00
6907.33 · Desalter/Hydraulic Control	65,754.31	50,100.00	15,654.31	131.25%	50,100.00
6907.34 · Santa Ana River Water Rights	10,681.45	23,250.00	-12,568.55	45.94%	23,250.00
6907.35 · Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 · Santa Ana River Habitat	4,756.85	11,150.00	-6,393.15	42.66%	11,150.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	11,950.00	-11,950.00	0.0%	11,950.00
6907.39 · Recharge Master Plan	64,398.59	54,500.00	9,898.59	118.16%	54,500.00
6907.40 · Storage Agreements	12,769.78	17,800.00	-5,030.22	71.74%	17,800.00
6907.41 · Prado Basin Habitat Sustainability	153.00	7,800.00	-7,647.00	1.96%	7,800.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907 · WM Legal Counsel</b>	<b>248,162.10</b>	<b>247,950.00</b>	<b>212.10</b>	<b>100.09%</b>	<b>247,950.00</b>
<b>Total 6907 · OBMP Legal Fees</b>	<b>248,162.10</b>	<b>247,950.00</b>	<b>212.10</b>	<b>100.09%</b>	<b>247,950.00</b>
<b>6909 · OBMP Other Expenses</b>					
6909.1 · OBMP Meetings	1,216.94	0.00	1,216.94	100.0%	0.00
6909.3 · Other OBMP Expenses	1,740.00	1,977.00	-237.00	88.01%	1,977.00
6909.4 · Printing	0.00	0.00	0.00	0.0%	0.00
6909.5 · Ad Hoc Litigation Committee	0.00	0.00	0.00	0.0%	0.00
6909.6 · OBMP Expenses - Miscellaneous	0.00	10,000.00	-10,000.00	0.0%	10,000.00
<b>Total 6909 · OBMP Other Expenses</b>	<b>2,956.94</b>	<b>11,977.00</b>	<b>-9,020.06</b>	<b>24.69%</b>	<b>11,977.00</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>962,285.27</b>	<b>980,917.00</b>	<b>-18,631.73</b>	<b>98.1%</b>	<b>980,917.00</b>

**OBMP IMPLEMENTATION PROJECTS COSTS**

The OBMP Implementation Projects (accounts 7100's – 7700's) were all (Under) budget as of June 30, 2013. A Budget Transfer Form (T-13-06-01) in the amount of \$61,172 provided for the Amendment of the Task Order as requested.

The chart listed below summarized the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format.

As of June 30, 2013, the total (YTD) Engineering Services expenses are \$203,028 or 9.7% below the (YTD) budget amount of \$2,088,343. The following details are provided:

	Jul '11 - Jun '13	Budget	\$ Over Budget	% of Budget	Annual Budget
6902.31 · OBMP - Wildermuth Staff	3,085.40	0.00	3,085.40	100.0%	0.00
6906 · OBMP Engineering Services - Other	313,264.77	388,996.00	-75,731.23	80.53%	388,996.00
6906.1 · OBMP - Watermaster Model Update	171,509.44	108,440.00	63,069.44	158.16%	108,440.00
6906.7 · OBMP - Data Requests	9,576.25	0.00	9,576.25	100.0%	0.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
7101.31 · Prod Monitor-Engineering-SubContractor	6,354.19	0.00	6,354.19	100.0%	0.00
7103.3 · Grdwtr Qual-Engineering	81,465.45	75,249.00	6,216.45	108.26%	75,249.00
7103.31 · Grdwtr Qual-Engineering-SubContractor	11,234.67	0.00	11,234.67	100.0%	0.00
7103.5 · Grdwtr Qual-Lab Svcs	32,352.00	38,568.00	-6,216.00	83.88%	38,568.00
7104.3 · Grdwtr Level-Engineering	156,861.78	156,862.00	-0.22	100.0%	156,862.00
7107.2 · Grd Level-Engineering	128,251.03	128,251.03	0.00	100.0%	128,251.03
7107.3 · Grd Level-SAR Imagery	90,000.00	90,000.00	0.00	100.0%	90,000.00
7107.6 · Grd Level-Contract Svcs	71,597.25	116,365.97	-44,768.72	61.53%	116,365.97
7107.61 · Grd Level.Chino Hills ASR	53,573.28	150,506.00	-96,932.72	35.6%	150,506.00
7107.8 · Grd Level.Cap Equip Exte	0.00	0.00	0.00	0.0%	0.00
7108.3 · Hydraulic Control-Engineering	87,139.42	88,002.00	-862.58	99.02%	88,002.00
7108.4 · Hydraulic Control-Lab Svcs	75,506.00	67,661.00	7,845.00	111.6%	67,661.00
7108.7 · Hydraulic Control-Prado Basin Habitat	120,945.26	206,433.25	-85,487.97	58.59%	206,433.25
7108.9 · Hydraulic Control-Contract Svcs	0.00	550.00	-550.00	0.0%	550.00
7109.3 · Recharge & Well - Engineering	0.00	0.00	0.00	0.0%	0.00
7202.3 · Comp Recharge-Implementation	347,589.78	347,590.00	-0.22	100.0%	347,590.00
7303 · PE3&5-Engineering - Other	31,976.75	31,977.00	-0.25	100.0%	31,977.00
7402 · PE4-Engineering	75,757.26	60,757.00	15,000.26	124.69%	60,757.00
7403 · PE4-Contract Svcs	0.00	15,000.00	-15,000.00	0.0%	15,000.00
7502 · PE6&7-Engineering	10,063.89	17,134.30	-7,070.41	58.74%	17,134.30
7502.1 · PE6&7-Engineering Svcs (Plume)	7,070.67	0.00	7,070.67	100.0%	0.00
7602 · PE8&9-Engineering	0.00	0.00	0.00	0.0%	0.00
<b>Total Wildermuth Environmental, Inc. Costs</b>	<b>1,885,314.56</b>	<b>2,088,342.55</b>	<b>-203,027.99</b>	<b>90.28%</b>	<b>2,088,342.55</b> *

\* Wildermuth and Subcontractor Engineering Revised Budget of \$2,027,171 plus Amended Contract Funds of \$61,172 = \$2,088,342.55  
 \* Wildermuth and Subcontractor Engineering Budget of \$1,982,360 plus Carryover Funds from FY 2011/12 of \$44,810.55 = \$2,027,170.55  
 Carryover Funds FY 2011/12 = \$24,500.00 (7107.2), \$1,000.00 (7107.6), \$4,500.00 (7107.8), \$8,856.25 (7108.7) and \$5,954.30 (7502) = \$44,810.55

As noted above, \$44,810.55 has been "Carried Over" from FY 2011/12 per the Watermaster policy 4.17 which was approved during FY 2011/12. These amounts, along with any other "Carried Over" expenses were not included in the Assessment process billed and completed in November 2012 because these dollar amounts were previously funded from last year's Assessment process.

The total Engineering Services budget of \$2,027,171 was increased by \$61,172 to the final amount of \$2,088,343 for FY 2012/2013 as provided in the Amendment to the Task Order. The breakdown of the total Task Order amount of \$2,088,343 includes direct labor costs for Wildermuth Environmental, Inc. (69%) along with other direct charges such as equipment rental, laboratory fees, travel costs, reproduction costs, and outside professional services (31%).

**PRADO BASIN HABITAT SUSTAINABILITY PROGRAM**

The Prado Basin Habitat Sustainability Program came about as a result of the Peace II Agreement SEIR mitigation measure 4.4-3 and was adopted by IEUA's Board in October, 2010. The purpose of the mitigation measure is to ensure that the Prado Basin riparian habitat will not be impacted by Hydraulic Control. The basic program tasks are to convene a committee that will develop this adaptive management plan, to install necessary monitoring wells, to complete vegetation and aerial surveys, and to implement photo station monitoring. In terms of the financial aspects of this program, there is a cost

sharing agreement, which was approved by the Watermaster Board in September, 2012 for a total budget of \$440,000. It is anticipated that the total budget amount of \$440,000 will be increasing in the upcoming month as the projected costs are verified and updated with actual project bids. This is a 50/50 cost sharing agreement between Watermaster and IEUA with a not to exceed amount of \$220,000 for each party (will adjust with updated costs). Included in that cost is hiring a consultant to develop the adaptive management plan, WEI performing the project management tasks related to the monitoring well installation, hiring a contractor to construct and install up to seventeen monitoring wells at nine separate sites, and United States Bureau of Reclamation performing vegetation monitoring every three years. Grants have been applied for to offset the cost of this program; however, the Grants were not approved.

The process of invoicing IEUA for their 50% portion of the (WEI) invoices will be completed by Watermaster staff at the end of every quarter. The information listed below is provided for the period of May 1, 2012 through June 30, 2013:

	Wildermuth Environmental, Inc.	50% Billing "TO" IEUA	50% Billing "FROM" IEUA	Costs For Watermaster	Watermaster Staff "Hours"	Watermaster Staff "Costs"
May 2012 - Jun. 2012	\$ 11,143.75	\$ (5,571.88)	\$ -	\$ 5,571.88	4.00	\$ 411.38
Jul. 2012 - Jun. 2013	\$ 120,945.28	\$ (60,472.64)	\$ 6,275.92	\$ 66,748.56	73.00	\$ 7,837.27
<b>Totals</b>	<b>\$ 132,089.03</b>	<b>\$ (66,044.52)</b>	<b>\$ 6,275.92</b>	<b>\$ 72,320.44</b>	<b>77.00</b>	<b>\$ 8,248.65</b>
	7108.7	7108.71, 7108.72	7108.75			7108.11

#### OTHER INCOME AND EXPENSE

In March 2012, the initial payment of \$295,200 (which included a 10% contingency) was issued to the Chino Basin Desalter Authority for work related to the Chino Creek Well Field extensometer project. In October, Watermaster was notified by the Project Administrator that the extensometer project was completed and a refund in the amount of \$21,710 was due to Watermaster. Watermaster received the funds of \$21,710 on October 23, 2012 and deposited the funds into our Bank of America bank account. The funds were recorded as Miscellaneous Income, category (4900).

Per section VI.D.3 of the Groundwater Storage Program Funding Agreement No. 49960 in the Chino Basin, the Metropolitan Water District of Southern California was invoiced for the annual administrative fee of \$151,550.48 due to Chino Basin Watermaster. On June 3, 2013 the payment was received and the funds deposited into our Bank of America account.

As of June 30, 2013 the 4th quarter LAIF interest income of \$4,347.93 was recorded to the Watermaster financial reports. The interest income on funds invested at LAIF is as follows:

1 <sup>st</sup> Quarter (July 2012 - September 2012):	\$4,275.69
2 <sup>nd</sup> Quarter (October 2012 - December 2012):	\$3,613.94
3 <sup>rd</sup> Quarter (January 2013 - March 2013):	\$6,038.48
4 <sup>th</sup> Quarter (April 2013 - June 2013):	\$4,347.93

There were no other significant items to report within the category of Other Income and Expenses for the month of June 30, 2013.

#### "CARRY OVER" FUNDING

With the approval of the new "Carry Over" funding policy on March 22, 2012, there were amounts of \$433,212.48 carried over into the current fiscal year budget (FY 2012/13) as follows:

<b>"Carried Over" Expenses At June 30, 2012</b>	
Verizon VoIP Equipment, Installation	\$ 1,500.00
GM Search Expenses - Balance of Contract	\$ 9,000.00
Wildermuth Project Expenses	\$ 44,810.55
Chino Hills ASR Project	\$ 104,977.00
Recharge Improvement Projects	\$ 272,829.00
Appropriative Pool Legal Services Fund Balance	\$ 95.93
<b>Total Balance, June 30, 2012</b>	<b>\$ 433,212.48</b>
<b>"Carried Over" Balance, July 1, 2012</b>	<b>\$ 433,212.48</b>
<b>Less: (Invoices Received To Date FY 2012/13)</b>	
GM Search Expenses - Balance of Contract	\$ (9,000.00)
Wildermuth Project Expenses	\$ (44,810.55)
Appropriative Pool Legal Services Fund Balance	\$ (95.93)
Verizon VoIP Equipment, Reversal	\$ (1,500.00)
Recharge Project - Turner Basin Invoice from IEUA	\$ (101,000.00)
<b>Updated Balance as of June 30, 2013</b>	<b>\$ 276,806.00</b>

Watermaster carried over \$272,829 in the Recharge Improvements Project categories. The amount of \$162,236 has been appropriated for use for the upcoming 3-year Turner Basin Improvements (7690.2), estimated in the range of \$270K+. The amount of \$30,900 has been appropriated for the Hickory Basin improvement project (7690.3) while the remaining amount of \$79,693 has been appropriated for Other Recharge Improvement Projects (7690.9).

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At June 30, 2013, any remaining balances of the FY 2011/12 expenses (if any), along with any new FY 2012/13 expenses, will then be "Carried Over" into the FY 2013/14 budget. During the audit fieldwork, there were discussions with the Charles Z. Fedak & Company senior auditor and Watermaster staff regarding the proper accounting treatment of the "Carried Over" funding process. The senior auditor has approved and concurs with the current accounting treatment and process for recording the "Carried Over" funding.

With the exceptions previously noted, there were no other unusual or significant transactions or events which occurred during the month of June 2013.

#### AUDIT FIELD WORK

Auditors from the audit firm of Charles Z. Fedak & Company were previously onsite at the Watermaster offices on July 16<sup>th</sup> and 17<sup>th</sup> to conduct scheduled field work for the FY 2011/2012 financial audit. Final field work was completed during the week of October 5<sup>th</sup> with the Annual Financial and Audit Reports issued on December 20, 2012. The presentation of the "Draft" Annual Financial and Audit Reports to the Board by the Senior Manager of Charles Z. Fedak & Company was completed on December 20, 2012. The "Final" Annual Financial and Audit Reports have been posted to the Watermaster website.

The final report to Watermaster staff from the Senior Manager revealed no operational or internal control issues or concerns. Watermaster was issued an "Unqualified" or "Clean" audit report. There was an adjusting entry regards to GASB No. 27 which deals with Accounting for Pensions by State and Local Government Employers. As a direct result of the ongoing pension discussions and public scrutiny within California, the auditors have been ensuring that all of their public agency/government clients are following

GASB No. 27. According to the Summary of Statement No. 27, "Employers that participate in *cost sharing multiple employer defined pension plans* are required to recognize pension expenditures/expense equal to the employer's contractually required contributions and a liability for unpaid contributions".

Since Watermaster has less than 100 active members/employees, Watermaster is required by CalPERS to participate in a risk pool. Watermaster currently is a member of the "Miscellaneous 2.5% at 55 Risk Pool". There are approximately 163 governmental agencies participating as part of this risk pool. Some of the public agencies who are currently participants of this pool are the Association of California Water Agencies, City of Lake Elsinore, Crestline Village Water District, Lake Arrowhead Community Services District, Monte Vista County Water District, and Rancho Cucamonga Fire Protection District, just to name a few.

According to CalPERS, "At the time of joining a risk pool, a side fund is created to account for the difference between the funded status of the pool and the funded status of your plan". According to recent information from CalPERS, Watermaster's Side Fund is currently \$122,863. CalPERS calculates the interest due and principal reduction each year and reduces the Side Fund balance. Watermaster staff has received a current amortization schedule from CalPERS for the outstanding liability amount to determine if the estimated balance of \$122,863 should be paid off in full to reduce current and future interest expense. The auditors have recommended, and Watermaster staff has complied, to record the outstanding liability of \$122,863 on the Balance Sheet for the CalPERS Side Fund. The previous audit firm of Mayer Hoffman McCann did not request or require Watermaster to book this entry on the Balance Sheet.

As part of the FY 2013/2014 budget process, Watermaster staff brought to the Pools, Advisory Committee and Board, a staff recommendation which will include the options available for the CalPERS Side Fund of \$122,863, including one option which would be payoff the current balance. On May 23, 2013 the Watermaster Board approved the recommendation to pay off the CalPERS Side Fund of \$122,863 before June 30, 2013. The payment was received and posted by CalPERS in June 2013 and the Side Fund balance has been eliminated as of June 30, 2013.

#### ASSESSMENT INVOICING

The Watermaster Board approved the Assessment Package at the November 15, 2012 meeting. Watermaster staff created and emailed the Assessment invoices on Wednesday, November 21, 2012. The Assessment invoices were due 30 days from invoice date, so payment should have been received by Watermaster on or before December 21, 2012, prior to the Holiday office closure. ALL payments have been received and posted.

This year's Assessment invoicing included the standard Assessment amounts per the Assessment Package, along with any Special Assessments and the "Excess Cash Reserve" refund credits of \$788,647. The Appropriative Pool had a Special Assessment of \$75,000 as approved during their "Closed Session" on September 13, 2012. The \$75,000 was allocated to the Appropriative Pool members based upon a formula of 50% of the FY 2011/12 "Averaged Production & Exchanges" and 50% of the "Assigned Share of Operating Safe Yield.

On Friday, November 30, 2012, the Watermaster staff created and emailed the Assessment invoicing to the Appropriative Pool members for the Non-Agricultural Pool Stored Water Purchase. The Assessment invoices were due 30 days from invoice date, so payment should have been received by Watermaster on or before December 31, 2012. At the time of this report being issued, ALL payments have been received and posted.

Per the terms of the Settlement Agreement, the 4<sup>th</sup> of five annual payments to the Non-Agricultural Pool members for the Stored Water Purchase were to be issued on or before January 15, 2013. The nine checks totaling \$2,289,275.69 were mailed on January 10, 2013.

ATTACHMENTS

1. Financial Report - B5

	1/12th (8.33%) of the Total Budget				12/12th (100%) of the Total Budget				100% of the Total Budget			
	For The Month of June 2013				Year-To-Date as of June 30, 2013				Fiscal Year End as of June 30, 2013			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
<b>Income</b>												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	151,550.48	152,938.00	-1,387.52	99.09%	151,550.48	152,938.00	-1,387.52	99.09%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	6,329,126.18	6,360,952.00	-31,825.82	99.5%	6,329,126.18	6,360,952.00	-31,825.82	99.5%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	283,393.27	251,711.00	31,682.27	112.59%	283,393.27	251,711.00	31,682.27	112.59%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	18,229.74	39,600.00	-21,370.26	46.04%	18,229.74	39,600.00	-21,370.26	46.04%
4900 · Miscellaneous Income	4,336.49	9,900.00	-5,563.51	43.8%	22,298.00	0.00	22,298.00	100.0%	22,298.00	0.00	22,298.00	100.0%
<b>Total Income</b>	4,336.49	9,900.00	-5,563.51	43.8%	6,804,597.67	6,805,201.00	-603.33	99.99%	6,804,597.67	6,805,201.00	-603.33	99.99%
<b>Gross Profit</b>	4,336.49	9,900.00	-5,563.51	43.8%	6,804,597.67	6,805,201.00	-603.33	99.99%	6,804,597.67	6,805,201.00	-603.33	99.99%
<b>Expense</b>												
6010 · Salary Costs	108,825.03	39,352.54	68,472.49	278.53%	644,653.65	659,747.00	-15,093.35	97.71%	644,653.65	659,747.00	-15,093.35	97.71%
6020 · Office Building Expense	8,545.58	9,417.00	-871.42	90.75%	103,362.01	107,345.00	-3,982.99	96.29%	103,362.01	107,345.00	-3,982.99	96.29%
6030 · Office Supplies & Equip.	1,219.77	1,725.00	-505.23	70.71%	23,474.09	24,500.00	-1,025.91	95.81%	23,474.09	24,500.00	-1,025.91	95.81%
6040 · Postage & Printing Costs	8,768.61	5,897.33	2,871.28	148.69%	50,580.31	62,368.00	-11,787.69	81.1%	50,580.31	62,368.00	-11,787.69	81.1%
6050 · Information Services	10,643.70	11,858.00	-1,214.30	89.76%	124,994.84	143,786.00	-18,801.16	86.93%	124,994.84	143,786.00	-18,801.16	86.93%
6060 · Contract Services	0.00	0.00	0.00	0.0%	44,800.59	44,900.00	-99.41	99.78%	44,800.59	44,900.00	-99.41	99.78%
6070 · Watermaster Legal Services	40,260.17	8,418.33	31,841.84	478.24%	265,898.02	266,010.00	-111.98	99.96%	265,898.02	266,010.00	-111.98	99.96%
6080 · Insurance	262.53	0.00	262.53	100.0%	18,073.50	19,393.00	-719.50	96.29%	18,073.50	19,393.00	-719.50	96.29%
6110 · Dues and Subscriptions	353.00	0.00	353.00	100.0%	25,980.77	27,500.00	-1,519.23	94.48%	25,980.77	27,500.00	-1,519.23	94.48%
6140 · WM Admin Expenses	134.90	208.34	-73.44	64.75%	2,117.50	2,500.00	-382.50	84.7%	2,117.50	2,500.00	-382.50	84.7%
6150 · Field Supplies	0.00	0.00	0.00	0.0%	608.17	1,400.00	-791.83	43.44%	608.17	1,400.00	-791.83	43.44%
6170 · Travel & Transportation	1,260.03	1,291.67	-31.64	97.55%	17,127.66	17,170.00	-42.34	99.75%	17,127.66	17,170.00	-42.34	99.75%
6190 · Conferences & Seminars	287.00	125.00	162.00	229.6%	4,278.79	15,000.00	-10,721.21	28.53%	4,278.79	15,000.00	-10,721.21	28.53%
6200 · Advisory Comm - WM Board	2,148.03	4,448.67	-2,300.64	48.29%	35,560.29	46,385.00	-10,824.71	76.66%	35,560.29	46,385.00	-10,824.71	76.66%
6300 · Watermaster Board Expenses	10,342.93	10,299.50	43.43	100.42%	116,815.52	118,894.00	-2,078.48	98.25%	116,815.52	118,894.00	-2,078.48	98.25%
8300 · Appr PI-WM & Pool Admin	10,589.65	11,190.42	-600.77	94.63%	131,230.94	151,780.93	-20,549.99	86.46%	131,230.94	151,780.93	-20,549.99	86.46%
8400 · Agri Pool-WM & Pool Admin	3,583.74	6,273.58	-1,689.84	67.96%	51,087.18	63,283.00	-12,195.82	80.73%	51,087.18	63,283.00	-12,195.82	80.73%
8467 · Ag Legal & Technical Services	9,997.50	17,583.33	-7,585.83	56.86%	81,518.14	211,000.00	-129,481.86	38.63%	81,518.14	211,000.00	-129,481.86	38.63%
8470 · Ag Meeting Attend -Special	1,900.00	1,441.67	458.33	131.79%	22,775.00	17,300.00	5,475.00	131.65%	22,775.00	17,300.00	5,475.00	131.65%
8471 · Ag Pool Expense	51,914.00	0.00	51,914.00	100.0%	53,629.50	65,000.00	-11,370.50	82.51%	53,629.50	65,000.00	-11,370.50	82.51%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	0.00	400.00	-400.00	0.0%	0.00	400.00	-400.00	0.0%
8500 · Non-Ag PI-WM & Pool Admin	6,850.15	8,916.25	-2,066.10	76.83%	79,848.48	116,995.00	-37,146.52	68.25%	79,848.48	116,995.00	-37,146.52	68.25%
6500 · Education Funds Use Expens	0.00	0.00	0.00	0.0%	257.00	257.00	0.00	100.0%	257.00	257.00	0.00	100.0%
9400 · Depreciation Expense	12,257.45	0.00	12,257.45	100.0%	12,257.45	0.00	12,257.45	100.0%	12,257.45	0.00	12,257.45	100.0%
9500 · Allocated G&A Expenditures	-17,920.04	-61,048.50	43,128.46	29.36%	-253,812.46	-732,568.00	478,745.54	34.65%	-253,812.46	-732,568.00	478,745.54	34.65%
6900 · Optimum Basin Mgmt Plan	61,732.89	74,846.24	-13,113.35	82.48%	962,285.27	980,917.00	-18,631.73	98.1%	962,285.27	980,917.00	-18,631.73	98.1%
6950 · Mutual Agency Projects	0.00	0.00	0.00	0.0%	10,000.00	10,000.00	0.00	100.0%	10,000.00	10,000.00	0.00	100.0%
9501 · G&A Expenses Allocated-OBMP	7,783.09	17,861.33	-10,078.24	43.58%	121,144.47	214,336.00	-93,191.53	56.52%	121,144.47	214,336.00	-93,191.53	56.52%
7101 · Production Monitoring	5,855.67	9,082.17	-3,226.50	64.62%	65,026.64	68,746.00	-3,719.36	94.59%	65,026.64	68,746.00	-3,719.36	94.59%
7102 · In-line Meter Installation	6,300.00	7,180.16	-880.16	87.74%	56,821.90	106,162.00	-49,340.10	53.52%	56,821.90	106,162.00	-49,340.10	53.52%
7103 · Grdwtr Quality Monitoring	9,260.50	11,264.16	-2,003.66	82.21%	175,999.60	181,931.00	-5,931.40	96.74%	175,999.60	181,931.00	-5,931.40	96.74%
7104 · Gdwtr Level Monitoring	19,695.50	22,831.17	-3,135.67	85.83%	222,426.46	228,439.00	-6,012.54	97.37%	222,426.46	228,439.00	-6,012.54	97.37%
7105 · Sur Wtr Qual Monitoring	0.00	259.83	-259.83	0.0%	0.00	3,118.00	-3,118.00	0.0%	0.00	3,118.00	-3,118.00	0.0%

CHINO BASIN WATERMASTER  
Budget vs. Actual  
Current Month, Year-To-Date and Fiscal Year-End

	1/12th (8.33%) of the Total Budget				12/12th (100%) of the Total Budget				100% of the Total Budget			
	For The Month of June 2013				Year-To-Date as of June 30, 2013				Fiscal Year End as of June 30, 2013			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7107 · Ground Level Monitoring	19,706.62	52,144.58	-32,437.96	37.79%	346,017.66	593,430.00	-248,412.44	58.14%	346,017.66	593,430.00	-248,412.44	58.14%
7108 · Hydraulic Control Monitoring	-12,302.79	27,010.83	-39,313.62	-45.55%	241,219.68	380,129.25	-138,909.57	63.46%	241,219.68	380,129.25	-138,909.57	63.46%
7109 · Recharge & Well Monitoring Prog	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
7200 · PE2- Comp Recharge Pgm	140,164.48	56,446.64	83,717.84	248.31%	1,153,822.11	1,546,293.00	-392,470.89	74.62%	1,153,822.11	1,546,293.00	-392,470.89	74.62%
7300 · PE3&5-Water Supply/Desalte	1,832.75	6,932.92	-4,700.17	25.78%	37,711.06	52,626.00	-14,916.94	71.66%	37,711.06	52,626.00	-14,916.94	71.66%
7400 · PE4- Mgmt Plan	16,843.56	6,854.16	9,989.40	245.74%	78,810.56	82,945.00	-4,134.44	95.02%	78,810.56	82,945.00	-4,134.44	95.02%
7500 · PE6&7-CoopEfforts/SaltMgmt	5,052.50	6,336.59	-1,284.09	79.74%	21,474.21	32,657.30	-11,183.09	65.76%	21,474.21	32,657.30	-11,183.09	65.76%
7600 · PE8&9-StorageMgmt/Conj Use	214.73	3,940.84	-3,726.11	5.45%	4,393.55	13,290.00	-8,896.45	33.06%	4,393.55	13,290.00	-8,896.45	33.06%
7690 · Recharge Improvement Debt Pymt	49,000.00	0.00	49,000.00	100.0%	416,761.00	773,864.00	-357,133.00	53.85%	416,761.00	773,864.00	-357,133.00	53.85%
7700 · Inactive Well Protection Prgm	0.00	76.67	-76.67	0.0%	0.00	920.00	-920.00	0.0%	0.00	920.00	-920.00	0.0%
9502 · G&A Expenses Allocated-Projects	10,136.95	43,185.17	-33,048.22	23.47%	132,688.00	518,222.00	-385,554.00	25.6%	132,688.00	518,222.00	-385,554.00	25.6%
<b>Total Expense</b>	<b>611,200.18</b>	<b>421,033.59</b>	<b>190,166.59</b>	<b>145.17%</b>	<b>5,703,289.01</b>	<b>7,238,413.48</b>	<b>-1,535,124.47</b>	<b>78.79%</b>	<b>5,703,289.01</b>	<b>7,238,413.48</b>	<b>-1,535,124.47</b>	<b>78.79%</b>
<b>Net Ordinary Income</b>	<b>-606,863.69</b>	<b>-411,133.59</b>	<b>-195,730.10</b>	<b>147.61%</b>	<b>1,101,308.66</b>	<b>-433,212.48</b>	<b>1,534,521.14</b>	<b>-254.22%</b>	<b>1,101,308.66</b>	<b>-433,212.48</b>	<b>1,534,521.14</b>	<b>-254.22%</b>
<b>Other Income</b>												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	625,201.94	0.00	625,201.94	100.0%	625,201.94	0.00	625,201.94	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	22,789.05	0.00	22,789.05	100.0%	22,789.05	0.00	22,789.05	100.0%
4225 · Interest Income	11.44	0.00	11.44	100.0%	46.30	0.00	46.30	100.0%	46.30	0.00	46.30	100.0%
4226 · LAIF Fair Market Value	-4,895.73	0.00	-4,895.73	100.0%	-4,895.73	0.00	-4,895.73	100.0%	-4,895.73	0.00	-4,895.73	100.0%
8600 · Groundwater Sales	0.00	0.00	0.00	0.0%	1,786,216.90	0.00	1,786,216.90	100.0%	1,786,216.90	0.00	1,786,216.90	100.0%
<b>Total Other Income</b>	<b>-4,884.29</b>	<b>0.00</b>	<b>-4,884.29</b>	<b>100.0%</b>	<b>2,429,358.46</b>	<b>0.00</b>	<b>2,429,358.46</b>	<b>100.0%</b>	<b>2,429,358.46</b>	<b>0.00</b>	<b>2,429,358.46</b>	<b>100.0%</b>
<b>Other Expense</b>												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	2,289,275.69	0.00	2,289,275.69	100.0%	2,289,275.69	0.00	2,289,275.69	100.0%
9200 · Interest Expense	8,928.00	0.00	8,928.00	100.0%	8,928.00	0.00	8,928.00	100.0%	8,928.00	0.00	8,928.00	100.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	764,137.00	0.00	764,137.00	100.0%	764,137.00	0.00	764,137.00	100.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	24,510.00	0.00	24,510.00	100.0%	24,510.00	0.00	24,510.00	100.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9999 · To/(From) Reserves	-1,064,492.41	0.00	-1,064,492.41	100.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Total Other Expense</b>	<b>-1,055,564.41</b>	<b>0.00</b>	<b>-1,055,564.41</b>	<b>100.0%</b>	<b>3,086,850.69</b>	<b>0.00</b>	<b>3,086,850.69</b>	<b>100.0%</b>	<b>3,086,850.69</b>	<b>0.00</b>	<b>3,086,850.69</b>	<b>100.0%</b>
<b>Net Other Income</b>	<b>1,050,680.12</b>	<b>0.00</b>	<b>1,050,680.12</b>	<b>100.0%</b>	<b>-657,492.23</b>	<b>0.00</b>	<b>-657,492.23</b>	<b>100.0%</b>	<b>-657,492.23</b>	<b>0.00</b>	<b>-657,492.23</b>	<b>100.0%</b>
<b>Net Income</b>	<b>443,816.43</b>	<b>-411,133.59</b>	<b>854,950.02</b>	<b>-107.95%</b>	<b>443,816.43</b>	<b>-433,212.48</b>	<b>877,028.91</b>	<b>-102.45%</b>	<b>443,816.43</b>	<b>-433,212.48</b>	<b>877,028.91</b>	<b>-102.45%</b>

Note: Please see the staff report (Financial Report-B5) for additional detailed information on the account categories.



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Request Amendment to the Task Order to Increase the Wildermuth Environmental, Inc. FY 2012/2013 Budget from \$2,027,171 to \$2,088,343, an increase of the Task Order of \$61,172.

### SUMMARY

Issue: Amendment to the Task Order to Increase the Wildermuth Environmental, Inc. FY 2012/2013 Budget from \$2,017,171 to \$2,088,343, an increase of \$61,172.

Recommendation: Receive and File the Amendment to the Task Order to Increase the Wildermuth Environmental, Inc. FY 2012/2013 Budget from \$2,027,171 to \$2,088,343, an increase of \$61,172.

Financial Impact: None.

### Future Consideration

Watermaster Board: August 22, 2013; Approval (Watermaster Board Authority)

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### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

The Chino Basin Watermaster FY 2012/2013 budget of \$6,670,201 was approved by the Board on May 24, 2012. During the first quarter of FY 2012/2013 the approved budget of \$6,670,201 was increased to \$7,238,414 as follows:

Carry-Over Funds from FY 2011/2012:	\$433,213
Appropriative Pool Special Legal Assessment:	\$ 75,000
Non-Agricultural Pool Special Assessment:	<u>\$ 60,000</u>
Additional Budget Increase:	<u>\$568,213</u>

$\$6,670,201 + \$568,213 = \$7,238,414$

The approved budget for FY 2012/2013 of \$7,238,414 included the Engineering Services budget in the amount of \$2,027,171 (which included Carry-Over funding from FY 2011/2012 of \$44,811). Throughout the fiscal year, the Engineering Service costs have been monitored and reported on a monthly basis as part of the financial reports. In May 2013, Watermaster Staff informed the parties that the Engineering Services budget could be over budget by \$100,000 and as much as \$150,000 at the end of June 30, 2013. In the past few months, both Wildermuth Environmental, Inc. and Watermaster staff have worked to reduce the potential overage to \$61,172.

The additional Engineering Services budget amount of \$61,172 will not require any new/additional Special Assessment funding. The \$61,172 will be funded from the transfer of Watermaster Administrative Salaries budget which has been under budget for the majority of the fiscal year. The transfer funding from the Watermaster Administrative Salaries budget to the Engineering Services budget in the amount of \$61,172 is being proposed as Budget Transfer Form T-13-06-01.

It is anticipated by Watermaster Staff that the Amendment to the Task Order for Wildermuth Environmental, Inc. Engineering Services will be approved by the Watermaster Board on August 22, 2013.

## ATTACHMENT

1. Wildermuth Environmental, Inc. Letter Dated July 26, 2013
2. Table 1 - Chino Basin Watermaster: Summary for Engineering Tasks for Fiscal Year 2012/13  
– Contract Amendment As of June 30, 2013



July 26, 2013

Chino Basin Watermaster  
ATTN: Peter Kavounas  
9641 San Bernardino Road  
Rancho Cucamonga, California 91730-4665

***Subject: Request for Contract Amendment to Increase FY 2012/13 Budget by \$61,172 to then total \$2,088,343***

Dear Peter:

Please accept this letter as a written request from Wildermuth Environmental, Inc. (WEI) to amend the contract between Watermaster and WEI by increasing WEI's FY 2012/13 budget from \$2,027,171 to \$2,088,343 (an overall increase of \$61,172). Please note in May 2013, WEI informed Watermaster of the potential need of a contract amendment to increase WEI's budget by \$103,000. After discussing with Watermaster and working internally to mitigate the need for a budget increase, WEI was able to reduce the requested budget increase to \$61,172. Below are explanations for the requested budget increase:

- Watermaster Account 6906 (OBMP Engineering and specifically the 2012 State of the Basin report) is over budget \$8,612 due to work associated with producing the State of the Basin report. The majority of the over-run is associated with WEI receiving a new set of groundwater elevation data from the City of Ontario in January 2013. After receiving approval from Watermaster, WEI reprocessed and analyzed the data, updated maps, charts, and exhibits for the report.
- Watermaster Account 7103.3 (Groundwater Quality Monitoring) is over budget \$8,433 due to an unanticipated change in processing the Stringfellow data. For the first time WEI was required to obtain the data by downloading it from the DTSC SIDDs database. This change required WEI to reformat the data before processing. The downloading, review and change in processing of this data took more time than budgeted.
- Watermaster Account 7202 (Comprehensive Recharge Plan) is over budget \$137,535 due to a change of scope for the Comprehensive Recharge Plan. The amount of work required to complete the 2013 Recharge Master Plan Update was expanded well beyond the amount budgeted by Watermaster. The expanded work included the analysis of more stormwater recharge projects that anticipated, the completion of Section 5 (originally intended to be completed by Watermaster staff) and more meetings that budgeted. The analysis of recharge projects included the development or revision of costs opinions, modeling to estimate recharge and the preparation of report documentation for the additional projects.
- Watermaster account 7303 (Engineering Support for Desalters) is over budget \$1,633. In late fiscal 2012/13 Watermaster requested WEI to conduct groundwater simulations with the 2013 model of the Chino Creek Well Field to determine the

Mr. Peter Kavounas  
Re: Request for Contract Amendment

July 26, 2013  
Page 2 of 2

projected state of hydraulic control and the impact of CCWF production on the Chino Airport plume. The amount of work required to complete this assignment was slightly greater than the remaining budget.

- Watermaster account 7402 (Management Zone Strategies) is over budget \$8,691. In the prior fiscal years the Annual Report of the Land Subsidence Committee was presented to the Land Subsidence Committee and Watermaster as tables, charts, and maps. In the subject fiscal year, the report was prepared in a standard engineering report format. The interpretive work and report preparation exceeded the budget.

Please note the over budget amounts mentioned above add up to more than the requested budget increase of \$61,172. The difference is the sum of the amounts that WEI is under budget in the other Watermaster Accounts.

Please call Larry Stahlhoefer or me if you have any questions regarding the above or need further assistance.

Very truly yours,

Wildermuth Environmental, Inc.



Mark J. Wildermuth, PE  
President

**Table 1**  
**Chino Basin Watermaster: Summary for Engineering Tasks for Fiscal Year 2012/13 - Contract Amendment**  
**As of June 30, 2013**

Acct #	Description	Original Budget	Revised Budget	Contract Amendment	Previously Billed	Total Billed and Carry-over	Under / (Over) Contract Amendment
6906	OBMP Engineering	\$ 444,369	\$ 488,824	\$ 497,436	\$ 467,159	\$ 497,436	\$ -
7103.3	Groundwater Quality Monitoring Program	105,624	105,384	113,817	105,384	113,817	-
7104.3	Groundwater Level Monitoring Program	216,321	181,397	156,862	142,961	156,862	-
7107	MZ1 Monitoring Program	521,121	490,611	455,123	270,468	455,123	-
7107 <sup>(1)</sup>	Construction of CCWF Extensometer	-	30,000	30,000	30,000	30,000	-
7108	Hydraulic Control Monitoring Program	403,679	360,163	357,740	267,189	357,740	-
7108 <sup>(1)</sup>	HCMP Chino Creek Well Field	-	8,856	4,906	-	4,906	-
7109	Recharge and Well Monitoring Program	21,540	4,000	-	-	-	-
7202	Comprehensive Recharge Plan	100,016	210,055	347,590	210,055	347,590	-
7303	Engineering Support for Desalters	30,344	30,344	31,977	30,344	31,977	-
7402	Management Zone Strategies	67,082	67,086	75,757	59,161	75,757	-
7502	Water Quality Committee	55,868	39,429	11,263	6,210	11,263	-
7504	PE6-7: Supplies	5,088	5,088	-	-	-	-
7502 <sup>(1)</sup>	Sample Alger Well	-	5,955	5,872	-	5,872	-
7602	Storage Program General Consulting	11,328	-	-	-	-	-
<b>Totals</b>		<b>\$ 1,982,360</b>	<b>\$ 2,027,171</b>	<b>\$ 2,088,343</b>	<b>\$ 1,588,921</b>	<b>\$ 2,088,343</b>	<b>\$ -</b>

Note: Billed includes MWH Laboratory Invoices paid directly by Watermaster.  
Does not include Invoices billed to Watermaster Accounts 6902.31, 7101.31 and 7103.31  
<sup>(1)</sup> Carry-over from 2011/2013 fiscal year

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# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### C. INTERVENTION



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

---

PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: TAMCO Request for Intervention as an Overlying (Non-Agricultural) Party

### SUMMARY

Issue: On July 17, 2013, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from TAMCO. This Staff Report provides a summary and analysis of the proposed Intervention.

Recommendation: Approve TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool, effective as of fiscal year 2013/14.

Financial Impact: There is no fiscal impact on the Watermaster Budget associated with the recommendation.

### Future Consideration

Watermaster Board: August 22, 2013; Approve TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool, effective as of fiscal year 2013/14. [Within WM Duties and Powers]

---

### ACTIONS:

August 8, 2013 – Appropriate Pool – Unanimously recommended approval of TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool with the understanding that the Intervention and subsequent water rights transfer will be effective for fiscal year 2013/14.

August 8, 2013 – Non-Agricultural Pool – Unanimously recommended approval of TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool with the understanding that the Intervention and subsequent water rights transfer will be effective for fiscal year 2013/14; and direct Non-Ag Pool representatives to vote at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

August 8, 2013 – Agricultural Pool – Unanimously recommended approval of TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool with the understanding that the Intervention and subsequent water rights transfer will be effective for fiscal year 2013/14.

August 15, 2013 – Advisory Committee – Unanimously recommended approval of TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool, effective as of fiscal year 2013/14.

Date – Watermaster Board –

## BACKGROUND

Ameron International Corporation (Ameron) is an original Party to the Judgment, with 97.858 acre-feet of Safe Yield in the Overlying (Non-Agricultural) Pool. Ameron recently sold a portion (i.e., 30.7 acres) of its real property to TAMCO, a California Corporation (TAMCO), and would like to permanently transfer 15.000 acre-feet of its adjudicated Safe Yield rights to TAMCO for use on the TAMCO property. After the transfer, Ameron's remaining adjudicated Safe Yield right is 82.858 acre-feet. As a result, on July 17, 2013, TAMCO submitted a request for Intervention into the (Non-Agricultural) Pool, effective as of fiscal year 2013/14.

## DISCUSSION

According to the Judgment, a producer is assigned to the Overlying (Non-Agricultural) Pool if it is an overlying producer who produces water for industrial or commercial purposes. (Judgment para. 43(b).) "Any party who changes the character of his use may, by subsequent order of the Court, be reassigned to the proper pool . . . . Any non-party producer or any person who may hereafter commence production of water from Chino Basin, and who may become a party to [the] physical solution by intervention, shall be assigned to the proper pool by the order of the Court authorizing such intervention." (Judgment para. 43.)

Interventions are governed by paragraph 60 of the Judgment: "Any non-party assignee of the adjudicated appropriative rights of any appropriator, or any other person newly proposing to produce water from the Chino Basin, may become a party to this Judgment upon filing a petition in intervention. Said intervention must be confirmed by order of [the] Court. Such intervenor shall thereafter be a party bound by [the] Judgment and entitled to the rights and privileges accorded under the Physical Solution . . . through the pool to which the Court shall assign such intervenor."

Prior to this purchase, Ameron leased property to TAMCO for its operation of a steel production facility. The lease allowed TAMCO to utilize some of Ameron's produced water that was accounted for in Ameron's water rights. TAMCO is expected to continue its operation in a similar manner after this purchase utilizing the water rights transferred from Ameron. The transfer from Ameron to TAMCO does not involve any change of use or additional groundwater extractions not provided for under the Judgment. As a result, the transfer will not result in any "material physical injury" to any party.

TAMCO has requested Intervention into the Overlying (Non-Agricultural) Pool for the purpose of accepting the transfer of 15.000 acre-feet of Ameron's Safe Yield rights. There is precedent for this kind of Intervention—it is the same the manner in which several Overlying (Non-Agricultural) Pool Parties have entered in to the Judgment. Watermaster staff finds that the proposed intervention is consistent with the Judgment.

Watermaster's practice has been to accept interventions informally by way of a letter request and then process the request through the Pools, Advisory Committee and Board. After this internal approval process, the request for Intervention is filed with the Court for approval.

## ATTACHMENT

TAMCO's request for Intervention, as well as TAMCO's and Ameron's executed water transfer Consolidated Forms 3, 4, and 5



ATTORNEYS AT LAW

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34th Floor  
Los Angeles, CA 90017  
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F 213.612.7801

Byron Gee  
D 213.612.7843  
bgee@nossaman.com

Refer To File #: 290729-0004

July 16, 2013

VIA U.S. MAIL

Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Attention: Danielle Maurizio

RECEIVED

JUL 17 2013

CHINO BASIN WATERMASTER

Re: Ameron Inc. Chino Basin Water Rights

Dear Ms. Maurizio:

Enclosed please find Tamco's original Consolidated Water Transfer Forms with original signatures by Ameron International and Tamco, as requested by Brad Herrema for the subject Non-Agricultural Overlying Water Rights Transfer.

If you have any questions, please contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Byron Gee'.

Byron Gee  
of Nossaman LLP

BPG/mnm

Encls.



May 30, 2013

Peter Kavounas, P.E.  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Bradley Herrema, Esq.  
Brownstein Hyatt Farber Schreck  
21 East Carrillo Street  
Santa Barbara, CA 93101

Re: Ameron Inc. Chino Basin Water Rights

Dear Peter and Bradley:

Ameron International Corporation (fka "Ameron Inc." or "Ameron"), recently completed the sale of 30.7 acres of property in Rancho Cucamonga, California to TAMCO, a California Corporation ("TAMCO"), that includes the transfer of 15 acre-feet of Ameron's share of Safe Yield to TAMCO. I understand that TAMCO has (or soon will) submit a Request to Intervene in the Judgment and become a member of the overlying Non-Agriculture Pool. The transfer, of course, is subject to approvals of the Chino Basin Watermaster and the Court allowing TAMCO to intervene as a Party to the Judgment and be placed in the overlying Non-Agriculture Pool.

We have executed the Consolidated Forms 3, 4, and 5 (Application to Transfer Annual Production Right or Safe Yield) - which will be submitted with TAMCO's Water Rights Transfer Application.

Prior to this purchase, Ameron leased property to TAMCO for its operation of a steel production facility. The lease allowed TAMCO to utilize some of Ameron's produced water that was accounted for in Ameron's water rights. TAMCO is expected to continue its operation in a similar manner after this purchase utilizing the water rights transferred from Ameron. The transfer from Ameron to TAMCO does not involve any change of use or additional groundwater extractions not provided for under the Judgment. As a result, the transfer will not result in any "material physical injury" to any party.

Thank you for your assistance. Please feel free to contact Matt Robey at 713-375-3829 if you any questions or need further information regarding the transfer.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kenneth A. Jeck'.

Kenneth A. Jeck  
Vice President – Risk Management

cc: James Crompton – TAMCO  
Jeff Dambrun - TAMCO  
Luis Nieves – Gerdau  
Robert Wallace – Gerdau  
Byron Gee – Nossaman, LLP



June 4, 2013

Peter Kavounas, P.E.  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Bradley Herrema, Esq.  
Brownstein Hyatt Farber Schreck  
21 East Carrillo Street  
Santa Barbara, CA 93101

Re: Ameron Inc. Chino Basin Water Rights

Dear Peter and Bradley:

TAMCO, a California Corporation ("TAMCO"), has recently acquired 30.7 acres of property in Rancho Cucamonga, California from Ameron International Corporation (fka "Ameron Inc." or "Ameron"), that includes the transfer to TAMCO of 15 acre-feet of Ameron's share of Safe Yield. Under the Chino Basin Judgment, the transfer, of course, is subject to the approvals of the Chino Basin Watermaster ("Watermaster") and the Court allowing TAMCO to intervene as a party to the Judgment and be placed in the overlying Non-Agriculture Pool. TAMCO understands that Watermaster will prepare the motion to intervene once the transfer has been approved through the Watermaster approval process.

Please find attached the executed consolidated Form 3, 4, and 5 (Application to Transfer Annual Production Right or Safe Yield) and TAMCO's Application to Intervene.

Prior to this purchase, TAMCO operated a steel production facility under a lease arrangement with Ameron that involved its use of water produced and accounted for pursuant to Ameron's water rights. Tamco will continue its operations in a similar manner after this purchase utilizing the water rights transferred to it by Ameron. The transfer from Ameron to TAMCO does not involve any change of use or additional groundwater extractions not provided for under the Judgment. As a result, the transfer will not result in any "material physical injury" to any party.

Thank you for your assistance. Please feel free to contact Jeff Dambrun at (909) 899-0660 ext. 5291 if you any questions or need further information regarding the transfer.

A handwritten signature in black ink, appearing to read "James Crompton".

James Crompton  
Vice President and General Manager

Encls.

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**CONSOLIDATED WATER TRANSFER FORMS:**  
**FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE**  
**FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE**  
**FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 2013 - 2014

DATE REQUESTED: May, 2013

AMOUNT REQUESTED: 15 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b>	<b>TRANSFER TO (BUYER / TRANSFEREE):</b>
<u>Ameron International Corporation</u>	<u>TAMCO</u>
Name of Party	Name of Party
<u>7909 Parkwood Circle Drive</u>	<u>12459-B Arrow Hwy</u>
Street Address	Street Address
<u>Houston TX 77036</u>	<u>Rancho Cucamonga CA 91739</u>
City State Zip Code	City State Zip Code
<u>(713) 346-7550</u>	<u>(909) 899-0660</u>
Telephone	Telephone
<u>(713) 346-7995</u>	<u>(909) 803-5783</u>
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year? Yes  No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain Acquisition of Overlying Non-Agriculture Pool water rights in association with purchase of industrial (non-agriculture) land.

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain \_\_\_\_\_

**IS THE 85/15 RULE EXPECTED TO APPLY?** (If yes, all answers below must be "yes.") Yes  No   
Is the Buyer an 85/15 Party? Yes  No   
Is the purpose of the transfer to meet a current demand over and above production right? Yes  No   
Is the water being placed into the Buyer's Annual Account? Yes  No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

Projected Rate of Recapture

Projected Duration of Recapture

**METHOD OF RECAPTURE** (e.g. pumping, exchange, etc.):

**PLACE OF USE OF WATER TO BE RECAPTURED:**

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

What are the existing water levels in the areas that are likely to be affected?

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes  No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

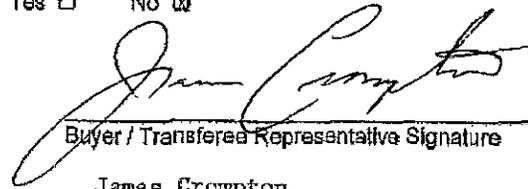
- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

*Ameron International Corporation*

Yes  No

By:   
\_\_\_\_\_  
Seller / Transferor Representative Signature  
Kenneth A. Jeck  
Vice President - Risk Management  
\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)

  
\_\_\_\_\_  
Buyer / Transferee Representative Signature  
James Crompton  
\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

- DATE OF WATERMASTER NOTICE: \_\_\_\_\_
- DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_
- DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_
- DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_
- HEARING DATE, IF ANY: \_\_\_\_\_
- DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_
- DATE OF BOARD APPROVAL: \_\_\_\_\_

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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### A. BUDGET TRANSFER FORMS T-13-06-01 and T-13-06-02



## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

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PETER KAVOUNAS, P.E.  
General Manager

### STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Budget Transfer Forms (T-13-06-01 and T-13-06-02)

#### SUMMARY

Issue: Approve Budget Transfer Forms (T-13-06-01 for Engineering Services and T-13-06-02 for Legal Services) Between the Various Watermaster accounts for FY 2012/2013 as of June 30, 2013.

Recommendation: Approve Budget Transfer Forms (T-13-06-01 for Engineering Services and T-13-06-02 for Legal Services) Between the Various Watermaster accounts for FY 2012/2013 as of June 30, 2013 as presented.

Financial Impact: No financial impact. The Budget Transfer Forms (T-13-06-01 for Engineering Services and T-13-06-02 for Legal Services) are a reallocation of approved budgeted funds and have no financial impact on the total FY 2012/2013 budget of \$7,238,414 as of June 30, 2013.

#### Future Consideration

Watermaster Board: August 22, 2013; Adoption (Advisory Committee approval required)

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#### ACTIONS:

August 8, 2013 – Appropriative Pool – Approved unanimously  
August 8, 2013 – Non-Agricultural Pool – Approved unanimously  
August 8, 2013 – Agricultural Pool – Approved unanimously  
August 15, 2013 – Advisory Committee – Approved unanimously  
August 22, 2013 – Watermaster Board –

## BACKGROUND

Utilizing the Watermaster's accounting software (QuickBooks Enterprise Solutions 13.0), on a continuing basis the Watermaster staff reviews the budget vs. actual reports and ensures that adequate budget and funds are maintained. Watermaster also provides monthly financial reports to keep all members apprised of the actual and projected total expenses for the current fiscal year. Watermaster also provides a process for reallocating budget to other expense categories to provide continued funding, or amending the approved budget to ensure the categories are funded properly.

### BUDGET TRANSFERS:

With regards to the process of budget transfers, the following information is provided:

The Chino Basin Watermaster budget has four main budget categories:

- General & Administrative Expenses
- Optimal Basin Management Program Expenses
- Project Expenditures
- Other Income/Expenses

The Watermaster General Manager has authority to transfer funds within the main budget categories up to \$25,000 without Board approval. However, to allow for full transparency in the process, the Pools, Advisory Committee, and the Board will be informed of all budget transfers less than \$25,000.

Budget transfers greater than \$25,000 *within the same categories* must be formally approved by the Pools, the Advisory Committee, and then by the Board. If there are insufficient funds within same category, the Watermaster General Manager may propose a transfer from one main category to another. All budget transfers from one main category to another, regardless of the amount, require approval by the Pools, the Advisory Committee, and then by the Board.

All budget transfers are processed in and recorded in the accounting system.

## DISCUSSION

### **FY 2012/2013 Original and Amended Budget**

The Chino Basin Watermaster FY 2012/2013 budget of \$6,670,201 was approved by the Board on May 24, 2012. During the first quarter of FY 2012/2013 the approved budget of \$6,670,201 was amended and increased to \$7,238,414 as follows:

Carry-Over Funds from FY 2011/2012:	\$433,213
Appropriative Pool Special Legal Assessment:	\$ 75,000
Non-Agricultural Pool Special Assessment:	<u>\$ 60,000</u>
Additional Budget Increase:	<u>\$568,213</u>

$\$6,670,201 + \$568,213 = \$7,238,414$

### **Budget Transfer Form T-13-06-01**

The approved Engineering Services budget for FY 2012/2013 was \$2,027,171 (which included Carry-Over funding from FY 2011/2012 of \$44,811). Throughout the fiscal year, the Engineering Service costs have been monitored and reported on a monthly basis as part of the financial reports. In May 2013, Watermaster Staff informed the parties that the Engineering Services budget could be over budget by \$100,000 and as much as \$150,000 at the end of June 30, 2013. In the past few months, both Wildermuth Environmental, Inc. and Watermaster staff have worked to reduce the potential overage to \$61,172.

The additional Engineering Services budget amount of \$61,172 will not require any new/additional Special Assessment funding. The \$61,172 will be funded from the transfer of Watermaster Administrative Salaries budget which has been under budget for the majority of the fiscal year. The transfer funding from the Watermaster Administrative Salaries budget to the Engineering Services budget in the amount of \$61,172 is being proposed as Budget Transfer Form T-13-06-01.

It is anticipated that approximately \$203,028 of the Engineering Services budget will be Carried-Over from FY 2012/2013 into the FY 2013/2014 budget for ongoing projects that will be completed in the upcoming fiscal year.

The table listed below shows how on a consolidated basis, the Engineering Services compare with the budgeted activity after Budget Transfer Form T-13-06-01 has been processed. In some cases, the activity is above the budget, and in most cases, the activity is below the budget. The following details are provided:

	Jul '11 - Jun '13	Budget	\$ Over Budget	% of Budget	Annual Budget
6902.31 · OBMP - Wildermuth Staff	3,085.40	0.00	3,085.40	100.0%	0.00
6906 · OBMP Engineering Services - Other	313,264.77	388,996.00	-75,731.23	80.53%	388,996.00
6906.1 · OBMP - Watermaster Model Update	171,509.44	108,440.00	63,069.44	158.16%	108,440.00
6906.7 · OBMP - Data Requests	9,576.25	0.00	9,576.25	100.0%	0.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
7101.31 · Prod Monitor-Engineering-SubContractor	6,354.19	0.00	6,354.19	100.0%	0.00
7103.3 · Grdwtr Qual-Engineering	81,465.45	75,249.00	6,216.45	108.26%	75,249.00
7103.31 · Grdwtr Qual-Engineering-SubContractor	11,234.67	0.00	11,234.67	100.0%	0.00
7103.5 · Grdwtr Qual-Lab Svcs	32,352.00	38,568.00	-6,216.00	83.88%	38,568.00
7104.3 · Grdwtr Level-Engineering	156,861.78	156,862.00	-0.22	100.0%	156,862.00
7107.2 · Grd Level-Engineering	128,251.03	128,251.03	0.00	100.0%	128,251.03
7107.3 · Grd Level-SAR Imagery	90,000.00	90,000.00	0.00	100.0%	90,000.00
7107.6 · Grd Level-Contract Svcs	71,597.25	116,365.97	-44,768.72	61.53%	116,365.97
7107.61 · Grd Level.Chino Hills ASR	53,573.28	150,506.00	-96,932.72	35.6%	150,506.00
7107.8 · Grd Level-Cap Equip Exte	0.00	0.00	0.00	0.0%	0.00
7108.3 · Hydraulic Control-Engineering	87,139.42	88,002.00	-862.58	99.02%	88,002.00
7108.4 · Hydraulic Control-Lab Svcs	75,506.00	67,661.00	7,845.00	111.6%	67,661.00
7108.7 · Hydraulic Control-Prado Basin Habitat	120,945.28	206,433.25	-85,487.97	58.59%	206,433.25
7108.9 · Hydraulic Control-Contract Svcs	0.00	550.00	-550.00	0.0%	550.00
7109.3 · Recharge & Well - Engineering	0.00	0.00	0.00	0.0%	0.00
7202.3 · Comp Recharge-Implementation	347,589.78	347,590.00	-0.22	100.0%	347,590.00
7303 · PE3&5-Engineering - Other	31,976.75	31,977.00	-0.25	100.0%	31,977.00
7402 · PE4-Engineering	75,757.26	60,757.00	15,000.26	124.69%	60,757.00
7403 · PE4-Contract Svcs	0.00	15,000.00	-15,000.00	0.0%	15,000.00
7502 · PE6&7-Engineering	10,063.89	17,134.30	-7,070.41	58.74%	17,134.30
7502.1 · PE6&7-Engineering Svcs (Plume)	7,070.67	0.00	7,070.67	100.0%	0.00
7602 · PE8&9-Engineering	0.00	0.00	0.00	0.0%	0.00
<b>Total Wildermuth Environmental, Inc. Costs</b>	<b>1,885,314.56</b>	<b>2,088,342.55</b>	<b>-203,027.99</b>	<b>90.28%</b>	<b>2,088,342.55 *</b>

\* Wildermuth and Subcontractor Engineering Revised Budget of \$2,027,171 plus Amended Contract Funds of \$61,172 = \$2,088,342.55

\* Wildermuth and Subcontractor Engineering Budget of \$1,982,360 plus Carryover Funds from FY 2011/12 of \$44,810.55 = \$2,027,170.55

Carryover Funds FY 2011/12 = \$24,500.00 (7107.2), \$1,000.00 (7107.6), \$4,500.00 (7107.8), \$8,856.25 (7108.7) and \$5,954.30 (7502) = \$44,810.55

**Budget Transfer Form T-13-06-02**

The Brownstein Hyatt Farber Schreck (BHFS) budget for legal services was approved as part of the overall Watermaster budget for FY 2012/2013. The BHFS budget for legal services for FY 2012/2013 was \$679,955. When the BHFS legal budget was developed for FY 2012/2013, specific hours x rate

assumptions based upon known tasks and activities involving Brownstein were developed. Each known task or activity was assigned a specific account number, and costs during the year were allocated against the specific account numbers. During the fiscal year, when actual expenses fluctuate from the legal services budget, a Budget Transfer could be done. During the fiscal year, the BHFS actual expenses were running either at or under the budgeted amounts and therefore, no Budget Transfer Form was recommended.

Since April 2013 as noted during the Pools, Advisory and Board meetings, CalPERS and the former Watermaster CEO Desi Alvarez have been in legal discussions involving Mr. Alvarez's retirement pension plan and various aspects of that plan. When the FY 2012/2013 budget was developed for Personnel Matters (account 6073), neither Brownstein nor Watermaster budgeted for this specific task/activity at the current levels. The original budget was approximately \$40,000 lower than the current adjusted budget of \$50,990. Several other tasks such as the Safe Yield Recalculation (account 6078.11), Appropriative Pool Issue Resolution (account 6078.20), and the Refresh, Recharge and Reunite (account 6078.10) were not part of the original budget. Please note that there were also some accounts that were lower than the approved budget such as the Annotated Judgment (account 6072) and the Interagency Issues (account 6074). As a result of the ongoing unbudgeted costs and activities related directly to the Personnel Matters listed above with CalPERS, the Brownstein Hyatt Farber Schreck legal budget is over the budgeted amount of \$679,955 by approximately \$30,765.

The table listed below shows how on a consolidated basis, the BHFS legal services compare with the budgeted activity after Budget Transfer Form T-13-06-02 has been processed. In some cases, the activity is above the budget, and in most cases, the activity is below the budget. The following details are provided:

	Jul '12 - Jun '13	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6070 · Watermaster Legal Services</b>					
6071 · BHFS Legal - Court Coordination	28,395.07	35,950.00	-7,554.93	78.99%	35,950.00
6072 · BHFS Legal - Annotated Judgment	38,313.35	57,000.00	-18,686.65	67.22%	57,000.00
6073 · BHFS Legal - Personnel Matters	50,141.59	50,990.00	-848.41	98.34%	50,990.00
6074 · BHFS Legal - Interagency Issues	18,476.80	33,920.00	-15,443.20	54.47%	33,920.00
6075 · BHFS Legal - Replenishment Water	0.00	0.00	0.00	0.0%	0.00
6076 · BHFS Legal - Storage Issues	6,642.00	0.00	6,642.00	100.0%	0.00
6077 · BHFS Legal - Party Status Maintenance	0.00	0.00	0.00	0.0%	0.00
6078 · BHFS Legal - Miscellaneous (Note 1)	64,186.21	51,150.00	13,036.21	125.49%	51,150.00
6078.10 · BHFS Legal - Refresh, Recharge, Reunite	36,196.31	25,000.00	11,196.31	144.79%	25,000.00
6078.11 · BHFS Legal - Safe Yield Recalculation	19,491.74	12,000.00	7,491.74	162.43%	12,000.00
6078.20 · BHFS Legal - Approp. Pool Issue Resolution	4,054.95	0.00	4,054.95	100.0%	0.00
<b>Total 6070 · Watermaster Legal Services</b>	<b>265,898.02</b>	<b>266,010.00</b>	<b>-111.98</b>	<b>99.96%</b>	<b>266,010.00</b>
<b>6275 · BHFS Legal - Advisory Committee</b>	<b>21,659.02</b>	<b>22,280.00</b>	<b>-620.98</b>	<b>97.21%</b>	<b>22,280.00</b>
6375 · BHFS Legal - Board Meeting	58,568.26	59,240.00	-671.74	98.87%	59,240.00
8375 · BHFS Legal - Appropriative Pool	46,386.83	46,680.00	-293.17	99.37%	46,680.00
8475 · BHFS Legal - Agricultural Pool	28,171.47	29,280.00	-1,108.53	96.21%	29,280.00
8575 · BHFS Legal - Non-Ag Pool	31,114.83	29,280.00	1,834.83	106.27%	29,280.00
8575.10 · BHFS Legal - Paragraph 15 CSI/Aqua	10,759.13	10,000.00	759.13	107.59%	10,000.00
<b>Total BHFS Legal Services</b>	<b>196,659.54</b>	<b>196,760.00</b>	<b>-100.46</b>	<b>99.95%</b>	<b>196,760.00</b>
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 · South Archibald Plume	0.00	21,800.00	-21,800.00	0.0%	21,800.00
6907.32 · Chino Airport Plume	67,665.40	31,800.00	35,865.40	212.78%	31,800.00
6907.33 · Desalter/Hydraulic Control	65,754.31	50,100.00	15,654.31	131.25%	50,100.00
6907.34 · Santa Ana River Water Rights	10,681.45	23,250.00	-12,568.55	45.94%	23,250.00
6907.35 · Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 · Santa Ana River Habitat	4,756.85	11,150.00	-6,393.15	42.66%	11,150.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	11,950.00	-11,950.00	0.0%	11,950.00
6907.39 · Recharge Master Plan	64,398.59	54,500.00	9,898.59	118.16%	54,500.00
6907.40 · Storage Agreements	12,769.78	17,800.00	-5,030.22	71.74%	17,800.00
6907.41 · Prado Basin Habitat Sustainability	153.00	7,800.00	-7,647.00	1.96%	7,800.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907 · WM Legal Counsel</b>	<b>248,162.10</b>	<b>247,950.00</b>	<b>212.10</b>	<b>100.09%</b>	<b>247,950.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>710,719.66</b>	<b>710,720.00</b>	<b>-0.34</b>	<b>100.0%</b>	<b>710,720.00</b>

The attached forms T-13-06-01 and T-13-06-02 are provided as documentation to clearly show which general ledger accounts are being reduced and which general ledger accounts are being increased. Budget Transfer Forms T-13-06-01 and T-13-06-02 are reallocating existing approved budget dollars between Watermaster accounts as needed. The Budget Transfer Forms T-13-06-01 and T-13-06-02 are zero based documents, which mean the reductions and additions within the general ledger accounts equal. There is no change to the overall budget as a result of Budget Transfer Forms T-13-06-01 and T-13-06-02 and no new funds or assessments are required.

**ATTACHMENTS**

1. Budget Transfer Form (T-13-06-01 for Engineering Services)
2. Budget Transfer Form (T-13-06-02 for Legal Services)



**CHINO BASIN WATERMASTER  
BUDGET TRANSFERS**

**ATTACHMENT #T-13-06-01**

To: **All Parties**

# T-13-06-01

From: Joseph S. Joswiak, CFO Date: August 8, 2013

Describe reason for the transfer between budget categories here: To reallocate the FY 2012/13 budget to cover the net shortfall of \$61,172 in the total Engineering Services budget. The additional net budget funds of \$61,172 are transferred from Watermaster Staff salaries which was under budget at fiscal year-end, as well as reallocating \$103,732 of Engineering Services budget accounts which were under budget at fiscal year-end.

<b>Budgetary account reduction</b>			
<i>Line Item Description</i>	<i>Account Number</i>		<i>Amount</i>
Administrative - WM Staff Salaries	6011		\$ (61,172)
Groundwater Level Monitoring - Engineering	7104.3	WEI	\$ (24,535)
Ground Level Monitoring - Engineering	7107.2	WEI	\$ (9,008)
Ground Level Monitoring - Contracted Services	7107.6	WEI	\$ (5,934)
Ground Level Monitoring - Capital Expenses	7107.8	WEI	\$ (20,546)
Hydraulic Control - Prado Basin Habitat	7108.7	WEI	\$ (2,423)
Hydraulic Control - Contracted Services	7108.9	WEI	\$ (3,950)
Recharge & Well Monitoring - Engineering	7109.3	WEI	\$ (4,000)
PE6&7 - Engineering	7502	WEI	\$ (33,336)
			\$ -
			\$ -
<b>Total Amount of Budget To Transfer "OUT"</b>			<b>\$ (164,904)</b>
<b>Budgetary account addition</b>			
Comprehensive Recharge - Implementation	7202.3	WEI	\$ 61,172
Comprehensive Recharge - Implementation	7202.3	WEI	\$ 76,363
OBMP - Watermaster Model Update	6906.1	WEI	\$ 8,612
Groundwater Quality Monitoring - Engineering	7103.3	WEI	\$ 8,433
PE3&5 - Engineering - Other	7303	WEI	\$ 1,633
PE4 - Engineering	7402	WEI	\$ 8,691
			\$ -
			\$ -
<b>Total Amount of Budget To Transfer "IN"</b>			<b>\$ 164,904</b>
<b>Net Transfer Amount</b>			<b>\$ -</b>

**Transfer Procedure**

1. Staff brings the transfer request to the Appropriate Pool for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category require Pools, Advisory Committee and Board approval. Transfers between budget categories, regardless of amount must be approved by the Pools, Advisory Committee and Board
2. Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system.
3. A log will be maintained by the CFO detailing the transfer.
4. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.

**Finance Use Only**

Date Board Approved \_\_\_\_\_

Finance Log # \_\_\_\_\_

Date Posted \_\_\_\_\_

Posted By \_\_\_\_\_

Approved by \_\_\_\_\_

Date approved \_\_\_\_\_



**CHINO BASIN WATERMASTER  
BUDGET TRANSFERS**

**ATTACHMENT #T-13-06-02**

To: **All Parties**

# T-13-06-02

From: Joseph S. Joswiak, CFO Date: August 8, 2013

Describe reason for the transfer between budget categories here: To reallocate the FY 2012/13 budget to cover the net shortfall of \$30,765 in the total Brownstein Hyatt Farber Schreck legal services budget. The additional net budget funds of \$30,765 are transferred from Watermaster Staff salaries which was under budget at fiscal year-end, as well as reallocating \$24,600 of Brownstein Hyatt Farber Schreck legal budget accounts which were under budget at fiscal year-end.

<b>Budgetary account reduction</b>			
<i>Line Item Description</i>	<i>Account Number</i>		<i>Amount</i>
Administrative - WM Staff Salaries	6011		\$ (30,765)
BHFS Legal - South Archibald Plume	6907.31	BHFS	\$ (10,000)
BHFS Legal - Advisory Committee	6275	BHFS	\$ (7,000)
BHFS Legal - Board	6375	BHFS	\$ (5,000)
BHFS Legal - Appropriative Pool	8375	BHFS	\$ (2,600)
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
<b>Total Amount of Budget To Transfer "OUT"</b>			<b>\$ (55,365)</b>
<b>Budgetary account addition</b>			
BHFS - Personnel Matters	6073		\$ 30,765
BHFS - Personnel Matters	6073	BHFS	\$ 10,000
BHFS - Personnel Matters	6073	BHFS	\$ 2,600
BHFS - Safe Yield Recalculation	6078.11	BHFS	\$ 7,000
BHFS - Safe Yield Recalculation	6078.11	BHFS	\$ 5,000
			\$ -
			\$ -
<b>Total Amount of Budget To Transfer "IN"</b>			<b>\$ 55,365</b>
<b>Net Transfer Amount</b>			<b>\$ -</b>

<b>Transfer Procedure</b>	<b>Finance Use Only</b>
1. Staff brings the transfer request to the Appropriate Pool for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category require Pools, Advisory Committee and Board approval. Transfers between budget categories, regardless of amount must be approved by the Pools, Advisory Committee and Board.	Date Board Approved _____
2. Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system.	Finance Log # _____
3. A log will be maintained by the CFO detailing the transfer.	Date Posted _____
4. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.	Posted By _____
	Approved by _____
	Date approved _____

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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### B. PRADO BASIN HABITAT SUSTAINABILITY PROGRAM COST-SHARING AGREEMENT AMENDMENT



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: Prado Basin Habitat Sustainability Program Cost-Sharing Agreement Amendment

### SUMMARY

Issue: The current Prado Basin Habitat Sustainability Program cost-sharing agreement with IEUA must be amended to extend the term to fiscal year 2022/23 and to increase the cost-sharing total amount from \$440,000 to \$600,000 (\$300,000 each for Watermaster and IEUA.)

Recommendation: Approve the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes.

Financial Impact: There is no fiscal impact on the current year Watermaster Budget associated with the recommendation. Future year budgets, through fiscal year 2022/23, will include additional associated costs for Watermaster estimated at a lifetime total of approximately \$27,000.

### Future Consideration

Watermaster Board: August 22, 2013; Approve the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes. [Advisory Committee approval required].

---

### ACTIONS:

August 8, 2013 – Appropriative Pool – Unanimously recommended approval of the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes.

August 8, 2013 – Non-Agricultural Pool – Unanimously recommended approval of the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes; and direct Non Ag Pool representatives to vote at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

August 8, 2013 – Agricultural Pool – No action was taken.

August 15, 2013 – Advisory Committee – Unanimously approved the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes. Mr. Jeff Pierson and Mr. Ron Craig abstained from the vote.

Date – Watermaster Board –

## BACKGROUND

The Peace II Subsequent Environmental Impact Report (SEIR) was completed and adopted by the IEUA Board on October 6, 2010. The Peace II program is considered a modification of the Optimum Basin Management Program (Peace I), which was certified by IEUA in July 2000. For the purposes of complying with CEQA for the Peace II Agreement, Watermaster and IEUA concluded that a SEIR needed to be prepared to address the potential significant adverse environmental impacts that may result from implementing the Peace II program components. Both of the program components, hydraulic control through desalter expansion in the southwestern portion of the Chino Basin and re-operation (controlled overdraft over the whole of the Chino Basin) are required to achieve hydraulic control, which is the primary objective of the project. Hydraulic control ensures that the water management activities in the Chino North Management Zone will not impair the beneficial uses designated for water quality of the Santa Ana River downstream of Prado Dam.

Mitigation Measure 4.4-3, from the Peace II SEIR (attached), requires that a Prado Basin Habitat Sustainability Committee and Program be developed. Watermaster, IEUA, and OCWD staff have been working together to develop a program that will meet the requirements of the mitigation measure. Under this Program, Watermaster and IEUA are committed to perform the following tasks:

- 1) Cone Penetrometer Testing and installation of groundwater level monitoring wells;
- 2) Development of an Adaptive Management Plan;
- 3) Perform on-going vegetation surveys in the Prado Basin, through fiscal year 2022/23; and
- 4) Perform on-going photo-station surveys in the Prado Basin, through fiscal year 2022/23.

A cost sharing agreement (attached) was approved by Watermaster on September 27, 2012 in the amount of \$440,000 (\$220,000 each for Watermaster and IEUA). This amount covered the anticipated scope of Tasks 1, 2, and 3 for the immediate term, not the entire duration of the monitoring obligation; Task 4 was omitted from the original scope of work in anticipation that others may participate in the monitoring expense.

## DISCUSSION

The cost estimate of Task 2 has increased costs due to a change in the consultant performing the task. Initially, Tom Dodson & Associates (TDA) was to perform the task because of his background knowledge on the Peace II Agreement; however, he recused himself to avoid any perception of impropriety since he had prepared the SEIR which contains the monitoring as a mitigation measure. Therefore, a formal RFP was issued resulting in the hiring of RBF Consulting.

As part of mitigation measure 4.4-3 of the Peace II SEIR, Watermaster and IEUA are required to perform Tasks 3 and 4 through fiscal year 2022/23. Task 3 will be completed by the U.S. Bureau of Reclamation (USBR) every three years through fiscal year 2022/23. The original cost-sharing agreement amount was estimated to cover only the immediate term, and extending the cost projection through the full term of the monitoring obligation requires an increase in the total amount to be cost shared. Task 4 is on-going photo-station monitoring within the Prado Basin to monitor habitat changes over time, and was not included in the original cost estimate. The mitigation measure provides that others may choose to participate, and as such it was hoped that this item would be contributed by other stakeholders. At this time it is not believed that other stakeholders will participate in the monitoring expense, and thus an increase in the total cost-sharing amount between IEUA and Watermaster is necessary.

Considering that some of the work is being planned in future years, the level of associated uncertainty increases. Consequently it is recommended that the contingency is also increased.

IEUA applied for grant funding to offset the costs of this Program. Applications were submitted to the Santa Ana Watershed Project Authority (SAWPA) under their OWOW 2.0 Prop 84 funding, the United States Bureau of Reclamation (USBR) under their WaterSmart funding program, and the Department of

Water Resources (DWR) under their Local Groundwater Assistance funding program. Unfortunately, IEUA was not awarded any grant funding from any of the three funding agencies.

To fully comply with the mitigation measure, Watermaster and IEUA need to amend the term and not-to-exceed amount in the cost-sharing agreement. In total, to complete Tasks 2, 3 and 4 a budget increase from \$440,000 to \$600,000 will be required and the term will need to be extended to fiscal year 2022/23. Below is a summary table showing the revised estimated costs for the Program.

Task	Approved Cost	Amended Cost	Consultant/Contractor
Monitoring Wells	\$390,000	\$376,517	TDA/WEI/Tri-County Inc.
Adaptive Management Plan	\$25,000	\$97,780	RBF Consulting
Vegetation Surveys	\$20,000	\$80,000	U.S. Bureau of Reclamation
Photo-Station Monitoring	\$0	\$15,000	To Be Determined
Contingency	\$5,000	\$30,000	
<b>TOTAL</b>	<b>\$440,000</b>	<b>\$599,297</b>	

It is anticipated that the IEUA Board will approve this amendment to the cost-sharing agreement on August 21, 2013.

Through fiscal year 2013/4, Watermaster has budgeted approximately \$273,000 for its share of the program. Future year budgets, through fiscal year 2022/23, will include additional associated costs for Watermaster estimated at a lifetime total of approximately \$27,000.

#### ATTACHMENTS

1. Mitigation Measure 4.4-3, from the Peace II SEIR
2. 2012 Cost-Sharing Agreement
3. 2013 Draft Amendment to the Cost-Sharing Agreement

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Peace II Subsequent EIR – Mitigation Measure 4.4-3

The Chino Basin Stakeholders are committed to ensuring that the Peace II Agreement actions will not significantly adversely impact the Prado Basin riparian habitat. This includes the riparian portions of Chino and Mill Creek's between the terminus of hard lined channels and Prado Basin proper. The available modeling data in the SEIR indicates that Peace II Agreement implementation will not cause significant adverse effects on the Prado Basin riparian habitat. However, the following contingency measure will be implemented to ensure that the Prado Basin riparian habitat will not incur unforeseeable significant adverse effects, due to implementation of Peace II. IEUA, Watermaster, OCWD and individual stakeholders, that choose to participate, will jointly fund and develop an adaptive management program that will include, but not be limited to: monitoring riparian habitat quality and extent; investigating and identifying essential factors to long-term sustainability of Prado Basin riparian habitat; identification of specific parameters that can be monitored to measure potential effects of Peace II Agreement implementation effects on Prado Basin; and identification of water management options to minimize the Peace II Agreement effects on Prado Basin. This adaptive management program will be prepared as a contingency to define available management actions by Prado Basin stakeholders to address unforeseeable significant adverse impacts, as well as to contribute to the long-term sustainability of the Prado Basin riparian habitat. The above effort will be implemented under the supervision of a newly-formed Prado Basin Habitat Sustainability Committee. This Committee will include representatives from all interested parties and will be convened by the Watermaster and IEUA. Annual reports will be prepared and will include recommendations for ongoing monitoring and any adaptive management actions required to mitigate any measured loss or prospective loss of riparian habitat that may be attributable to the Peace II Agreement. Prior to January 1, 2013, the Committee shall identify the performance standard(s) for determining significance of potential Peace II Agreement impacts to Prado Basin Riparian Habitat for implementation by IEUA and Watermaster. As determined by Watermaster and IEUA, significant adverse impacts to riparian habitat that are attributable to the Peace II Agreement will be mitigated.

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**AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY REGARDING REIMBURSEMENT OF THE PEACE II SUBSEQUENT ENVIRONMENTAL IMPACT REPORT MITIGATION MEASURE 4.4-3 (PRADO BASIN HABITAT SUSTAINABILITY PROGRAM)**

**WHEREAS**, the Inland Empire Utilities Agency ("IEUA") and the Chino Basin Watermaster ("Watermaster") (each individually "Party" and collectively "the Parties") share common goals and objectives regarding the reasonable and beneficial use of water within the Inland Empire and more specifically the Chino Basin;

**WHEREAS**, both Parties share responsibility for meeting certain monitoring and reporting requirements detailed in the Basin Plan amendment approved by the Santa Ana Regional Water Quality Control Board (RWQCB) in 2004 (R8-2004-0001, R8-2012-0002);

**WHEREAS**, both Parties have made commitments to the RWQCB to obtain Maximum Benefit Groundwater Quality Objectives (Quarterly Surface Water Monitoring and Reporting, Annual Hydraulic Control Monitoring Program (HCMP) Monitoring and Reporting);

**WHEREAS**, the Parties are co-permittees for the Recycled Water Groundwater Recharge Program and share responsibility for meeting certain monitoring and reporting requirements of the RWQCB, Santa Ana Region Order No. R8-2007-0039 (Order) and the Monitoring and Reporting Program (M&RP) No. R8-2007-0039;

**WHEREAS**, the Peace II Agreement section 2.2 acknowledges that IEUA has been properly designated as the Lead Agency for the purposes of completing the environmental assessment and review of the proposed project;

**WHEREAS**, the 2008 "Bright Line Agreement" defines the cost sharing arrangement for monitoring programs between IEUA and Watermaster;

**WHEREAS**, the Peace II Subsequent EIR was completed and adopted by the IEUA Board; and

**WHEREAS**, mitigation measure 4.4-3, from the Peace II Subsequent EIR, requires Watermaster, IEUA and OCWD to develop a Prado Basin Habitat Sustainability Program.

**NOW THEREFORE IT IS AGREED THAT:**

1. This agreement is effective May 1, 2012.
2. IEUA shall apply for the Department of Water Resources (DWR) Local Groundwater Assistance (LGA) Grant Program. Any funds received through the LGA Grant Program will be put towards the Prado Basin Habitat Sustainability Program ("Program").
3. Any remaining costs will be split 50/50 between IEUA and Watermaster. IEUA and Watermaster have each budgeted not-to-exceed amounts of

\$220,000 (for a total of \$440,000) through the end of FY 2013/14, to include, but not be limited to, the following items as listed below.

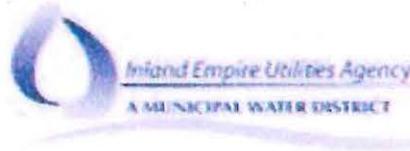
- a) IEUA shall retain a qualified consultant to develop the Prado Basin Habitat Sustainability Adaptive Management Plan, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
  - b) Watermaster shall retain Wildermuth Environmental, Inc. (WEI) to perform project management tasks related to monitoring well installation, under this Program.
  - c) IEUA shall retain a qualified contractor to construct and install up to 17 monitoring wells at 9 separate sites, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
  - d) IEUA shall retain the United States Bureau of Reclamation (USBR) to perform vegetative monitoring every 3 years, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
4. Consistent with the 2008 Bright Line Agreement Section 1A, Watermaster shall be responsible for conducting and funding all groundwater level measurements from the monitoring wells installed under this Agreement.
  5. Within 45 days of the end of each fiscal year quarter, IEUA and Watermaster shall invoice each other for 50% of actual costs associated with activities identified in Section 3 of this Agreement. All invoices shall reference this Agreement and shall include consultant or contractor invoice documentation.
  6. If there are changes in the Program that cause the total costs to increase above \$220,000 contribution by each party, then both parties shall require approval from their respective Committees and Boards.

Inland Empire Utilities Agency

  
Thomas A. Love  
General Manager

Chino Basin Watermaster

  
Peter Kavounas  
General Manager



**AMENDMENT NUMBER: 4600001511-001**

**AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY REGARDING REIMBURSEMENT OF THE PEACE II SUBSEQUENT ENVIRONMENTAL IMPACT REPORT MITIGATION MEASURE 4.4.3 (PRADO BASIN HABITAT SUSTAINABILITY PROGRAM)**

THIS AMENDMENT NUMBER 1, to Contract Number 4600001511, between the Chino Basin Watermaster and the Inland Empire Utilities Agency shall revise the Agreement as follows:

**REVISE SECTION 3, TO READ AS FOLLOWS:**

Any remaining costs will be split 50/50 between IEUA and Watermaster. IEUA and Watermaster will each contribute up to a not-to-exceed amounts of \$300,000 (for a total of \$600,000) through the end of FY 2022/23, to include, but not be limited to, the following items.

- a) IEUA shall retain a qualified consultant to develop the Prado Basin Habitat Sustainability Adaptive Management Plan, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
- b) Watermaster shall retain Wildermuth Environmental, Inc. (WEI) to perform project management tasks related to monitoring well installations, under this Program.
- c) IEUA shall retain a qualified contractor to construct and install up to 17 monitoring wells at 9 separate sites, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
- d) IEUA shall retain the United States Bureau of Reclamation (USBR) to perform vegetative monitoring every 3 years, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
- e) IEUA shall retain a qualified contractor/consultant to perform monthly or quarterly photo-monitoring, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.

**ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.**

The parties hereto have mutually covenanted and agreed as per the above amendment item(s), and in doing so have caused this document to become incorporated into the Contract documents.

INLAND EMPIRE UTILITIES AGENCY:

CHINO BASIN WATERMASTER:

\_\_\_\_\_  
P. Joseph Grindstaff  
General Manager

(Date)

\_\_\_\_\_  
Peter Kavounas  
General Manager

(Date)

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# CHINO BASIN WATERMASTER

## IV. BUSINESS ITEM

### C. GENERAL MANAGER CONTRACT EXTENSION



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: August 22, 2013  
TO: Board Members  
SUBJECT: General Manager Contract Extension

### SUMMARY

Issue: On July 25, 2013, the Watermaster Board authorized Board representatives to offer the General Manager a contract extension.

Recommendation: Approve the General Manager's Contract Extension, subject to the terms to be disclosed at the Board meeting, and affirm the General Manager's prior Contract and Contract Amendment.

Financial Impact: The FY 2013-2014 budget includes the General Manager's salary and benefits.

### Future Consideration

Watermaster Board: August 22, 2013; Approve the General Manager's Contract Extension, subject to the terms to be disclosed at the Board meeting, and affirm the General Manager's prior Contract and Contract Amendment. [Within WM Duties and Powers]

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## DISCUSSION

During its July 16, 2012 regular meeting, the Board took action in confidential session to direct counsel to complete a contract draft with specified terms and to authorize the chairman to execute a contract upon completion of due diligence. In August 2012, Watermaster entered into an employment contract with Mr. Kavounas, the term of which was to run from September 4, 2012 through September 4, 2013. During its December 20, 2012 regular meeting, the Board took action in confidential session to increase Mr. Kavounas' salary to \$210,000 per year and acknowledge that Mr. Kavounas' employment was no longer considered to be within a probationary period. In January 2013, Watermaster and Mr. Kavounas entered into an amendment to the employment contract consistent with the Board's December 20, 2012 action.

As the General Manager's initial contract is set to expire in September 2013, on July 25, 2013, the Watermaster Board authorized Board representatives to offer the General Manager a contract extension. In order to ensure compliance with applicable disclosure requirements, it is recommended that the Board take action in open session to approve the General Manager's contract extension and affirm the General Manager's prior Contract and Contract Amendment.

## ATTACHMENTS

- 1 Original General Manager Employment Contract
- 2 January 2013 General Manager Employment Contract Amendment

## EMPLOYMENT AGREEMENT

### GENERAL MANAGER

This Employment Agreement ("Agreement") is effective as of 9-4, 2012 (the "Effective Date"), by and between Chino Basin Watermaster (the "Watermaster") and Peter Kavounas ("Executive") with reference to the following facts and intentions:

**WHEREAS**, the Watermaster desires to employ Executive as its General Manager ("GM"); and

**WHEREAS**, the Watermaster and Executive have reached agreement concerning the terms and conditions of his employment and wish to formalize that Agreement;

**NOW, THEREFORE**, in consideration of the mutual terms, covenants and conditions stated in this Agreement, the Watermaster and Executive hereby agree as follows:

1. **Employment:** The Watermaster hereby employs Executive and Executive hereby accepts employment with the Watermaster as GM. During the Employment Term (as hereinafter defined), Executive will have the title, status, and duties of GM, an exempt position, and will report directly to the Watermaster Board of Directors ("Board").
2. **Term of Employment:** The term of employment will commence on September 4, 2012 ("Employment Date"), and will continue thereafter until one year from the Employment Date, unless otherwise terminated pursuant to Section 9 below (the "Initial Employment Term" and, together with any extensions, the "Employment Term"). The Employment Term may be extended by mutual agreement of the parties.
  - a. **General:** As GM, Executive serves at the pleasure of the Board. Subject to the provisions of Section 9 below, although the Watermaster may choose to terminate Executive's employment for cause, the Watermaster is not required to have cause to terminate this Agreement or Executive's employment. No one other than the Board has the authority to alter this arrangement or to make any agreement contrary to the terms of this Section. Furthermore, any such agreement or arrangement must be in writing and must be signed by the Chairman of the Board.
  - b. **Annual Review:** The Board shall arrange for an annual review of Executive's work performance, using such forms and procedures as the Board determines appropriate. Executive's first annual review shall be completed prior to the end of the Initial Employment Term.
3. **Scope of Duties:** During the Employment Term:
  - a. Subject to the control and direction of the Board, the GM provides day-to-day leadership for the Watermaster and is directly responsible to the Board on all matters pertaining to the administration and operations of the Chino Groundwater Basin ("Basin") under the provisions of the 1978 basin

adjudication Judgment and the Optimum Basin Management Program. The GM is responsible for overseeing the operating budget and the other employees of the Watermaster. The GM must keep the Board, through the Advisory Committee process, apprised of all applicable federal, state, regional and local policies regulating Watermaster activities. (Collectively, these duties are referred to as the "Services".)

- b. Executive will devote his full time and best efforts, talents, knowledge and experience to performing the Services. However, Executive may, and is in fact encouraged to, devote reasonable time to activities involving professional, educational, and similar types of activities, speaking engagements and membership on other boards for the purposes of raising the profile of Executive and the Watermaster locally, regionally and nationally, provided such activities do not interfere in any material way with the business of the Watermaster. Notwithstanding the foregoing, Executive may not serve on the board of directors of another organization without the Board's written consent, which consent may not be unreasonably withheld by the Board.
  - c. Executive will perform his duties diligently and competently and shall act in compliance with all applicable laws and in conformity with the Watermaster's written and oral policies and within the limits, budgets and business plans set by the Board. Executive will at all times during the Employment Term strictly adhere to and obey all of the rules and regulations in effect from time to time relating to the conduct of executives of the Watermaster. Executive shall not engage in consulting work or any trade or business for his own account or for on or behalf of any other person, firm or company that competes, conflicts or interferes with the performance of his duties hereunder in any material way.
4. **Hours of Work:** Executive's hours of work will vary depending on the Services to be performed and the time and effort necessary to competently perform the Services. As general guidance, normal work hours will begin at 8:00 a.m. Monday through Friday.
  5. **Compensation and Benefits:** During the Employment Term, the Watermaster shall provide to Executive, and Executive shall accept from the Watermaster as full compensation for Executive's services hereunder, compensation and benefits as follows:
    - a. **Base Salary:** The Watermaster shall pay Executive an annual Base Salary of One Hundred Ninety-Eight Thousand Dollars (\$198,000.00) per annum, less applicable withholdings. Additionally, consistent with its policy, Watermaster will pay both the employer and Executive's employee contribution to the California Public Employees Retirement System. The Board, or such committee of the Board as is responsible for setting the compensation of Watermaster employees, may review Executive's

performance and Base Salary, and determine whether to adjust Executive's Base Salary on a prospective basis. Such review, in the sole discretion of the Board, would occur no sooner than the end of the Initial Employment Term. The Watermaster shall pay Executive's Base Salary according to the applicable payroll practices in effect for all Watermaster employees.

- b. **Incentive Compensation:** On an annual basis, at the time of Executive's annual performance review, the Board will consider whether to provide Executive additional compensation in the form of incentive pay to recognize and encourage superior work performance by Executive, which additional compensation is in the sole discretion of the Board and subject to the terms and conditions imposed by the Board.
- c. **Insurance:** Following any required waiting period, the Watermaster shall provide Executive medical, dental, vision, and related insurance benefits in the total amount and manner as provided other similarly-situated Watermaster employees. The Watermaster may, in its sole discretion, modify or eliminate any or all benefit plans.
- d. **Vacation:** Executive will earn twenty days (*i.e.*, 160 hours) of vacation per year, accrued pro rata on each bi-weekly paycheck. Unused vacation time may carry over to the following year, provided however, that at no time shall Executive accrue more than forty days (*i.e.*, 320 hours) total of vacation time. Once Executive reaches the maximum accrual, no further accrual will be allowed unless and until Executive utilizes accrued vacation such that his balance drops below the maximum accrual.
- e. **Administrative Leave and Floating Holidays:** Executive shall be allowed 40 hours per year of administrative leave ("Administrative Leave") accrued pro rata on each bi-weekly paycheck, to be used at Executive's discretion. Administrative Leave is in addition to the above-referenced vacation. Pursuant to Watermaster's employee policy, Executive is also provided 16 hours (two days) per year of floating holiday time. Unused Administrative Leave and floating holiday time may carry over to the following year, provided however, that at no time shall Executive accrue more than 112 hours total of Administrative Leave and floating holiday time. Once Executive reaches the maximum accrual, no further accrual will be allowed unless and until Executive utilizes accrued Administrative Leave or floating holiday time such that his balance drops below the maximum accrual.
- f. **Sick Leave:** Executive shall be allowed sick leave in accordance with Watermaster policy and as provided to other similarly-situated Watermaster employees.

The compensation set forth above is full payment for the Services, and Executive shall receive no additional compensation for extraordinary services unless otherwise authorized in writing. The Watermaster has no obligation to provide any benefits not provided for in this Agreement.

6. **Personnel Policies:** Except as otherwise provided herein, Executive shall be subject to the personnel policies of the Watermaster, and any amendments or revisions thereto, including but not limited to those relating to sick leave, holidays, retirement and leaves of absence. In the event of a conflict between this Agreement and the personnel policies of the Watermaster, this Agreement shall control.
7. **Vehicle Use:** Executive acknowledges that he will utilize his personal vehicle in connection with the performance of the Services. Executive shall procure and maintain in full force and effect during his employment with the Watermaster automobile liability insurance covering all personal vehicles that are operated by Executive in connection with the performance of the Services in a reasonable amount acceptable to the Watermaster. Executive shall provide the Watermaster with a certificate of insurance evidencing the above coverage and listing the Watermaster as an additional insured under the insurance policy(ies). Such vehicle insurance policy or policies shall provide thirty days' advance written notice to the Watermaster of any change or cancellation of such insurance. Executive shall operate any vehicle used in connection with the Services in a safe manner, and shall maintain a valid California automobile driver's license during the term of this Agreement. Failure to maintain the insurance coverage or driver's license required under this Section shall constitute a material breach of this Agreement.
8. **Reimbursable Expenses:** Expenses incurred by Executive in the performance of the Services, including mileage expense at the standard then-applicable Internal Revenue Service rate, shall be reimbursed to Executive by the Watermaster, but these shall be limited to those reasonable and necessary for the performance of Executive's duties under this Agreement, and shall be submitted for approval and reimbursement to the Board upon such forms and with receipts and other evidence as may be reasonably required by the Board.

9. **Termination:**

This Agreement may be terminated effective immediately, with or without cause, upon written notice by the Watermaster to Executive. Executive's rights upon termination are as follows:

a. **Termination without Cause:**

- (i) **During the Initial Employment Term.** In the event Executive's employment is terminated without cause during the Initial Employment Term, if Executive executes a general release of known and unknown

claims in favor of the Watermaster in a form acceptable to the Watermaster, the Watermaster will pay Executive (in addition to accrued compensation, accrued unused vacation time and Administrative Leave time, and reimbursement of expenses incurred through the termination date) the full remaining salary amount for the Employment Term including payout for vacation leave and Administrative Leave that would accrue during the remainder of the Initial Employment Term, less applicable withholdings. This payment shall be made in one lump sum no later than the 53<sup>rd</sup> day after termination of Executive's employment, provided that Executive is in compliance with the terms of the release agreement. In addition, the Watermaster shall reimburse Executive for applicable COBRA premiums covering Executive's insurance described in Section 5(c), during the remaining portion of the Initial Employment Term, upon receipt of evidence from Executive that he has procured and paid for such COBRA coverage. (Collectively, the "Severance Compensation.") Executive understands that this COBRA reimbursement period does not extend the period of COBRA continuation coverage for which he and any of his dependents who are Qualified Beneficiaries (as defined in 26 U.S.C. section 4980B(g)(1) and 29 U.S.C. section 1167(3)) are otherwise eligible. At the end of the COBRA reimbursement period described herein, Executive and each of his Qualified Beneficiaries shall be eligible to continue to purchase COBRA continuation coverage at the full, unreduced premium rate applicable to COBRA continuation coverage for the remainder of the applicable COBRA continuation coverage period; provided, however, the required premiums are timely paid.

(ii) After the Initial Employment Term. In the event Executive's employment is terminated without cause after the Initial Employment Term, Executive shall be entitled to receive only accrued compensation, payout of accrued unused vacation time and Administrative Leave, and reimbursement of expenses incurred through the date of termination, and shall not be entitled to any Severance Compensation.

- b. Termination for Cause:** In the event Executive's employment is terminated for cause as defined herein, Executive shall be entitled to receive only accrued compensation, payout of accrued unused vacation time and Administrative Leave, and reimbursement of expenses incurred through the date of termination, and shall not be entitled to any Severance Compensation or further salary or benefits. For purposes of this Agreement, cause for termination includes, without limitation, the following: Executive's death or inability to perform the Services due to disability; theft or attempted theft; material dishonesty or breach of fiduciary duty to the Watermaster; willful or persistent material breach of duties; breach of this Agreement or material breach of Watermaster

policies and procedures; engaging in discrimination or harassment of employees or any third party while on Watermaster premises, business or time; conduct that threatens public health or safety, or threatens to do immediate or substantial harm to the Watermaster's business or reputation; conviction of a felony or crime of fraud or moral turpitude; and unauthorized absence for more than three consecutive days. The Watermaster's exercise of its right to terminate under this Section shall be without prejudice to any other remedy to which the Watermaster may be entitled at law, in equity, or under this Agreement.

**10. Covenant to Deliver Records, Property and Information.** All documents, memoranda, notes, information and other tangible or intangible property (including all copies and electronic or digital files thereof) relating in any way to the Services and the Watermaster's business (including but not limited to Confidential Information) that Executive conceives, generates, obtains or compiles, or that are made available to Executive during the Employment Term, are and will remain the exclusive property of the Watermaster. Executive agrees to return all such information, including all copies, summaries, compilations, reproductions, and computer data records thereof, as well as all tangible property of the Watermaster, including computers, thumb drives, memory sticks, jump drives, external hard drives, disks, and other external storage devices, to the Watermaster immediately upon the termination of this Agreement or at such earlier time as the Watermaster may request. Executive also agrees to certify in the form that the Watermaster requests the permanent and complete removal of all such information from Executive's personal electronic devices and personal accounts, including but not limited to hard drives on personal computers, external hard drives, BlackBerries, SmartPhones, cell phones, voicemail, file storing accounts and personal email accounts, upon termination of employment or at such earlier time as the Watermaster may request. The requirements of this Section shall survive termination of this Agreement for any reason.

**11. Conflict of Interest:** Executive represents and warrants to the Watermaster that he presently has no interest, and covenants that he will not acquire any interests, direct or indirect, financial or otherwise, that would conflict in any manner or interfere with the performance of the Services. Executive shall comply with the Watermaster's Conflict of Interest policy, as it may be updated from time to time.

**12. Tax Consequences.** Executive understands and agrees that he is solely responsible for any and all taxes due as a result of any compensation, including Severance Compensation, provided hereunder. The Watermaster has provided no tax advice to Executive in connection with this Agreement and/or any other compensation or benefits being provided to Executive, and Executive is hereby advised to seek tax advice from his own tax advisors regarding this Agreement and payments and benefits that may be provided hereunder. Executive is specifically advised to consult with his tax advisors regarding the application of the provisions of Section 409A of the Internal Revenue Code of 1986, as it may be amended from time to time. While the payments and benefits contemplated

hereunder are intended to be structured in a manner to avoid the implication of any penalty taxes under Section 409A, in no event shall the Watermaster be liable for any additional tax, interest, or penalties that may be imposed upon Executive as a result of Section 409A, or any damages for failing to comply with Section 409A, nor shall Company have any obligation with respect to any tax obligation of Executive as a result of or attributable to this Agreement or the compensation and benefits contemplated hereunder.

**13. General Provisions:**

- a. **Notices:** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if personally served, or on the first day after mailing if mailed by Federal Express or a similar overnight delivery service, or on the second day after mailing if mailed by first-class mail, registered or certified, return receipt requested, postage prepaid and properly addressed as follows:

**The Watermaster:** Chairman  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**With Copy to:** Brownstein Hyatt Farber Schreck, LLP  
21 East Carrillo Street  
Santa Barbara, CA 93101  
Attn: Scott S. Slater

**Executive:** Peter Kavounas  
26507 Mistletoe Court  
Valencia, CA 91355

Either party may change its address for the purpose of this paragraph by giving the other party written notice of the new address in the above manner.

- b. **Waiver:** No waiver of a provision of this Agreement shall constitute a waiver of any other provision, whether or not similar. No waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- c. **Construction of Terms:** All parts of this Agreement shall in all cases be construed according to their plain meaning and shall not be construed in favor or against either of the parties. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, the remainder of this Agreement shall remain in full force and

effect and shall not be affected, impaired or invalidated hereby. In the event of such invalidity, voidness or unenforceability, the parties hereto agree to enter in to supplement agreements to effectuate the intent of the parties and the purposes of this Agreement.

- d. **Severability.** If any term, provision, covenant, paragraph, or condition of this Agreement is held to be invalid, illegal, or unenforceable by any court or arbitrator of competent jurisdiction, as to such jurisdiction that provision shall be limited (“blue-penciled”) or eliminated to the minimum extent necessary so this Agreement shall otherwise remain enforceable in full force and effect. To the extent such provision cannot be so modified, the offending provision shall, as to such jurisdiction, be deemed severable from the remainder of this Agreement, and the remaining provisions contained in this Agreement shall be construed to preserve to the maximum permissible extent the intent and purposes of this Agreement.
- e. **Controlling Law; Venue:** This Agreement shall be construed in accordance with, and be governed by, the laws of the State of California, with venue proper only in San Bernardino County, State of California.
- f. **Entire Agreement and Amendment:** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and supersedes all prior agreements between the parties, written or oral, express or implied. There have been no promises, representations, agreements, warranties or undertaking by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, cancelled, superseded or changed by any oral agreement, course or conduct, waiver or estoppel.
- g. **Counterpart Copies:** This Agreement may be signed in counterpart copies, each of which shall represent an original document, and all of which shall constitute a single document.
- h. **Assistance of Counsel:** Executive expressly acknowledges that he had the opportunity to consult with counsel of his own choosing in connection with the negotiation and drafting of the terms of this Agreement, and that he, in fact, consulted with an attorney and negotiated the terms of this Agreement].

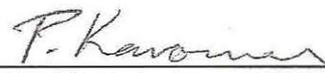
**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the date first written above.

**CHINO BASIN WATERMASTER**

  
\_\_\_\_\_

By: Bob G. Kuhn  
Chairman of the Watermaster Board

**EXECUTIVE**

  
\_\_\_\_\_

Peter Kavounas



## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

**PETER KAVOUNAS, P.E.**  
General Manager

January 3, 2013

Mr. Peter Kavounas, PE  
26507 Mistletoe Court  
Valencia, CA 91355

**Re: Amendment to Employment Agreement**

Dear Mr. Kavounas:

The Chino Basin Watermaster ("Watermaster") is pleased to amend your current employment agreement, effective September 4, 2012 ("Employment Agreement"), as follows, (the "Amendment"):

- The following shall be added as the second sentence in Section 5(a), "Base Salary": "Effective as of January 1, 2013, the Watermaster shall pay Executive an annual Base Salary of Two Hundred Ten Thousand Dollars (\$210,000.00) per annum, less applicable withholdings."
- The following sentence shall be added to Section 6, "Personnel Policies": "To the extent Executive is designated as a probationary employee pursuant to the Watermaster's personnel policies for any purpose as of the date of this Amendment, that designation is hereby extinguished. Executive shall be deemed to have satisfactorily completed any probationary period with the Watermaster as of December 21, 2012."

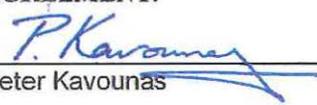
All other terms of the Employment Agreement remain in place. The modifications set forth in this Amendment were approved by the Watermaster Board of Directors on December 21, 2012.

To indicate your understanding and acceptance of this Amendment, please sign below and return this letter to Joe Joswiak, Watermaster CFO. In the meantime, should you have questions at all, please do not hesitate to contact me.

Sincerely,

  
By: Bob G. Kuhn  
Chairman of the Watermaster Board

**I UNDERSTAND AND AGREE TO THE FOREGOING AMENDMENT TO MY EMPLOYMENT AGREEMENT.**

  
Peter Kavounas

1/11/13  
Date

# CHINO BASIN WATERMASTER

## VI. INFORMATION

### 1. Cash Disbursements for July 2013

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**July 2013**

For Informational Purposes Only

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill Pmt -Check	07/02/2013	17035	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	0023230253		Office Water Bottle - June 2013	6031.7 · Other Office Supplies	92.70
TOTAL						<u>92.70</u>
Bill Pmt -Check	07/02/2013	17036	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	537453		537453	6078.20 · Approp. Pool Issue Resolution	2,084.85
Bill	05/31/2013	537454		537454	6072 · BHFS Legal - Annotated Judgment	2,632.50
Bill	05/31/2013	537455		537455	6078.11 · Safe Yield Recalculation	4,072.05
Bill	05/31/2013	537456		537456	6907.39 · Recharge Master Plan	1,701.90
Bill	05/31/2013	537457		537457	6071 · BHFS Legal - Court Coordination	137.25
Bill	05/31/2013	537458		537458	8575 · BHFS Legal - Non-Ag Pool	1,564.65
Bill	05/31/2013	537459		537459	8475 · BHFS Legal - Agricultural Pool	2,145.15
Bill	05/31/2013	537460		537460	8375 · BHFS Legal - Appropriative Pool	2,031.30
Bill	05/31/2013	537461		537461	6375 · BHFS Legal - Board Meeting	5,726.70
Bill	05/31/2013	537462		537462	6275 · BHFS Legal - Advisory Committee	494.10
Bill	05/31/2013	537463		537463	6907.33 · Desalter/Hydraulic Control	2,096.77
Bill	05/31/2013	537464		537464	6907.32 · Chino Airport Plume	32,763.15
Bill	05/31/2013	537465		537465	6073 · BHFS Legal - Personnel Matters	3,702.15
Bill	05/31/2013	537466		537466	6078 · BHFS Legal - Miscellaneous	4,739.30
				Travel	8375 · BHFS Legal - Appropriative Pool	120.51
				Travel	8475 · BHFS Legal - Agricultural Pool	120.51
				Travel	8575 · BHFS Legal - Non-Ag Pool	120.50
				Travel	6275 · BHFS Legal - Advisory Committee	138.82
				Travel	6375 · BHFS Legal - Board Meeting	108.34
				Travel	6907.33 · Desalter/Hydraulic Control	163.85
TOTAL						<u>66,664.35</u>
Bill Pmt -Check	07/02/2013	07/02/2013	CALPERS 457 PLAN	Payroll and Taxes for 06/09/13-06/22/13	1012 · Bank of America Gen'l Ckg	
General Journal	06/28/2013	13/06/06	CALPERS 457 PLAN	457 Employee deductions for 06/09/13-06/22/13	2000 · Accounts Payable	3,023.36
TOTAL						<u>3,023.36</u>
Bill Pmt -Check	07/02/2013	17038	CDM SMITH	80462538	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	80462538		Project #2027-99186	8471 · Ag Pool Expense	40,525.00
TOTAL						<u>40,525.00</u>
Bill Pmt -Check	07/02/2013	17039	CHEF DAVE'S CAFE & CATERING	3773	1012 · Bank of America Gen'l Ckg	
Bill	06/27/2013	3773		Lunch for 6/27/2013 Board Meeting	6312 · Meeting Expenses	431.90
TOTAL						<u>431.90</u>

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**CHINO BASIN WATERMASTER**  
Cash Disbursements For The Month of  
July 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/02/2013	17040	DEPARTMENT OF CONSUMER AFFAIRS	61463	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	61463		Renew Civil Engineer Certificate for D. Maurizio	6111 - Membership Dues	115.00
TOTAL						115.00
Bill Pmt -Check	07/02/2013	17041	DGO AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013			Wash 4 trucks on 6/05/13 and 6/19/13	6177 - Vehicle Repairs & Maintenance	200.00
TOTAL						200.00
Bill Pmt -Check	07/02/2013	17042	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	019447404		6/19/13 -7/19/13	6031.7 - Other Office Supplies	94.99
TOTAL						94.99
Bill Pmt -Check	07/02/2013	17043	HOGAN LOVELLS	2743325	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	2743325		Non-Ag Legal Services - June 2013	8567 - Non-Ag Legal Service	2,482.85
TOTAL						2,482.85
Bill Pmt -Check	07/02/2013	17044	PARK PLACE COMPUTER SOLUTIONS, INC.	476	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	476		IT Consulting Services - June 2013	6052.1 - Park Place Comp Solutn	2,550.00
TOTAL						2,550.00
Bill Pmt -Check	07/02/2013	17045	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	06/28/2013	13/06/05	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 06/09/13-06/22/13	2000 - Accounts Payable	6,325.64
TOTAL						6,325.64
Bill Pmt -Check	07/02/2013	17046	SOFTCHOICE	3879779	1012 - Bank of America Gen'l Ckg	
Bill	06/25/2013	3879779		Annual software licensing	6054 - Computer Software	2,736.01
TOTAL						2,736.01
Bill Pmt -Check	07/02/2013	17047	SPAM SOAP, INC	S86836	1012 - Bank of America Gen'l Ckg	
Bill	07/06/2013	S86836		Semi-annual billing	6054 - Computer Software	216.00
TOTAL						216.00
Bill Pmt -Check	07/02/2013	17048	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	00649299-0009		Policy # 00-649299-0009	60191 - Life & Disab.Ins Benefits	430.37
TOTAL						430.37
Bill Pmt -Check	07/02/2013	17049	TELECOM SERVICES	5756	1012 - Bank of America Gen'l Ckg	
Bill	06/25/2013	5756		Program voicemail greeting/activate mailbox	6022 - Telephone	150.00
TOTAL						150.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**July 2013**

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/02/2013	17050	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	20209		Week ending 6/23/13	6017 · Temporary Services	824.00
				Week ending 6/23/13	6017 · Temporary Services	1,811.20
				Week ending 6/23/13	6017 · Temporary Services	352.80
Bill	06/30/2013	20179		Week ending 6/16/13	6017 · Temporary Services	824.00
				Week ending 6/16/13	6017 · Temporary Services	1,811.20
				Week ending 6/16/13	6017 · Temporary Services	285.60
TOTAL						5,908.80
Bill Pmt -Check	07/02/2013	17051	UNITED HEALTHCARE	0031827290	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2013	0031827290		Dental premium - August 2013	60182.2 · Dental & Vision Ins	481.05
TOTAL						481.05
Bill Pmt -Check	07/02/2013	17052	VERIZON	012561121521714508	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	012561121521714508		012561121521714508	7405 · PE4-Other Expense	183.88
TOTAL						183.88
Bill Pmt -Check	07/02/2013	17053	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	001017890001		Vision premium - July 2013	60182.2 · Dental & Vision Ins	55.05
TOTAL						55.05
General Journal	07/06/2013	07/06/2013	Payroll and Taxes for 06/23/13-07/06/13	Payroll and Taxes for 06/23/13-07/06/13	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 06/23/13-07/06/13	1012 · Bank of America Gen'l Ckg	18,939.88
				Payroll Taxes for 06/23/13-07/06/13	1012 · Bank of America Gen'l Ckg	6,540.87
TOTAL						25,480.75
Bill Pmt -Check	07/11/2013	17054	ACWA JOINT POWERS INSURANCE AUTHORITY	00198	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2013	00198		Prepayment - August	1409 · Prepaid Life, BAD&D & LTD	75.39
				July 2013	60191 · Life & Disab.ins Benefits	92.69
TOTAL						168.08
Bill Pmt -Check	07/11/2013	17055	APPLIED COMPUTER TECHNOLOGIES	2117	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	2117		Datbase Consulting - June 2013	6052.2 · Applied Computer Technol	3,057.80
TOTAL						3,057.80
Bill Pmt -Check	07/11/2013	17056	COMPUTER NETWORK	87932	1012 · Bank of America Gen'l Ckg	
Bill	07/09/2013	87932		Justin's replacement monitors	6055 · Computer Hardware	407.60
TOTAL						407.60
Bill Pmt -Check	07/11/2013	17057	GREAT AMERICA LEASING CORP.	13907111	1012 · Bank of America Gen'l Ckg	

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**July 2013**

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2013	13907111		Invoice	6043.1 · Ricoh Lease Fee	2,795.00
				Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	252.51
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	381.66
<b>TOTAL</b>						<b>3,429.17</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17058</b>	<b>HSBC BUSINESS SOLUTIONS</b>	<b>7003-7309-1000-2744</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/30/2013	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	739.48
<b>TOTAL</b>						<b>739.48</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17059</b>	<b>LIATTI &amp; ASSOCIATES</b>	<b>VOID: 485</b>	<b>1012 · Bank of America Gen'l Ckg</b>	<b>0.00</b>
<b>TOTAL</b>						<b>0.00</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17060</b>	<b>MIJAC ALARM</b>	<b>338162</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	07/01/2013	338162		Commercial monitoring from 7/01/13-9/30/13	6026 · Security Services	147.00
<b>TOTAL</b>						<b>147.00</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17061</b>	<b>PAYCHEX</b>	<b>2013062700</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/30/2013	2013062700		June 2013	6012 · Payroll Services	236.98
<b>TOTAL</b>						<b>236.98</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17062</b>	<b>PURCHASE POWER</b>	<b>8000909000168851</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/30/2013	8000909000168851		Postage machine refill	6042 · Postage - General	5,000.00
				Ink cartridges for postage machine	6042 · Postage - General	234.86
<b>TOTAL</b>						<b>5,234.86</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17063</b>	<b>STATE COMPENSATION INSURANCE FUND</b>	<b>1970970-12</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	07/01/2013	1970970		Deposit premium	60183 · Worker's Comp Insurance	320.88
<b>TOTAL</b>						<b>320.88</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17064</b>	<b>THE LAWTON GROUP</b>	<b>6017</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/30/2013	20219		Week ending 6/30/13	6017 · Temporary Services	824.00
				Week ending 6/30/13	6017 · Temporary Services	1,811.20
				Week ending 6/30/13 - OT	6017 · Temporary Services	16.80
<b>TOTAL</b>						<b>2,652.00</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17065</b>	<b>UNION 76</b>	<b>300-732-989</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/30/2013	300732989		Fuel - June 2013	6175 · Vehicle Fuel	230.03
<b>TOTAL</b>						<b>230.03</b>
<b>Bill Pmt -Check</b>	<b>07/11/2013</b>	<b>17066</b>	<b>VERIZON</b>	<b>012519116950792103</b>	<b>1012 · Bank of America Gen'l Ckg</b>	

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**July 2013**

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2013	012519116950792103		012519116950792103	6022 · Telephone	472.12
TOTAL						472.12
Bill Pmt -Check	07/11/2013	17067	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2013	08-k2 213849		Service for July 2013	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53
Bill Pmt -Check	07/11/2013	17068	STATE COMPENSATION INSURANCE FUND	1970970-13	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2013	1970970-13		Premium on account 6/26/13-7/26/13	60183 · Worker's Comp Insurance	786.42
TOTAL						786.42
Bill Pmt -Check	07/11/2013	17069	INLAND EMPIRE UTILITIES AGENCY	90012289	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2013	90012289		FY 2013/2014 Debt Service	7690.1 · Recharge Improvement Debt Pymts	406,126.50
TOTAL						406,126.50
Bill Pmt -Check	07/18/2013	17070	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	06/13/2013	6/13 Appro Pool Mtg		6/13/13 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/20/2013	6/20 Advisory Comm		6/20/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/20/2013	6/20 DYY Mtg		6/20/13 DYY Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/20/2013	6/20 RMPU Mtg		6/20/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	07/18/2013	17071	BOWCOCK, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	06/07/2013	6/07 Dr. Mathis Mtg		6/07/13 Dr. Mathis Meeting	6311 · Board Member Compensation	125.00
Bill	06/20/2013	6/20 Advisory Comm		6/20/13 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/27/2013	6/27 Board Mtg		6/27/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	07/18/2013	17072	CALPERS 457 PLAN	Payroll and Taxes for 06/23/13-07/06/13	1012 · Bank of America Gen'l Ckg	
General Journal	07/06/2013	14/07/09	CALPERS 457 PLAN	457 Employee deductions for 06/23/13-07/06/13	2000 · Accounts Payable	3,269.73
TOTAL						3,269.73
Bill Pmt -Check	07/18/2013	17073	CORELOGIC INFORMATION SOLUTIONS	80893445	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	80893445		80893445	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80893445	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	07/18/2013	17074	CRAIG, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	06/11/2013	6/11 Dr. Mathis Mtg		6/11/13 Dr. Mathis Meeting	6311 · Board Member Compensation	125.00

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	06/20/2013	6/20 Advisory Comm		6/20/13 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/27/2013	6/27 Board Mtg		6/27/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17075</b>	<b>CURATALO, JAMES</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/16/2013	6/16 Dr. Mathis Mtg		6/16/13 Dr. Mathis Meeting	6311 · Board Member Compensation	125.00
Bill	06/27/2013	6/27 Board Meeting		6/27/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17076</b>	<b>DURRINGTON, GLEN</b>	<b>Ag Pool Member Compensation</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17077</b>	<b>ELIE, STEVEN</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/11/2013	6/11 Dr. Mathis Mtg		6/11/13 Dr. Mathis Meeting	6311 · Board Member Compensation	125.00
Bill	06/27/2013	6/27 Board Meeting		6/27/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17078</b>	<b>FEENSTRA, BOB</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/10/2013	6/10 Dr. Mathis Mtg		6/10/13 Dr. Mathis Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/27/2013	6/27 Board Mtg		6/27/13 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						375.00
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17079</b>	<b>HUITSING, JOHN</b>	<b>Ag Pool Member Compensation</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17080</b>	<b>KOOPMAN, GENE</b>	<b>Ag Pool Member Meeting Compensation</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/13 Appropriative Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17081</b>	<b>KUHN, BOB</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/03/2013	6/03 Admin Mtg		6/03/13 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	06/10/2013	6/10 Admin Meeting		6/10/13 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	06/19/2013	6/19 Admin Meeting		6/19/13 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	06/20/2013	6/20 Advisory Comm		6/20/13 Advisory Committee Meeting	6311 · Board Member Compensation	125.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/27/2013	6/27 Board Mtg		6/27/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	07/18/2013	17082	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	07/16/2013	111802		Employee deductions - July 2013	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	07/18/2013	17083	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	06/06/2013	6/06 RMPU Meeting		6/06/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/2013 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/20/2013	6/20 Advisory Comm		6/20/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/20/2013	6/20 RMPU Mtg		6/20/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/27/2013	6/27 Board Mtg		6/27/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	07/18/2013	17084	PITNEY BOWES CREDIT CORPORATION	6684246	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2013	6684246		Leasing charges	6044 · Postage Meter Lease	548.64
TOTAL						548.64
Bill Pmt -Check	07/18/2013	17085	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	07/06/2013	14/07/08	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 06/23/13-07/06/13	2000 · Accounts Payable	6,332.73
TOTAL						6,332.73
Bill Pmt -Check	07/18/2013	17086	ROGERS, PETER	6/11/13 Dr. Mathis Meeting	1012 · Bank of America Gen'l Ckg	
Bill	06/11/2013	6/11 Dr. Mathis Mtg		6/11/13 Dr. Mathis Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	07/18/2013	17087	SANTA ANA WATERSHED PROJECT AUTHORIT	9165	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2013	9165		FY 2013-14 Basin Monitoring Program Task Force	6903 · OBMP SAWPA Group	12,460.00
TOTAL						12,460.00
Bill Pmt -Check	07/18/2013	17088	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	07/07/2013	20239		Week ending 7/07/13	6017 · Temporary Services	1,448.96
TOTAL						1,448.96
Bill Pmt -Check	07/18/2013	17089	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/13 Ag Pool Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	07/18/2013	17090	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	

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Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
<b>TOTAL</b>						<b>125.00</b>
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17091</b>	<b>VERIZON BUSINESS</b>	<b>06608606</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	07/10/2013	06608606		06608606	6053 · Internet Expense	1,524.28
<b>TOTAL</b>						<b>1,524.28</b>
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17092</b>	<b>VERIZON WIRELESS</b>	<b>9707700226</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	07/12/2013	9707700226		Monthly service	6022 · Telephone	403.06
<b>TOTAL</b>						<b>403.06</b>
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17093</b>	<b>WESTERN DENTAL SERVICES, INC.</b>	<b>11882</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	07/12/2013	11882		Dental premium - July 2013	60182.2 · Dental & Vision Ins	30.00
<b>TOTAL</b>						<b>30.00</b>
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17094</b>	<b>LIATTI &amp; ASSOCIATES</b>	<b>485</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/20/2013	485		D&O Coverage 07/01/13-05/13/14	1405 · Prepaid Ins-Bus Pkg Policy	295.89
				D&O Coverage 05/13/13-06/30/13	6085 · Business Insurance Package	4.11
<b>TOTAL</b>						<b>300.00</b>
<b>Bill Pmt -Check</b>	<b>07/18/2013</b>	<b>17095</b>	<b>PHILADELPHIA INSURANCE COMPANY</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/20/2013			D&O Coverage 05/13/13-06/30/13	6085 · Business Insurance Package	56.97
				D&O Coverage 07/01/13-05/13/14	1405 · Prepaid Ins-Bus Pkg Policy	4,102.03
<b>TOTAL</b>						<b>4,159.00</b>
<b>General Journal</b>	<b>07/20/2013</b>	<b>07/20/2013</b>	<b>Payroll and Taxes 07/07/13-07/20/13</b>	<b>Payroll and Taxes 07/07/13-07/20/13</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
				Direct Deposits for 07/07/13-07/20/13	1012 · Bank of America Gen'l Ckg	19,691.05
				Payroll Taxes for 07/07/13-07/20/13	1012 · Bank of America Gen'l Ckg	6,228.24
<b>TOTAL</b>						<b>25,919.29</b>
<b>Bill Pmt -Check</b>	<b>07/22/2013</b>	<b>17096</b>	<b>BANK OF AMERICA</b>	<b>XXXX-XXXX-XXXX-9341</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/30/2013	XXXX-XXXX-XXXX-9341		Lunch for staff to continue RMPU discussion	7204 · Comp Recharge-Supplies	52.09
				Dr. Mathis lunch w/Appropriative Pool Chair	8312 · Meeting Expenses	45.57
				Fastrak replenishment	6174 · Transportation	30.00
				PK lunch w/Dr. Mathis	6013 · Human Resources Services	29.15
				PK to attend the ACWA 2013 Regulatory Summit	6193.2 · Conference - Registration Fee	235.00
<b>TOTAL</b>						<b>391.81</b>
<b>Bill Pmt -Check</b>	<b>07/22/2013</b>	<b>17097</b>	<b>CALPERS</b>	<b>1394905143</b>	<b>1012 · Bank of America Gen'l Ckg</b>	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/15/2013	1394905143		Medical premiums - August 2013	60182.1 · Medical Insurance	4,282.56
TOTAL						4,282.56
Bill Pmt -Check	07/22/2013	17098	COMPUTER NETWORK	87975	1012 · Bank of America Gen'l Ckg	
Bill	07/15/2013	87975		Replacement PC for Justin	6055 · Computer Hardware	1,458.00
TOTAL						1,458.00
Bill Pmt -Check	07/22/2013	17099	CUCAMONGA VALLEY WATER DISTRICT	Lease due August 1, 2013	1012 · Bank of America Gen'l Ckg	
Bill	07/16/2013			Lease due August 1, 2013	1422 · Prepaid Rent	6,098.00
TOTAL						6,098.00
Bill Pmt -Check	07/22/2013	17100	PREMIERE GLOBAL SERVICES	14135307	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	14135307		CBWM projects review call on 6/04	6909.1 · OBMP Meetings	68.49
				Agenda call on 6/04	8312 · Meeting Expenses	31.43
				Agenda call on 6/04	8412 · Meeting Expenses	31.43
				Agenda call on 6/04	8512 · Meeting Expense	31.44
				Conference call on 6/05	6909.1 · OBMP Meetings	32.64
				RMPU Section 8 status call on 6/11	7204 · Comp Recharge-Supplies	98.97
				Meeting prep call on 6/12	8312 · Meeting Expenses	19.09
				Meeting prep call on 6/12	8412 · Meeting Expenses	19.09
				Meeting prep call on 6/12	8512 · Meeting Expense	19.09
				Non Ag Pool meeting call on 6/13	8512 · Meeting Expense	120.76
				Non Ag Pool meeting call on 6/13	8512 · Meeting Expense	1.45
				Non Ag Pool meeting call on 6/13	8512 · Meeting Expense	7.62
				Administrative matters call on 6/14	6141.3 · Admin Meetings	134.90
				Conference call on 6/19	6909.1 · OBMP Meetings	10.86
				Monthly fee	6022 · Telephone	19.95
				Monthly fee	6022 · Telephone	22.47
TOTAL						669.68
Bill Pmt -Check	07/22/2013	17101	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2013				60182.4 · Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	07/22/2013	17102	UNITED PARCEL SERVICE	2x81x0	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	2x81x0		Package to BHFS	6042 · Postage - General	104.58
TOTAL						104.58
Bill Pmt -Check	07/22/2013	17103	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	2013165		2013165	6906 · OBMP Engineering Services	5,831.01

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2013	2013166		2013166	6906 · OBMP Engineering Services	3,335.00
Bill	06/30/2013	2013167		2013167	6906.7 · OBMP - Data Requests	4,921.25
Bill	06/30/2013	2013168		2013168	6906 · OBMP Engineering Services	658.75
Bill	06/30/2013	2013169		2013169	6906 · OBMP Engineering Services	6,918.90
Bill	06/30/2013	2013171		2013171	7104.3 · Grdwtr Level-Engineering	13,900.85
Bill	06/30/2013	2013172		2013172	7107.61 · Grd Level-Chino Hills ASR	652.50
Bill	06/30/2013	2013173		2013173	7107.2 · Grd Level-Engineering	8,929.12
				Michael C. Carpenter	7107.6 · Grd Level-Contract Svcs	9,800.00
Bill	06/30/2013	2013174		2013174	7108.7 · Hydraulic Control - Prado Basin	2,652.41
Bill	06/30/2013	2013177		2013177	7402 · PE4-Engineering	7,915.00
Bill	06/30/2013	2013178		2013178	7502 · PE6&7-Engineering	5,052.50
<b>TOTAL</b>						<b>70,567.29</b>
<b>Bill Pmt -Check</b>	<b>07/22/2013</b>	<b>17104</b>	<b>BROWNSTEIN HYATT FARBER SCHRECK</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	06/30/2013	537853		537853	6073 · BHFS Legal - Personnel Matters	1,121.85
				537853	6073 · BHFS Legal - Personnel Matters	11,224.80
Bill	06/30/2013	537854		537854	6907.34 · Santa Ana River Water Rights	411.75
Bill	06/30/2013	537856		537856	6907.33 · Desalter/Hydraulic Control	7,609.50
Bill	06/30/2013	537857		537857	6907.36 · Santa Ana River Habitat	405.45
Bill	06/30/2013	537858		537858	6275 · BHFS Legal - Advisory Committee	1,043.10
Bill	06/30/2013	537859		537859	6375 · BHFS Legal - Board Meeting	5,833.80
Bill	06/30/2013	537860		537860	8375 · BHFS Legal - Appropriative Pool	1,857.60
Bill	06/30/2013	537861		537861	8475 · BHFS Legal - Agricultural Pool	1,997.10
Bill	06/30/2013	537862		537862	8575 · BHFS Legal - Non-Ag Pool	3,159.58
Bill	06/30/2013	537863		537863	6071 · BHFS Legal - Court Coordination	3,941.55
Bill	06/30/2013	537864		537864	6072 · BHFS Legal - Annotated Judgment	9,097.65
Bill	06/30/2013	537865		537865	6078.20 · Approp. Pool Issue Resolution	1,970.10
Bill	06/30/2013	537866		537866	6907.39 · Recharge Master Plan	7,886.70
Bill	06/30/2013	537867		537867	6907.40 · Storage Agreements	2,771.10
Bill	06/30/2013	537868		537868	6078.11 · Safe Yield Recalculation	3,595.95
Bill	06/30/2013	538679		538679	6078 · BHFS Legal - Miscellaneous	9,151.20
				538679	6375 · BHFS Legal - Board Meeting	120.37
				538679	6907.39 · Recharge Master Plan	120.37
				538679	6907.39 · Recharge Master Plan	163.85
				538679	6078 · BHFS Legal - Miscellaneous	157.07
				538679	6275 · BHFS Legal - Advisory Committee	78.54
				538679	6907.39 · Recharge Master Plan	78.53
<b>TOTAL</b>						<b>73,797.51</b>
<b>Bill Pmt -Check</b>	<b>07/29/2013</b>	<b>17105</b>	<b>ARROWHEAD MOUNTAIN SPRING WATER</b>		<b>1012 · Bank of America Gen'l Ckg</b>	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2013	0023230253		Office Water Bottle - June 2013	6031.7 · Other Office Supplies	65.72
Bill	07/18/2013	0023230253		Office Water Bottle - July 2013	6031.7 · Other Office Supplies	14.93
TOTAL						80.65
Bill Pmt -Check	07/29/2013	17106	CALPERS 457 PLAN	Payroll and Taxes 07/07/13-07/20/13	1012 · Bank of America Gen'l Ckg	
General Journal	07/20/2013	14/07/11	CALPERS 457 PLAN	457 Employee deductions for 07/07/13-07/20/13	2000 · Accounts Payable	3,266.77
TOTAL						3,266.77
Bill Pmt -Check	07/29/2013	17107	COMPUTER NETWORK	88023	1012 · Bank of America Gen'l Ckg	
Bill	07/19/2013	88023		Disk drives and misc. hardware	6055 · Computer Hardware	276.20
TOTAL						276.20
Bill Pmt -Check	07/29/2013	17108	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	07/25/2013			Wash 4 trucks on 7/05/13 and 7/18/13	6177 · Vehicle Repairs & Maintenance	200.00
TOTAL						200.00
Bill Pmt -Check	07/29/2013	17109	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	07/25/2013	019447404		7/19/13 -8/18/13	6031.7 · Other Office Supplies	94.99
TOTAL						94.99
Bill Pmt -Check	07/29/2013	17110	ESRI	92680081	1012 · Bank of America Gen'l Ckg	
Bill	07/29/2013	92680081		ESRI maintenance 8/19/2013-8/18/2014	6054 · Computer Software	2,808.00
TOTAL						2,808.00
Bill Pmt -Check	07/29/2013	17111	GOLDEN METERS SERVICE	388	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	388		388	7102.8 · In-line Meter-Calib & Test	6,300.00
TOTAL						6,300.00
Bill Pmt -Check	07/29/2013	17112	GUARANTEED JANITORIAL SERVICE, INC.	6-29681	1012 · Bank of America Gen'l Ckg	
Bill	07/24/2013	6-29681		July 2013	6024 · Building Repair & Maintenance	865.00
TOTAL						865.00
Bill Pmt -Check	07/29/2013	17113	INLAND EMPIRE UTILITIES AGENCY	1800002227	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	1800002227		1800002227	7690.2 · Turner Basin Recharge Imprvmnt	49,000.00
TOTAL						49,000.00
Bill Pmt -Check	07/29/2013	17114	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	07/20/2013	14/07/10	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/07/13-07/20/13	2000 · Accounts Payable	6,430.46
TOTAL						6,430.46

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For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/29/2013	17115	R&D PEST SERVICES	0167738	1012 - Bank of America Gen'l Ckg	
Bill	07/25/2013	0167738		Continuing treatment	6024 - Building Repair & Maintenance	85.00
TOTAL						<u>85.00</u>
Bill Pmt -Check	07/29/2013	17116	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 - Bank of America Gen'l Ckg	
Bill	07/24/2013	006492990009		Policy # 00-649299-0009	60191 - Life & Disab.Ins Benefits	430.37
TOTAL						<u>430.37</u>
Bill Pmt -Check	07/29/2013	17117	STATE COMPENSATION INSURANCE FUND	1970970-13	1012 - Bank of America Gen'l Ckg	
Bill	08/01/2013	1970970-13		Premium on account 7/26/13-8/26/13	60183 - Worker's Comp Insurance	786.42
TOTAL						<u>786.42</u>
Bill Pmt -Check	07/29/2013	17118	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	07/21/2013	20298		Week ending 7/21/13	6017 - Temporary Services	659.20
				Week ending 7/21/13	6017 - Temporary Services	1,811.20
				Week ending 7/21/13	6017 - Temporary Services	319.20
TOTAL						<u>2,789.60</u>
P 146						
Bill Pmt -Check	07/29/2013	17119	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	
Bill	07/18/2013	001017890001		Vision premium - August 2013	60182.2 - Dental & Vision Ins	57.81
TOTAL						<u>57.81</u>
Bill Pmt -Check	07/29/2013	17120	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	07/14/2013	20265		Week ending 7/14/13	6017 - Temporary Services	659.20
				Week ending 7/14/13	6017 - Temporary Services	1,811.20
				Week ending 7/14/13	6017 - Temporary Services	288.80
TOTAL						<u>2,739.20</u>
					<b>Total Disbursements:</b>	<u><u>876,802.15</u></u>

# CHINO BASIN WATERMASTER

## VI. INFORMATION

2. Update on Wineville Proof of Concept Project

## WINEVILLE BASIN PROOF OF CONCEPT PROJECT

**Status Update: August 2013**

As requested by Chino Basin Watermaster, Inland Empire Utilities Agency has been actively working to complete site investigations, permitting and design work for the Wineville Basin Proof of Concept Project.

### Status Update:

The project is in the construction phase. The project is actively in the submittal process for the construction work. Construction work onsite is expected to begin September 16, 2013. There is active nesting still onsite, which requires work to be delayed to avoid the nesting season. A Memorandum of Understanding between CBWM, IEUA and City of Ontario has been executed to use City of Ontario's well as source water for testing. Provided below is the schedule for the project.

Receive Environmental Permit:	Completed
Construction Bid & Award:	Completed
Construction Completion:	September 30, 2013
Testing of Infiltration:	October 1 – November 1, 2013
Final Report:	January 2014

The budget for the project is as follows, and should be noted that the IEUA staff time for design and testing services are not included in the below. Staff charges to-date have been \$41,000.

Task	Budget
<b>Environmental Consultant:</b>	<b>\$22,600</b>
Design/Testing Plan:	\$14,000
<b>Construction Cost:</b>	<b>\$182,152</b>
Survey:	\$6,000
<b>Cost for Pumping:</b>	<b>\$12,000</b>
Construction Support:	\$33,365
<b>Contingency (20%):</b>	<b>\$30,000</b>
<b>Total</b>	<b>\$300,000</b>

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# CHINO BASIN WATERMASTER

## VI. INFORMATION

3. Update on Archibald South  
& Chino Airport Plumes

## Chino Basin Watermaster

### Monthly Status Report on the Archibald South Plume – Template

**Location:** Southern Chino Basin in the City of Ontario. The plume extends from State Route 60 on the north to Cloverdale Road to the south, Haven Avenue on the east, and Grove Avenue to on the west. The plume as delineated in 2012 is about 11,000 feet wide and 23,000 feet long.

**Contaminant :** Trichloroethene (TCE). The maximum TCE concentration found at a well within the plume during the last 5 years (2008 to 2012) is 78 ug/L

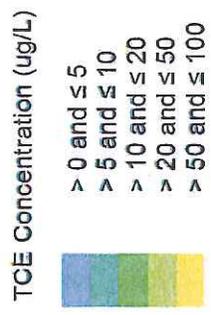
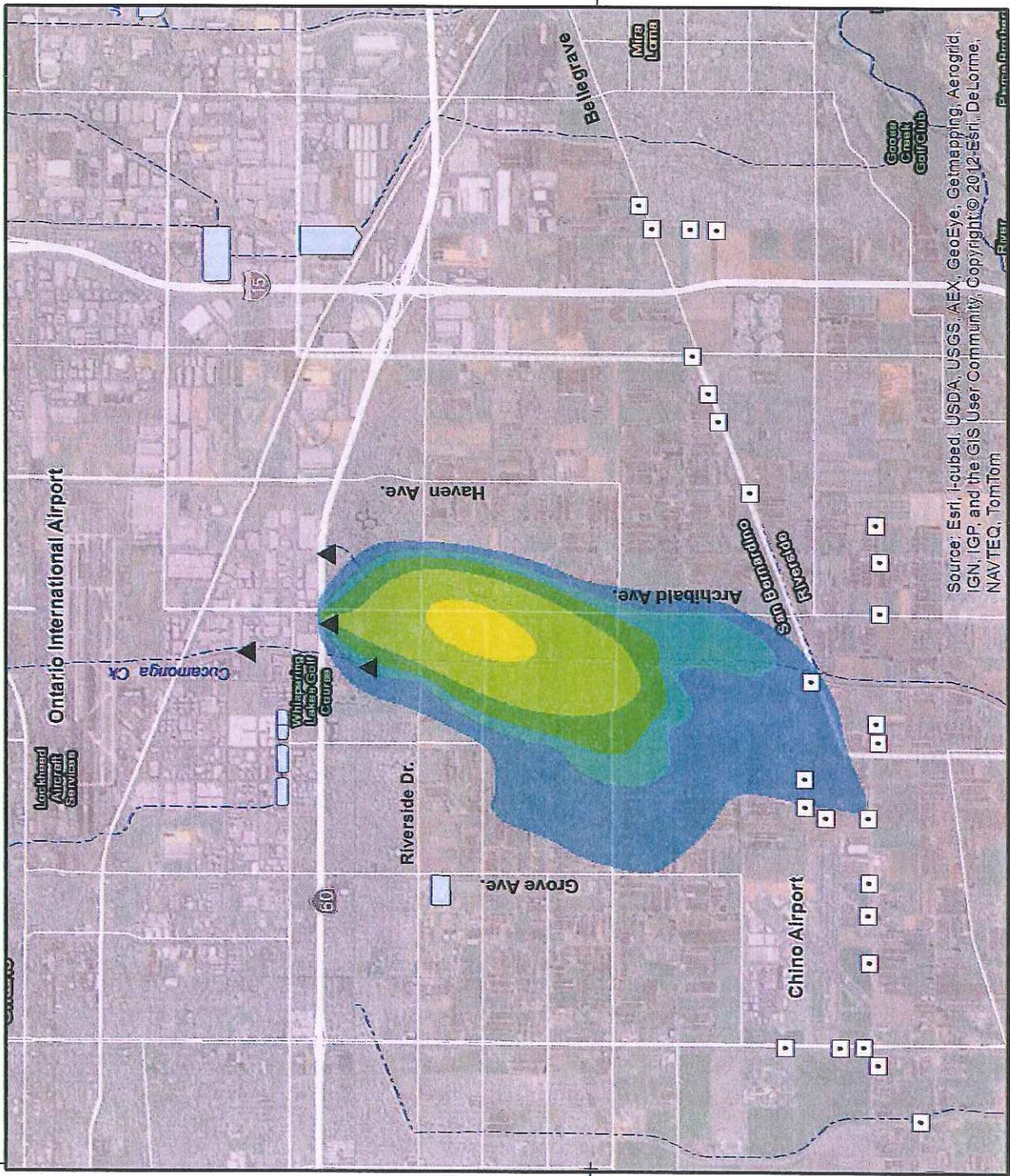
**Cleanup and Abatement Orders (CAOs):** The Regional Water Quality Control Board (Regional Board) issued six Draft CAOs in 2005 and one Draft CAO in 2012.

- In 2005, draft CAOs prepared for Aerojet Corporation (Aerojet), The Boeing Company (Boeing), General Electric Company (GE), Lockheed Martin Corporation (Lockheed), Northrop Grumman Corporation (Northrop), and the Department of Defense (Former Ontario Army Airfield and California Air National Guard Facilities). These parties were identified as tenants at the Ontario International Airport (OIA) whom had likely used TCE in the past and discharged wastewater to an unlined Cucamonga Creek.
- In 2012, a draft CAO was prepared collectively for the City of Ontario, City of Upland, and Inland Empire Utility Agency. These agencies are the former and current owners and operators of the waste water treatment plant and disposal areas where wastes were discharged that were likely the source of TCE contamination.

**Regulatory and Monitoring History:** A summary will be provided in the September 2013 monthly status report.

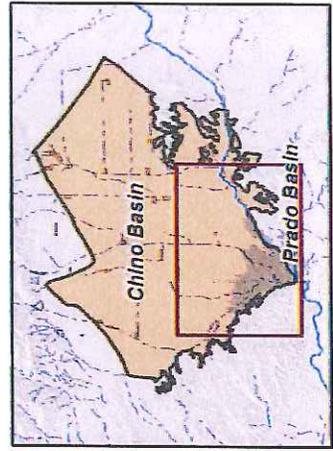
**Recent Activity:** A summary will be provided in the September 2013 monthly status report.

117°40'0"W



Other Features

- ▲ ABGL Triple-nested Monitoring Well
- ◻ Chino Desalter Authority Desalter Well
- ~ Streams & Flood Control Channels
- ☪ Flood Control & Conservation Basins



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Source: Esri, i-cubed, USDA, USGS, AEX, GeoEye, GeoMapping, AeroGrid, IGN, IGP, and the GIS User Community, Copyright © 2012, Esri, DeLorme, NAVTEQ, TomTom

117°40'0"W

P150 34°0'0"N

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Author: VMW  
Date: 8/15/2013  
Name: ArchibaldSouth\_20130814



CBWM Monthly Status Report

Location of the Archibald South Plume

### *Monthly Status Report on the Chino Airport Plume – August 2013*

**Location:** Southeastern portion of the Chino Basin in the City of Chino. The plume extends from Chino Airport towards the south-southeast slightly below Pine Avenue. The plume as delineated in 2012 is about 3,000 feet wide and 11,000 feet long.

**Contaminants :** Primary contaminant is Trichloroethene (TCE). The maximum TCE concentration found during monitoring over the last 5 years (2008 to 2012) is 910 ug/L. Other contaminants of concern are 1,2-dicloroethane, 1,1-dicloroethene, cis-1,2-dicloroethene, and 1,2,3-trichloropropane.

**Regulatory Actions:** Cleanup and Abatement Order (CAO) No. 90-134; and CAO No. R8-2008-0064.

**Responsible Party:** San Bernardino County Department of Airports (County).

**History of Monitoring and Cleanup:** In 1990, the Regional Water Quality Control Board (Regional Board) issued CAO No. 90-134 to the County to address groundwater contamination emanating from the Chino Airport. During 1991 to 1992, 310 containers of hazardous waste were removed, and 81 soil borings were drilled and sampled on the airport property. During 2003 to 2005, nine monitoring wells were installed and sampled onsite. In 2007, the County conducted their first offsite monitoring effort with 22 CPT and direct push boring sampling. In 2008, the Regional Board issued CAO No. R-8 2008-0064 to the County to define the entire lateral and vertical extent of the contamination in groundwater from the Chino Airport, and to prepare a remedial action plan. From 2009 to 2012, 33 monitoring wells at 15 locations were installed offsite to characterize the extent of the contamination. The County has conducted quarterly monitoring events since 2003 at their monitoring wells. Conclusions from all the County's monitoring can be found in reports posted on the Regional Board's GeoTracker website. The County has not performed any soil or groundwater remediation activities for contamination associated with the plume.

Chino Basin Watermaster samples water quality at private wells in the area, and at the HCMP-4 monitoring well in the southern portion of the plume. Watermaster uses data obtained from their own monitoring, and the data they collect from the County's monitoring, and the CDA's monitoring at the desalter wells, to delineate the plume. The last delineation of the plume by Watermaster was done in 2012 for the State of the Basin Report (see Exhibit 1).

**Recent Activity:** In June 2013, the County prepared a comprehensive work plan for the additional characterization of the contamination in soil and groundwater associated with the Chino Airport<sup>1</sup>. The work plan targets several areas of concern identified in a May 2013 site assessment report<sup>2</sup>, and includes the following methodologies: piezocone penetrometer tests; vertical aquifer profiling borings with depth-discrete groundwater sampling; soil gas probes; high-resolution soil sampling and analysis; and real-time data analysis, management, and three-dimensional modeling. It is anticipated that this monitoring will begin in Fall 2013 and occur over a five to seven-month period. The County and their consultant Tetra Tech submitted the work plan to the Regional Board on July 2, 2013, and gave a presentation on the work plan to the Regional Board on July 18, 2013.

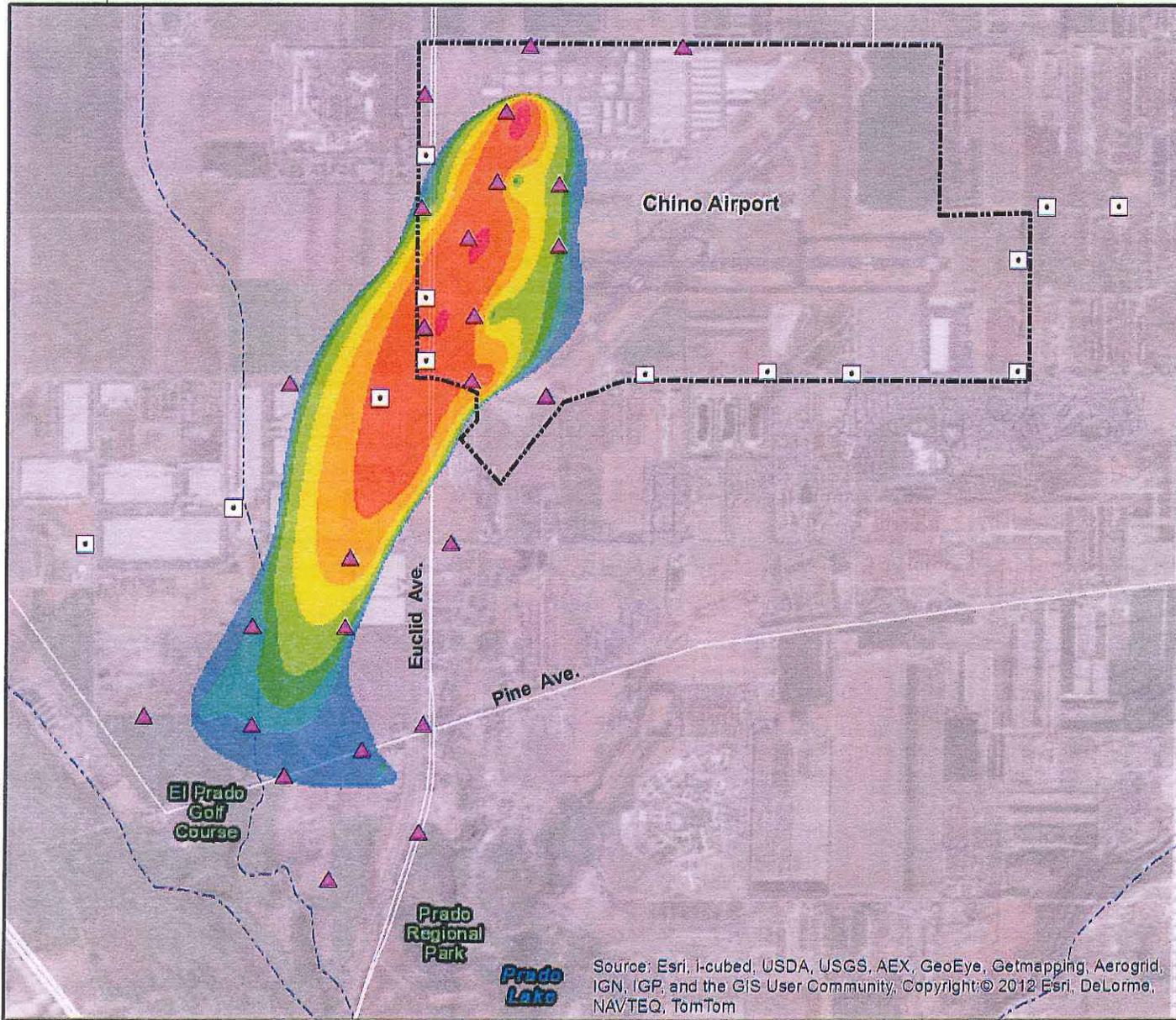
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<sup>1</sup> *Work Plan for Additional Site Characterization -Chino Airport- San Bernardino County, California.* June, 2013. Prepared by Tetra Tech.

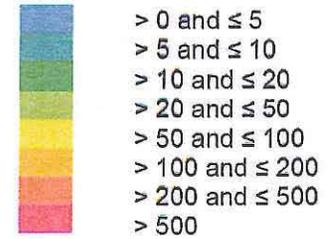
<sup>2</sup> *Historical Site Assessment Report – Chino Airport- San Bernardino County, California.* May, 2013. Prepared by Tetra Tech.

P152

117°40'0"W



TCE Concentration (ug/L)



Other Features

-  San Bernardino County Department of Airports Monitoring Well
-  Chino Desalter Authority Desalter Well
-  Chino Airport Property Boundary



Source: Esri, i-cubed, USDA, USGS, AEX, GeoEye, Getmapping, Aerogrid, IGN, IGP, and the GIS User Community, Copyright: © 2012 Esri, DeLorme, NAVTEQ, TomTom

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 Name: ChinoAirport\_20130814



CBWM Monthly Status Report

Location of the Chino Airport Plume