

CHINO BASIN WATERMASTER



NOTICE OF MEETING

**Thursday, September 26, 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, September 26, 2013

11:00 a.m. – Watermaster Board Meeting

AGENDA PACKAGE

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – September 26, 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. Approve Format of Watermaster Board Meeting Minutes *(Page 1)*
2. Approve Minutes of the Watermaster Board Meeting held on June 27, 2013 *(Page 5)*
3. Approve Minutes of the Watermaster Board Meeting held on August 22, 2013 *(Page 11)*

B. FINANCIAL REPORTS (Receive and File)

1. Cash Disbursements for the Month of July 2013 *(Page 21)*
2. Watermaster VISA Check Detail for the Month of July 2013 *(Page 37)*
3. Combining Schedule for the Period July 1, 2013 through July 31, 2013 *(Page 41)*
4. Treasurer's Report of Financial Affairs for the Period July 1, 2013 through July 31, 2013 *(Page 45)*
5. Budget vs. Actual Report for the Period July 1, 2013 through July 31, 2013 *(Page 49)*

C. WATER TRANSACTIONS

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from the West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: May 23, 2013. *(Page 63)*
2. **Consider Approval for Notice of Sale or Transfer** – The purchase of 100.000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: June 5, 2013. *(Page 73)*
3. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,500.000 acre-feet of water from the City of Pomona by Fontana Water Company. This purchase is made from the City of Pomona's Excess Carryover Account. Date of Application: June 26, 2013. *(Page 83)*
4. **Consider Approval for Notice of Sale or Transfer** – On July 17, 2013, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Ameron International Corporation (Ameron) as Transferor and the TAMCO, a California Corporation (TAMCO) as Transferee for the permanent

transfer in the amount of 15.000 acre-feet of its adjudicated Safe Yield rights, effective as of the end of fiscal year 2012-13. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the TAMCO. Date of Application: July 17, 2013. *(Page 93)*

II. BUSINESS ITEMS

A. RECHARGE MASTER PLAN UPDATE AMENDMENT APPROVAL

[1] Approve Sections 1 through 4 as presented; [2] approve Section 8 as presented, [3] adopt Resolution 2013-06, and [4] authorize General Counsel to make the appropriate filing requesting the Court's approval. *(Page 107)*

Redlined Sections 1 through 4, and Final Draft of Section 8 are posted on the Chino Basin Watermaster FTP site: <http://www.cbwm.org/FTP/CB%20RMPU%20Steering%20Committee/RMPU%20Sections/>

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Report from August 30, 2013 Hearing
2. CDA Request

B. GM REPORT

1. Employee 10-Year Service Recognition

IV. INFORMATION

1. Cash Disbursements for August 2013 *(Page 179)*
2. Wineville Proof of Concept project update *(Page 189)*
3. CDA Request re Remediation of Chino Airport Groundwater Plume *(Page 191)*

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

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. CCG Motion for Leave to Sue Watermaster
2. Potential Litigation (two matters)

VIII. FUTURE MEETINGS AT WATERMASTER

| | | |
|------------------------------|------------|-------------------------------|
| Thursday, September 26, 2013 | 11:00 a.m. | Watermaster Board Meeting |
| Thursday, October 10, 2013 | 9:00 a.m. | Appropriative Pool Meeting |
| Thursday, October 10, 2013 | 11:00 a.m. | Non-Agricultural Pool Meeting |
| Thursday, October 10, 2013 | 1:30 p.m. | Agricultural Pool Meeting |
| Thursday, October 17, 2013 | 8:00 a.m. | IEUA DYY Meeting |
| Thursday, October 17, 2013 | 9:00 a.m. | Advisory Committee Meeting |
| Thursday, October 24, 2013 | 11:00 a.m. | Watermaster Board Meeting |

WATERMASTER BUSINESS PLAN WORKSHOP

The Board will hold a workshop to review and provide direction to staff regarding the draft Watermaster Business Plan.

Meeting Adjourn

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Approve Format of Watermaster Board Meeting Minutes
2. Approve Minutes of the Watermaster Board Meeting held on June 27, 2013
3. Approve Minutes of the Watermaster Board Meeting held on August 22, 2013



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: September 26, 2013
TO: Board Members
SUBJECT: Board Meeting Minute Format

SUMMARY

Issue: Board meeting minutes need to be consistently prepared and appropriately capture the actions taken by the Board. The context in which decisions are made needs to be preserved.

Recommendation: Direct Watermaster staff to prepare Board meeting minutes in accordance with the Subcommittee's recommendations, and make appropriate changes to the Watermaster website so audio recordings of meetings are available.

Financial Impact: There is no financial impact as a result of this action.

Future Consideration

Watermaster Board: September 26, 2013 Approval needed [Normal Course of Business]

ACTIONS:

Date – Appropriative Pool –
Date – Non-Agricultural Pool –
Date – Agricultural Pool –
Date – Advisory Committee –
Date – Watermaster Board –

BACKGROUND

The format of Watermaster Board meeting minutes has varied over time. At times the meeting minutes have consisted of only the action taken by the Board and the accompanying vote; other times staff has prepared a summary of discussion during consideration of an item; and yet others, a nearly verbatim transcript has been prepared.

Recently the City of Fontana made a request of the Board to add a transcript of portion of a prior meeting to its minutes. At its August 22, 2013 meeting, Chairman Kuhn appointed a subcommittee to review the specific request, and the broader question of minute formatting, and make a recommendation.

To help create a consistently good record and eliminate future controversy, a clear direction needs to be provided by the Board.

DISCUSSION

The Subcommittee of the Board met on August 30, 2013 and considered the two matters as requested. The findings of the Subcommittee were captured in the attached memorandum to the Board and are as follows:

1. To approve the June 27, 2013 Board Meeting Minutes as prepared by staff. The committee reviewed the minutes and found that staff properly captured the Board's discussion, and the suggested additions by the City of Fontana are not necessary.
2. To include the City of Fontana letter as an attachment to the August 22, 2013 meeting minutes.
3. Future meeting minutes should provide an executive summary of staff's recommendation on business items, and the action and vote of the Board. The meeting minutes should indicate the marker on the audio recording that corresponds to individual agenda items.
4. Watermaster should provide a link to the audio recordings on its website.
5. Watermaster should preserve all audio recordings indefinitely.

It is proposed that the Board adopt the Subcommittee's recommendations as presented in the attachment.

ATTACHMENTS

1. Board Subcommittee August 30, 2013 memorandum

Watermaster Board

Chair: Bob Kuhn

Vice-Chair: Jim Curatalo

Chino Basin Watermaster

9641 San Bernardino Road, Rancho Cucamonga, CA 91730

Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org



MEMORANDUM

To: Board Members

From: Meeting Minutes Subcommittee (Bowcock, Curatalo, Vanden Heuvel)

Subject: Consideration of City of Fontana Letter dated 8/21/13 and Meeting Minute Format

Date: August 30, 2013

The Subcommittee met today on the above subject and has the following recommendations for the Board's consideration:

1. To approve the June 27, 2013 Board Meeting Minutes as prepared by staff. The committee reviewed the minutes and found that staff properly captured the Board's discussion, and the suggested additions by the City of Fontana are not necessary.
2. To include the City of Fontana letter as an attachment to the August 22, 2013 meeting minutes.
3. Future meeting minutes should provide an executive summary of staff's recommendation on business items, and the action and vote of the Board. The meeting minutes should indicate the marker on the audio recording that corresponds to individual agenda items.
4. Watermaster should provide a link to the audio recordings on its website.
5. Watermaster should preserve all audio recordings indefinitely.

The Subcommittee appreciates the opportunity to be of service to the Board.

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FOR PAGINATION

Draft 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 Gey
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

| | | |
|-----------------------------------|-------------------|--|
| Tuesday, June 18, 2013 | T.B.A. | Safe Yield Recalculation Workshop |
| 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 | T.B.A. | 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: _____

Draft Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

August 22, 2013

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on August 22, 2013 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

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

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
City of Chino Hills

WATERMASTER BOARD MEMBERS ABSENT

Paul Hofer

Crops

Watermaster Staff Present

Peter Kavounas
Danielle Maurizio
Joseph Joswiak
Brenda Corona

General Manager
Assistant General Manager
Chief Financial Officer
Recording Secretary

Watermaster Consultants Present

Scott Slater

Brownstein Hyatt Farber & Schreck

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
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
State of California (Amec)

Chair Kuhn called the Watermaster Board meeting to order at 11:00 a.m.

PLEDGE OF ALLEGIANCE

AGENDA - ADDITIONS/REORDER

(0:03:42) Consent calendar item I.A was pulled from the agenda and there were no additions or reorders.

I. CONSENT CALENDAR

A. MINUTES

- 1. Minutes of the Board Meeting held June 27, 2013
(0:04:32) Mr. Kavounas pulled this item out of order to discuss a letter received from The City of Fontana requesting that the Watermaster Board amend the June 27, 2013 Board minutes to include a summary of the complete discussion that took place.

The Board Chairman appointed Mr. Vanden Heuvel, Mr. Curatalo, and Mr. Bowcock to be a Subcommittee to review the City of Fontana's request, and consider the Board's meeting minute format.

Approval of Consent Calendar Item I.A.1, Minutes of the Board Meeting held June 27, 2013, will be held over to the next Board Meeting on September 26, 2013.

- 2. Minutes of the Board Special Confidential Meeting held on July 25, 2013
- 3. Minutes of the Board Special Confidential Meeting held on August 12, 2013

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, 2012 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, 2012 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

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.

Motion by Mr. Elie, second by Mr. Curatalo, and by unanimous vote

Moved to approve Consent Calendar Items I.A.2 through I.C, as presented

II. BUSINESS ITEMS

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

(0:24:18) 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.

Motion by Pierson, second by Craig, and by unanimous vote

Moved to approve Business Item II.A, as presented

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

(0:26:05) Approve the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes.

Motion by Rogers, second by Curatalo, and by unanimous vote

Moved to approve Business Item II.B, as presented

III. CONFIDENTIAL SESSION - POSSIBLE ACTION

(0:28:08) 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

The regular open Watermaster Board meeting was convened to hold its confidential session at 11:28 a.m.

The confidential session concluded at 12:08 p.m.

There were no reportable actions from the confidential session.

IV. BUSINESS ITEM

A. 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.

Motion by Elie, second by Curatalo, and by unanimous vote

Moved to 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.

(0:29:32) Mr. Slater summarized the terms and conditions of the General Manager's employment contract:

- 3 year extension effective September 4, 2013
- The scope of duties continue and remain the same
- The base compensation has changed to \$220,000.00 per annum, subject to a annual 1.95% cost of living adjustment
- There is a PERS reset to conform the PERS benefits that are applicable to all staff
- There is a 6 month severance policy in the event the employment contract is terminated without cause

A roll call vote was taken:

In favor: Bowcock; Kuhn; Elie; Curatalo; Rogers; Craig; Field

Opposed: Vanden Heuvel; Pierson

V. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Annotated Judgment

(0:35:12) Mr. Slater gave a report

2. CDA Request re Remediation of Chino Airport Groundwater Plume

(0:38:44) Mr. Slater gave a report

B. CFO REPORT

1. CCG Motion

(0:40:01) Mr. Joswiak gave a report

C. GM REPORT

1. Recharge Master Plan Update Amendment

(0:41:19) Mr. Kavounas gave a report

2. Safe Yield Recalculation

(0:42:15) Mr. Kavounas gave a report

3. Other

(0:44:27) Mr. Kuhn and Kavounas gave a report

D. OTHER METROPOLITAN MEMBER AGENCY REPORTS

IV. INFORMATION

- 1. Cash Disbursements for July 2013
(0:47:04) Mr. Kavounas made a comment
- 2. Update on Wineville Proof of Concept project
(0:47:20) Mr. Kavounas gave a report
- 3. Update on Archibald South & Chino Airport Plumes
(0:47:55) Mr. Elie made a comment.

VII. COMMITTEE MEMBER COMMENTS

VIII. OTHER BUSINESS

The regular open Watermaster Board meeting was convened to hold its confidential session at 11:57 a.m.

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)

The confidential session concluded at 12:26 p.m.
There were no reportable actions from the confidential session.

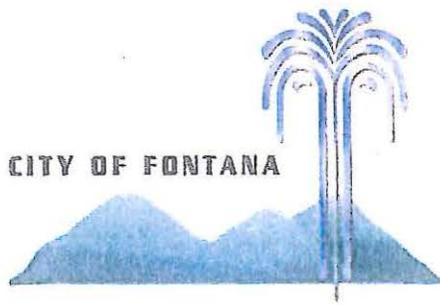
VIII. FUTURE MEETINGS AT WATERMASTER

| | | |
|--|-----------------------|--|
| Tuesday, August 27, 2013 | 10:00 a.m. | Safe Yield Recalculation Workshop (RESCHEDULED) |
| 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 |
| Tuesday, September 24, 2013 | 9:00 a.m. | GRCC Meeting- (CANCELLED) |
| Thursday, September 26, 2013 | 11:00 a.m. | Watermaster Board Meeting |

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

Secretary: _____

Minutes Approved: _____



City of Fontana
Public Works Department
16489 Orange Way
Fontana, CA 92335
(909)350-6760

August 21, 2013

Peter Kavounas, P.E.
General Manager
Chino Basin Watermaster
9641 San Bernardino Rd.
Rancho Cucamonga, Ca. 91730

RE: JUNE 27th BOARD MEETING MINUTES

Dear Mr. Kavounas:

The City of Fontana is concerned that the minutes from the June 27th Chino Basin Watermaster Board Meeting related to business item "A" **Task 5 Recharge Master Plan Update Amendment** are not an accurate reflection of the dialogue that actually took place. Several pertinent comments were left out of the minutes and in fact comments from three Board Members were completely omitted. The City of Fontana is requesting that the minutes be amended to accurately reflect the discussion that transpired. This issue has been the topic of discussion for over a year now and as you know it has been very controversial. The City respectfully requests that the minutes be amended to include a summary of the complete discussion.

More specifically

Ms. Rojo's comments:

Between the first and second sentence should read some form of:

Throughout the recharge master planning process, I believe the group was has been continually advised that we kinda keep kicking the can down the road as far as allocation.

Between the second and third sentence:

- 1) *Now, based on what has historically been recharged, what we were looking at because most of our city has been undeveloped and most of our storm water rolls off and goes outside the basin, we were looking for opportunities to be incentivized to increase capture of water within the basin and therefore obtain some credit.*

Sentence six after the word "encouraged" should read:

- 2) *So if a party wants to go above and beyond any minimal compliance to try and capture water because it might benefit the residents, they're not being encouraged to do so.*

Mr. Hays comments:

The beginning of sentence three the following wording should be struck "Any recharge FWC can recharge in the basin" and replaced with "to me, any recharge we can maximize in the basin"

End of the last sentence should read some form of "seems like were kind of taking a step backwards" after the word "use".

Mr. Wildermuth comments:

After sentence five in Marks comments Board Member Bowcock asks the question:

So he's referring to a draft and a draft only?

Sentence six after the comma should read:

"so it made it as a recommendation" not "so Mr. Wildermuth made it as a recommendation".

After this the following discussion took place which was almost entirely omitted from the minutes.

After sentence six of Marks comments Board Member Bowcock asked the question:

So did the court adopt it in 2010 or not?

Mr. Wildermuths response was:

Umm... not sure what the exactly what the court did with the document, it did order us to do certain items in the implementation part of it, and that was not part of it. The Judge's ruling said specifically do this, this and this and that was not spoken too. Not any kind of allocation, it was silent after that.

Board Member Bowcock followed up with:

The judge was silent now. So we put it in, and then the judge was silent. But it was in the in the document.

Mr. Wildermuth answered and Board Member Bowcock followed up with:

okay okay... just as a follow up to that, Fontana issued a letter from their council and I haven't seen a response from our council, is there a response of the legal ramifications of what were about to do. I'll just weigh in here, so I don't have to keep coming back but my concern is that in participating in this planning, and it's a planning tool it's no different as I equated to at the last meeting to a water system master plan we plan how pipes were going to be put in the ground, how many fire hydrants were going to do. That's what this is, it's a technical plan of where we're going and what we're going to do and when we're going to do it. Then we put out this message that if people are going to engage in this as a private activity, weather the City of Fontana with Fontana Water Company or with Vulcan material as a private land owner. Whomever at any time we encouraged that activity and we actually had that language in it in 2010, now were late, and then we pull it out, and we put it in, and judge is silent, it's all very confusing and I just think as a board were sending the wrong message. Because the

project he.. and when I say he I mean that "Fontana" is embarking upon, is actually listed in our master plan as a project were talking about doing, but if he is going to through other people's money at it... its just conflicting. And that's where I am having problems with it. They have gone to the expense of hiring special counsel who I have tremendous amount of respect for that wrote a letter to us as a Watermaster Board and I have not seen a comment to that, and were ready to adopt it and I'm just not sure. So that's why I'm calling on Scott.

Mr. Slater responded with:

Uh I think... Staffs response is that the issue of allocation and characterization of the water can be confidently and fairly addressed downstream. That there are.. no one is suggesting that the arguments that are being made with regard of how the water should be allocated, provided for, or that there has been a decision as to predicate facts for that. It is something that sequentially staff would prefer to address sequentially. So they would prefer to do it later after and stay on track now. And the intention or the suggestion is, is that, to not include is prejudicial to them. I think staffs point of view is, its non prejudicial they have an open mind the parties have an open mind to address it, they think its more complicated and it deserves additional effort before bringing it to a resolution. And I have looked at the documentation, and there was a letter written to Mr. Jacobs on June 10th which expressly says that this issues is being reserved and I'm opining to you now, that it is reserved, whether there is a practical or a negotiation impact of letting it go by at this juncture is a question of strategy and leverage. But I believe it's the intention of staff to bring this back to you when its ready, and I believe that staff believes that its not ready to bring this to you.

The Chair then interjected with:

I am going to make a motion that we approve staff's recommendation at this point and I am doing it more so that we can create discussion if we're going to alter this thing, I would rather before we alter it have motion out there accepting staff's recommendation, so I'll make that. Is there a 2nd to that (I'll 2nd it) and that's for discussion purposes. Now we've got a motion out there, we've got a second; we have heard discussion from the City of Fontana and Fontana Water Company. Any other comments?

Board Member Hofer:

Just a quick one Mr. Chairman, one of the issues on something like this is, and we've seen it when we went through this last building boom, is the land disappears and that is a huge issue and once its gone it is gone and I think that is something we need to factor in here. And it is just a function of the free market place as it is correct in California but there is a market out there for land and once it is developed its gone. And its, I think there does, it adds an urgency to it because of that very fact because not every piece of land is appropriate for putting water back in the ground, it's not economical to access it-- its not in the position. Mark can address these issues much better than I can. But I do think it does give it some urgency so I just wanted to throw that in there.

Board Member Pierson:

Mr. Chairman, I tend to agree with both Paul and Bob, I think Number 1 we have had this previously as a stated goal, now we don't. I think it is sending mixed messages; I think that

we..our obligation is to find opportunities to enhance the basin to enhance the recharge capabilities. Personally I don't think that the MS4 is that great of a capture, but I think if a party is going to go out and attempt to go beyond what would be a normal statutory requirement, then there should be some incentive. I fully understand that we are attempting to abide by a court mandate of bringing this back to them so there is a time line to that and as Paul said there is a timeline to the current development cycle of raw land in which that would be the opportunity for additional recharge. I think that, my personal option is that I would hate to see it go beyond 6-months to be addressed. I think we need to either attempt to schedule a work shop discussion with the parties that are capable of creating MS4 and enhanced recharge. Ya know we need to be proactive and deliver the message, we are favor of to enhance the basin we would like to move this forward as soon as we comply with the court and therefore attempt to bring the Fontana's, the Fontana Waters which are on the side of the have nots together with the side of those that have operating safe yields and try to get to middle ground to where they can understand and agree on a process.

Chairman:

Does the motion the way it stands right now not accomplish what you're trying to accomplish here.

Board Member Pierson:

The motion to approve what has been recommended by staff goes part way. I would like to see something that is more definitive on a timing in which we would get back to looking at this from a staff level going through the pool process and discussions and coming back to the board.

Chairman:

I appreciate your comment, where I am getting confused, is how did it get to the board level without any other discussion through the pool process other than the letters being read. I am honestly confused with that.

Ms. Maurizio:

Just to provide you more with a little more detailed answer to your questions. On pages 81 through 82 of the package, it discusses what was in the 2010 recharge master plan update and it discusses what came out of that and what was placed in the order the conversation about accounting for new yield. But what was not placed in there was items 1 and 2 out of the update that talked about incentivizing Incentivizing it that was not placed into the court order which is why we are not addressing that right now. Another comment is regarding the timing issues the 6-months or however long it'll we discuss it that I was going to include under the GM report, Peter has been working to compile all of the issues that came out of Recharge, Refresh and Reunite and when he comes back from his vacation he intends to discuss it with the board and prioritize everything. So that's the opportunity if the board feels that that should be discussed sooner than later then that's the opportunity to put it higher on the priority list.

Marty Zvurbilis:

Thank you Mr. Chairman Members of the Board: Just a point of clarification on this, we have been down this road, this is not something that just started. When we began the process Peter came on board and began the process of updating the recharge master plan and we came to this issue, it was clear that there are a number depending on your prospective there are legal, contractual, policy implications associate with allocation of water associated with MS4 how its referred to, who gets the credit for it and all those things and it was clear that if we continued and try to include those discussions and resolve that issues as part of that process that we would not make the court deadline for completing the recharge master plan update. So, it was determined at that time that the best approach was really to--to because our obligation to the court as part of the plan was to really to just address the accounting of the MS4 but not as clearly as Mark indicated, not the allocation of it. Even though it had been referred to, so we know it's an issue know one is dismissing that it's an issue and it is important to resolve. Its something that is going to take a little bit of time and work to get there. It's not...clearly it is not that simple. One more point I'll make and then I will sit down. There have been discussion among the parties on potential ways to resolve this, which sort of just smaller group meetings to evaluate the different options that might be considered, and so this is by no means an attempt to sort of to deter parties from investing in recharge and those kinds of things. Its complicated, as many things are at watermaster and think there is a desire on part of the appropriators in total to work through it and resolve it.

Scott Slater:

Mr. Chair and perhaps we have been remiss because this has not been in front of you in a while. So for the 2 minute synopsis try to do it in less. This requirement comes from Peace II and it was bordered honest by the judge who was concerned about our reliance on 400,000 acre feet of controlled overdraft for the desalters. So the court said you may have access to the 400,000 acre feet provided that you put in place a recharge master planning effort that will address where your going to be along the way and at the conclusion of the desalter process when you don't no longer have access to the 400,000 feet. And so the court created requirements and a time line for us to respond to. And what Marty and Staff are trying to say is, that in the process in trying to comply with the precise requirements of the court, it was viewed that we were over performing in Marks initial report and that there was a collected decision to be made that we would not try to eat the elephant in one bite but that we would break it into pieces and address certain things sequentially. So we agreed to what we could agree to at that time and deferred a portion. What is coming before you now, is what staff feels in sufficient to comply and stay on schedule. There is a clear legal policy economic issue that pertains to how the water is allocated that has not been address and is being reserved and the question that your grappling with is when should it be should it be addressed, how soon, and by whom. And so that's what's next and staff has represented that they think it's a 6-month horizon, if the board feels it should be condensed you can direct staff to come back with a schedule or a process under which it going to be handled. But for right now staff's recommendation is to sequence it and not include it in this bag and Fontana and Fontana Water are suggesting --no it aud to be done now.

Chuck Hays:

I agree with Marty's comments and Council's comments there, but I don't believe it's as complicated as everybody makes it sound and I know we have a date with the court and when it has to be done. But to me it's as simple as leaving that language in there that was in the 2010 RMPU and moving the document forward we won't have a timing issue-- it's not that complicated. It seems like it's pretty straightforward.

Board Member Bowcock:

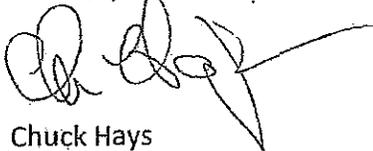
Ya that was my concern, and I agree with exactly, you know, I went to the last meeting and I said god we have made this thing more complicated than it needs to be, let's ratchet it back and just knock all this non-sense off about who is going to do what when, and what things are going to cost and just make it the Master Plan and submit it. My fear is pretty how Chuck articulated it is that you can't un-ring the bell and certainly not at Chino Basin Watermaster. And if it was in a prior document that this is what our intent was and then because we can't agree on our intent anymore we take it out, then it's un-ringing the bell. If it's as simple as leaving those few sentences in, I think then that relays our intent and directs our staff on what to do. It's that whole ya know we say certain things put certain things in writing boom we ring the bell and then we want to go back and undo what we did to the detriment of anyone big small have, have not, it's about what our intent is, that's where I am having the grief, sorry.

Ms. Maurizio:

I think that it is actually a little more complicated. When it comes to a large recharge project perhaps the accounting the measurement is not that complicated but a lot of these small MS4 projects there is some concern you know, that they might recharge a lot in the 1st couple years but if they're not maintained they won't recharge that much in the future, and so the measurement of it can be complicated. They might not; we really don't expect that they'll ultimately recharge what they projected to and just tracking all of it is very time consuming.

The City of Fontana understands that the Watermaster minutes are only summary minutes, but felt that several key points of the discussion were omitted and respectfully request that Watermaster staff take action to correct the situation.

Sincerely,



Chuck Hays
Director of Public Works

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the Month of July 2013
2. Watermaster VISA Check Detail for the Month of July 2013
3. Combining Schedule for the Period July 1, 2013 through July 31, 2013
4. Treasurer's Report of Financial Affairs for the Period July 1, 2013 through July 31, 2013
5. Budget vs. Actual Report for the Period July 1, 2013 through July 31, 2013



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: September 26, 2013
TO: Board Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (July 31, 2013)

SUMMARY

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

Recommendation: Receive and file Cash Disbursements for July 31, 2013 as presented.

Financial Impact: Funds disbursed were included in the FY 2013-2014 Watermaster Budget.

Future Consideration

Watermaster Board: September 26, 2013; Receive and File (Normal Course of Business)

ACTIONS:

September 12, 2013 – Appropriative Pool – Unanimously approved
September 12, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
September 12, 2013 – Agricultural Pool – Unanimously approved
September 19, 2013 – Advisory Committee – Unanimously approved
September 26, 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 July 2013 were \$875,184.75. The most significant expenditures during the month were to Inland Empire Utilities Agency in the amounts of \$406,126.50 and \$49,000.00 (check number 17069 dated July 11, 2013 and check number 17113 dated July 29, 2013); Brownstein Hyatt Farber Schreck in the amounts of \$66,664.35 and \$73,797.51 (check number 17036 dated July 2, 2013 and check number 17103 dated July 22, 2013); and Wildermuth Environmental, Inc. in the amount of \$70,567.29 (check number 17103 dated July 22, 2013).

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------|---------------------------------|---|---|-------------|
| 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 | | | | | | 92.70 |
| 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 | | | | | | 66,664.35 |
| 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 | | | | | | 3,023.36 |
| 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 | | | | | | 40,525.00 |
| 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 | | | | | | 431.90 |

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 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> |
|-----------------|-------------|---------------|-------------------------------------|--|--------------------------------------|--------------------|
| 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 -7/18/13 | 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

| 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 | |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Financial Report - B1

| 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 | 381.86 |
| TOTAL | | | | | | 3,429.17 |
| Bill Pmt -Check | 07/11/2013 | 17058 | HSBC BUSINESS SOLUTIONS | 7003-7309-1000-2744 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2013 | 7003730910002744 | | Miscellaneous office supplies | 6031.7 · Other Office Supplies | 739.48 |
| TOTAL | | | | | | 739.48 |
| Bill Pmt -Check | 07/11/2013 | 17059 | LIATTI & ASSOCIATES | VOID: 485 | 1012 · Bank of America Gen'l Ckg | 0.00 |
| TOTAL | | | | | | 0.00 |
| Bill Pmt -Check | 07/11/2013 | 17060 | MIJAC ALARM | 338162 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/01/2013 | 338162 | | Commercial monitoring from 7/01/13-9/30/13 | 6026 · Security Services | 147.00 |
| TOTAL | | | | | | 147.00 |
| Bill Pmt -Check | 07/11/2013 | 17061 | PAYCHEX | 2013062700 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2013 | 2013062700 | | June 2013 | 6012 · Payroll Services | 236.98 |
| TOTAL | | | | | | 236.98 |
| Bill Pmt -Check | 07/11/2013 | 17062 | PURCHASE POWER | 8000909000168851 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2013 | 8000909000168851 | | Postage machine refill | 6042 · Postage - General | 5,000.00 |
| | | | | Ink cartridges for postage machine | 6042 · Postage - General | 234.86 |
| TOTAL | | | | | | 5,234.86 |
| Bill Pmt -Check | 07/11/2013 | 17063 | STATE COMPENSATION INSURANCE FUND | 1970970-12 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/01/2013 | 1970970 | | Deposit premium | 60183 · Worker's Comp Insurance | 320.88 |
| TOTAL | | | | | | 320.88 |
| Bill Pmt -Check | 07/11/2013 | 17064 | THE LAWTON GROUP | 6017 | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| TOTAL | | | | | | 2,652.00 |
| Bill Pmt -Check | 07/11/2013 | 17065 | UNION 76 | 300-732-989 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2013 | 300732989 | | Fuel - June 2013 | 6175 · Vehicle Fuel | 230.03 |
| TOTAL | | | | | | 230.03 |
| Bill Pmt -Check | 07/11/2013 | 17066 | VERIZON | 012519116950792103 | 1012 · Bank of America Gen'l Ckg | |

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

| 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 |
| Check | 07/15/2013 | | Service Charge | Service Charge | 1012 · Bank of America Gen'l Ckg | |
| | | | | Service Charge | 6039.1 · Banking Service Charges | 228.42 |
| TOTAL | | | | | | 228.42 |
| 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 |

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Cash Disbursements For The Month of
July 2013

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|------------------------|-------------------|---------------------|-------------------------|--|---|-------------|
| 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 |
| 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 | 17075 | CURATALO, JAMES | | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| Bill Pmt -Check | 07/18/2013 | 17076 | DURRINGTON, GLEN | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| P28 | | | | | | |
| Bill Pmt -Check | 07/18/2013 | 17077 | ELIE, STEVEN | | 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 |
| Bill | 06/27/2013 | 6/27 Board Meeting | | 6/27/13 Board Meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | 250.00 |
| Bill Pmt -Check | 07/18/2013 | 17078 | FEENSTRA, BOB | | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| Bill Pmt -Check | 07/18/2013 | 17079 | HUITSING, JOHN | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| Bill Pmt -Check | 07/18/2013 | 17080 | KOOPMAN, GENE | Ag Pool Member Meeting Compensation | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| Bill Pmt -Check | 07/18/2013 | 17081 | KUHN, BOB | | 1012 · Bank of America Gen'l Ckg | |

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Cash Disbursements For The Month of
July 2013

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|----------------------------|-------------------|---------------------|---|--|---|-------------|
| 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 |
| 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 |
| P29 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 | |

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Cash Disbursements For The Month of
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| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|---------------------|-------------------------------------|---|-----------------------------------|-------------|
| 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 | |
| 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 |
| Bill Pmt -Check | 07/18/2013 | 17091 | VERIZON BUSINESS | 06608606 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/10/2013 | 06608606 | | 06608606 | 6053 · Internet Expense | 1,524.28 |
| TOTAL | | | | | | 1,524.28 |
| Bill Pmt -Check | 07/18/2013 | 17092 | VERIZON WIRELESS | 9707700226 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/12/2013 | 9707700226 | | Monthly service | 6022 · Telephone | 403.06 |
| TOTAL | | | | | | 403.06 |
| Bill Pmt -Check | 07/18/2013 | 17093 | WESTERN DENTAL SERVICES, INC. | 11882 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/12/2013 | 11882 | | Dental premium - July 2013 | 60182.2 · Dental & Vision Ins | 30.00 |
| TOTAL | | | | | | 30.00 |
| Bill Pmt -Check | 07/18/2013 | 17094 | LIATTI & ASSOCIATES | 485 | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| TOTAL | | | | | | 300.00 |
| Bill Pmt -Check | 07/18/2013 | 17095 | PHILADELPHIA INSURANCE COMPANY | | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| TOTAL | | | | | | 4,159.00 |
| General Journal | 07/20/2013 | 07/20/2013 | Payroll and Taxes 07/07/13-07/20/13 | Payroll and Taxes 07/07/13-07/20/13 | 1012 · Bank of America Gen'l Ckg | |
| | | | | 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 |
| TOTAL | | | | | | 25,919.29 |
| Bill Pmt -Check | 07/22/2013 | 17096 | BANK OF AMERICA | XXXX-XXXX-XXXX-9341 | 1012 · Bank of America Gen'l Ckg | |
| 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 |

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| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------|---------------------------------|--|--|-------------|
| | | | | PK to attend the ACWA 2013 Regulatory Summit | 6193.2 · Conference - Registration Fee | 235.00 |
| TOTAL | | | | | | 391.81 |
| Bill Pmt -Check | 07/22/2013 | 17097 | CALPERS | 1394905143 | 1012 · Bank of America Gen'l Ckg | |
| 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 |

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| TOTAL | <u>Type</u> | <u>Date</u> | <u>Num</u> | <u>Name</u> | <u>Memo</u> | <u>Account</u> | <u>Paid Amount</u> |
|-------|-----------------|-------------|------------|------------------------------|-------------|--|--------------------|
| | | | | | | | 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 |
| | 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 |
| TOTAL | | | | | | | 70,567.29 |

| | | | | | | | |
|-----|-----------------|------------|--------|---------------------------------|--------|---|-----------|
| P32 | Bill Pmt -Check | 07/22/2013 | 17104 | BROWNSTEIN HYATT FARBER SCHRECK | | 1012 · Bank of America Gen'l Ckg | |
| | 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 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------|-------------------------------------|---|--|------------------|
| | | | | 538679 | 6907.39 · Recharge Master Plan | 78.53 |
| TOTAL | | | | | | <u>73,797.51</u> |
| Bill Pmt -Check | 07/29/2013 | 17105 | ARROWHEAD MOUNTAIN SPRING WATER | | 1012 · Bank of America Gen'l Ckg | |
| 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 | | | | | | <u>80.65</u> |
| 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 | | | | | | <u>3,266.77</u> |
| 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 | | | | | | <u>276.20</u> |
| 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 | | | | | | <u>200.00</u> |
| 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 | | | | | | <u>94.99</u> |
| 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 | | | | | | <u>2,808.00</u> |
| 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 | | | | | | <u>6,300.00</u> |
| 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 | | | | | | <u>865.00</u> |
| 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 Imprvmt | 49,000.00 |
| TOTAL | | | | | | <u>49,000.00</u> |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|--------------|--|--|--------------------------------------|-------------|
| 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 |
| 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 | | | | | | 85.00 |
| 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 | | | | | | 430.37 |
| 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 | | | | | | 786.42 |
| 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 | | | | | | 2,789.60 |
| 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 | | | | | | 57.81 |
| 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 | 268.80 |
| TOTAL | | | | | | 2,739.20 |
| General Journal | 07/31/2013 | 07/31/2013 | Flexible Spending Account - Wage Works | Flexible Spending Account - Wage Works | 1012 · Bank of America Gen'l Ckg | |
| | | | | Flexible Spending recon - Wage Works | 60194 · Other Employee Insurance | -3,278.62 |
| | | | | Wage Works FSA Direct Debits - July 2013 | 1012 · Bank of America Gen'l Ckg | 76.25 |
| | | | | Wage Works FSA Direct Debits - July 2013 | 1012 · Bank of America Gen'l Ckg | 570.39 |
| | | | | Wage Works FSA Direct Debits - July 2013 | 1012 · Bank of America Gen'l Ckg | 393.08 |
| | | | | Wage Works FSA Direct Debits - July 2013 | 1012 · Bank of America Gen'l Ckg | 393.08 |
| TOTAL | | | | | | -1,845.82 |

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

| <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><u>875,184.75</u></u> |

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: September 26, 2013
TO: Board Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (July 31, 2013)

SUMMARY

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

Recommendation: Receive and file VISA Check Detail Report for July 31, 2013 as presented.

Financial Impact: Funds disbursed were included in the FY 2013-2014 Watermaster Budget.

Future Consideration

Watermaster Board: September 26, 2013; Receive and File (Normal Course of Business)

ACTIONS:

September 12, 2013 – Appropriative Pool – Unanimously approved
September 12, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
September 12, 2013 – Agricultural Pool – Unanimously approved
September 19, 2013 – Advisory Committee – Approved unanimously
September 26, 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 July 2013 was \$391.81. This payment was processed by check number 17096 dated July 22, 2013. The monthly charges for July 2013 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 July 2013

| Type | Num | Date | Name | Memo | Account | Paid Amount |
|-----------------|------------|---------------------|-----------------|--|--|---------------|
| Bill Pmt -Check | 07/22/2013 | 17096 | BANK OF AMERICA | XXXX-XXXX-XXXX-9341 | 1012 · Bank of America Gen'l Ckg | |
| 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 |
| | | | | | Total Disbursements: | 391.81 |

TOTAL

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: September 26, 2013
TO: Board Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2013 through July 31, 2013 - Financial Report B3 (July 31, 2013)

SUMMARY

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

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2013 through July 31, 2013 as presented.

Financial Impact: Funds disbursed were included in the FY 2013-2014 Watermaster Budget.

Future Consideration

Watermaster Board: September 26, 2013; Receive and File (Normal Course of Business)

ACTIONS:

September 12, 2013 – Appropriative Pool – Unanimously approved
September 12, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
September 12, 2013 – Agricultural Pool – Unanimously approved
September 19, 2013 – Advisory Committee – Unanimously approved
September 26, 2013 – Watermaster Board –

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2013 through July 31, 2013 is provided to keep all members apprised of the FY 2013-2014 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, 2013 THROUGH JULY 31, 2013

Financial Report - B3

| | WATERMASTER ADMINISTRATION | OPTIMUM BASIN MANAGEMENT | POOL ADMINISTRATION & SPECIAL PROJECTS | | | GROUNDWATER OPERATIONS | | EDUCATION FUNDS | GRAND TOTALS | BUDGET 2013-2014 |
|---|-------------------------------|--------------------------------|--|-------------------|------------------|------------------------------|----------------|--------------------|--------------------|---------------------|
| | | | APPROPRIATIVE POOL | AG POOL | NON-AG POOL | GROUNDWATER REPLENISHMENT | SB222 FUNDS | | | |
| Administrative Revenues: | | | | | | | | | | |
| Administrative Assessments | | | - | | - | | | | - | 6,540,455 |
| Interest Revenue | | | - | | - | | | | - | 29,700 |
| Mutual Agency Project Revenue | - | | | | | | | | - | 154,581 |
| Grant Income | | | | | | | | | - | 0 |
| Miscellaneous Income | - | | | | | | | | - | 0 |
| Total Revenues | - | - | - | - | - | - | - | - | - | 6,724,736 |
| Administrative & Project Expenditures: | | | | | | | | | | |
| Watermaster Administration | 178,003 | | | | | | | | 178,003 | 705,399 |
| Watermaster Board-Advisory Committee | 6,470 | | | | | | | | 6,470 | 205,657 |
| Ag Pool Misc. Expense - Ag Fund | | | | - | | | | | - | 400 |
| Pool Administration | | | 2,341 | 18,461 | 3,247 | | | | 24,049 | 599,649 |
| Optimum Basin Mgmt Administration | | 141,522 | | | | | | | 141,522 | 1,237,798 |
| OBMP Project Costs | | 107,212 | | | | | | | 107,212 | 3,660,926 |
| Debt Service | | 406,127 | | | | | | | 406,127 | 456,093 |
| Basin Recharge Improvements | | | | | | | | | - | 655,544 |
| Education Funds Use | | | | | | | | | - | 0 |
| Mutual Agency Project Costs | | | | | | | | | - | 10,000 |
| Total Administrative/OBMP Expenses | 184,473 | 654,861 | 2,341 | 18,461 | 3,247 | - | - | - | 863,383 | 7,531,466 |
| Net Administrative/OBMP Expenses | (184,473) | (654,861) | | | | | | | | |
| Allocate Net Admin Expenses To Pools | 184,473 | | 123,922 | 53,655 | 6,895 | | | | | |
| Allocate Net OBMP Expenses To Pools | | 248,735 | 167,091 | 72,346 | 9,298 | | | | | |
| Allocate Debt Service to App Pool | | 406,127 | 406,127 | | | | | | | |
| Agricultural Expense Transfer* | | | 144,462 | (144,462) | | | | | | |
| Total Expenses | | | 843,943 | - | 19,440 | - | - | - | 863,383 | 7,531,466 |
| Net Administrative Income | | | (843,943) | - | (19,440) | - | - | - | (863,383) | (806,730) |
| Other Income/(Expense) | | | | | | | | | | |
| Replenishment Water Assessments | | | - | | - | - | | | - | 0 |
| Non-Ag Stored Water Purchases | | | - | | - | - | | | - | 0 |
| Interest Revenue | | | - | | - | - | | | - | 0 |
| MWD Water Purchases | | | - | | - | - | | | - | 0 |
| Non-Ag Stored Water Purchases | | | - | | - | - | | | - | 0 |
| MWD Water Purchases | | | - | | - | - | | | - | 0 |
| Groundwater Replenishment | | | - | | - | - | | | - | 0 |
| Interest Expense - CalPERS Side Fund | | | - | | - | - | | | - | 0 |
| Refund-Excess Reserves | | | - | | - | - | | | - | 0 |
| Refund-Recharge Debt | | | - | | - | - | | | - | 0 |
| Net Other Income/(Expense) | | | - | - | - | - | - | - | - | 0 |
| Net Transfers To/(From) Reserves | | (863,383) | (843,943) | - | (19,440) | - | - | - | (863,383) | (806,730) |
| Working Capital, July 1, 2013 | | | 5,409,307 | 478,917 | 156,647 | 19,778 | 158,251 | 0 | 6,222,901 | |
| Working Capital, End Of Period | | | 4,565,364 | 478,917 | 137,207 | 19,778 | 158,251 | 0 | 5,359,517 | 5,359,517 |
| 11/12 Assessable Production | | | 79,342.533 | 34,353.325 | 4,414.887 | | | | 118,110.745 | |
| 11/12 Production Percentages | | | 67.176% | 29.086% | 3.738% | | | | 100.000% | |

*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: September 26, 2013
TO: Board Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period July 1, 2013 through July 31, 2013 - Financial Report B4 (July 31, 2013)

SUMMARY

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

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period July 1, 2013 through July 31, 2013 as presented.

Financial Impact: Funds disbursed were included in the FY 2013-2014 Watermaster Budget.

Future Consideration

Watermaster Board: September 26, 2013; Receive and File (Normal Course of Business)

ACTIONS:

September 12, 2013 – Appropriative Pool – Unanimously approved
September 12, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
September 12, 2013 – Agricultural Pool – Unanimously approved
September 19, 2013 – Advisory Committee – Unanimously approved
September 26, 2013 – Watermaster Board –

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period July 1, 2013 through July 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
JULY 1 THROUGH JULY 31, 2013**

Financial Report - B4

DEPOSITORIES:

| | | | | |
|---|------------------|----|-----------|--------------------------------|
| Cash on Hand - Petty Cash | | | \$ | 500 |
| Bank of America | | | | |
| Governmental Checking-Demand Deposits | | \$ | 365,830 | |
| Zero Balance Account - Payroll | | \$ | - | 365,830 |
| Local Agency Investment Fund - Sacramento | | | | <u>5,535,882</u> |
| TOTAL CASH IN BANKS AND ON HAND | 7/31/2013 | | \$ | 5,902,213 |
| TOTAL CASH IN BANKS AND ON HAND | 6/30/2013 | | | <u><u>6,773,004</u></u> |
| PERIOD INCREASE (DECREASE) | | | \$ | <u><u>(870,792)</u></u> |

CHANGE IN CASH POSITION DUE TO:

| | | | | |
|--|--|--|-----------|--------------------------------|
| Decrease/(Increase) in Assets: Accounts Receivable | | | \$ | 4,348 |
| Assessments Receivable | | | | - |
| Prepaid Expenses, Deposits & Other Current Assets | | | | 39,147 |
| (Decrease)/Increase in Liabilities: Accounts Payable | | | | (61,603) |
| Accrued Payroll, Payroll Taxes & Other Current Liabilities | | | | 10,700 |
| Transfer to/(from) Reserves | | | | <u>(863,383)</u> |
| PERIOD INCREASE (DECREASE) | | | \$ | <u><u>(870,792)</u></u> |

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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 6/30/2013 | \$ 500 | \$ 315,970 | \$ - | \$ 6,456,534 | \$ 6,773,004 |
| Deposits | - | 925,045 | - | 4,348 | 929,393 |
| Transfers | - | (53,061) | 51,400 | (925,000) | (926,661) |
| Withdrawals/Checks | - | (822,123) | (51,400) | - | <u>(873,524)</u> |
| Balances as of 7/31/2013 | <u>\$ 500</u> | <u>\$ 365,830</u> | <u>\$ -</u> | <u>\$ 5,535,882</u> | <u>\$ 5,902,213</u> |
| PERIOD INCREASE OR (DECREASE) | <u>\$ -</u> | <u>\$ 49,860</u> | <u>\$ -</u> | <u>\$ (920,652)</u> | <u>\$ (870,792)</u> |

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

Financial Report - B4

INVESTMENT TRANSACTIONS

| Effective Date | Transaction | Depository | Activity | Redeemed | Days to Maturity | Interest Rate(*) | Maturity Yield |
|--------------------------------------|-------------|------------|---------------------|----------|------------------|------------------|----------------|
| 7/15/2013 | Interest | L.A.I.F | \$ 4,348 | | | | |
| 7/16/2013 | Withdrawal | L.A.I.F | \$ (550,000) | | | | |
| 7/31/2013 | Withdrawal | L.A.I.F | \$ (375,000) | | | | |
| TOTAL INVESTMENT TRANSACTIONS | | | \$ (920,652) | - | | | |

* 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
July 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 | \$ 5,535,882 | | | |
| TOTAL INVESTMENTS | \$ 5,535,882 | | | |

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: September 26, 2013
TO: Board Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2013 through July 31, 2013 -
Financial Report B5 (July 31, 2013)

SUMMARY

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

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2013 through July 31, 2013 as presented.

Financial Impact: Funds disbursed were included in the FY 2013-2014 Watermaster Budget.

Future Consideration

Watermaster Board: September 26, 2013; Receive and File (Normal Course of Business)

ACTIONS:

September 12, 2013 – Appropriative Pool – Unanimously approved
September 12, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
September 12, 2013 – Agricultural Pool – Unanimously approved
September 19, 2013 – Advisory Committee – Unanimously approved
September 26, 2013 – Watermaster Board –

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2013 through July 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.

There were no Budget Transfers or Budget Amendments proposed or presented for the accounting period of July 2013.

Year-To-Date (YTD) for the one month ending July 31, 2013, all but two categories were at or below the projected budget. Overall, the (YTD) Actual Expenses were \$1,207,046.85 or 58.3% below the (YTD) Budgeted Expenses of \$2,070,525.54. The two categories above budget were the Watermaster Legal Services (6070's) over budget by the amount of \$39,473; and Insurance Expenses (6080's) over budget by the amount of \$7,141.

The Insurance budget was developed by Watermaster staff with the assumption of maintaining the existing levels of business insurance coverage as the previous fiscal years. There was no intent to add any new coverage(s). However, it was determined that Watermaster should apply and purchase Directors and Officers Liability Insurance, which had not been part of the Watermaster policy in the past. The application for coverage was submitted by our insurance broker to approximately ten to fifteen insurance carriers in May 2013 and Watermaster was accepted and approved for coverage. The cost of the D&O coverage is approximately \$7,500 which includes the annual broker fee. Within the next few months, as the current fiscal year progresses, a Budget Transfer Form could be submitted to adjust this budget category shortfall.

During the month of July, the "Carry Over" funding was calculated. The Total "Carry Over" funding amount of \$806,730 was posted to the accounts. The total amount of \$806,730 consisted of \$529,924 "Carried Over" from FY 2012/13 and \$276,806 "Carried Over" from FY 2011/12. More detailed information is provided regarding this issue under the "Carry Over" Funding section.

SALARIES EXPENSE

As of July 31, 2013, the total (YTD) Watermaster salary expenses are \$21,406 or 16.8% below the (YTD) budgeted amount of \$127,556. The budget was developed with a staffing level of nine Full Time Equivalents (FTE's). As of July 31, 2013, the actual staffing level is seven Full Time Equivalents (FTE's). The two vacant positions are the Executive Assistant and the Field Technician position. The vacant Executive Assistant position is currently being filled by a temporary employee from an Employment Agency. Those temporary employee costs are not included as part of the Salaries budget.

Regarding the Field Technician position that we are currently recruiting for, the remaining initial interviews have been finished and the second interviews have been conducted. Watermaster received more than 250+ applications for the Field Technician position. Testing is being conducted on the top three candidates. It is anticipated that the new employee could start by late September if all testing and evaluations are completed.

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. When the FY 2013/14 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 were 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. Currently, the actual and budget amounts are comparable.

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.

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 '13 - Jul '13 | Budget | \$ Over Budget | % of Budget | Annual Budget |
|---|-------------------|-------------------|-------------------|---------------|---------------------|
| WM Salary Expense | | | | | |
| 6011 - WM Staff Salaries | 50,669.48 | 49,552.70 | 1,116.78 | 102.25% | 585,623.00 |
| 6011.2 - WM Staff - Admin. Paid Leave | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6201 - Advisory Committee - WM Staff Salaries | 0.00 | 1,672.64 | -1,672.64 | 0.0% | 19,768.00 |
| 6301 - Watermaster Board - WM Staff Salaries | 400.82 | 2,817.62 | -2,416.80 | 14.23% | 33,299.00 |
| 8301 - Appropriative Pool - WM Staff Salaries | 648.50 | 2,299.27 | -1,650.77 | 28.21% | 27,173.00 |
| 8401 - Agricultural Pool - WM Staff Salaries | 1,113.92 | 1,976.80 | -862.88 | 56.35% | 23,362.00 |
| 8501 - Non-Agricultural Pool - WM Staff Salaries | 289.21 | 1,202.76 | -913.55 | 24.05% | 14,214.00 |
| 6901 - OBMP - WM Staff Salaries | 17,605.01 | 17,929.17 | -324.16 | 98.19% | 211,890.00 |
| 7101.1 - Production Monitor - WM Staff Salaries | 5,601.08 | 6,845.30 | -1,244.22 | 81.82% | 80,899.00 |
| 7102.1 - In-line Meter - WM Staff Salaries | 678.54 | 900.38 | -221.84 | 75.36% | 10,641.00 |
| 7103.1 - Grdwater Quality - WM Staff Salaries | 841.45 | 5,437.47 | -4,596.02 | 15.48% | 64,261.00 |
| 7104.1 - Grdwater Level - WM Staff Salaries | 7,216.91 | 5,035.90 | 2,181.01 | 143.31% | 59,515.00 |
| 7105.1 - Sur Wtr Qual - WM Staff Salaries | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 7107.1 - Grd Level Monitoring - WM Staff Salaries | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 7108.1 - Hydraulic Control - WM Staff Salaries | 0.00 | 199.27 | -199.27 | 0.0% | 2,355.00 |
| 7108.11 - Prado Basin - WM Staff Salaries | 269.15 | 637.13 | -367.98 | 42.24% | 7,646.00 |
| 7201 - Comp Recharge - WM Staff Salaries | 620.09 | 4,421.36 | -3,801.27 | 14.03% | 52,252.00 |
| 7301 - PE3&5 - WM Staff Salaries | 0.00 | 1,190.10 | -1,190.10 | 0.0% | 14,065.00 |
| 7401 - PE4 - WM Staff Salaries | 0.00 | 724.44 | -724.44 | 0.0% | 8,562.00 |
| 7501.1 - PE 6&7 - WM Staff Salaries (Plume) | 0.00 | 522.40 | -522.40 | 0.0% | 6,174.00 |
| 7501 - PE6&7 - WM Staff Salaries | 0.00 | 343.37 | -343.37 | 0.0% | 4,058.00 |
| 7601 - PE8&9 - WM Staff Salaries | 46.19 | 1,603.28 | -1,557.09 | 2.88% | 18,948.00 |
| 7701 - Inactive Well - WM Staff Salaries | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| Subtotal WM Staff Costs | 86,000.35 | 105,311.36 | -19,311.01 | 81.66% | 1,244,705.00 |
| 60185 - Vacation | 14,355.69 | 15,026.63 | -670.94 | 95.54% | 60,320.00 |
| 60185.2 - Comp Time Accrual Adjustment | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 60185.3 - Vacation Accrual Adjustment | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 60186 - Sick Leave | 1,180.86 | 3,609.00 | -2,428.14 | 32.72% | 43,308.00 |
| 60186.1 - Sick Leave Accrual Adjustment | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 60187 - Holidays | 4,613.49 | 3,609.00 | 1,004.49 | 127.83% | 43,308.00 |
| Subtotal WM Paid Leaves | 20,150.04 | 22,244.63 | -2,094.59 | 90.58% | 146,936.00 |
| Total WM Salary Costs | 106,150.39 | 127,555.99 | -21,405.60 | 83.22% | 1,391,641.00 |

BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

As of July 31, 2013, the total (YTD) BHFS legal expenses are \$15,766 or 18.6% above the (YTD) budgeted amount of \$84,583. While some legal categories were under budget for the month, several other categories were over the budget. At the present time, there is no proposal to complete a Budget Transfer Form to adjust the existing BHFS legal services budget of \$757,490.

The Watermaster Legal Services budget was developed jointly by the Watermaster staff and Brownstein Hyatt Farber Schreck staff with specific assumptions regarding the tasks and legal activities that would occur during FY 2013/14. Three specific activities were not included as part of the budget when initially developed and approved. These activities were Personnel Matters (6073), Safe Yield Recalculation (6078.11) and CCG Motion (6078.12).

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. There have been several filings of appeal and we are awaiting CalPERS determination. Also, a former employee's attorney has recently informed Watermaster of a potential wrongful termination suit against Watermaster. Both activities totaled \$16,855 during the month of July and these activities were not part of the original fiscal year budget amount of \$757,490. These activities will continue until a resolution is reached. These activities are recorded under Personnel Matters (account 6073).

As new legal activities are established, an account code is developed and assigned to capture the costs. Safe Yield Recalculation (account 6078.11) with costs associated of \$17,007 and CCG Motion (account 6078.12) with costs associated of \$15,508 have been created as of July 2013. Please note these costs were not anticipated or expected when the FY 2013/14 legal services budget was developed and approved.

As approved during the June 2013 meetings, the Pools, Advisory Committee and the Board meeting for the month of July were not held. However, there were several other special and confidential meetings held during the month of July for the Appropriative Pool, Agricultural Pool and Board. As a result, the related meeting expenses from (BHFS) within the accounts (6275, 6375, 8375, 8475 and 8575) were lower than budgeted. Overall, this category of legal expenses as of July 31, 2013 was \$10,915 or 60.0% below the budgeted amount of \$18,220.

The OBMP legal expenses were also below budget for the month. As of July 31, 2013 this category of legal expenses was \$12,791 or 36.3% below the budgeted amount of \$35,321.

The chart listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of July 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.

The following details are provided:

| | Jul '13 - Jul '13 | Budget | \$ Over Budget | % of Budget | Annual Budget |
|---|-------------------|------------------|-------------------|----------------|-------------------|
| 6070 · Watermaster Legal Services | | | | | |
| 6071 · BHFS Legal - Court Coordination | 814.50 | 3,127.12 | -2,312.62 | 26.05% | 37,525.00 |
| 6072 · BHFS Legal - Annotated Judgment | 14,349.29 | 15,145.81 | -796.52 | 94.74% | 36,350.00 |
| 6073 · BHFS Legal - Personnel Matters | 16,855.10 | 0.00 | 16,855.10 | 100.0% | 7,000.00 |
| 6074 · BHFS Legal - Interagency Issues | 0.00 | 4,200.00 | -4,200.00 | 0.0% | 50,400.00 |
| 6075 · BHFS Legal - Replenishmnt Water | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6076 · BHFS Legal - Storage Issues | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6077 · BHFS Legal - Party Status Maintenance | 0.00 | 2,141.63 | -2,141.63 | 0.0% | 25,700.00 |
| 6078 · BHFS Legal - Miscellaneous (Note 1) | 5,980.39 | 2,727.12 | 3,253.27 | 219.29% | 32,725.00 |
| 6078.10 · BHFS Legal - Refresh, Recharge, Reunite | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6078.11 · BHFS Legal - Safe Yield Reaclulation | 17,006.82 | 0.00 | 17,006.82 | 100.0% | 0.00 |
| 6078.12 · BHFS Legal - CCG Motion | 15,508.08 | 0.00 | 15,508.08 | 100.0% | 0.00 |
| 6078.20 · BHFS Legal - Approp. Pool Issue Resolution | 0.00 | 3,700.00 | -3,700.00 | 0.0% | 44,400.00 |
| Total 6070 · Watermaster Legal Services | 70,514.18 | 31,041.68 | 39,472.50 | 227.16% | 234,100.00 |
| 6275 · BHFS Legal - Advisory Committee | 0.00 | 2,800.00 | -2,800.00 | 0.0% | 33,600.00 |
| 6375 · BHFS Legal - Board Meeting | 3,713.62 | 7,020.00 | -3,306.38 | 52.9% | 84,240.00 |
| 8375 · BHFS Legal - Appropriative Pool | 1,482.30 | 2,800.00 | -1,317.70 | 52.94% | 33,600.00 |
| 8475 · BHFS Legal - Agricultural Pool | 1,147.50 | 2,800.00 | -1,652.50 | 40.98% | 33,600.00 |
| 8575 · BHFS Legal - Non-Ag Pool | 960.75 | 2,800.00 | -1,839.25 | 34.31% | 33,600.00 |
| Total BHFS Legal Services | 7,304.17 | 18,220.00 | -10,915.83 | 40.09% | 218,640.00 |
| 6907.3 · WM Legal Counsel | | | | | |
| 6907.30 · Peace II - CEQA | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6907.31 · Archibald South Plume | 0.00 | 2,372.88 | -2,372.88 | 0.0% | 28,475.00 |
| 6907.32 · Chino Airport Plume | 5,497.51 | 5,100.00 | 397.51 | 107.79% | 61,200.00 |
| 6907.33 · Desalter/Hydraulic Control | 3,483.45 | 4,091.63 | -608.18 | 85.14% | 49,100.00 |
| 6907.34 · Santa Ana River Water Rights | 54.90 | 2,366.63 | -2,311.73 | 2.32% | 28,400.00 |
| 6907.35 · Paragraph 31 Motion | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6907.36 · Santa Ana River Habitat | 0.00 | 1,875.00 | -1,875.00 | 0.0% | 22,500.00 |
| 6907.37 · Water Auction | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6907.38 · Reg. Water Quality Cntrl Board | 0.00 | 1,070.87 | -1,070.87 | 0.0% | 12,850.00 |
| 6907.39 · Recharge Master Plan | 13,439.28 | 13,233.36 | 205.92 | 101.56% | 39,700.00 |
| 6907.40 · Storage Agreements | 54.90 | 1,558.37 | -1,503.47 | 3.52% | 18,700.00 |
| 6907.41 · Prado Basin Habitat Sustainability | 0.00 | 1,558.37 | -1,558.37 | 0.0% | 18,700.00 |
| 6907.90 · WM Legal Counsel - Unanticipated | 0.00 | 2,093.75 | -2,093.75 | 0.0% | 25,125.00 |
| Total 6907 · WM Legal Counsel | 22,530.04 | 35,320.86 | -12,790.82 | 63.79% | 304,750.00 |
| Total Brownstein, Hyatt, Farber, Schreck Costs | 100,348.39 | 84,582.54 | 15,765.85 | 118.64% | 757,490.00 |

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Discussions with General Manager regarding Watermaster issues and topics; (2) Research Watermaster Peace I and II Obligations and Task Lists; (3) Review OBMP Milestones; (4) Review Consulting Agreement(s); (5) Coordination of Ongoing Watermaster Projects; and (6) Review of draft documents.

OBMP ENGINEERING SERVICES AND LEGAL COSTS

For July 31, 2013, the accounts 6901-6906 (Optimum Basin Mgmt Program) section was below the Year-To-Date (YTD) budget by \$3,066 or 3.7%. 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 by \$604 while some other line item activities were below the budget by \$13,395. Above the budget line items

were the Chino Airport Plume of \$398; and the Recharge Master Plan of \$206. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$2,373; the Desalter/Hydraulic Control of \$608; the Santa Ana River Water Rights of \$2,312; the Santa Ana River Habitat of \$1,875; the Regional Water Quality Control Board of \$1,071; Storage Agreements of \$1,504; the Prado Basin Habitat Sustainability of \$1,558; and the WM Unanticipated of \$2,094. For the one month ended July 31, 2013, the overall cumulative (YTD) budget was \$35,321 and the actual (BHFS) legal expenses totaled \$22,530 which resulted in an under budget variance of \$12,791 or 36.2%.

Overall, the Optimum Basin Management Program (OBMP) category was \$132,622 compared to a (YTD) budget of \$147,646 for an under budget of \$15,024 or 10.2% as of July 31, 2013.

The chart listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of July 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. The following details are provided:

| | Jul '13 - Jul '13 | Budget | \$ Over Budget | % of Budget | Annual Budget |
|---|-------------------|-------------------|-------------------|---------------|---------------------|
| 6900 - Optimum Basin Mgmt Plan | | | | | |
| 6901 - WM Staff Salaries | 17,605.01 | 17,929.17 | -324.16 | 98.19% | 211,890.00 |
| 6903 - OBMP SAWPA Group | 12,460.00 | 11,000.00 | 1,460.00 | 113.27% | 11,000.00 |
| 6906 - OBMP Engineering Services | | | | | |
| 6906.1 - OBMP - Watermaster Model Update | 56,071.25 | 56,000.00 | 71.25 | 100.13% | 101,000.00 |
| 6906.7 - OBMP - Data Requests | 232.50 | 0.00 | 232.50 | 100.0% | 0.00 |
| 6906.71 - OBMP - Misc. GM Requests | 3,105.00 | 0.00 | 3,105.00 | 100.0% | 0.00 |
| 6906.72 - OBMP - Data Requests - Non CBWM | 1,265.50 | 0.00 | 1,265.50 | 100.0% | 0.00 |
| 6906.8 - OBMP - Reports | 0.00 | 0.00 | 0.00 | 0.0% | 50,000.00 |
| 6906 - OBMP Engineering Services - Other | 18,821.76 | 26,562.37 | -7,740.61 | 70.86% | 318,748.00 |
| Total 6906 - OBMP Engineering Services | 79,496.01 | 82,562.37 | -3,066.36 | 96.29% | 469,748.00 |
| 6907 - OBMP Legal Fees | | | | | |
| 6907.3 - WM Legal Counsel | | | | | |
| 6907.30 - Peace II - CEQA | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6907.31 - Archibald South Plume | 0.00 | 2,372.88 | -2,372.88 | 0.0% | 28,475.00 |
| 6907.32 - Chino Airport Plume | 5,497.51 | 5,100.00 | 397.51 | 107.79% | 61,200.00 |
| 6907.33 - Desalter/Hydraulic Control | 3,483.45 | 4,091.63 | -608.18 | 85.14% | 49,100.00 |
| 6907.34 - Santa Ana River Water Rights | 54.90 | 2,366.63 | -2,311.73 | 2.32% | 28,400.00 |
| 6907.35 - Paragraph 31 Motion | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6907.36 - Santa Ana River Habitat | 0.00 | 1,875.00 | -1,875.00 | 0.0% | 22,500.00 |
| 6907.37 - Water Auction | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6907.38 - Reg. Water Quality Cntrl Board | 0.00 | 1,070.87 | -1,070.87 | 0.0% | 12,850.00 |
| 6907.39 - Recharge Master Plan | 13,439.28 | 13,233.36 | 205.92 | 101.56% | 39,700.00 |
| 6907.40 - Storage Agreements | 54.90 | 1,558.37 | -1,503.47 | 3.52% | 18,700.00 |
| 6907.41 - Prado Basin Habitat Sustainability | 0.00 | 1,558.37 | -1,558.37 | 0.0% | 18,700.00 |
| 6907.90 - WM Legal Counsel - Unanticipated | 0.00 | 2,093.75 | -2,093.75 | 0.0% | 25,125.00 |
| Total 6907 - WM Legal Counsel | 22,530.04 | 35,320.86 | -12,790.82 | 63.79% | 304,750.00 |
| Total 6907 - OBMP Legal Fees | 22,530.04 | 35,320.86 | -12,790.82 | 63.79% | 304,750.00 |
| 6909 - OBMP Other Expenses | | | | | |
| 6909.1 - OBMP Meetings | 530.75 | 0.00 | 530.75 | 100.0% | 0.00 |
| 6909.3 - Other OBMP Expenses | 0.00 | 0.00 | 0.00 | 0.0% | 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 | 833.37 | -833.37 | 0.0% | 10,000.00 |
| Total 6909 - OBMP Other Expenses | 530.75 | 833.37 | -302.62 | 63.69% | 11,977.00 |
| Total 6900 - Optimum Basin Mgmt Plan | 132,621.81 | 147,645.77 | -15,023.96 | 89.82% | 1,009,365.00 |

OBMP IMPLEMENTATION PROJECTS COSTS

The OBMP Implementation Projects (accounts 7100's – 7700's) were all (Under) budget as of July 31, 2013.

As a reminder, Watermaster carried over the amount of \$171,829 ($\$272,829 - \$101,000 = \$171,829$) from FY 2011/12 in the Recharge Improvements Project categories. The amount of \$272,829 was the total amount from FY 2011/12 less the amount of \$101,000 spent in FY 2012/13 leaving the balance of \$171,829 to carry over in FY 2013/14. The amount of \$61,236 has been appropriated for use for the ongoing Turner Basin Improvements (7690.2). 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). The "Carry Over" amount of \$171,829 has been added to the FY 2013/14 budget for the month of July.

The Recharge Proof of Concept amount of \$300,000 was also "Carried Over" from FY 2012/13 into the FY 2013/14 budget under account (7209). To see the complete listing of all "Carry Over" items for the prior fiscal year, please see the section titled "Carry Over" Funding.

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 noted above, \$107,406 has been "Carried Over" from FY 2012/13 per the Watermaster policy 4.17 which was approved by the Board on March 22, 2012. These amounts, along with any other "Carried Over" expenses will not be included in the Assessment process scheduled for completion in November 2013 because these dollar amounts were previously funded from last year's Assessment process.

The total Engineering Services budget of \$1,825,362 was increased by \$107,406 to the final amount of \$1,932,768 for FY 2013/14 as provided in the Task Order. The breakdown of the total Task Order amount of \$1,932,768 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%).

As of July 31, 2013, the total (YTD) Engineering Services expenses are \$64,475 or 28.7% below the (YTD) budget amount of \$224,678. The following details are provided:

| | Jul '13 - Jul '13 | Budget | \$ Over Budget | % of Budget | Annual Budget |
|---|-------------------|-------------------|-------------------|--------------|-----------------------|
| 6906 · OBMP Engineering Services - Other | 18,821.76 | 26,562.37 | -7,740.61 | 70.86% | 318,748.00 |
| 6906.1 · OBMP - Watermaster Model Update | 56,071.25 | 56,000.00 | 71.25 | 100.13% | 101,000.00 |
| 6906.7 · OBMP - Data Requests | 232.50 | 0.00 | 232.50 | 100.0% | 0.00 |
| 6906.71 · OBMP - Misc. GM Requests | 3,105.00 | 0.00 | 3,105.00 | 100.0% | 0.00 |
| 6906.72 · OBMP - Data Requests - Non CBWM | 1,265.50 | 0.00 | 1,265.50 | 100.0% | 0.00 |
| 7103.3 · Grdwtr Qual-Engineering | 10,610.00 | 10,573.37 | 36.63 | 100.35% | 90,880.00 |
| 7103.5 · Grdwtr Qual-Lab Svcs | 0.00 | 3,232.37 | -3,232.37 | 0.0% | 38,788.00 |
| 7104.3 · Grdwtr Level-Engineering | 7,525.08 | 16,445.00 | -8,919.92 | 45.76% | 197,340.00 |
| 7104.8 · Grdwtr Level-Contracted Services | 0.00 | 833.37 | -833.37 | 0.0% | 10,000.00 |
| 7104.9 · Grdwtr Level-Capital Equipment | 0.00 | 0.00 | 0.00 | 0.0% | 13,925.00 |
| 7107.2 · Grd Level-Engineering | 7,251.90 | 5,331.87 | 1,920.03 | 136.01% | 83,490.00 |
| 7107.3 · Grd Level-SAR Imagery | 0.00 | 0.00 | 0.00 | 0.0% | 90,000.00 |
| 7107.6 · Grd Level-Contract Svcs | 0.00 | 11,770.00 | -11,770.00 | 0.0% | 141,240.00 |
| 7107.61 · Grd Level-Chino Hills ASR | 4,775.00 | 3,471.25 | 1,303.75 | 137.56% | 41,655.00 |
| 7107.8 · Grd Level-Cap Equip Exte | 0.00 | 0.00 | 0.00 | 0.0% | 10,428.00 |
| 7108.3 · Hydraulic Control-Engineering | 1,521.25 | 10,537.75 | -9,016.50 | 14.44% | 126,453.00 |
| 7108.31 · Hydraulic Control-PBHSP | 0.00 | 4,681.25 | -4,681.25 | 0.0% | 56,175.00 |
| 7108.4 · Hydraulic Control-Lab Svcs | 0.00 | 2,128.00 | -2,128.00 | 0.0% | 25,536.00 |
| 7108.41 · Hydraulic Control-PBHSP | 0.00 | 4,021.63 | -4,021.63 | 0.0% | 48,260.00 |
| 7108.7 · Hydraulic Control-Prado Basin Habitat | 4,350.00 | 4,633.25 | -283.25 | 93.89% | 119,497.00 |
| 7108.9 · Hydraulic Control-Contract Svcs | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 7109.3 · Recharge & Well - Engineering | 0.00 | 1,750.00 | -1,750.00 | 0.0% | 21,000.00 |
| 7202.2 · Comp Recharge-Engineering Services | 0.00 | 1,777.00 | -1,777.00 | 0.0% | 21,324.00 |
| 7202.3 · Comp Recharge-Implementation | 38,960.48 | 39,346.64 | -386.16 | 99.02% | 118,040.00 |
| 7303 · PE3&5-Engineering - Other | 0.00 | 3,298.63 | -3,298.63 | 0.0% | 39,584.00 |
| 7402 · PE4-Engineering | 4,663.75 | 6,351.25 | -1,687.50 | 73.43% | 76,215.00 |
| 7403 · PE4-Contract Svcs | 0.00 | 1,685.87 | -1,685.87 | 0.0% | 20,230.00 |
| 7502 · PE6&7-Engineering | 1,048.96 | 8,406.63 | -7,357.67 | 12.48% | 100,880.00 |
| 7502.1 · PE6&7-Engineering Svcs (Plume) | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 7602 · PE8&9-Engineering | 0.00 | 1,840.00 | -1,840.00 | 0.0% | 22,080.00 |
| Total Wildermuth Environmental, Inc. Costs | 160,202.43 | 224,677.50 | -64,475.07 | 71.3% | 1,932,768.00 * |

* Wildermuth and Subcontractor Engineering Budget of \$1,825,362 plus Carryover Funds from FY 2012/13 of \$107,406 = \$1,932,768
Carryover Funds FY 2012/13 = \$19,508 (7107.2) and \$87,898 (7108.7) = \$107,406

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. The cost sharing agreement between IEUA and Watermaster was increased from \$220,000 to \$300,000 effective August 22, 2013 with the approval of the Board. This is a 50/50 cost sharing agreement between Watermaster and IEUA with a not to exceed amount of \$300,000 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, 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 July 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 - Jun. 2013 | \$ 120,945.28 | \$ (60,472.64) | \$ 6,275.92 | \$ 66,748.56 | 73.00 | \$ 7,837.27 |
| Jul. 2013 - Jul. 2013 | \$ 4,350.00 | \$ (2,175.00) | \$ 474.09 | \$ 2,649.09 | 2.00 | \$ 269.15 |
| Totals | \$ 136,439.03 | \$ (68,219.52) | \$ 6,750.01 | \$ 74,969.53 | 79.00 | \$ 8,517.80 |
| | 7108.7 | 7108.71, 7108.72 | 7108.75 | | | 7108.11 |

OTHER INCOME AND EXPENSE

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

"CARRY OVER" FUNDING

During the month of July, the "Carry Over" funding amount was calculated. The Total "Carry Over" funding amount of \$806,730 was posted to the accounts as of July 31, 2013. The total amount of \$806,730 consisted of \$529,924 "Carried Over" from FY 2012/13 remaining funds and \$276,806 "Carried Over" from FY 2011/12 remaining funds.

The remaining amount of \$104,977 from FY 2011/12 for the Chino Hills ASR Project has been combined with the remaining funding amount of \$122,518 from FY 2012/13 for the Chino Hills ASR Project for a total amount of \$227,495 in account 7107.62 (\$104,977 + \$122,518 = \$227,495).

Watermaster carried over \$171,829 (\$61,236 + \$30,900 = \$79,693 = \$171,829) from FY 2011/12 into the Recharge Improvements Project categories. The amount of \$272,829 was the original total amount from FY 2011/12 less the amount of \$101,000 spent in FY 2012/13 leaving the balance of \$171,829 to carry over into the FY 2013/14 (\$272,829 - \$101,000 = \$171,829). The amount of \$61,236 has been appropriated for use for the ongoing Turner Basin Improvements (7690.2). 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).

The Recharge Proof of Concept amount of \$300,000 from FY 2012/13 was "Carried Over" into the budget for FY 2013/14 under account (7209).

Lastly, \$107,406 for the Engineering Services budget from FY 2012/13 in accounts 7107.2 and 7108.7 (\$19,508 and \$87,898 respectively) have been "Carried Over" into the FY 2013/14 budget.

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, 2014, any remaining balances of the FY 2011/12 and FY 2012/13 expenses (if any), along with any new FY 2013/14 expenses, will then be "Carried Over" into the FY 2014/15 budget.

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

As of July 31, 2013, the total (YTD) amount remaining of the "Carried Over" funding is \$799,599 (\$806,730 - \$7,131 = \$799,599). The following details are provided:

| "Carried Over" Expenses At June 30, 2013 | | GL Account | |
|---|----------------------|-------------------|------------|
| Chino Hills ASR Project | \$ 104,977.00 | 7107.62 | FY 2011/12 |
| Recharge Improvement Project - Turner Basin | \$ 61,236.00 | 7690.2 | FY 2011/12 |
| Recharge Improvement Project - Hickory Basin | \$ 30,900.00 | 7690.3 | FY 2011/12 |
| Recharge Improvement Project - Misc. Basins | \$ 79,693.00 | 7690.9 | FY 2011/12 |
| Subtotal FY 2011/12 "Carry Over" | \$ 276,806.00 | | |
| Ground Level Monitoring - Engineering | \$ 19,508.00 | 7107.2 | FY 2012/13 |
| Hydraulic Control - Prado Basin - Other | \$ 87,898.00 | 7108.7 | FY 2012/13 |
| Recharge Proof of Concept | \$ 300,000.00 | 7209 | FY 2012/13 |
| Chino Hills ASR Project | \$ 122,518.00 | 7107.61 | FY 2012/13 |
| Subtotal FY 2012/13 "Carry Over" | \$ 529,924.00 | | |
| Total Balance, June 30, 2013 | \$ 806,730.00 | | |
| "Carried Over" Expenses At June 30, 2013 | | | |
| Chino Hills ASR Project | \$ 227,495.00 | 7107.62 | |
| Ground Level Monitoring - Engineering | \$ 19,508.00 | 7107.2 | |
| Hydraulic Control - Prado Basin - Other | \$ 87,898.00 | 7108.7 | |
| Recharge Proof of Concept | \$ 300,000.00 | 7209 | |
| Recharge Improvement Project - Turner Basin | \$ 61,236.00 | 7690.2 | |
| Recharge Improvement Project - Hickory Basin | \$ 30,900.00 | 7690.3 | |
| Recharge Improvement Project - Misc. Basins | \$ 79,693.00 | 7690.9 | |
| Total Balance, June 30, 2013 | \$ 806,730.00 | | |
| "Carried Over" Balance, July 1, 2013 | \$ 806,730.00 | | |
| Less: (Invoices Received To Date FY 2013/14) | | | |
| Ground Level Monitoring - Engineering | \$ (2,781.00) | | |
| Hydraulic Control - Prado Basin - Other | \$ (4,350.00) | | |
| Updated Balance as of July 31, 2013 | \$ 799,599.00 | | |

AUDIT FIELD WORK

Auditors from the audit firm of Charles Z. Fedak & Company were previously onsite at the Watermaster offices on May 29th through May 30th and August 12th through August 14th to conduct scheduled field work for the FY 2012/13 financial audit. Final field work has been completed and the audit firm is developing the Annual Financial and Audit Reports to be issued sometime in late October or early November 2013. The presentation of the "Draft" Annual Financial and Audit Reports to the Board by the Senior Manager of Charles Z. Fedak & Company is tentatively scheduled for November 22, 2013. The "Final" Annual Financial and Audit Reports will be posted to the Watermaster website once the presentation has been presented and approved by the Board.

ASSESSMENT INVOICING

The Assessment Package is tentatively scheduled to be presented and approved by the Watermaster Board at the November 22, 2012 meeting.

ATTACHMENTS

1. Financial Report - B5

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| | 1/12th (8.33%) of the Total Budget | | | | 1/12th (8.33%) of the Total Budget | | | | 100% of the Total Budget | | | |
|---------------------------------------|------------------------------------|-------------|----------------|-------------|------------------------------------|-------------|----------------|-------------|-------------------------------------|---------------------|----------------|---------------|
| | For The Month of July 2013 | | | | Year-To-Date as of July 31, 2013 | | | | Fiscal Year End as of June 30, 2014 | | | |
| | Actual | Budget | \$ Over(Under) | % of Budget | Actual | Budget | \$ Over(Under) | % of Budget | Projected | Budget | \$ Over(Under) | % of Budget |
| Income | | | | | | | | | | | | |
| 4010 · Local Agency Subsidies | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 154,581.00 | 154,581.00 | 0.00 | 100.0% |
| 4110 · Admin Asmnts-Approp Pool | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 6,301,135.00 | 6,301,135.00 | 0.00 | 100.0% |
| 4120 · Admin Asmnts-Non-Agri Pool | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 239,320.00 | 239,320.00 | 0.00 | 100.0% |
| 4700 · Non Operating Revenues | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 29,700.00 | 29,700.00 | 0.00 | 100.0% |
| 4900 · Miscellaneous Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 6,724,736.00 | 6,724,736.00 | 0.00 | 100.0% |
| Gross Profit | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 6,724,736.00 | 6,724,736.00 | 0.00 | 100.0% |
| Expense | | | | | | | | | | | | |
| 6010 · Salary Costs | 60,575.84 | 63,473.35 | -2,897.51 | 95.44% | 60,575.84 | 63,473.35 | -2,897.51 | 95.44% | 617,747.00 | 617,747.00 | 0.00 | 100.0% |
| 6020 · Office Building Expense | 8,202.29 | 8,927.00 | -724.71 | 91.88% | 8,202.29 | 8,927.00 | -724.71 | 91.88% | 106,630.00 | 106,630.00 | 0.00 | 100.0% |
| 6030 · Office Supplies & Equip. | 974.35 | 1,658.37 | -684.02 | 58.75% | 974.35 | 1,658.37 | -684.02 | 58.75% | 22,900.00 | 22,900.00 | 0.00 | 100.0% |
| 6040 · Postage & Printing Costs | 3,574.13 | 5,858.37 | -2,284.24 | 61.01% | 3,574.13 | 5,858.37 | -2,284.24 | 61.01% | 57,900.00 | 57,900.00 | 0.00 | 100.0% |
| 6050 · Information Services | 12,297.88 | 15,058.00 | -2,760.12 | 81.67% | 12,297.88 | 15,058.00 | -2,760.12 | 81.67% | 140,496.00 | 140,496.00 | 0.00 | 100.0% |
| 6060 · Contract Services | 0.00 | 3,000.00 | -3,000.00 | 0.0% | 0.00 | 3,000.00 | -3,000.00 | 0.0% | 24,800.00 | 24,800.00 | 0.00 | 100.0% |
| 6070 · Watermaster Legal Services | 70,514.18 | 31,041.68 | 39,472.50 | 227.16% | 70,514.18 | 31,041.68 | 39,472.50 | 227.16% | 234,100.00 | 234,100.00 | 0.00 | 100.0% |
| 6080 · Insurance | 26,248.24 | 19,107.00 | 7,141.24 | 137.38% | 26,248.24 | 19,107.00 | 7,141.24 | 137.38% | 19,107.00 | 19,107.00 | 0.00 | 100.0% |
| 6110 · Dues and Subscriptions | 12,860.00 | 12,860.00 | 0.00 | 100.0% | 12,860.00 | 12,860.00 | 0.00 | 100.0% | 17,825.00 | 17,825.00 | 0.00 | 100.0% |
| 6140 · WM Admin Expenses | 0.00 | 200.00 | -200.00 | 0.0% | 0.00 | 200.00 | -200.00 | 0.0% | 2,400.00 | 2,400.00 | 0.00 | 100.0% |
| 6150 · Field Supplies | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 1,400.00 | 1,400.00 | 0.00 | 100.0% |
| 6170 · Travel & Transportation | 1,307.16 | 1,643.35 | -336.19 | 79.54% | 1,307.16 | 1,643.35 | -336.19 | 79.54% | 16,220.00 | 16,220.00 | 0.00 | 100.0% |
| 6190 · Conferences & Seminars | 437.50 | 650.00 | -212.50 | 67.31% | 437.50 | 650.00 | -212.50 | 67.31% | 12,500.00 | 12,500.00 | 0.00 | 100.0% |
| 6200 · Advisory Comm - WM Board | 0.00 | 4,556.01 | -4,556.01 | 0.0% | 0.00 | 4,556.01 | -4,556.01 | 0.0% | 54,368.00 | 54,368.00 | 0.00 | 100.0% |
| 6300 · Watermaster Board Expenses | 6,469.97 | 12,650.12 | -6,180.15 | 51.15% | 6,469.97 | 12,650.12 | -6,180.15 | 51.15% | 151,289.00 | 151,289.00 | 0.00 | 100.0% |
| 8300 · Appr PI-WM & Pool Admin | 2,340.99 | 11,390.90 | -9,049.91 | 20.55% | 2,340.99 | 11,390.90 | -9,049.91 | 20.55% | 136,273.00 | 136,273.00 | 0.00 | 100.0% |
| 8400 · Agri Pool-WM & Pool Admin | 2,503.37 | 4,926.80 | -2,423.43 | 50.81% | 2,503.37 | 4,926.80 | -2,423.43 | 50.81% | 58,762.00 | 58,762.00 | 0.00 | 100.0% |
| 8467 · Ag Legal & Technical Services | 14,582.50 | 17,583.37 | -3,000.87 | 82.93% | 14,582.50 | 17,583.37 | -3,000.87 | 82.93% | 211,000.00 | 211,000.00 | 0.00 | 100.0% |
| 8470 · Ag Meeting Attend -Special | 1,375.00 | 1,525.00 | -150.00 | 90.16% | 1,375.00 | 1,525.00 | -150.00 | 90.16% | 18,300.00 | 18,300.00 | 0.00 | 100.0% |
| 8471 · Ag Pool Expense | 0.00 | 15,000.00 | -15,000.00 | 0.0% | 0.00 | 15,000.00 | -15,000.00 | 0.0% | 65,000.00 | 65,000.00 | 0.00 | 100.0% |
| 8485 · Ag Pool - Misc. Exp. - Ag Fund | 0.00 | 100.00 | -100.00 | 0.0% | 0.00 | 100.00 | -100.00 | 0.0% | 400.00 | 400.00 | 0.00 | 100.0% |
| 8500 · Non-Ag PI-WM & Pool Admin | 3,247.10 | 9,211.13 | -5,964.03 | 35.25% | 3,247.10 | 9,211.13 | -5,964.03 | 35.25% | 110,314.00 | 110,314.00 | 0.00 | 100.0% |
| 6500 · Education Funds Use Expens | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 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 | -18,892.84 | -61,836.34 | 42,943.50 | 30.55% | -18,892.84 | -61,836.34 | 42,943.50 | 30.55% | -568,626.00 | -568,626.00 | 0.00 | 100.0% |
| 6900 · Optimum Basin Mgmt Plan | 132,621.81 | 147,645.77 | -15,023.96 | 89.82% | 132,621.81 | 147,645.77 | -15,023.96 | 89.82% | 1,009,365.00 | 1,009,365.00 | 0.00 | 100.0% |
| 6950 · Mutual Agency Projects | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 10,000.00 | 10,000.00 | 0.00 | 100.0% |
| 9501 · G&A Expenses Allocated-OBMP | 8,900.67 | 24,841.38 | -15,940.71 | 35.83% | 8,900.67 | 24,841.38 | -15,940.71 | 35.83% | 228,433.00 | 228,433.00 | 0.00 | 100.0% |
| 7101 · Production Monitoring | 5,663.58 | 6,907.80 | -1,244.22 | 81.99% | 5,663.58 | 6,907.80 | -1,244.22 | 81.99% | 81,649.00 | 81,649.00 | 0.00 | 100.0% |
| 7102 · In-line Meter Installation | 678.54 | 12,273.30 | -11,594.76 | 5.53% | 678.54 | 12,273.30 | -11,594.76 | 5.53% | 104,616.00 | 104,616.00 | 0.00 | 100.0% |
| 7103 · Grdwtr Quality Monitoring | 11,970.60 | 20,410.69 | -8,440.09 | 58.65% | 11,970.60 | 20,410.69 | -8,440.09 | 58.65% | 202,339.00 | 202,339.00 | 0.00 | 100.0% |
| 7104 · Gdwtr Level Monitoring | 14,741.99 | 24,835.90 | -10,093.91 | 59.36% | 14,741.99 | 24,835.90 | -10,093.91 | 59.36% | 292,840.00 | 292,840.00 | 0.00 | 100.0% |
| 7105 · Sur Wtr Qual Monitoring | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |

667

| | 1/12th (8.33%) of the Total Budget | | | | 1/12th (8.33%) of the Total Budget | | | | 100% of the Total Budget | | | |
|--|------------------------------------|----------------------|----------------------|--------------|------------------------------------|----------------------|----------------------|--------------|-------------------------------------|---------------------|----------------|---------------|
| | For The Month of July 2013 | | | | Year-To-Date as of July 31, 2013 | | | | Fiscal Year End as of June 30, 2014 | | | |
| | Actual | Budget | \$ Over(Under) | % of Budget | Actual | Budget | \$ Over(Under) | % of Budget | Projected | Budget | \$ Over(Under) | % of Budget |
| 7107 · Ground Level Monitoring | 12,026.90 | 267,576.12 | -255,549.22 | 4.5% | 12,026.90 | 267,576.12 | -255,549.22 | 4.5% | 594,308.00 | 594,308.00 | 0.00 | 100.0% |
| 7108 · Hydraulic Control Monitoring | 6,614.49 | 116,488.03 | -109,873.54 | 5.68% | 6,614.49 | 116,488.03 | -109,873.54 | 5.68% | 406,943.00 | 406,943.00 | 0.00 | 100.0% |
| 7109 · Recharge & Well Monitoring Prog | 0.00 | 1,750.00 | -1,750.00 | 0.0% | 0.00 | 1,750.00 | -1,750.00 | 0.0% | 21,000.00 | 21,000.00 | 0.00 | 100.0% |
| 7200 · PE2- Comp Recharge Pgm | 39,580.57 | 545,030.63 | -505,450.06 | 7.26% | 39,580.57 | 545,030.63 | -505,450.06 | 7.26% | 1,295,892.00 | 1,295,892.00 | 0.00 | 100.0% |
| 7300 · PE3&5-Water Supply/Desalite | 0.00 | 5,072.10 | -5,072.10 | 0.0% | 0.00 | 5,072.10 | -5,072.10 | 0.0% | 60,649.00 | 60,649.00 | 0.00 | 100.0% |
| 7400 · PE4- Mgmt Plan | 4,848.06 | 8,969.93 | -4,121.87 | 54.05% | 4,848.06 | 8,969.93 | -4,121.87 | 54.05% | 107,507.00 | 107,507.00 | 0.00 | 100.0% |
| 7500 · PE6&7-CoopEfforts/SaltMgmt | 1,048.96 | 9,272.40 | -8,223.44 | 11.31% | 1,048.96 | 9,272.40 | -8,223.44 | 11.31% | 111,112.00 | 111,112.00 | 0.00 | 100.0% |
| 7600 · PE8&9-StorageMgmt/Conj Use | 46.19 | 3,472.41 | -3,426.22 | 1.33% | 46.19 | 3,472.41 | -3,426.22 | 1.33% | 41,378.00 | 41,378.00 | 0.00 | 100.0% |
| 7690 · Recharge Improvement Debt Pymt | 406,126.50 | 660,358.40 | -254,231.90 | 61.5% | 406,126.50 | 660,358.40 | -254,231.90 | 61.5% | 1,111,637.00 | 1,111,637.00 | 0.00 | 100.0% |
| 7700 · Inactive Well Protection Prgm | 0.00 | 41.63 | -41.63 | 0.0% | 0.00 | 41.63 | -41.63 | 0.0% | 500.00 | 500.00 | 0.00 | 100.0% |
| 9502 · G&A Expenses Allocated-Projects | 9,992.17 | 36,994.94 | -27,002.77 | 27.01% | 9,992.17 | 36,994.94 | -27,002.77 | 27.01% | 340,193.00 | 340,193.00 | 0.00 | 100.0% |
| Total Expense | 863,478.69 | 2,070,525.54 | -1,207,046.85 | 41.7% | 863,478.69 | 2,070,525.54 | -1,207,046.85 | 41.7% | 7,531,466.00 | 7,531,466.00 | 0.00 | 100.0% |
| Net Ordinary Income | -863,478.69 | -2,070,525.54 | 1,207,046.85 | 41.7% | -863,478.69 | -2,070,525.54 | 1,207,046.85 | 41.7% | -806,730.00 | -806,730.00 | 0.00 | 100.0% |
| Other Income | | | | | | | | | | | | |
| 4210 · Approp Pool-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% |
| 4220 · Non-Ag Pool-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% |
| 4225 · Interest Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 4226 · LAIF Fair Market Value | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 4600 · Groundwater Sales | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Other Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Other Expense | | | | | | | | | | | | |
| 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% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 9200 · Interest 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% |
| 9996 · Refund-Excess Reserves-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% |
| 9997 · Refund-Excess Reserves-NonAg | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 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 | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Other 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% |
| Net Other Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Net Income | -863,478.69 | -2,070,525.54 | 1,207,046.85 | 41.7% | -863,478.69 | -2,070,525.54 | 1,207,046.85 | 41.7% | -806,730.00 | -806,730.00 | 0.00 | 100.0% |

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

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. WATER TRANSACTIONS

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from the West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: May 23, 2013.
2. **Consider Approval for Notice of Sale or Transfer** – The purchase of 100.000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: June 5, 2013.
3. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,500.000 acre-feet of water from the City of Pomona by Fontana Water Company. This purchase is made from the City of Pomona's Excess Carryover Account. Date of Application: June 26, 2013.
4. **Consider Approval for Notice of Sale or Transfer** – On July 17, 2013, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Ameron International Corporation (Ameron) as Transferor and the TAMCO, a California Corporation (TAMCO) as Transferee for the permanent transfer in the amount of 15.000 acre-feet of its adjudicated Safe Yield rights, effective as of the end of fiscal year 2012-13. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the TAMCO. Date of Application: July 17, 2013.

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 2, 2013

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

ANOTICE OF APPLICATION(S) RECEIVED

Date of Application: **May 23 , 2013**

Date of this notice: **August 2, 2013**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – The purchase of 1067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company’s storage account. The City of Upland is utilizing this transaction to produce it’s West End Consolidated Water Company shares.

This *Application* will first be considered by each of the respective pool committees on the following dates:

| | |
|------------------------|----------------|
| Appropriative Pool: | August 8, 2013 |
| Non-Agricultural Pool: | August 8, 2013 |
| Agricultural Pool: | August 8, 2013 |

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

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

Tel: (909) 484-3888
Fax: (909) 484-3890

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 2, 2013

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

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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

PETER KAVOUNAS, P.E.
General Manager

DATE: August 2, 2013
TO: Watermaster Interested Parties
SUBJECT: Summary and Analysis of Application for Water Transaction

Summary –

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

Issue –

- Notice of Sale or Transfer – The purchase of 1067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

Fiscal Impact –

- None
- May reduce assessments under the 85/15 rule
- Reduce desalter replenishment costs

Background

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for water transaction is attached with the notice of application.

- Notice of Sale or Transfer - The purchase of 1067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

Notice of the water transaction identified above was mailed on August 2, 2013 along with the materials submitted by the requestors.

DISCUSSION

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The 85/15 rule does not apply for this transaction because the City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

**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 2012 - 2013

DATE REQUESTED: 5-23-13

AMOUNT REQUESTED: 1067.0 Acre-Feet

| | | | | | |
|---|-------|----------|--|-------|----------|
| TRANSFER FROM (SELLER / TRANSFEROR): | | | TRANSFER TO (BUYER / TRANSFEREE): | | |
| West End Consolidated Water Company | | | City of Upland | | |
| Name of Party | | | Name of Party | | |
| 1370 N. Benson Avenue | | | 460 N. Euclid Avenue | | |
| Street Address | | | Street Address | | |
| Upland | CA | 91786 | Upland | CA | 91786 |
| City | State | Zip Code | City | State | Zip Code |
| (909) 291-2931 | | | (909) 931-4102 | | |
| Telephone | | | Telephone | | |
| (909) 291-2974 | | | (909) 931-4107 | | |
| 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 _____

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:

700 to 1100 gpm

Projected Rate of Recapture

Projected Duration of Recapture

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

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Regular production wells

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:

Nitrate ~ 56PPM & DBCP ~ 0.35PPB

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

Static water level ~ 555 to 610 feet bgs

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

Yes No



Seller / Transferor Representative Signature

Rosemary Hoerning, General Manager

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Stephen Dunn, City Manager

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

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 2, 2013

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

ANOTICE OF APPLICATION(S) RECEIVED

Date of Application: **June 5, 2013**

Date of this notice: **August 2, 2013**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – The purchase of 100.000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce it's West End Consolidated Water Company shares.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool: August 8, 2013

Non-Agricultural Pool: August 8, 2013

Agricultural Pool: August 8, 2013

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

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

Tel: (909) 484-3888
Fax: (909) 484-3890

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 2, 2013

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

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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

PETER KAVOUNAS, P.E.
General Manager

DATE: August 2, 2013
TO: Watermaster Interested Parties
SUBJECT: Summary and Analysis of Application for Water Transaction

Summary –

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

Issue –

- Notice of Sale or Transfer – The purchase of 100,000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

Fiscal Impact –

- None
- May reduce assessments under the 85/15 rule
- Reduce desalter replenishment costs

Background

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for water transaction is attached with the notice of application.

- Notice of Sale or Transfer - The purchase of 100,000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares

Notice of the water transaction identified above was mailed on August 2, 2013 along with the materials submitted by the requestors.

DISCUSSION

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The 85/15 rule does not apply for this water transaction because Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

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 2012-2013

DATE REQUESTED: 6-5-2013

AMOUNT REQUESTED: 100.0 Acre-Feet

| | |
|--|--|
| TRANSFER FROM (SELLER / TRANSFEROR): West End Consolidated Water Company | TRANSFER TO (BUYER / TRANSFEREE): Golden State Water Company |
| Name of Party 1370 N. Benson Avenue | Name of Party 630 East Foothill Blvd |
| Street Address Upland CA 91786 | Street Address San Dimas CA 91733 |
| City State Zip Code (909) 291-2931 | City State Zip Code (909) 394-3600 |
| Telephone (909) 291-2974 | Telephone (909) 394-1382 |
| 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 _____

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 *PH*
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?

None to our Knowledge

MATERIAL PHYSICAL INJURY

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

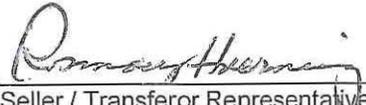
Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes No

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:

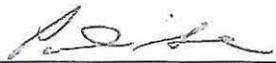
- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to 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 Yes No



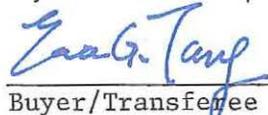
Seller / Transferor Representative Signature
Rosemary Hoerning, General Manager

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature
Patrick Scanlon, Vice President

Buyer / Transferee Representative Name (Printed)



Buyer/Transferee Representative Signature
Eva G. Tang

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

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 2, 2013

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

ANOTICE OF APPLICATION(S) RECEIVED

Date of Application: **June 26 , 2013**

Date of this notice: **August 2, 2013**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – The purchase of 1500.000 acre-feet of water from the City of Pomona by Fontana Water Company. This purchase is made from the City of Pomona’s Excess Carryover Account.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool: August 8, 2013

Non-Agricultural Pool: August 8, 2013

Agricultural Pool: August 8, 2013

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

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

Tel: (909) 484-3888
Fax: (909) 484-3890

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 2, 2013

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

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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

PETER KAVOUNAS, P.E.
General Manager

DATE: August 2, 2013
TO: Watermaster Interested Parties
SUBJECT: Summary and Analysis of Application for Water Transaction

Summary –

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

Issue –

- Notice of Sale or Transfer – The purchase of 1500.000 acre-feet of water from the City of Pomona by Fontana Water Company. This purchase is made from the City of Pomona's Excess Carryover Account.

Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

Fiscal Impact –

- None
- May reduce assessments under the 85/15 rule
- Reduce desalter replenishment costs

Background

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for water transaction is attached with the notice of application.

- Notice of Sale or Transfer – The purchase of 1500.000 acre-feet of water from the City of Pomona by Fontana Water Company. This purchase is made from the City of Pomona's Excess Carryover Account.

Notice of the water transaction identified above was mailed on August 2, 2013 along with the materials submitted by the requestors.

DISCUSSION

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

**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 2012-2013

DATE REQUESTED: June 26, 2013

AMOUNT REQUESTED: 1,500 Acre-Feet

| | | | | | |
|---|-------|----------|--|-------|----------|
| TRANSFER FROM (SELLER / TRANSFEROR): | | | TRANSFER TO (BUYER / TRANSFEREE): | | |
| City of Pomona | | | Fontana Water Company | | |
| Name of Party | | | Name of Party | | |
| 505 South Garey Avenue | | | 15966 Arrow Route | | |
| Street Address | | | Street Address | | |
| Pomona | CA. | 91766 | Fontana | CA. | 92335 |
| City | State | Zip Code | City | State | Zip Code |
| (909) 620-2311 | | | (909) 822-2201 | | |
| Telephone | | | Telephone | | |
| (909) 620-2222 | | | (909) 823-5046 | | |
| 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 _____

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 Excess Carryover Account

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: | |
| Varies | 2012 - 2013 |
| Projected Rate of Recapture | Projected Duration of Recapture |
| METHOD OF RECAPTURE (e.g. pumping, exchange, etc.): | |
| Pumping | |
| PLACE OF USE OF WATER TO BE RECAPTURED: | |
| Chino Basin Management Zone 3 | |
| LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES): | |
| N/A | |

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:

Of the wells routinely pumped, perchlorate levels range from non detect to 2.9 ppb and nitrate levels range from 6.6 to 32.0 ppm.

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

Static Water Levels ranging from 317 bgs to 651 bgs

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

Yes No

Meg McWade for
Seller / Transferor Representative Signature
Meg McWade (for Curtis Aaron Interim Public Works Director)
Seller / Transferor Representative Name (Printed)

Robert Young
Buyer / Transferee Representative Signature
Robert Young, General Manager
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

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 2, 2013

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

ANOTICE OF APPLICATION(S) RECEIVED

Date of Application: **July 17, 2013**

Date of this notice: **August 2, 2013**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – On July 17, 2013, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Ameron International Corporation (Ameron) as Transferor and the TAMCO, a California Corporation (TAMCO) as Transferee for the permanent transfer in the amount of 15.000 acre-feet of its adjudicated Safe Yield rights, effective as of the end of Fiscal Year 2012/13. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the TAMCO.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool: August 8, 2013

Non-Agricultural Pool: August 8, 2013

Agricultural Pool: August 8, 2013

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

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

Tel: (909) 484-3888
Fax: (909) 484-3890

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 2, 2013

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

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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

PETER KAVOUNAS, P.E.
General Manager

DATE: August 2, 2013
TO: Watermaster Interested Parties
SUBJECT: Summary and Analysis of Application for Water Transaction

Summary –

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

Issue –

Notice of Sale or Transfer – On July 17, 2013, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Ameron International Corporation (Ameron) as Transferor and the TAMCO, a California Corporation (TAMCO) as Transferee for the permanent transfer in the amount of 15.000 acre-feet of its adjudicated Safe Yield rights, effective as of the end of fiscal year 2012/13. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the TAMCO. This Staff Report provides a summary and analysis of the proposed transfer.

Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

Fiscal Impact –

- None
 May reduce assessments under the 85/15 rule
 Reduce desalter replenishment costs

Background

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for water transaction is attached with the notice of application.

- Notice of Sale or Transfer – On July 17, 2013, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Ameron International Corporation (Ameron) as Transferor and the TAMCO, a California Corporation (TAMCO) as Transferee for the permanent transfer in the amount of 15,000 acre-feet of its adjudicated Safe Yield rights, effective as of the end of fiscal year 2012/13. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the TAMCO. This Staff Report provides a summary and analysis of the proposed transfer.

Notice of the water transaction identified above was mailed on August 2, 2013 along with the materials submitted by the requestors.

DISCUSSION

Under Exhibit G, paragraph 6, of the Judgment: "Rights herein decreed are appurtenant to that land and are only assignable with the land for overlying use thereon; provided however, . . . (b) the members of the Pool shall have the right to Transfer or lease their quantified production rights within the Pool or to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000 for the term of the Peace Agreement." The Peace Agreement and Peace II Agreement thus modified the strict appurtenancy requirement to allow Transfers of the water rights under certain conditions.

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. While Watermaster received the paper copies of the requests on July 17, 2013, it had received notice of the request in June 2013, with notice of the parties' intent that the transfer be effective for fiscal year 2012/2013.

Ameron and TAMCO have submitted 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), and Form 5 (Application to Transfer Annual Production Right or Safe Yield). The Applications indicate that the amount of water rights to be permanently transferred is 15,000 acre-feet. 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.

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.



ATTORNEYS AT LAW

777 S. Figueroa Street
34th Floor
Los Angeles, CA 90017
T 213.612.7800
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,

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', written over the typed name.

Kenneth A. Jeck
Vice President – Risk Management

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

LA_IMAN_441064_1 (5)



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', written in a cursive style.

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

| | |
|---|--|
| TRANSFER FROM (SELLER / TRANSFEROR): | TRANSFER TO (BUYER / TRANSFEREE): |
| <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 _____

Consolidated Forms 3, 4 & 5 cont.

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

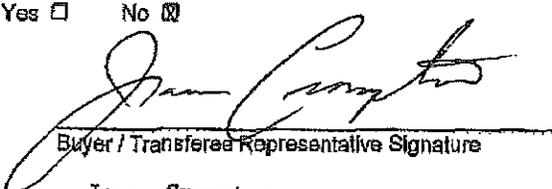
Yes No

Ameron International Corporation

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 ITEMS

A. RECHARGE MASTER PLAN UPDATE AMENDMENT APPROVAL



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: September 26, 2013
TO: Watermaster Board
SUBJECT: Recharge Master Plan Update Amendment Approval

SUMMARY

Issue: The 2013 Amendment to the 2010 Recharge Master Plan Update ("RMPU") is due to be filed with the Court in October 2013, after approval by the Advisory Committee and the Board. The RMPU Amendment consists of eight sections.

Sections 1 through 4 were approved in Final Draft form in May 2012. Sections 1 through 4 have been edited to enhance the consistency of the entire RMPU Amendment. Sections 5, 6, and 7 have already been approved in final form. Section 8 represents the recommended recharge projects, and the implementation and financing plans, and has been developed with input from the Steering Committee.

Approval of Sections 1 through 4, and Section 8 completes the 2013 RMPU Amendment.

Recommendation: [1] Approve Sections 1 through 4 as presented; [2] approve Section 8 as presented, [3] adopt Resolution 2013-06, and [4] authorize General Counsel to make the appropriate filing requesting the Court's approval.

Financial Impact: There is no financial impact as a result of this action.

Future Consideration

Watermaster Board: September 26, 2013 Approval [Advisory Committee Approval Required]

ACTIONS:

Sep 12, 2013 – Appropriative Pool – recommend approval to the Advisory Committee
Sep 12, 2013 – Non-Agricultural Pool – recommend approval to the Advisory Committee
Sep 12, 2013 – Agricultural Pool – recommend approval to the Advisory Committee
Date – Advisory Committee – approved unanimously
Date – Watermaster Board –

BACKGROUND

In its October 2010 Court order, the Court accepted the 2010 RMPU as satisfying Condition Subsequent Number 8 to The Peace II Agreement and ordered that certain recommendations of the 2010 RMPU be implemented. Specifically, the Court ordered:

(3) Watermaster is hereby ordered to convene the committee described in item 3 of section 7.1 of the updated RMP to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield.

(4) Watermaster is hereby ordered to conduct further analyses as described in section 7.2 of the updated RMP of the Phase I through III projects to refine the projects, to develop a financing plan, and to develop an implementation plan.

(5) By December 17, 2011, six months following completion of the parties UWMPs, Watermaster will report to the Court on any changes to the 2010 RMP necessitated by information received through the UWMPs. In this report Watermaster will also report on progress made under items (3) and (4) above, and will report on the status of IEUA's approval of the RMP.

Item 3 of Section 7.1 of the 2010 RMPU reads as follows:

3. In implementing the above, Watermaster should form a committee—consisting of itself, the land use control entities, the County Flood Control Districts, the CBWCD, the IEUA, and others—to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield. This committee should be formed immediately, and the monitoring, reporting, and accounting practices should be developed as soon as possible.

The operable section of Section 7.2 of the 2010 RMPU reads as follows:

Watermaster should conduct further analyses of the Phase I through III projects to refine the projects, to develop a financing plan, and to develop an implementation plan. This planning work should begin as soon as practical and could be accomplished within three years. The schedule to implement the Phase I through III projects would be developed during the proposed planning work, and the construction of these projects could be completed within five years of completing the proposed planning work.

Accordingly, it was indicated to the Court that the planning for the Phase I through III projects could be done by October 2013 and that construction could be completed by October 2018. This does not mean that all the projects contained within the 2010 RMPU would be constructed by October 2018. Through the Amendment process, Watermaster was to determine which of the recharge projects identified in the 2010 RMPU, and perhaps other recharge projects, need to be implemented based on current projected needs and have the planning for these projects done at an appropriate level that they could be constructed by October 2018.

On December 15, 2011, the Watermaster Board:

“Moved to approve that within the next year there will be the completion of Recharge Master Plan Update, there will be the development of an Implementation Plan to address balance issues within the Chino Basin subzones, and the development of a Funding Plan, as presented.”

On December 16, 2011, the Court issued an order directing Watermaster to continue with its implementation of the 2010 RMPU per its October 2010 order and extending the December 17, 2011 reporting deadline by 180 days.

Watermaster staff convened a Recharge Master Plan Update Steering Committee (Steering Committee) during the Fall of 2011. The Steering Committee was reformed in January 2012 to include all stakeholders and met regularly since February 2012. The Steering Committee developed and approved a scope of work and report outline and commenced with the execution of the work. On May 31, 2012 Watermaster reported its progress pursuant to the October 2010 and the December 16, 2011 Orders.

On November 15, 2012, the Watermaster Board approved a modified schedule for completion of the RMPU with a target date of September 2013 for completion of the RMPU Amendment, providing for the filing of the Amendment with the Court in October 2013. The Steering Committee has met numerous times since then to review progress of the plan and offer advice and input to Watermaster staff and consultants.

DISCUSSION

The 2013 RMPU Amendment is organized in eight sections, developed with input from the Steering Committee. Sections 1 through 4 present a summary of changed conditions since the 2005 Recharge Master Plan, the impact of revised projections of groundwater production and replenishment shown in the 2010 UWMPs, and an inventory of existing facilities. In May 2012, Sections 1 through 4 were approved in Final Draft form. These sections are responsive to the Court's Order to report on changes identified in the 2010 UWMPs. The sections are incorporated with the remaining work requested by the Court to form the complete RMPU Amendment. Some modifications to language in Sections 1 through 4 are necessary to make the entire document consistent. These modifications were made available for review by the Steering Committee on September 5, 2013, and are shown in redline form.

Section 5 addresses monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield. This section was approved by the Advisory Committee and the Board in June 2013. Section 6 presents summarizes possible recharge options well beyond the Phase I through III projects identified in the 2010 RMPU. The listing of projects was expanded intentionally to provide an opportunity to identify any and all known recharge opportunities at this time. This section was approved by the Advisory Committee and the Board in February 2013. Section 7 describes the selection criteria used to evaluate and rank the various recharge options. This section was approved by the Advisory Committee and the Board in January 2013.

Section 8 presents the recommended RMPU Amendment options, and the required financing and implementation plans.

Project selection criteria include confidence in recharge estimate; location; expandability to include supplemental water recharge; cost; water quality challenges; and institutional challenges.

After evaluating various cost effectiveness thresholds, the Steering Committee indicated a preference for including all recharge options that combine to \$612 per acre-foot or less, and this is the recommended list of projects. The potential total capital expense for these exceeds \$57 million, with potential stormwater capture between 5,340 to 6,781 acre-feet per year, and creating additional recycled water recharge capacity of 4,936 acre-feet per year.

It should be noted that IEUA, an active participant in the process, considered the proposed options and has indicated willingness to jointly fund certain of these projects. IEUA's financial participation has been considered in the cost of the projects.

The Implementation Plan includes an evaluation of Management Zone 3 sustainability needs as one of the first steps, in conjunction with development of various agreements that are necessary for agency cooperation during project implementation. These agreements potentially include cost allocation mechanisms that are different than those established in the Peace II agreement. Yield Enhancement projects would proceed with preliminary design, permitting, and CEQA compliance, and then final design

and construction. At the time of the completion of the 2010 RMPU, it was anticipated that the projects that would be identified for implementation through the Amendment could be constructed within five years of the completion of the Amendment. Based on the information on these projects developed through the Amendment process, it is believed that a six year time frame for full construction of the recommended projects is more realistic.

The Financing Plan contemplates cost-sharing between IEUA and Watermaster, and pursuit of grants. Design and permitting costs are proposed to be paid on a pay-as-you-go basis, and the anticipated annual amounts are shown in Section 8 on a fiscal year basis for ease of budget planning. Capital costs would be paid through longer term financing mechanisms established by IEUA or certain Appropriators, and the timing for that is also described in the Financing Plan in Section 8. The Financing Plan does not address the relative timing of capital investment by the parties and associated new yield benefits; it is envisioned that this matter will be addressed prior to the actual investment of any capital funds.

Throughout the process of formulating the 2013 Amendment, the Board received periodic updates as to the progress made by the Steering Committee in the development of the 2013 Amendment. Specifically, at almost every Board meeting from September 2012-present, the Board either took action to approve the schedule or individual sections of the 2013 Amendment, or was updated on the progress of the 2013 Amendment.

Pursuant to section 8.1 of the Peace II Agreement, IEUA's approval of the RMPU Amendment is required, and IEUA representatives have indicated that the IEUA Board will consider approval of the Amendment at its October 16, 2013 meeting.

ATTACHMENTS

1. The sections of the RMPU Amendment presented for adoption are available on the Chino Basin Watermaster FTP site
2. Resolution 2013-06
3. Draft version of proposed Court filing will be made available to the Board on the Watermaster FTP site prior to the September 26, 2013 meeting; electronic notice will be sent when the document is made available

1. *Redlined Sections 1 through 4, and Final Draft of Section 8 are posted on the Chino Basin Watermaster FTP site:*

<http://www.cbwm.org/FTP/CB%20RMPU%20Steering%20Committee/RMPU%20Sections/>

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**WATERMASTER RESOLUTION
NO. 2013-06**

**RESOLUTION OF THE CHINO BASIN WATERMASTER
REGARDING THE ADOPTION OF THE 2013 AMENDMENT
TO THE 2010 UPDATE TO THE CHINO BASIN RECHARGE MASTER PLAN**

1. **WHEREAS**, in 2000, the Chino Basin Watermaster adopted a Recharge Master Plan which established the technical foundation for the development of the recharge facilities and practices in the Chino Basin; and
2. **WHEREAS**, in 2001, Watermaster, in cooperation with the Inland Empire Utilities Agency ("IEUA"), initiated the Chino Basin Facilities Improvement Project ("CBFIP") which implemented facilities recommendations in the Recharge Master Plan; and
3. **WHEREAS**, in 2006, Watermaster, in cooperation with IEUA, initiated Phase II of the CBFIP in order to implement additional facilities recommendations in the Recharge Master Plan; and
4. **WHEREAS**, on December 21, 2007, the Court approved the Peace II Measures which set forth a modified approach to management of the Chino Basin known as Basin Re-Operation, the ultimate goal of which is the achievement of Hydraulic Control; and
5. **WHEREAS**, Section 8.1 of the Peace II Agreement, the relevant portions for purposes of this Resolution are attached as Exhibit A hereto, approved by the Court, included the requirement that Watermaster and IEUA must each approve the Recharge Master Plan; and
6. **WHEREAS**, pursuant to Section 8.3 of the Peace II Agreement, Watermaster is obligated to make an annual finding that it is in substantial compliance with the Recharge Master Plan, as it is revised. This requirement exists to ameliorate any long-term risk attributable to reliance upon un-replenished groundwater production by the Desalters, and is a condition on the annual availability of any portion of the 400,000 acre-feet set aside as controlled overdraft; and
7. **WHEREAS**, as a condition of approval of Basin Re-Operation and Hydraulic Control, the Court required Watermaster to update the Recharge Master Plan to account for the new Basin management regime and to account for other changes that had occurred since the creation of the original Recharge Master Plan; and
8. **WHEREAS**, during 2009 through 2010, Watermaster staff and technical consultants, in cooperation with IEUA and the Chino Basin Water Conservation District, developed an updated Recharge Master Plan ("2010 RMPU"); and
9. **WHEREAS**, during the spring of 2010, Watermaster staff and technical consultants held numerous technical workshops and recognized that changing conditions within the Chino Basin including the impacts of the economic recession, drought, mandatory regional conservation, increased recycled water recharge capability and the adoption of new regulatory requirements for stormwater capture significantly modified planning assumptions in the 2010 RMPU; and

10. **WHEREAS**, due to intervening state legislation enacted subsequent to the Court's December 2007 Order, a delay in finalizing the Update was required. The legislation extended the time for completion of 2010 Urban Water Management Plans ("UWMPs") until July of 2011; and

11. **WHEREAS**, IEUA deferred its right to approval of the 2010 RMPU until after the completion of the appropriators' UWMPs, because IEUA believed that the water demand and production assumptions were overly conservative and should be re-evaluated with the completion of the parties UWMPs to avoid unnecessary expense to the parties; and

12. **WHEREAS**, on June 30, 2010, Watermaster submitted its 2010 RMPU to the Court; and

13. **WHEREAS**, on October 8, 2010, the Court issued an *Order Approving Watermaster's Compliance with Condition Subsequent Number Eight and Approving Procedures to be Used to Allocate Surplus Agricultural Pool Water in the Event of a Decline in Safe Yield*, attached hereto as Exhibit B, finding the 2010 RMPU was responsive to its prior Orders. The October 8, 2010 Order ordered Watermaster to convene the committee described in Item 3 of Section 7.1 of the 2010 RMPU to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield (October 8, 2010 Order, at 4:9-11); and

14. **WHEREAS**, the Court also ordered Watermaster to conduct further analyses, as described in section 7.2 of the 2010 RMPU, of the Phase I through III recharge projects to refine the projects, to develop a financing plan, and to develop an implementation plan. The Court further ordered Watermaster to report to the Court on any changes to the 2010 RMPU Update necessitated by information received through the UWMPs by December 17, 2011, and to report on the status of IEUA's approval of the updated Recharge Master Plan (October 8, 2010 Order, at 4:12-18); and

15. **WHEREAS**, on December 15, 2011, the Watermaster Board directed the completion of the update to the 2010 RMPU and an implementation and funding plan within the following year; and

16. **WHEREAS**, on December 16, 2011, the Court granted a request by Watermaster to extend the time for which Watermaster was required to file a Status Report on further updates to the Recharge Master Plan, and on May 31, 2012, Watermaster filed a Recharge Master Plan Status Report, a copy of which is attached hereto as Exhibit C, informing the Court of the progress made toward amending the 2010 RMPU, as required by Section 8.3 of the Peace II Agreement; and

17. **WHEREAS**, at its November 15, 2012 regular meeting, after reviewing progress made toward completion of the amendment of the 2010 RMPU, the Board unanimously approved a schedule providing for the completion of compliance with Court's October 2010 Order, and its filing with the Court by October 2013; and

18. **WHEREAS**, at its December 20, 2012 regular meeting, the Board reviewed an opinion from Wildermuth Environmental, Inc. ("WEI") regarding the adequacy of replenishment capacity. The Board adopted the findings in the WEI report, a copy of which is attached hereto as Exhibit D, which found that, as there is sufficient recharge capacity to meet future replenishment obligations identified in the 2010 Recharge Master Plan Update and that if Basin Re-Operation were terminated prior to 2030, that Watermaster would be able to increase its replenishment activity in order to maintain hydrologic balance within the Basin, and, accordingly, Watermaster was in substantial compliance with the Recharge Master Plan, as required; and

19. **WHEREAS**, a Recharge Master Plan Update Steering Committee ("Steering Committee") was convened, and, using updated estimates of stakeholders' groundwater production and projections of replenishment obligations, the Steering Committee evaluated changed circumstances (legislative, regulatory, etc.) that were not addressed in the 2010 Recharge Master Plan Update and how these changes affect the Recharge Master Plan; and
20. **WHEREAS**, since mid-2011, the Steering Committee has generally met twice each month, and includes stakeholders, inclusive of IEUA as required by the Peace II Agreement. The evaluation by the Steering Committee has incorporated updated groundwater production estimates and replenishment obligation projections, calculations of water in storage, and information regarding the projected availability of replenishment water; and
21. **WHEREAS**, in finalizing the 2013 Amendment to the 2010 Recharge Master Plan Update, attached hereto as Exhibit E, the Steering Committee identified the possible recharge options available to meet current and projected recharge and replenishment needs. This included the analysis of potential recharge associated with Municipal Separate Storm Sewer Systems ("MS4s"), the identification of areas within the Basin with the potential for production sustainability challenges and other water management challenges that can be addressed by recharge or production management, the identification of options ensuring production sustainability through the term of the Peace Agreements, including increased recharge at existing facilities, new recharge facilities, new recharge sources, adjustment in production patterns, and other options. These potential projects were generally described as projects that could address sustainability challenges within the Basin ("Sustainability Projects") and projects designed to increase stormwater and Supplemental Water recharge to the Basin ("Yield Enhancement Projects"), and went beyond the Phase I through III recharge projects included in the 2010 Recharge Master Plan Update; and
22. **WHEREAS**, the Steering Committee developed criteria by which the Sustainability Projects and Yield Enhancement Projects were analyzed and ranked for potential implementation, and, pursuant to such ranking, certain projects were recommended for implementation. The Yield Enhancement Projects selected by the Steering Committee for recommended implementation through the 2013 Amendment are estimated to increase stormwater recharge to the Basin by up to 6,781 acre-feet per year and recycled water recharge to the Basin by up to 4,936 acre-feet per year; and,
23. **WHEREAS**, the Steering Committee has developed an implementation and financing plan for the implementation of the recommended projects as part of the 2013 Amendment, which the Court will be asked to approve and with which it will be asked to direct Watermaster to proceed in accordance; and
24. **WHEREAS**, the 2013 Amendment includes an analysis of changed conditions in the Basin at section 2, including legislative and regulatory changes and groundwater level changes; section 5 of the 2013 Amendment includes an analysis of monitoring, reporting, and accounting practices to estimate long-term average annual net new stormwater recharge, section 6 of the 2013 Amendment considers recharge options to improve yield and assure sustainability, section 7 contains the evaluation criteria used to meet recharge goals and recommends criteria, and section 8 of the 2013 Amendment includes the recommended 2013 Recharge Master Plan for the Basin, including the implementation and financing plan for the recommended projects; and
25. **WHEREAS**, Section 8.1 of the Peace II Agreement provides that the Recharge Master Plan will be updated no less frequently than once every five years; and

26. WHEREAS, the Watermaster Board has received periodic updates as to the progress made by the Steering Committee in the development of the 2013 Amendment to the 2010 Recharge Master Plan Update, and has previously approved the individual sections that compose the Amendment; and

27. WHEREAS, in its May 2012 Recharge Master Plan Status Report, Watermaster reported that because IEUA had been an active participant in the Amendment process, Watermaster reasonably anticipated that IEUA would be more readily disposed to approve the Amendment. Since that time, IEUA has continued to participate in the development of the Amendment and it is reasonably expected that the IEUA Board of Directors will approve the 2013 Amendment at its October 16, 2013 regular meeting.

NOW, THEREFORE, on the basis of the staff reports, expert opinions and substantial evidence presented, Watermaster finds that:

1. There exists sufficient recharge capacity to meet future replenishment obligations identified in the 2010 Recharge Master Plan Update. If Basin Re-Operation were terminated prior to 2030, Watermaster would be able to increase its replenishment activity in order to maintain hydrologic balance within the Basin, in compliance with the Recharge Master Plan.
2. Watermaster has completed the 2013 Amendment to the 2010 Recharge Master Plan Update in compliance with the Board's approved schedule providing for the completion of compliance with Court's October 2010 Order, and its filing with the Court by October 2013.
3. Watermaster and interested parties, through the Steering Committee, thoroughly evaluated changed circumstances (legislative, regulatory, etc.) that were not addressed in the 2010 Recharge Master Plan Update and how these changes affect the Recharge Master Plan, and this evaluation is included in section 2 of the 2013 Amendment.
4. The Steering Committee developed the monitoring, reporting, and accounting practices and criteria necessary to estimate and evaluate local project stormwater recharge and New Yield, as described in section 5 of the 2013 Amendment.
5. The Steering Committee facilitated the technical evaluation of the Sustainability Projects and Yield Enhancement Projects, which exceeded the scope of the 2010 RMPU's Phase I – III projects, and their ranking pursuant to agreed upon criteria, as described in sections 6 and 7 of the 2013 Amendment.
6. The Steering Committee's recommended Yield Enhancement Projects are estimated to increase stormwater recharge to the Basin by up to 6,781 acre-feet per year and recycled water recharge to the Basin by up to 4,936 acre-feet per year.
7. The Steering Committee developed an implementation and financing plan for the 2013 Amendment's recommended projects, as described in section 8 of the 2013 Amendment, that will further the goals and requirements of the Recharge Master Plan.
8. The development of the 2013 Amendment was substantially a further update to the Recharge Master Plan.

NOW, THEREFORE, BE IT RESOLVED, by the Chino Basin Watermaster that:

1. The 2013 Amendment to the 2010 Recharge Master Plan Update is based on sound technical analysis and adequately amends the 2010 Recharge Master Plan Update in light of changed economic, legislative, and hydrologic conditions within the State of California.
2. The 2013 Amendment to the 2010 Recharge Master Plan Update is responsive to the Court's order to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield, and contains sufficient analysis responsive to the Court's direction to develop a financing plan and an implementation plan.
3. Watermaster adopts the 2013 Amendment to the 2010 Recharge Master Plan Update as the guidance document for the further development of the recharge facilities within the Chino Basin.
4. Pursuant to the Peace II Agreement Section 8.1, Watermaster and IEUA will update the Recharge Master Plan not less frequently than once every five years. As the development of the 2013 Amendment was, in effect, an update to the Plan, the Plan will be updated no later than 2018.

APPROVED by the Advisory Committee this 19th day of September 2013.

ADOPTED by the Watermaster Board on this 26th day of September 2013.

By: _____

Chairman, Watermaster Board

APPROVED:

Chairman, Advisory Committee

ATTEST:

Board Secretary
Chino Basin Watermaster

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Peter Rogers, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Revised Resolution being No. 2013-___, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES: 0

NOES: 0

ABSENT: 0

ABSTAIN: 0

CHINO BASIN WATERMASTER

Secretary

Date: _____

LIST OF EXHIBITS

- Exhibit "A" Excerpts of Article VIII of the Peace II Agreement
- Exhibit "B" Order Approving Watermaster's Compliance with Condition Subsequent Number Eight and Approving Procedures to be Used to Allocate Surplus Agricultural Pool Water in the Event of a Decline in Safe Yield, dated October 8, 2010
- Exhibit "C" Chino Basin Watermaster's Recharge Master Plan Status Report to the Court, dated May 31, 2012
- Exhibit "D" Staff Report from Chino Basin Watermaster dated December 20, 2012, including Wildermuth Environmental, Inc., Annual Finding of Replenishment Capacity-Fiscal 2012-13, dated November 19, 2012, and staff
- Exhibit "E" 2013 Amendment to the 2010 Recharge Master Plan Update

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EXHIBIT “A”

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October 25, 2007

**PEACE II AGREEMENT:
PARTY SUPPORT FOR WATERMASTER'S OBMP
IMPLEMENTATION PLAN, –
SETTLEMENT AND RELEASE OF CLAIMS
REGARDING FUTURE DESALTERS**

WHEREAS, paragraph 41 of the Judgment entered in *Chino Basin Municipal Water District v. City of Chino* (San Bernardino Superior Court Case No. 51010) grants Watermaster, with the advice of the Advisory and Pool Committees, "discretionary powers in order to implement an Optimum Basin Management Program ("OBMP") for the Chino Basin";

WHEREAS, the Parties to the Judgment executed an agreement resolving their differences and pledging their support for Watermaster actions in accordance with specific terms in June of 2000 ("Peace Agreement");

WHEREAS, Watermaster approved Resolution 00-05, and thereby adopted the goals and objectives of the OBMP, the OBMP Implementation Plan and committed to act in accordance with the terms of the Peace Agreement;

WHEREAS, pursuant to Article IV, paragraph 4.2, each of the parties to the Peace Agreement agreed not to oppose Watermaster's adoption and implementation of the OBMP Implementation Plan attached as Exhibit "B" to the Peace Agreement;

WHEREAS, the Peace Agreement, the OBMP Implementation Plan and the Chino Basin Watermaster Rules and Regulations contemplate further actions by Watermaster in furtherance of its responsibilities under paragraph 41 of the Judgment and in accordance with the Peace Agreement and the OBMP Implementation Plan;

WHEREAS, the Parties to the Peace Agreement made certain commitments regarding the funding, design, construction and operation of Future Desalters;

WHEREAS, after receiving input from its stakeholders in the form of the Stakeholder's Non-Binding Term Sheet, Watermaster has proposed to adopt Resolution 07-05 attached as Exhibit "1" hereto to further implement the OBMP through a suite of measures commonly referred to and herein defined as "Peace II Measures", including but not limited to the 2007 Supplement to the OBMP, the Second Amendment to the Peace Agreement, amendments to Watermaster's Rules and Regulations, the purchase and sale of water within the Overlying (Non-Agricultural) Pool and certain Judgment amendments; and

NOW, THEREFORE, in consideration of the mutual promises specified herein and by conditioning their performance under this Agreement upon the conditions precedent set forth in Article III herein, the Watermaster Approval, and Court Order, and for other good and valuable consideration, the Parties agree as follows:

- 7.5 Allocation of Losses. Any losses from storage assessed as a Leave Behind in excess of actual losses ("dedication quantity") will be dedicated by Watermaster towards groundwater Production by the Desalters to thereby avoid a Desalter replenishment obligation that may then exist *in the year* of recovery. Any dedication quantity which is not required to offset Desalter Production in the year in which the loss is assessed, will be made available to the members of the Appropriative Pool. The dedication quantity will be pro-rated among the members of the Appropriative Pool in accordance with each Producer's combined total share of Operating Safe Yield and the previous year's actual production. However, before any member of the Appropriative Pool may receive a distribution of any dedication quantity, they must be in full compliance with the 2007 Supplement to the OBMP Implementation Plan and current in all applicable Watermaster assessments.

ARTICLE VIII
RECHARGE

- 8.1 Update to the Recharge Master Plan. Watermaster will update and obtain Court approval of its update to the Recharge Master Plan to address how the Basin will be contemporaneously managed to secure and maintain Hydraulic Control and subsequently operated at a new equilibrium at the conclusion of the period of Re-Operation. The Recharge Master Plan will be jointly approved by IEUA and Watermaster and shall contain recharge estimations and summaries of the projected water supply availability as well as the physical means to accomplish the recharge projections. Specifically, the Plan will reflect an appropriate schedule for planning, design, and physical improvements as may be required to provide reasonable assurance that following the full beneficial use of the groundwater withdrawn in accordance with the Basin Re-Operation and authorized controlled overdraft, that sufficient Replenishment capability exists to meet the reasonable projections of Desalter Replenishment obligations. With the concurrence of IEUA and Watermaster, the Recharge Master Plan will be updated and amended as frequently as necessary with Court approval and not less than every five (5) years. Costs incurred in the design, permitting, operation and maintenance of recharge improvements will be apportioned in accordance with the following principles.

- a. Operations and Maintenance. All future operations and maintenance costs attributable to all recharge facilities utilized for recharge of recycled water in whole or in part unfunded from third party sources, will be paid by the Inland Empire Utilities Agency ("IEUA") and Watermaster. The contribution by IEUA will be determined annually on the basis of the relative proportion of recycled water recharged bears to the total recharge from all sources in the prior year. For example, if 35 percent of total recharge in a single year is from recycled water, then IEUA will bear 35 percent of the operations and maintenance costs. All remaining unfunded costs attributable to the facilities used by Watermaster will be paid by Watermaster.

- i. IEUA reserves discretion as to how it assesses its share of costs.

ii. Watermaster will apportion its costs among the members of the stakeholders in accordance with Production, excluding Desalter Production.

iii. The operations and maintenance costs of water recharged by aquifer storage and recovery will not be considered in the calculation other than by express agreement.

b. Capital. Mutually approved capital improvements for recharge basins that do or can receive recycled water constructed pursuant to the Court approved Recharge Master Plan, if any, will be financed through the use of third party grants and contributions if available, with any unfunded balance being apportioned 50 percent each to IEUA and Watermaster. The Watermaster contribution shall be allocated according to shares of Operating Safe Yield. All remaining unfunded costs attributable to the facilities used by Watermaster will be paid by Watermaster.

8.2 Coordination. The members of the Appropriative Pool will coordinate the development of their respective Urban Water Management Plans and Water Supply Master Plans with Watermaster as follows.

- (a) Each Appropriator that prepares an Urban Water Management Plan and Water Supply Plans will provide Watermaster with copies of their existing and proposed plans.
- (b) Watermaster will use the Plans in evaluating the adequacy of the Recharge Master Plan and other OBMP Implementation Plan program elements.
- (c) Each Appropriator will provide Watermaster with a draft in advance of adopting any proposed changes to their Urban Water Management Plans and in advance of adopting any material changes to their Water Supply Master Plans respectively in accordance with the customary notification routinely provided to other third parties to offer Watermaster a reasonable opportunity to provide informal input and informal comment on the proposed changes.
- (d) Any party that experiences the loss or the imminent threatened loss of a material water supply source will provide reasonable notice to Watermaster of the condition and the expected impact, if any, on the projected groundwater use.

8.3 Continuing Covenant. To ameliorate any long-term risks attributable to reliance upon un-replenished groundwater production by the Desalters, the annual availability of any portion of the 400,000 acre-feet set aside as controlled overdraft as a component of the Physical Solution, is expressly subject to Watermaster making an annual finding about whether it is in substantial compliance with the revised Watermaster Recharge Master Plan pursuant to Paragraphs 7.3 and 8.1 above.

8.4 Acknowledgment re 6,500 Acre-Foot Supplemental Recharge. The Parties make the following acknowledgments regarding the 6,500 Acre-Foot Supplemental Recharge:

- (a) A fundamental premise of the Physical Solution is that all water users dependent upon Chino Basin will be allowed to pump sufficient waters from the Basin to meet their requirements. To promote the goal of equal access to groundwater within all areas and sub-areas of the Chino Basin, Watermaster has committed to use its best efforts to direct recharge relative to production in each area and sub-area of the Basin and to achieve long-term balance between total recharge and discharge. The Parties acknowledge that to assist Watermaster in providing for recharge, the Peace Agreement sets forth a requirement for Appropriative Pool purchase of 6,500 acre-feet per year of Supplemental Water for recharge in Management Zone 1 (MZ1). The purchases have been credited as an addition to Appropriative Pool storage accounts. The water recharged under this program has not been accounted for as Replenishment water.
- (b) Watermaster was required to evaluate the continuance of this requirement in 2005 by taking into account provisions of the Judgment, Peace Agreement and OBMP, among all other relevant factors. It has been determined that other obligations in the Judgment and Peace Agreement, including the requirement of hydrologic balance and projected replenishment obligations, will provide for sufficient wet-water recharge to make the separate commitment of Appropriative Pool purchase of 6,500 acre-feet unnecessary. Therefore, because the recharge target as described in the Peace Agreement has been achieved, further purchases under the program will cease and Watermaster will proceed with operations in accordance with the provisions of paragraphs (c), (d) and (e) below.
- (c) The parties acknowledge that, regardless of Replenishment obligations, Watermaster will independently determine whether to require wet-water recharge within MZ1 to maintain hydrologic balance and to provide equal access to groundwater in accordance with the provisions of this Section 8.4 and in a manner consistent with the Peace Agreement, OBMP and the Long Term Plan for Subsidence." Watermaster will conduct its recharge in a manner to provide hydrologic balance within, and will emphasize recharge in MZ1. Accordingly, the Parties acknowledge and agree that each year Watermaster shall continue to be guided in the exercise of its discretion concerning recharge by the principles of hydrologic balance.
- (d) Consistent with its overall obligations to manage the Chino Basin to ensure hydrologic balance within each management zone, for the duration of the Peace Agreement (until June of 2030), Watermaster will ensure that a minimum of 6,500 acre-feet of wet water recharge occurs within MZ1 on an annual basis. However, to the extent that water is unavailable for recharge or there is no replenishment obligation in any year, the obligation to recharge 6,500 acre-feet will accrue and be satisfied in subsequent years.
 - (1) Watermaster will implement this measure in a coordinated manner so as to

facilitate compliance with other agreements among the parties, including but not limited to the Dry-Year Yield Agreements.

- (2) In preparation of the Recharge Master Plan, Watermaster will consider whether existing groundwater production facilities owned or controlled by producers within MZ1 may be used in connection with an aquifer storage and recovery ("ASR") project so as to further enhance recharge in specific locations and to otherwise meet the objectives of the Recharge Master Plan.
- (e) Five years from the effective date of the Peace II Measures, Watermaster will cause an evaluation of the minimum recharge quantity for MZ1. After consideration of the information developed in accordance with the studies conducted pursuant to paragraph 3 below, the observed experiences in complying with the Dry Year Yield Agreements as well as any other pertinent information, Watermaster may increase the minimum requirement for MZ1 to quantities greater than 6,500 acre-feet per year. In no circumstance will the commitment to recharge 6,500 acre-feet be reduced for the duration of the Peace Agreement.

ARTICLE IX

9.1 Basin Management Assistance. Three Valleys Municipal Water District ("TVMWD") shall assist in the management of the Basin through a financial contribution of \$300,000 to study the feasibility of developing a water supply program within Management Zone 1 of the Basin or in connection with the evaluation of Future Desalters. The study will emphasize assisting Watermaster in meeting its OBMP Implementation Plan objectives of concurrently securing Hydraulic Control through Re-Operation while attaining Management Zone 1 subsidence management goals. Further, TVMWD has expressed an interest in participating in future projects in the Basin that benefit TVMWD. If TVMWD wishes to construct or participate in such future projects, TVMWD shall negotiate with Watermaster in good faith concerning a possible "buy-in" payment.

9.2 Allocation of Non-Agricultural Pool OBMP Special Assessment

a. For a period of ten years from the effective date of the Peace II Measures, any water (or financial equivalent) that may be contributed from the Overlying (Non-Agricultural) Pool in accordance with paragraph 8(c) of Exhibit G to the Judgment (as amended) will be apportioned among the members of the Appropriative Pool in each year as follows:

| | | |
|-------|----------------------------|--------|
| (i) | City of Ontario. | 80 af |
| (ii) | City of Upland | 161 af |
| (iii) | Monte Vista Water District | 213 af |
| (iv) | City of Pomona | 220 af |
| (v) | Marygold Mutual Water Co | 16 af |
| (vi) | West Valley Water District | 15 af |

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FILED
SUPERIOR COURT
COUNTY OF SAN BERNARDINO
CHINO DISTRICT

OCT 08 2010

BY Julie Francis
DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

CHINO BASIN MUNICIPAL WATER
DISTRICT,

Plaintiff,

vs.

CITY OF CHINO, ET AL.,

Defendant.

Case No. RCV 51010

[Assigned for All Purposes to the Honorable
STANFORD E. REICHERT]

~~PROPOSED~~ ORDER APPROVING
WATERMASTER'S COMPLIANCE WITH
CONDITION SUBSEQUENT NUMBER
EIGHT AND APPROVING PROCEDURES
TO BE USED TO ALLOCATE SURPLUS
AGRICULTURAL POOL WATER IN THE
EVENT OF A DECLINE IN SAFE YIELD

Hearing Date: September 24, 2010
Hearing Time: 10:30 AM
Dept.: C1

Having read, reviewed and considered all pleadings filed in support and in response, if any, including the testimony presented at the September 24, 2010, hearing, and good cause appearing therefore:

I. Recharge Master Plan

On December 21, 2007, this Court issued its *Order Concerning Motion for Approval of Peace II Documents*. The Order required Watermaster to comply with nine conditions subsequent. The ninth condition subsequent is an ongoing requirement that Watermaster comply with all commitments made in the Peace II Documents. The eighth condition subsequent is thus the final specific condition subsequent under the December 21, 2007 Order.

1 Consistent with section 8.1 of the Peace II Agreement, condition subsequent number eight
2 requires Watermaster to submit for approval an updated Recharge Master Plan by July 1, 2010. The
3 specific items required to be covered by the updated Recharge Master Plan were described with
4 specificity in the *Special Referee's Final Report and Recommendations on Motion for Approval of*
5 *Peace II Documents*. The updated Recharge Master Plan lists these required elements and in Table
6 7 describes where in the updated Recharge Master Plan they can be found. No party has alleged
7 that the updated Recharge Master Plan does not address all of the issues required by the Court's
8 Order, or does not otherwise satisfy the requirements of section 8.1 of the Peace II Agreement.

9 At the broadest level, the purpose of the Recharge Master Plan updated is to ensure that at
10 any time during the period when the 400,000 acre-feet of Basin Re-Operation water is being
11 produced, Watermaster and the parties will have the ability to cease production of the 400,000 acre-
12 feet and return to normal Basin operations.

13 According to the conclusions of the updated Recharge Master Plan, the Chino Basin
14 currently has sufficient recharge capacity that Basin Re-Operation could cease and normal
15 operations could resume. However, this conclusion is conditioned on certain assumptions.

16 With regard to local stormwater management, the updated Recharge Master Plan
17 recommends the formation of a committee to develop the monitoring, reporting, and accounting
18 practices that will be required to estimate local project stormwater recharge and new yield.

19 With regard to regional stormwater recharge facilities, the updated Recharge Master Plan
20 recommends that Watermaster should conduct further analyses of the Phase I through III projects
21 described in the RMP to refine the projects, to develop a financing plan, and to develop an
22 implementation plan for projects deemed necessary to meet the objectives. The schedule to
23 implement the necessary Phase I through III projects should be developed during the proposed
24 planning work.

25 With regard to supplemental water for replenishment, the updated Recharge Master Plan
26 recommends that the RMP revisit the issue after the completion of the parties' Urban Water
27 Management Plans which are scheduled to be complete by the end of June 2011. The updated
28

1 Recharge Master Plan also recommends that Watermaster begin replenishing the Basin when water
2 for replenishment is available, rather than waiting for the need for replenishment to arise. The RMP
3 calls this “preemptive replenishment.”

4 With regard to supplemental water recharge facilities, the updated RMP finds that no new
5 recharge facilities will be required, but conditions this finding of the construction of the Riverside
6 Corona Feeder within the next ten years.

7 Finally, the updated Recharge Master Plan recommends that the plan should be further
8 updated following the completion of the parties’ UWMPs in June 2011, and then every five years
9 thereafter.

10 No party has objected to these conclusions and recommendations. The Inland Empire
11 Utilities Agency has deferred its right to approval of the Recharge Master Plan until after the
12 completion of the parties’ UWMPs. IEUA believes that the water demand and production
13 assumptions are overly conservative and should be re-evaluated with the completion of the parties
14 UWMPs to avoid unnecessary expense to the parties.

15
16 **II. Procedures Regarding Allocation of Surplus Agricultural Pool Water In The**
17 **Event of a Decline in Safe Yield**

18 In 2008, Watermaster entered into a stipulation with Monte Vista Water District and agreed
19 to address the procedure to be used by Watermaster to allocate surplus Agricultural Pool water in
20 the event of a decline in Safe Yield based on the Judgment, Peace Agreements and Watermaster
21 Rules and Regulations. In connection with Watermaster Compliance with Condition Subsequent
22 Number Eight, Watermaster has outlined the proper procedure to reallocate surplus Agricultural
23 Pool water and submitted a December 2008 staff report and December 4, 2008 memorandum from
24 legal counsel that describe this specific procedure adopted by the Watermaster Board. Watermaster
25 requests that the Court direct that the adopted procedure be the procedure used by Watermaster in
26 the event of a decline in Safe Yield. No party has objected to the Court so ordering.
27
28

1 **III. Findings and Order**

2 On the basis of the above, the Court finds and Orders as follows:

3 (1) The Court finds that the 2010 updated Recharge Master Plan is responsive to the
4 Court's December 21, 2007, condition subsequent number eight, and satisfies this condition.

5 (2) Watermaster has satisfied all of the conditions subsequent under the Court's
6 December 21, 2007 Order. The ninth condition is a catchall condition requiring Watermaster to
7 fulfill all of its commitments under the Peace II Agreement, and does not require a specific
8 compliance action as have the other eight conditions.

9 (3) Watermaster is hereby ordered to convene the committee described in item 3 of
10 section 7.1 of the updated RMP to develop the monitoring, reporting, and accounting practices that
11 will be required to estimate local project stormwater recharge and new yield.

12 (4) Watermaster is hereby ordered to conduct further analyses as described in section 7.2
13 of the updated RMP of the Phase I through III projects to refine the projects, to develop a financing
14 plan, and to develop an implementation plan.

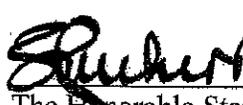
15 (5) By December 17, 2011, six months following completion of the parties UWMPs,
16 Watermaster will report to the Court on any changes to the 2010 RMP necessitated by information
17 received through the UWMPs. In this report Watermaster will also report on progress made under
18 items (3) and (4) above, and will report on the status of IEUA's approval of the RMP.

19 (6) Watermaster is ordered to utilize the procedures regarding re-allocation of surplus
20 Agricultural Pool water in the event of a decline in Safe Yield as described in the December 2008
21 staff report and December 4, 2008 memorandum from legal counsel. Specifically, in the event that
22 the Operating Safe Yield is reduced because of a reduction in Safe Yield, Watermaster will follow
23 the hierarchy provided for in the Judgment, Exhibit "H," by first applying the unallocated
24 Agricultural Pool water to compensate the Appropriative Pool members for the reduction in Safe
25 Yield. (Judgment, Exhibit "H," paragraph 10(a).) If there is unallocated water left, Watermaster
26 will then follow the remainder of the hierarchy and reallocate unallocated Agricultural Pool water
27 next to conversion claims then to supplement the Operating Safe Yield without regard to reductions
28

1 in Safe Yield according to the guidance provided by Peace Agreement I & II and Watermaster's
2 Rules and Regulations, as amended. If, after applying the unallocated Agricultural Pool water to
3 compensate the Appropriative Pool members for the reduction in Safe Yield, the actual combined
4 production from the Safe Yield made available to the Agricultural Pool, which includes overlying
5 Agricultural Pool uses combined with land use conversions and the Early Transfer, exceeds 82,800
6 in any year, the amount of water available to members of the Appropriative Pool shall be reduced
7 pro rata in proportion to the benefits received according to the procedures outlined in the
8 Watermaster Rules and Regulations.

9 Watermaster will revise its Rules and Regulations to reflect this Order.

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12 ~~September 24, 2010~~
13 OCT 08 2010

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The Honorable Stanford E. Reichert

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CHINO BASIN WATERMASTER

Case No. RCV 51010

Chino Basin Municipal Water District v. The City of Chino

PROOF OF SERVICE

I declare that:

I am employed in the County of San Bernardino, California. I am over the age of 18 years and not a party to the within action. My business address is Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California 91730; telephone (909) 484-3888.

On October 11, 2010 I served the following:

- 1) ORDER APPROVING WATERMASTER'S COMPLIANCE WITH CONDITION SUBSEQUENT NUMBER EIGHT AND APPROVING PROCEDURES TO BE USED TO ALLOCATE SURPLUS AGRICULTURAL POOL WATER IN THE EVENT OF A DECLINE IN SAFE YIELD

BY MAIL: in said cause, by placing a true copy thereof enclosed with postage thereon fully prepaid, for delivery by United States Postal Service mail at Rancho Cucamonga, California, addresses as follows:

See attached service list: Mailing List 1

BY PERSONAL SERVICE: I caused such envelope to be delivered by hand to the addressee.

BY FACSIMILE: I transmitted said document by fax transmission from (909) 484-3890 to the fax number(s) indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting fax machine.

BY ELECTRONIC MAIL: I transmitted notice of availability of electronic documents by electronic transmission to the email address indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting electronic mail device.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on October 11, 2010 in Rancho Cucamonga, California.



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Chino Basin Watermaster

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EXHIBIT "C"

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12 **FOR THE COUNTY OF SAN BERNARDINO**

13 **CHINO BASIN MUNICIPAL WATER**
14 **DISTRICT,**

15 **Plaintiff,**

16 **v.**

17 **CITY OF CHINO, et al.,**

18 **Defendant.**

Case No. RCV 51010

[Assigned for All Purposes to the
Honorable STANFORD E. REICHERT]

RECHARGE MASTER PLAN STATUS
REPORT

Hearing Date: NA
Hearing Time: NA
Dept: C-1

19 Watermaster submits this status report pursuant to the Court's October 8, 2010 and
20 December 16, 2011 Orders. Watermaster does not believe that any party objects to this Status
21 Report or the actions described herein and consequently, respectfully requests that the Court's
22 receipt of the Report not require a hearing. However, if any party should file an objection,
23 Watermaster will be pleased to present the Status Report and respond to any questions the Court
24 may have.

25 **I. Background of the Status Report Requirement**

26 In its December 21, 2007 Order approving the Peace II Measures, the Court required
27 Watermaster to satisfy a number of conditions subsequent. The last of these, condition
28 subsequent number eight, required Watermaster to update its Recharge Master Plan (RMP). In

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1 broad terms, the purpose of the RMP is to articulate the manner in which Watermaster will fulfill
2 its responsibilities under the Judgment to ensure that groundwater production from the Chino
3 Basin in excess of the Safe Yield is replenished in accordance with the Physical Solution. This
4 requires that the RMP make projections concerning anticipated production of groundwater from
5 the Basin, the availability of imported water supplies, and the facilities necessary to make use of
6 those imported supplies. In addition, Watermaster's discretion with regard to the manner in
7 which recharge activities are conducted is constrained by commitments made in the Peace I and
8 Peace II Agreements, and implementation of the RMP recommendations must satisfy these
9 commitments.

10 On June 30, 2010, Watermaster submitted its updated Recharge Master Plan in
11 compliance with condition subsequent number eight. However, due to intervening state
12 legislation enacted subsequent to the Court's December 2007 Order, a delay was required. The
13 legislation extended the time for completion of 2010 Urban Water Management Plans (UWMPs),
14 which would provide important information about the projected Basin production by members of
15 the Appropriative Pool. This information was critical to the RMP and, because this information
16 was not yet available in June 2010, the Inland Empire Utilities Agency (IEUA) was not in a
17 position to approve the updated RMP as required by the Peace II Agreement.

18 On this basis, in its October 8, 2010 Order approving the updated RMP, the Court made
19 the following orders:

20 (3) Watermaster is hereby ordered to convene the committee described in item 3 of
21 section 7.1 of the updated RMP to develop the monitoring, reporting, and accounting practices
22 that will be required to estimate local project stormwater recharge and new yield.

23 (4) Watermaster is hereby ordered to conduct further analyses as described in section
24 7.2 of the updated RMP of the Phase I through III projects to refine the projects, to develop a
25 financing plan, and to develop an implementation plan.

26 (5) By December 17, 2011, six months following completion of the parties' UWMPs,
27 Watermaster will report to the Court on any changes to the 2010 RMP necessitated by
28 information received through the UWMPs. In this report, Watermaster will also report on

1 progress made under items (3) and (4) above, and will report on the status of IEUA's approval of
2 the RMP. (October 8, 2010 Order, 4:9-18.)

3 **II. Extension of December 17, 2011 Deadline**

4 On December 12, 2011 Watermaster filed its *Ex Parte Motion to Request a 180-Day*
5 *Extension of Time re Filing of Recharge Master Plan Status Report*. The Court granted this
6 request on December 16, 2011.

7 Prior to the Court's consideration of the requested extension, the Watermaster Board met
8 and considered the update of the RMP. On December 15, 2011, the Board approved the
9 completion of the update to the RMP and an implementation and funding plan within the
10 following year.

11 **III. Update Status**

12 Using updated estimates of stakeholders' groundwater production and projections of
13 replenishment obligations, Watermaster and the parties have evaluated changed circumstances
14 (legislative, regulatory, etc.) that were not addressed in the 2010 RMP Update and how these
15 changes affect the RMP. For this purpose, a Recharge Master Plan Update Steering Committee
16 has been convened. This Committee is currently meeting every two weeks and includes
17 stakeholders, inclusive of IEUA as required by the Peace II Agreement. The evaluation by the
18 Committee has incorporated updated groundwater production estimates and replenishment
19 obligation projections, calculations of water in storage, and information regarding the projected
20 availability of replenishment water. Based on this evaluation, the Committee has selected agreed
21 upon bookend projected future scenarios for recharge planning.

22 Using these scenarios, Watermaster's hydrologists have undertaken modeling in order to
23 project recharge needs within the Basin, based on the modeled future groundwater levels,
24 estimated safe yield, and the balance of recharge and discharge within the Basin. This analysis is
25 predicated on the updated pumping and replenishment projections, estimates of the locations and
26 amounts of recharge required for sustainability, and potential production forbearance.

27 As the modeling to this point has been based on the existing locations and capabilities of
28 existing recharge facilities, the Committee has also had conducted an inventory of existing

1 recharge facilities, which includes the characterization of recharge basins, recharge capacities and
2 the factors controlling recharge performance. Other factors that have also been included in the
3 analysis include the evaluation of impacts due to changes in recycled water recharge regulations
4 on Watermaster's ability to recharge the same, the analysis of actual storm water recharge at
5 existing facilities, storm water available for recharge at each facility, and what could be done to
6 increase recharge at each, as well as the evaluation of availability of and ability to recharge
7 supplemental water, and the possibility of in-lieu recharge within the Basin. The analysis done to
8 this point is included in Chapters 1-4 of the present administrative draft of the RMP Update.
9 These chapters have been approved by the Appropriative, Overlying (Agricultural) and Overlying
10 (Non-Agricultural) Pools, the Advisory Committee and the Watermaster Board as the
11 administrative draft.

12 In order to finalize the RMP Update, the parties will next identify the possible recharge
13 mechanisms available to meet current and projected recharge and replenishment needs. This will
14 include the analysis of potential recharge associated with Municipal Separate Storm Sewer
15 Systems (MS4s), the identification of areas within the Basin with the potential for production
16 sustainability challenges and other water management challenges that can be addressed by
17 recharge or production management, the identification of options ensuring production
18 sustainability through the term of Peace Agreements, including increased recharge at existing
19 facilities, new recharge facilities, new recharge sources, adjustment in production patterns, etc.
20 The Committee will also develop the monitoring, reporting, and accounting practices that will be
21 required to estimate local project stormwater recharge and new yield.

22 After the identification of the potential recharge options, the parties will agree upon the
23 methods and criteria that will be used to evaluate each of them. Using these agreed upon methods
24 and criteria, Watermaster's consultants will conduct engineering and economic analyses of each.
25 Based on these analyses, the parties will review and recommend implementation of the selected
26 options, and develop recommended financing and implementation plans for these options.

27 Because IEUA is an active participant in the process of developing the RMP Update,
28 Watermaster reasonably anticipates that IEUA will be more readily disposed to approve the

1 updated plan once it is completed.

2 Consequently, Watermaster is of the opinion that, with the process described above, the
3 Committee is on schedule to complete the RMP Update within the timeframe presented in the
4 2010 Recharge Master Plan Update and believes progress will continue to be made consistent
5 with the Watermaster Board's December 15, 2011 action.

6
7 Dated: May 31, 2012

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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SAN BERNARDINO

10
11 CHINO BASIN MUNICIPAL WATER
DISTRICT,

12 Plaintiff,

13 v.

14 CITY OF CHINO, et al.,

15 Defendant.

Case No. RCV 51010

[Assigned for All Purposes to the
Honorable STANFORD E. REICHERT]

**MOTION FOR ORDER AFTER HEARING
ON MOTION FOR APPROVAL OF
WATERMASTER RESOLUTION 2010-04**

Hearing Date: NA
Hearing Time: NA
Dept: C-1

16
17
18 **I. INTRODUCTION**

19 Attached to this pleading as Exhibit "A" is a proposed Supplemental Order After Hearing
20 On Motion For Approval Of Watermaster Resolution 2010-04 ("Supplemental Order"). The
21 purpose of this Supplemental Order is to clarify that Resolution 2010-04 does not impair the
22 rights of private well owners to seek judicial review of alleged harm caused to those well owners
23 from desalter pumping in the Chino Creek Wellfield.

24 Watermaster knows of no objection to the Court signing the proposed Supplemental
25 Order. The proposed Supplemental Order was approved unanimously by all three Pools, the
26 Advisory Committee and the Board at their regularly scheduled March meetings. Watermaster
27 therefore recommends that the Court sign the proposed Supplemental Order without requiring a
28 hearing.

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1 **II. BACKGROUND**

2 On October 28, 2011, a hearing was held regarding Court approval of Watermaster
3 Resolution 2010-04. Among other things, Resolution 2010-04 confirms a process whereby
4 private well owners may object to the Chino Basin Desalter Authority (“CDA”), if those owners
5 believe that CDA pumping in the Chino Creek Well Field (“CCWF”) is causing harm to their
6 wells. This process is articulated in detail in the Monitoring and Mitigation Plan for the CCWF
7 and forms are provided for private well owners to file a complaint with CDA.

8 Pursuant to this process, CDA is the ultimate arbiter of whether the private well owner’s
9 complaint has merit. During the October 28, 2011 hearing, the Court raised a due process
10 concern about whether the Court’s approval of Resolution 2010-04 would eliminate any judicial
11 review rights that the private well owner might possess. (See October 28, 2011 Hearing
12 Transcript, 112:16-115:15.) The Court stated that its intent in approving Resolution 2010-04 was
13 not to eliminate any such rights to judicial review. The Court asked Watermaster to provide a
14 supplemental order in order to ensure that this intent is clear.

15 In order to clarify the Court’s intent on this issue in approving Resolution 2010-04,
16 Watermaster has prepared the proposed Supplemental Order attached hereto. The operative
17 portion of the proposed Supplemental Order confirms that Watermaster Resolution 2010-04, and
18 the Court’s October 28, 2011 Order approving the Resolution, shall not be construed to limit the
19 legal rights of any private well owner to claim that the operation of the CDA wells have caused
20 harm to that party.

21 //

22 //

23 //

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1 **III. REQUEST FOR THE COURT TO SIGN THE PROPOSED SUPPLEMENTAL**
2 **ORDER WITHOUT HOLDING A HEARING**

3 Watermaster counsel has circulated the proposed Supplemental Order to counsel for the
4 Agricultural Pool and counsel for CDA, and it appears that the proposed Supplemental Order is
5 consistent with the understanding of these parties. In March, the three Pools, the Advisory
6 Committee and the Board unanimously approved submitting the proposed Supplemental Order to
7 the Court, and approved Watermaster's recommendation that the Court sign the Order without
8 holding a hearing.

9
10 Dated: May 31, 2012

BROWNSTEIN HYATT FARBER SCHRECK, LLP

11
12 By: 

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Exhibit A

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

CHINO BASIN MUNICIPAL WATER DISTRICT,

Plaintiff,

v.

CITY OF CHINO, ET AL.,

Defendant.

Case No. RCV 51010

**[PROPOSED] SUPPLEMENTAL ORDER
AFTER HEARING ON MOTION FOR
APPROVAL OF WATERMASTER
RESOLUTION 2010-04**

On October 28, 2011 the Court issued its *Order After Hearing on Motion for Approval of Watermaster Resolution 2010-04*. During the October 28, 2011 hearing, the Court raised a concern regarding the scope of its Order concerning the procedures to address claims by private well owners. Specifically, the Court was concerned that its approval of the procedures described in the mitigation measures and the emergency response plan (See Exhibits "F" and "H" to Resolution 2010-04) would not be construed to limit the legal rights of any such private well owners to pursue claims independent of these procedures.

Watermaster has submitted this *Supplemental Order* as a means to provide confirmation of the Court's understanding of the effect of its October 28, 2011 Order. It does not appear that any party objects to the Court adopting this Order.

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Accordingly, IT IS HEREBY ORDERED THAT:

Watermaster Resolution 2010-04, and the Court's October 28, 2011 Order approving the Resolution, shall not be construed to limit the legal rights of any private well owner to claim that the operation of the Chino Basin Desalter Authority wells has caused harm to that party.

Dated: _____, 2012

HON. STANFORD E. REICHERT
JUDGE OF THE SUPERIOR COURT

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CHINO BASIN WATERMASTER
Case No. RCV 51010
Chino Basin Municipal Water District v. The City of Chino

PROOF OF SERVICE

I declare that:

I am employed in the County of San Bernardino, California. I am over the age of 18 years and not a party to the within action. My business address is Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California 91730; telephone (909) 484-3888.

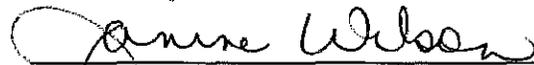
On May 31, 2012 I served the following:

1. RECHARGE MASTER PLAN STATUS REPORT
2. MOTION FOR ORDER AFTER HEARING ON MOTION FOR APPROVAL OF WATERMASTER RESOLUTION 2010-4

- BY MAIL: in said cause, by placing a true copy thereof enclosed with postage thereon fully prepaid, for delivery by United States Postal Service mail at Rancho Cucamonga, California, addresses as follows:
See attached service list: Mailing List 1
- BY PERSONAL SERVICE: I caused such envelope to be delivered by hand to the addressee.
- BY FACSIMILE: I transmitted said document by fax transmission from (909) 484-3890 to the fax number(s) indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting fax machine.
- BY ELECTRONIC MAIL: I transmitted notice of availability of electronic documents by electronic transmission to the email address indicated. The transmission was reported as complete on the transmission report, which was properly issued by the transmitting electronic mail device.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on May 31, 2012 in Rancho Cucamonga, California.



Janine Wilson
Chino Basin Watermaster

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tim_hampton@ci.pomona.ca.us
tmimmack@ci.ontario.ca.us
tcorbin@jcsd.us
tcruikshank@spacecenterinc.com
tharder@thomashardercompany.com
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TLove@ieua.org
toneill@ci.ontario.ca.us
mmedel@rbf.com
ttracy@mvwd.org
vjew@mvwd.org
vhahn@tvmwd.com
wcurley@rwglaw.com

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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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: December 20, 2012
TO: Committee Members
Board Members
SUBJECT: Annual Finding of Substantial Compliance with the Recharge Master Plan

SUMMARY

Recommendation – Staff recommends that the Pools recommend that the Watermaster Board adopt the finding in the Wildermuth Report that Watermaster is in substantial compliance with the Recharge Master Plan.

BACKGROUND

During the period of 2008-2010, Watermaster, in collaboration with the Inland Empire Utilities Agency (IEUA) and Chino Basin Water Conservation District (CBWCD), completed the 2010 Recharge Master Plan Update (RMPU). The RMPU was submitted to the Court in June 2010, and the Court subsequently approved the 2010 RMPU in October 2010. Watermaster is presently in the process of amending the 2010 RMPU, pursuant to the Court's order, which is scheduled to be presented for adoption in September 2013. The 2013 RMPU Amendment will include the development of a funding and implementation plan for the further recharge projects selected for construction.

Pursuant to section 8.3 of the Peace II Agreement, Watermaster is obligated to make an annual finding that it is in substantial compliance with the Recharge Master Plan, as it is revised. This requirement exists to ameliorate any long-term risk attributable to reliance upon un-replenished groundwater production by the Desalters, and is a condition on the annual availability of any portion of the 400,000 acre-feet set aside as controlled overdraft. Wildermuth Environmental, Inc. (WEI) has prepared the attached opinion regarding the adequacy of replenishment capacity, which includes the information that Watermaster needs to make this finding for Fiscal Year 2012-2013.

DISCUSSION

WEI's analysis finds that current projections indicate that Watermaster has sufficient recharge capacity to meet the future replenishment obligations identified in the 2010 RMPU. Current analysis indicates that if re-operation were terminated at any time through 2030, Watermaster would be able to immediately

increase its replenishment activity and maintain the hydrologic balance in the Basin as required by the Judgment. While there is not a replenishment capacity issue, there is a balance of recharge and discharge issue, particularly in the JCSD area. Mechanisms to address this issue are being evaluated for incorporation into the 2013 RMPU Amendment.

Actions:

December 13, 2012 Appropriative Pool – Moved to approve that the Watermaster Board adopt the finding in the Wildermuth Report that Watermaster is in substantial compliance with the Recharge Master Plan.

December 13, 2012 Non-Agricultural Pool – Moved to approve staff recommendation and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate

December 13, 2012 Agricultural Pool – Moved to approve that the Watermaster Board adopt the finding in the Wildermuth Report that Watermaster is in substantial compliance with the Recharge Master Plan.

December 20, 2012 Advisory Committee –

December 20, 2012 Watermaster Board –



November 19, 2012

Chino Basin Watermaster
Attention: Mr. Peter Kavounas, General Manager
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Subject: *Annual Finding of Adequate Replenishment Capacity - Fiscal 2012-13*

Dear Mr. Kavounas,

At your direction, and pursuant to the Peace II Agreement, Wildermuth Environmental, Inc. (WEI) has prepared this opinion regarding the adequacy of replenishment capacity.

In part, Section 7.3 of the Peace II Agreement reads:

"Re-Operation and Watermaster's apportionment of controlled overdraft will not be suspended in the event that Hydraulic Control is achieved in any year *before* the full 400,000 acre-feet has been produced so long as: [...] and (ii) Watermaster is in substantial compliance with a Court approved Recharge Master Plan as set forth in Paragraph 8.1 below."

Review of Section 8.1 of the Peace II Agreement clearly indicates that this compliance relates to the implementation of plans to ensure that Watermaster has enough supplemental water recharge capacity to meet its replenishment obligation after the re-operation water is completely exhausted. Section 8.3 of the Peace II Agreement is more precise and states:

"To ameliorate any long-term risks attributable to reliance upon un-replenished groundwater production by the Desalters, the annual availability of any portion of the 400,000 acre-ft set aside as controlled overdraft as a component of the Physical Solution, is expressly subject to Watermaster making an annual finding about whether it is in substantial compliance with the revised Watermaster Recharge Master Plan pursuant to Paragraphs 7.3 and 8.1 above."

Pursuant to the Peace II Agreement, Watermaster is obligated, after the completion of the 2010 Recharge Master Plan Update (RMPU), to make an annual finding that it has enough supplemental water recharge capacity to meet its replenishment obligations. This letter report includes the information that Watermaster needs to make this finding for fiscal 2012-13.

During the period of 2008-2010, Watermaster, in collaboration with the Inland Empire Utilities Agency (IEUA) and Chino Basin Water Conservation District (CBWCD), completed the 2010 RMPU, which was submitted to the Court in June 2010. The 2010 RMPU was developed in a transparent and intense

stakeholder process¹. The Court subsequently approved the 2010 RMPU in October 2010. Section 7.4 of the 2010 RMPU Final Report concludes:

“No new recharge facilities will be required to meet Watermaster’s replenishment obligations through the planning period, provided that the Riverside Corona Feeder is completed within the next ten years.”²

The qualification of this finding as to the Riverside Corona Feeder was an acknowledgment that a new source of supply may be required for the Jurupa Community Services District (JCSD) such that the JCSD can reduce its net groundwater pumping to a sustainable level.³ Groundwater modeling, completed in 2007 and 2009 to evaluate the groundwater basin response to the implementation of the Peace II project description, suggested future declines in groundwater levels in the JCSD well field. Groundwater model studies in the winter of 2012 based on revised post-2010 RMPU groundwater production projections also predict that the JCSD will have production sustainability challenges. The 2010 RMPU identified a project to potentially mitigate this excessive drawdown whereby future replenishment deliveries would be provided to the JCSD for direct use, allowing the JCSD to reduce groundwater production. Since the completion of the 2010 RMPU and its subsequent approval by the Court, other alternatives to the Riverside Corona Feeder and the use of replenishment water have been identified; these new alternatives would be less expensive and could be implemented faster. In fact, these new alternatives are currently being evaluated for incorporation into the Court Ordered implementation plan that will be completed in the summer of 2013.

The groundwater production and replenishment projections used to evaluate the adequacy of the existing supplemental water recharge capacity in the 2010 RMPU were developed in 2008 and 2009 and are significantly greater than the projections developed by Watermaster following the completion of the 2010 Urban Water Management Plans. Groundwater production and replenishment projections were revised by Watermaster pursuant to a recommendation in the 2010 RMPU and the October 2010 Court Order approving the 2010 RMPU. These updated replenishment projections clearly show that the future replenishment obligation will be substantially less than that anticipated by the 2010 RMPU. The reasons for the decline in future replenishment obligations are state-mandated conservation requirements and the changing economics of groundwater production. As to the latter, some producers have determined that it is more economical to use more imported water directly than to overproduce and incur replenishment costs. The table below compares the projected replenishment obligations from the 2010 RMPU and the updated projections that are being incorporated into the 2013 RMPU Amendment⁴.

| Year | Replenishment Projection from the 2010 RMPU (acre-ft/yr) | Replenishment Projection from the 2013 RMPU Amendment (acre-ft/yr) |
|------|--|--|
| 2015 | 9,700 | 0 |
| 2020 | 13,900 | 0 |
| 2025 | 30,900 | 4,700 |
| 2030 | 44,500 | 18,400 |
| 2035 | 55,500 | 42,600 |

¹ See rmp.wildermuthenvironmental.com

² See page 7-4 of the 2010 Recharge Master Plan Update.

³ To be clear, this is not a replenishment capacity issue. This is a balance of recharge and discharge issue. The JCSD has constructed several wells in a relatively small geographic area. The combination of the close proximity of these wells and regional changes in groundwater levels may cause excessive groundwater level declines in some of the JCSD wells. The Riverside Corona Feeder is one of several potential projects that could provide water to the JCSD to enable them to reduce their groundwater production.

⁴ See Table 2-4 from draft Section 2 of the 2013 RMPU Amendment.

The supplemental water recharge capacity in the Chino Basin, based on existing spreading basins and injection wells, was estimated to be about 88,700 acre-ft/yr in the 2010 RMPU. With existing in-lieu recharge capabilities, the supplemental water recharge capacity ranges between about 113,700 to 128,700 acre-ft/yr. Since the completion of the 2010 RMPU, there have been no changes at the existing recharge facilities that would indicate supplemental water recharge capacity has decreased.⁵

The Metropolitan Water District of Southern California (Metropolitan) provides imported water to the Chino Basin area through the IEUA. In its 2010 Integrated Regional Plan (IRP) Update, Metropolitan indicated that it will have enough water to meet all of the supplemental water requirements within its service area through 2035, provided that it implements the programs described in the 2010 IRP Update. The Watermaster parties can also import non-State Water Project water into the Chino Basin area, if Metropolitan fails to provide enough imported water for replenishment.

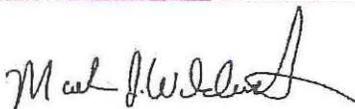
Based on our knowledge of the conditions in fiscal year 2012-13, Watermaster's ability to recharge the Basin with supplemental water to mitigate future overproduction is sufficient to meet expected future replenishment obligations. If re-operation were discontinued at any time through 2030, Watermaster would be able to immediately increase its replenishment activity and maintain the hydrologic balance in the Basin required by the Judgment. The supplemental water recharge capacity available to the Watermaster is more than double the projected replenishment obligation shown in the table above.

Moreover, in November 2011, Watermaster committed to engage in a process to develop a pre-emptive replenishment program that would involve the acquisition and recharge of supplemental water in advance of incurring replenishment obligations and storing that water until future replenishment obligations occur. Pre-emptive replenishment is a complementary management tool that further enhances Watermaster's ability to meet its future replenishment requirements.

Please contact me if you have any questions or concerns regarding this opinion.

Very truly yours,

Wildermuth Environmental, Inc.



Mark J. Wildermuth, PE
President

⁵ Personal conversation with Andy Campbell of IEUA, November 2012

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**EXHIBIT "E" is the complete
2013 Amendment to the 2010 RMPU
and will be made available to the Board
on the Watermaster FTP site prior to
the September 26, 2013 meeting;
electronic notice will be sent when the
document is made available**

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3. Draft version of proposed Court filing will be made available to the Board on the Watermaster FTP site prior to the September 26, 2013 meeting; electronic notice will be sent when the document is made available

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for August 2013
2. Wineville Proof of Concept project update
3. CDA Request re Remediation of Chino Airport Groundwater Plume

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2013

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|----------------------|---|--|-----------------------------------|------------------|
| General Journal | 08/03/2013 | 08/03/2013 | Payroll and Taxes for 07/21/13-08/03/13 | Payroll and Taxes for 07/21/13-08/03/13 | 1012 · Bank of America Gen'l Ckg | |
| | | | | Direct Deposits for 07/21/13-08/03/13 | 1012 · Bank of America Gen'l Ckg | 19,176.03 |
| | | | | Payroll Taxes for 07/21/13-08/03/13 | 1012 · Bank of America Gen'l Ckg | 8,836.80 |
| TOTAL | | | | | | <u>28,012.83</u> |
| Bill Pmt -Check | 08/07/2013 | 17121 | APPLIED COMPUTER TECHNOLOGIES | 2126 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 2126 | | Database Consultant - July 2013 | 6052.2 · Applied Computer Technol | 3,057.80 |
| TOTAL | | | | | | <u>3,057.80</u> |
| Bill Pmt -Check | 08/07/2013 | 17122 | BOWCOCK, ROBERT | 7/25/13 Special Board Meeting | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/25/2013 | 7/25 Special Bd Mtg | | 7/25/13 Special Board Meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | <u>125.00</u> |
| Bill Pmt -Check | 08/07/2013 | 17123 | COMPUTER NETWORK | 88119 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/02/2013 | 88119 | | Replacement printer-Bianca | 6055 · Computer Hardware | 430.92 |
| TOTAL | | | | | | <u>430.92</u> |
| P179 | | | | | | |
| Bill Pmt -Check | 08/07/2013 | 17124 | CRAIG, ROBERT | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/18/2013 | 7/18 Spec Appro Pool | | 7/18/13 Special Appropriative Pool Meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/25/2013 | 7/25 Special Bd Mtg | | 7/25/13 Special Board Meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | <u>250.00</u> |
| Bill Pmt -Check | 08/07/2013 | 17125 | CURATALO, JAMES | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/15/2013 | 7/15 Bd Quarter Mtg | | 7/15/13 2013 Board Officer Quarterly Meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/25/2013 | 7/25 Special Bd Mtg | | 7/25/13 Special Board Meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/30/2013 | 7/30 Safe Yield Mtg | | 7/30/13 Safe Yield Recalculation Workshop | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | <u>375.00</u> |
| Bill Pmt -Check | 08/07/2013 | 17126 | DE BOOM, NATHAN | Ag Pool Member Meeting Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 Special Ag Mtg | | 7/11/13 Special Ag Pool Meeting | 8411 · Compensation | 25.00 |
| | | | | Ag Pool Member Meeting Compensation | 8470 · Ag Meeting Attend -Special | 100.00 |
| TOTAL | | | | | | <u>125.00</u> |
| Bill Pmt -Check | 08/07/2013 | 17127 | DURRINGTON, GLEN | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 Special Ag Mtg | | 7/11/13 Special Ag Pool Meeting | 8411 · Compensation | 25.00 |
| | | | | Ag Pool Member Compensation | 8470 · Ag Meeting Attend -Special | 100.00 |
| TOTAL | | | | | | <u>125.00</u> |
| Bill Pmt -Check | 08/07/2013 | 17128 | EGOSCUE LAW GROUP | 10397 | 1012 · Bank of America Gen'l Ckg | |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2013

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|---------------------|-----------------------------------|---|--------------------------------------|-------------|
| Bill | 06/30/2013 | 10397 | | Ag Pool Legal Services - June 2013 | 8467 - Ag Legal & Technical Services | 9,997.50 |
| TOTAL | | | | | | 9,997.50 |
| Bill Pmt -Check | 08/07/2013 | 17129 | FEENSTRA, BOB | 7/11/13 Special Confidential Ag Pool Meeting | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 Special Ag Mtg | | 7/11/13 Special Confidential Ag Pool Meeting | 8470 - Ag Meeting Attend -Special | 125.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 08/07/2013 | 17130 | GEOSCIENCE SUPPORT SERVICES, INC. | 4555-11-11 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 06/30/2013 | 4555-11-11 | | June 1-30, 2013 | 7107.61 - Grd Level-Chino Hills ASR | 325.00 |
| TOTAL | | | | | | 325.00 |
| Bill Pmt -Check | 08/07/2013 | 17131 | GRAINGER | 9098334287 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/23/2013 | 9198334287 | | 9098334287 | 7103.6 - Grdwtr Qual-Supplies | 456.65 |
| TOTAL | | | | | | 456.65 |
| Bill Pmt -Check | 08/07/2013 | 17132 | HALL, PETE* | | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 RMPU Mtg | | 7/11/13 RMPU Steering Committee Meeting | 8470 - Ag Meeting Attend -Special | 125.00 |
| Bill | 07/11/2013 | 7/11 Special Ag Mtg | | 7/11/13 Special Ag Pool Meeting | 8470 - Ag Meeting Attend -Special | 125.00 |
| Bill | 07/18/2013 | 7/18 RMPU Mtg | | 7/18/13 RMPU Steering Committee Meeting | 8470 - Ag Meeting Attend -Special | 125.00 |
| Bill | 07/25/2013 | 7/25 RMPU Mtg | | 7/25/13 RMPU Steering Committee Meeting | 8470 - Ag Meeting Attend -Special | 125.00 |
| Bill | 07/30/2013 | 7/30 Safe Yield Mtg | | 7/30/13 Safe Yield Recalculation Workshop | 8470 - Ag Meeting Attend -Special | 125.00 |
| TOTAL | | | | | | 625.00 |
| Bill Pmt -Check | 08/07/2013 | 17133 | HSBC BUSINESS SOLUTIONS | 7003-7309-1000-2744 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/26/2013 | 7003730910002744 | | Miscellaneous office supplies | 6031.7 - Other Office Supplies | 302.03 |
| TOTAL | | | | | | 302.03 |
| Bill Pmt -Check | 08/07/2013 | 17134 | HUITSING, JOHN | Ag Pool Member Compensation | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 Special Ag Mtg | | 7/11/13 Special Ag Pool Meeting | 8411 - Compensation | 25.00 |
| | | | | Ag Pool Member Compensation | 8470 - Ag Meeting Attend -Special | 100.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 08/07/2013 | 17135 | INLAND EMPIRE UTILITIES AGENCY | 1800002229 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 1800002229 | | Environmental charges for Prado Basin Habitat | 7108.75 - Prado Basin - IEUA Charges | 474.09 |
| TOTAL | | | | | | 474.09 |
| Bill Pmt -Check | 08/07/2013 | 17136 | JOHN J. SCHATZ | May and June 2013 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 06/30/2013 | | | Approp. Pool legal services - May and June 2013 | 8367 - Legal Service | 7,077.04 |
| TOTAL | | | | | | 7,077.04 |

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2013

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|---------------------|-------------------------------------|--|-----------------------------------|-------------|
| Bill Pmt -Check | 08/07/2013 | 17137 | KOOPMAN, GENE | Ag Pool Member Meeting Compensation | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 Special Ag Mtg | | 7/11/13 Special 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 | 08/07/2013 | 17138 | KUHN, BOB | | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/15/2013 | 7/15 Bd Quarter Mtg | | 7/15/13 2013 Board Officer Quarterly Meeting | 6311 - Board Member Compensation | 125.00 |
| Bill | 07/25/2013 | 7/25 Special Bd Mtg | | 7/25/13 Special Board Meeting | 6311 - Board Member Compensation | 125.00 |
| Bill | 07/30/2013 | 7/30 Safe Yield Mtg | | 7/30/13 Safe Yield Recalculation Workshop | 6311 - Board Member Compensation | 125.00 |
| TOTAL | | | | | | 375.00 |
| Bill Pmt -Check | 08/07/2013 | 17139 | MATHIS CONSULTING GROUP | 159868 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/25/2013 | 153868 | | Progress Billing for GM Review - 159868 | 6013 - Human Resources Services | 500.00 |
| TOTAL | | | | | | 500.00 |
| Bill Pmt -Check | 08/07/2013 | 17140 | PARK PLACE COMPUTER SOLUTIONS, INC. | 477 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 477 | | IT Consultant Services - July 2013 | 6052.1 - Park Place Comp Solutn | 2,550.00 |
| TOTAL | | | | | | 2,550.00 |
| Bill Pmt -Check | 08/07/2013 | 17141 | PIERSON, JEFFREY | | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 RMPU | | 7/11/13 RMPU Amendment Steering Committee Mtg | 6311 - Board Member Compensation | 125.00 |
| Bill | 07/11/2013 | 7/11 Special Ag Mtg | | 7/11/13 Special Confidential Ag Pool Meeting | 6311 - Board Member Compensation | 125.00 |
| Bill | 07/18/2013 | 7/18 RMPU | | 7/18/13 RMPU Amendment Steering Committee Mtg | 6311 - Board Member Compensation | 125.00 |
| Bill | 07/25/2013 | 7/25 Special Bd Mtg | | 7/25/13 Special Board Meeting - alternate for Vand | 6311 - Board Member Compensation | 125.00 |
| TOTAL | | | | | | 500.00 |
| Bill Pmt -Check | 08/07/2013 | 17142 | PURCHASE POWER | 8000909000168851 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/21/2013 | 8000909000168851 | | Send check to IEUA | 6042 - Postage - General | 21.43 |
| TOTAL | | | | | | 21.43 |
| Bill Pmt -Check | 08/07/2013 | 17143 | ROGERS, PETER | | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/15/2013 | 7/15 Quarter Bd Mtg | | 7/15/13 2013 Board Officer Quarterly Meeting | 6311 - Board Member Compensation | 125.00 |
| Bill | 07/25/2013 | 7/25 Special Bd Mtg | | 7/25/13 Special Board Meeting | 6311 - Board Member Compensation | 125.00 |
| TOTAL | | | | | | 250.00 |
| Bill Pmt -Check | 08/07/2013 | 17144 | THE LAWTON GROUP | 6017 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/28/2013 | 20311 | | Week ending 7/28/13 | 6017 - Temporary Services | 659.20 |
| | | | | Week ending 7/28/13 | 6017 - Temporary Services | 1,811.20 |
| | | | | Week ending 7/28/13 | 6017 - Temporary Services | 369.60 |
| TOTAL | | | | | | 2,840.00 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 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 | 08/07/2013 | 17145 | VANDEN HEUVEL, GEOFFREY | 6311 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 Ag Pool Conf | | 7/11/13 Special Confidential Ag Pool Meeting | 6311 - Board Member Compensation | 125.00 |
| Bill | 07/30/2013 | 7/30 Safe Yield Mtg | | 7/30/13 Safe Yield Recalculation Workshop | 6311 - Board Member Compensation | 125.00 |
| TOTAL | | | | | | 250.00 |
| Bill Pmt -Check | 08/07/2013 | 17146 | VANDEN HEUVEL, ROB | Ag Pool Member Compensation | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/11/2013 | 7/11 Special Ag Mtg | | 7/11/13 Special Ag Pool Meeting | 8411 - Compensation | 25.00 |
| | | | | Ag Pool Member Compensation | 8470 - Ag Meeting Attend -Special | 100.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 08/07/2013 | 17147 | VERIZON | | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/22/2013 | 012519116950792103 | | 012519116950792103 | 6022 - Telephone | 448.46 |
| Bill | 07/22/2013 | 012561121521714508 | | 012561121521714508 | 7405 - PE4-Other Expense | 184.31 |
| TOTAL | | | | | | 632.77 |
| Bill Pmt -Check | 08/07/2013 | 17148 | YUKON DISPOSAL SERVICE | 08-K2 213849 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/05/2013 | 08-K2 213849 | | Disposal service for August 2013 | 6024 - Building Repair & Maintenance | 106.53 |
| TOTAL | | | | | | 106.53 |
| Bill Pmt -Check | 08/09/2013 | 17149 | KAVOUNAS, PETER | Travel Expense Reimbursement | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | | | Travel expense reimbursement | 6171.1 - GM - Reimbursement | 187.16 |
| TOTAL | | | | | | 187.16 |
| Bill Pmt -Check | 08/16/2013 | 17150 | ACWA JOINT POWERS INSURANCE AUTHORITY | 00198 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/10/2013 | 00198 | | Prepayment - September | 1409 - Prepaid Life, BAD&D & LTD | 103.79 |
| | | | | August 2013 | 60191 - Life & Disab.Ins Benefits | 90.01 |
| TOTAL | | | | | | 193.80 |
| Bill Pmt -Check | 08/16/2013 | 17151 | BANK OF AMERICA | XXXX-XXXX-XXXX-9341 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | XXXX-XXXX-XXXX-9341 | | Registration-Joswiak-Essentials of Payroll Law | 6192 - Training & Seminars | 348.00 |
| | | | | Lunch for July 18 legal meeting | 6909.1 - OBMP Meetings | 56.97 |
| | | | | Purchase paper towel rolls for restrooms | 6031.7 - Other Office Supplies | 97.92 |
| | | | | Lunch for Safe Yield Recalculation Meeting | 6909.1 - OBMP Meetings | 38.76 |
| | | | | Parking fee-Joswiak-Payroll Law Seminar | 6192 - Training & Seminars | 8.00 |
| | | | | Lunch-Joswiak-Payroll Law Seminar | 6192 - Training & Seminars | 16.50 |
| | | | | Purchase replacement microwave oven for office | 6031.7 - Other Office Supplies | 140.39 |
| | | | | PK meeting w/Mark Kinsey | 8312 - Meeting Expenses | 24.49 |
| | | | | PK meeting w/Bob Bowcock | 6312 - Meeting Expenses | 3.90 |
| | | | | PK meeting w/Bob Feenstra and Tracy Egoscue | 8412 - Meeting Expenses | 116.95 |

TOTAL
P882

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 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> |
|-----------------|-------------|------------|-----------------------------------|---|--------------------------------------|--------------------|
| | | | | PK meeting w/Bob Craig | 6312 · Meeting Expenses | 32.28 |
| | | | | Reg. PK attend the 9/13 ACWA Region 9 Tour | 6192 · Training & Seminars | 65.00 |
| | | | | Lunch meeting w/possible new hire | 6016 · New Employee Search Costs | 74.08 |
| TOTAL | | | | | | <u>1,023.24</u> |
| Bill Pmt -Check | 08/16/2013 | 17152 | CALPERS 457 PLAN | Payroll and Taxes for 07/21/13-08/03/13 | 1012 · Bank of America Gen'l Ckg | |
| General Journal | 08/03/2013 | 08/03/2013 | CALPERS 457 PLAN | Employee 457 deductions for 07/21/13-08/03/13 | 2000 · Accounts Payable | 3,266.77 |
| TOTAL | | | | | | <u>3,266.77</u> |
| Bill Pmt -Check | 08/16/2013 | 17153 | COMPUTER NETWORK | 88202 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/14/2013 | 88202 | | Replacement hard drive | 6055 · Computer Hardware | 106.92 |
| TOTAL | | | | | | <u>106.92</u> |
| Bill Pmt -Check | 08/16/2013 | 17154 | CORELOGIC INFORMATION SOLUTIONS | 80934653 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 80934653 | | 80934653 | 7103.7 · Grdwtr Qual-Computer Svc | 62.50 |
| | | | | 80934653 | 7101.4 · Prod Monitor-Computer | 62.50 |
| TOTAL | | | | | | <u>125.00</u> |
| P 183 | | | | | | |
| Bill Pmt -Check | 08/16/2013 | 17155 | DAILY BULLETIN | 18069340 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/13/2013 | 18069340 | | 48 weeks thru 7/08/14 | 6112 · Subscriptions/Publications | 252.00 |
| TOTAL | | | | | | <u>252.00</u> |
| Bill Pmt -Check | 08/16/2013 | 17156 | DAN VASILE | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/10/2013 | | | Drug test/physical for candidate-BM | 6016 · New Employee Search Costs | 120.00 |
| TOTAL | | | | | | <u>120.00</u> |
| Bill Pmt -Check | 08/16/2013 | 17157 | DC LAW | 27138 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 27138 | | Ag Pool legal services - July 2013 | 8467 · Ag Legal & Technical Services | 3,152.50 |
| TOTAL | | | | | | <u>3,152.50</u> |
| Bill Pmt -Check | 08/16/2013 | 17158 | EGOSCUE LAW GROUP | 10431 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 10431 | | Ag Pool legal services - July 2013 | 8467 · Ag Legal & Technical Services | 11,430.00 |
| TOTAL | | | | | | <u>11,430.00</u> |
| Bill Pmt -Check | 08/16/2013 | 17159 | GEOSCIENCE SUPPORT SERVICES, INC. | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 4555-11-10 | | March 1 - May 31, 2013 | 7107.61 · Grd Level-Chino Hills ASR | 1,490.00 |
| Bill | 07/31/2013 | 4555-11-12 | | July 1-31, 2013 | 7107.61 · Grd Level-Chino Hills ASR | 380.00 |
| TOTAL | | | | | | <u>1,870.00</u> |
| Bill Pmt -Check | 08/16/2013 | 17160 | GREAT AMERICA LEASING CORP. | 14033533 | 1012 · Bank of America Gen'l Ckg | |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 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 | 07/31/2013 | 14033533 | | Invoice | 6043.1 · Ricoh Lease Fee | 2,795.00 |
| | | | | Usage for Black Copies | 6043.2 · Ricoh Usage & Maintenance Fee | 61.59 |
| | | | | Usage for Color Copies | 6043.2 · Ricoh Usage & Maintenance Fee | 147.47 |
| TOTAL | | | | | | <u>3,004.06</u> |
| Bill Pmt -Check | 08/16/2013 | 17161 | GUARANTEED JANITORIAL SERVICE, INC. | 6-29724 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/15/2013 | 6-29724 | | Janitorial service - August 2013 | 6024 · Building Repair & Maintenance | 865.00 |
| TOTAL | | | | | | <u>865.00</u> |
| Bill Pmt -Check | 08/16/2013 | 17162 | HALL, PETE* | AG POOL MEMBER COMPENSATION | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/17/2013 | 7/17 Annotated Judgm | | 7/17/13 Annotated Judgment Workshop #1 | 8470 · Ag Meeting Attend -Special | 125.00 |
| TOTAL | | | | | | <u>125.00</u> |
| Bill Pmt -Check | 08/16/2013 | 17163 | HOGAN LOVELLS | 2751430 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 2751430 | | Non-Ag Pool legal services - July 2013 | 8567 · Non-Ag Legal Service | 1,997.07 |
| TOTAL | | | | | | <u>1,997.07</u> |
| Bill Pmt -Check | 08/16/2013 | 17164 | PAYCHEX | 2013080100 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 2013080100 | | July 2013 | 6012 · Payroll Services | 244.53 |
| TOTAL | | | | | | <u>244.53</u> |
| Bill Pmt -Check | 08/16/2013 | 17165 | PREMIERE GLOBAL SERVICES | 14325867 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2013 | 14325867 | | Call on 7/15 re In Lieu Limits & Financial Considera | 6909.1 · OBMP Meetings | 174.17 |
| | | | | Call on 7/17 re Annotated Judgment Workshop | 6909.1 · OBMP Meetings | 60.34 |
| | | | | Call on 7/17 re Annotated Judgment Workshop | 6909.1 · OBMP Meetings | 155.38 |
| | | | | Call on 7/18 re Special Appropriative Pool Meeting | 8312 · Meeting Expenses | 83.45 |
| | | | | Call on 7/18 re Special Appropriative Pool Meeting | 8312 · Meeting Expenses | 102.25 |
| | | | | Call on 7/23 re Document request | 6909.1 · OBMP Meetings | 38.65 |
| | | | | Call on 7/25 re Board Confidential Session | 6312 · Meeting Expenses | 97.55 |
| | | | | Call on 7/25 re Board Confidential Session | 6312 · Meeting Expenses | 6.48 |
| | | | | Call on 7/26 re Safe Yield Recalculation | 6909.1 · OBMP Meetings | 6.48 |
| | | | | Call on 7/205 re Board Confidential Session | 6312 · Meeting Expenses | 90.32 |
| | | | | Monthly fee | 6022 · Telephone | 29.29 |
| | | | | Monthly fee | 6022 · Telephone | 19.95 |
| TOTAL | | | | | | <u>864.31</u> |
| Bill Pmt -Check | 08/16/2013 | 17166 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 · Bank of America Gen'l Ckg | |
| General Journal | 08/03/2013 | 08/03/2013 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | CalPERS Retirement for 07/21/13-08/03/13 | 2000 · Accounts Payable | 6,430.46 |
| TOTAL | | | | | | <u>6,430.46</u> |

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TOTAL

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2013

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------|---|---|---------------------------------------|-------------|
| Bill Pmt -Check | 08/16/2013 | 17167 | STAPLES BUSINESS ADVANTAGE | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/03/2013 | 8026510676 | | Toner and misc. office supplies | 6031.7 · Other Office Supplies | 92.11 |
| Bill | 08/10/2013 | 8026601451 | | Miscellaneous office supplies | 6031.7 · Other Office Supplies | 13.99 |
| TOTAL | | | | | | 106.10 |
| Bill Pmt -Check | 08/16/2013 | 17168 | THE LAWTON GROUP | 6017 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/04/2013 | 20344 | | Week ending 8/04/13 | 6017 · Temporary Services | 659.20 |
| | | | | Week ending 8/04/13 | 6017 · Temporary Services | 1,811.20 |
| | | | | Week ending 8/04/13 | 6017 · Temporary Services | 688.80 |
| TOTAL | | | | | | 3,159.20 |
| Bill Pmt -Check | 08/16/2013 | 17169 | USA-FACT INC | 2112495-IN | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/10/2013 | 2112495-IN | | Background check for candidate-BM | 6016 · New Employee Search Costs | 148.27 |
| TOTAL | | | | | | 148.27 |
| Bill Pmt -Check | 08/16/2013 | 17170 | VERIZON WIRELESS | 9709338031 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/12/2013 | 9709338031 | | Monthly service | 6022 · Telephone | 395.34 |
| TOTAL | | | | | | 395.34 |
| Bill Pmt -Check | 08/16/2013 | 17171 | WESTERN DENTAL SERVICES, INC. | 11882 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/13/2013 | 11882 | | Dental insurance premium - August 2013 | 60182.2 · Dental & Vision Ins | 30.00 |
| TOTAL | | | | | | 30.00 |
| General Journal | 08/17/2013 | 08/17/2013 | Payroll and Taxes for 08/04/13-08/17/13 | Payroll and Taxes for 08/04/13-08/17/13 | 1012 · Bank of America Gen'l Ckg | |
| | | | | Direct Deposits for 08/04/13-08/17/13 | 1012 · Bank of America Gen'l Ckg | 20,472.52 |
| | | | | Payroll Taxes for 08/04/13-08/17/13 | 1012 · Bank of America Gen'l Ckg | 6,340.63 |
| TOTAL | | | | | | 26,813.15 |
| Bill Pmt -Check | 08/19/2013 | 17172 | WILDERMUTH ENVIRONMENTAL INC | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2013 | 2013107-A | | 2013107-A | 7202.3 · Comp Recharge-Implementation | 60,637.00 |
| Bill | 06/30/2013 | 2013151-A | | 2013151-A | 7103.3 · Grdwtr Qual-Engineering | 2,753.00 |
| Bill | 06/30/2013 | 2013156-A | | 2013156-A | 7202.3 · Comp Recharge-Implementation | 52,218.90 |
| Bill | 06/30/2013 | 2013169-A | | 2013169-A | 6906 · OBMP Engineering Services | 8,612.00 |
| Bill | 06/30/2013 | 2013170-A | | 2013170-A | 7103.3 · Grdwtr Qual-Engineering | 5,680.00 |
| Bill | 06/30/2013 | 2013175-A | | 2013175-A | 7202.3 · Comp Recharge-Implementation | 24,679.10 |
| Bill | 06/30/2013 | 2013176-A | | 2013176-A | 7303 · PE3&5-Engineering | 1,632.75 |
| Bill | 06/30/2013 | 2013177-A | | 2013177-A | 7402 · PE4-Engineering | 8,691.00 |
| TOTAL | | | | | | 164,903.75 |
| Bill Pmt -Check | 08/19/2013 | 17173 | WILDERMUTH ENVIRONMENTAL INC | | 1012 · Bank of America Gen'l Ckg | |

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2013

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------|--|---|--|-------------------|
| Bill | 07/31/2013 | 2013194 | | | 6906 · OBMP Engineering Services | 7,091.01 |
| Bill | 07/31/2013 | 2013195 | | | 6906.7 · OBMP - Data Requests | 232.50 |
| Bill | 07/31/2013 | 2013196 | | | 6906.71 · OBMP - Misc. GM Requests | 3,105.00 |
| Bill | 07/31/2013 | 2013197 | | | 6906.72 · OBMP - Data Requests-Non CBWM | 1,265.50 |
| Bill | 07/31/2013 | 2013198 | | | 6906 · OBMP Engineering Services | 9,865.75 |
| Bill | 07/31/2013 | 2013199 | | | 6906 · OBMP Engineering Services | 1,865.00 |
| Bill | 07/31/2013 | 2013200 | | | 6906.1 · OBMP - Watermaster Model Update | 56,071.25 |
| Bill | 07/31/2013 | 2013201 | | | 7103.3 · Grdwtr Qual-Engineering | 10,610.00 |
| Bill | 07/31/2013 | 2013202 | | | 7104.3 · Grdwtr Level-Engineering | 7,525.08 |
| Bill | 07/31/2013 | 2013203 | | | 7107.61 · Grd Level-Chino Hills ASR | 2,781.25 |
| Bill | 07/31/2013 | 2013204 | | | 7107.61 · Grd Level-Chino Hills ASR | 123.75 |
| Bill | 07/31/2013 | 2013205 | | | 7107.2 · Grd Level-Engineering | 7,251.90 |
| Bill | 07/31/2013 | 2013206 | | | 7108.3 · Hydraulic Control-Engineering | 489.95 |
| Bill | 07/31/2013 | 2013207 | | | 7108.3 · Hydraulic Control-Engineering | 1,031.30 |
| Bill | 07/31/2013 | 2013208 | | | 7108.7 · Hydraulic Control - Prado Basin | 4,350.00 |
| Bill | 07/31/2013 | 2013209 | | | 7202.3 · Comp Recharge-Implementation | 38,960.48 |
| Bill | 07/31/2013 | 2013210 | | | 7402 · PE4-Engineering | 4,663.75 |
| Bill | 07/31/2013 | 2013211 | | | 7502 · PE6&7-Engineering | 1,048.96 |
| TOTAL | | | | | | 158,332.43 |
| PE 86 | | | | | | |
| Bill Pmt -Check | 08/21/2013 | 17174 | CALPERS | 1394905143 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/19/2013 | 1394905143 | | Medical insurance premiums - September 2013 | 60182.1 · Medical Insurance | 4,398.96 |
| TOTAL | | | | | | 4,398.96 |
| Bill Pmt -Check | 08/21/2013 | 17175 | COMPUTER NETWORK | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/01/2013 | 88103 | | Replacement PC for GIS specialist | 6055 · Computer Hardware | 1,458.00 |
| Bill | 08/19/2013 | 87738 | | Replacement PC for CFO | 6055 · Computer Hardware | 1,458.00 |
| TOTAL | | | | | | 2,916.00 |
| Bill Pmt -Check | 08/21/2013 | 17176 | CUCAMONGA VALLEY WATER DISTRICT | Lease due September 1, 2013 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/16/2013 | | | Lease due September 1, 2013 | 1422 · Prepaid Rent | 6,098.00 |
| TOTAL | | | | | | 6,098.00 |
| Bill Pmt -Check | 08/21/2013 | 17177 | LEGAL SHIELD | 111802 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/19/2013 | 0111802 | | Employee deductions - August 2013 | 60194 · Other Employee Insurance | 51.80 |
| TOTAL | | | | | | 51.80 |
| Bill Pmt -Check | 08/21/2013 | 17178 | STANDARD INSURANCE CO. | Policy # 00-649299-0009 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/19/2013 | 6492990009 | | Policy # 00-649299-0009 | 60191 · Life & Disab.Ins Benefits | 430.37 |
| TOTAL | | | | | | 430.37 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2013

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------|--|---|----------------------------------|--------------------------|
| Bill Pmt -Check | 08/21/2013 | 17179 | STAULA, MARY L | Retiree Medical | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/31/2013 | | | | 60182.4 - Retiree Medical | 29.19 |
| TOTAL | | | | | | <u>29.19</u> |
| Bill Pmt -Check | 08/21/2013 | 17180 | THE LAWTON GROUP | 6017 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/11/2013 | 20357 | | Week ending 8/11/13 | 6017 - Temporary Services | 659.20 |
| | | | | Week ending 8/11/13 | 6017 - Temporary Services | 1,811.20 |
| | | | | Week ending 8/11/13 | 6017 - Temporary Services | 571.20 |
| TOTAL | | | | | | <u>3,041.60</u> |
| Bill Pmt -Check | 08/21/2013 | 17181 | UNITED HEALTHCARE | 0032243471 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/19/2013 | 0032243471 | | Dental insurance premium - September 2013 | 60182.2 - Dental & Vision Ins | 378.57 |
| TOTAL | | | | | | <u>378.57</u> |
| General Journal | 08/31/2013 | 08/31/2013 | Wage Works FSA Direct Debits - Aug. 2013 | Wage Works FSA Direct Debits - Aug. 2013 | 1012 - Bank of America Gen'l Ckg | |
| | | | | Wage Works FSA Direct Debits - Aug. 2013 | 1012 - Bank of America Gen'l Ckg | 393.08 |
| | | | | Wage Works FSA Direct Debits - Aug. 2013 | 1012 - Bank of America Gen'l Ckg | 393.08 |
| | | | | Wage Works FSA Direct Debits - Aug. 2013 | 1012 - Bank of America Gen'l Ckg | 76.25 |
| | | | | | | <u>862.41</u> |
| | | | | | Total Disbursements: | <u><u>465,637.55</u></u> |

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TOTAL

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WINEVILLE BASIN PROOF OF CONCEPT PROJECT

Status Update: September 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. Submittals for the project have been approved. Construction work onsite began on September 16, 2013. 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. Testing onsite is scheduled to begin on September 25, 2013.

| | |
|--------------------------|---------------------------------|
| Construction Completion: | September 24, 2013 |
| Testing of Infiltration: | September 25 – 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 | Projected Cost |
|---|------------------|
| Environmental Consultant: | \$40,600 |
| Design/Testing Plan: | \$13,940 |
| Survey (design, pre/post construction survey for regulatory permits): | \$17,400 |
| Permits | \$2,177 |
| Weeding | \$27,514 |
| Construction Cost: | \$182,152 |
| Survey (Construction): | \$3,650 |
| Cost for Pumping: | \$12,000 |
| Construction Support: | \$36,000 |
| Contingency (20%): | \$30,000 |
| Total | \$365,433 |

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Monthly Status Report on the South Archibald Plume – September 2013

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 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.

Regulatory and Monitoring History: In the mid-1980s, the Metropolitan Water District of Southern California determined that TCE was present in private wells in the area south of the Ontario International Airport (OIA) as part of the work associated with the Chino Basin Storage Program. The Regional Board confirmed this with subsequent rounds of sampling and identified activities at the OIA as a likely source of the TCE.

Draft CAOs were prepared in 2005 for six different potentially responsible parties whom were tenants on the OIA. On a voluntary basis, four of the six parties—Aerojet Corporation, The Boeing Company, General Electric Company, and Lockheed Martin Corporation, collectively ABGL, worked together to investigate the source of the contamination. The other two PRPs provided assistance to ABGL. Part of the investigations included sampling at private wells and taps at residences, and the construction and sampling of four triple-nested monitoring wells. ABGL installed alternative water systems for the private residences in the area where their source of drinking water was groundwater contaminated with TCE.

The Regional Board staff conducted research on information pertaining to source of TCE concentration, and identified several industries that historically used TCE and discharged waste to the municipal sewer system into the RP-1 treatment plant and disposal areas. In 2012, a draft CAO was issued by the Regional Board jointly to the City of Ontario, City of Upland, and IEUA associated with the operation of the RP-1 plant.

Chino Basin Watermaster routinely samples for water quality at private wells in the area, and uses data obtained from their own monitoring 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). Watermaster also conducted a round of split sampling with ABGL in at the four multi-port monitoring wells in 2009, and at private residence's well and taps in 2011.

Recent Activity: The Regional Board has indicated that many of the potential responsible parties issued draft CAOs will work together to prepare a feasibility study. Discussions among those parties are ongoing to resolve details about how to proceed with that work. ABGL's consultant Erler & Kalinowski, Inc. (EKI) made a technical presentation on the plume to Regional Board staff on July 15, 2013. Many of the parties are also pursuing various grant funding opportunities to develop a mutually beneficial long-term regional project to benefit the Chino Basin. This includes the existing Proposition 50 applications submitted to the California Department of Public Health.



Monthly Status Report on the South Archibald Plume – September 2013

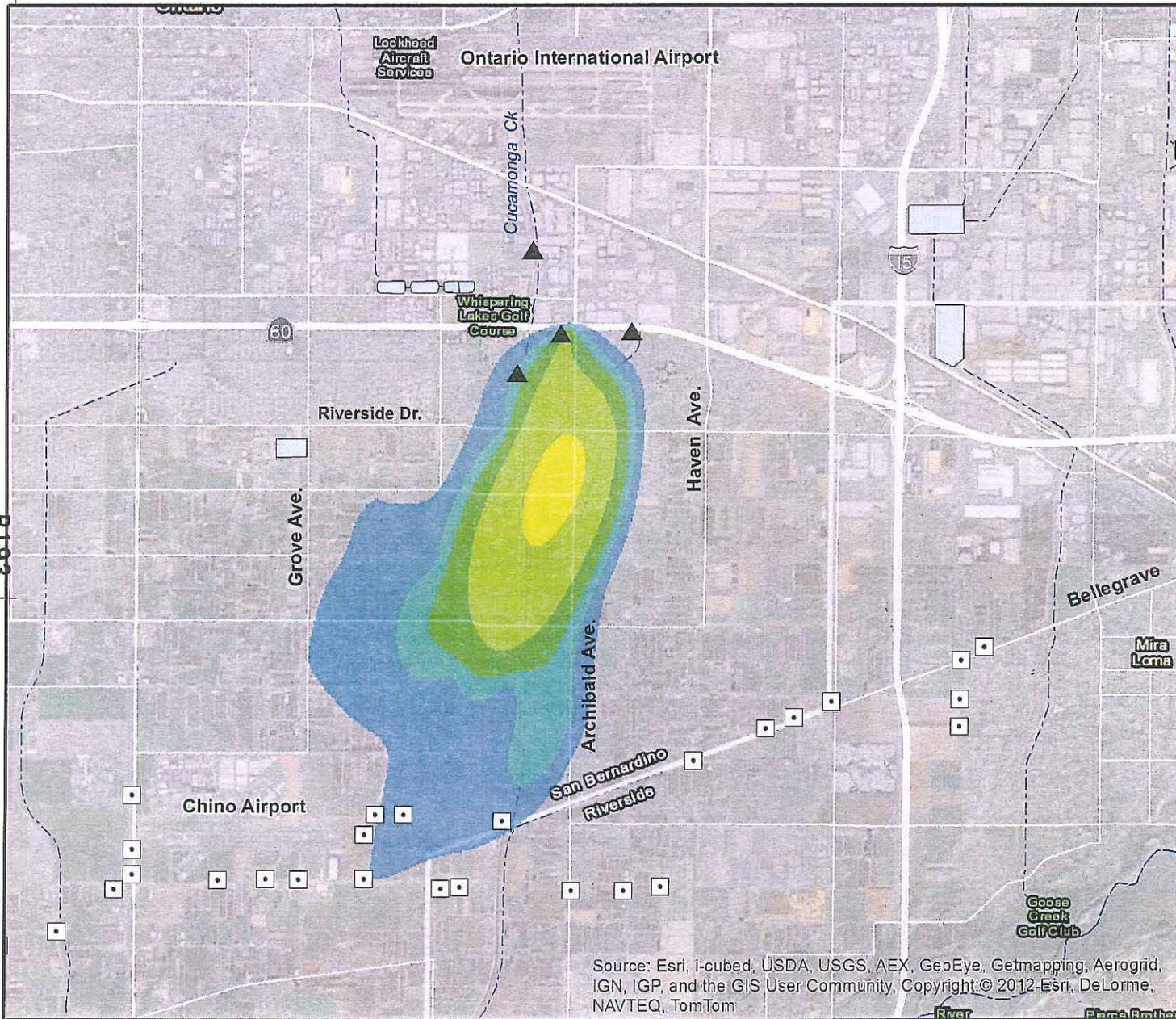
Several parties recently completed an additional round of sampling at private water supply wells in the area of the plume. A report of the results will be submitted to the Regional Board soon. With the completion of this work, all wells in the area of the plume have been sampled at least once.

Several parties are in the process of designing and constructing alternate water supply systems (tanks) for additional residences whose wells exceed 80% of the maximum contaminant level (MCL) for TCE. Currently these residences receive bottled water as part of the alternative water supply plan mentioned above. With the completion of this work, all residences in the plume whose wells exceed the MCL will have been provided an alternate water supply.

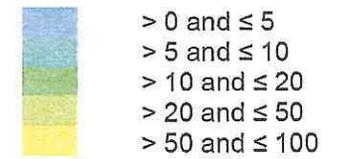


117°40'0"W

34°0'0"N



TCE Concentration (ug/L)



Other Features

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



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

117°40'0"W

Produced by:



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Lake Forest, CA 92630
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www.wildermuthenvironmental.com

Author: VMW
Date: 9/20/2013
Name: ArchibaldSouth_20130814



CBWM Monthly Status Report

Location of the South Archibald Plume

Exhibit 1

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Monthly Status Report on the Chino Airport Plume – September 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-dichloroethane, 1,1-dichloroethene, cis-1,2-dichloroethene, 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 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. R8-2008-0064 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 of 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.

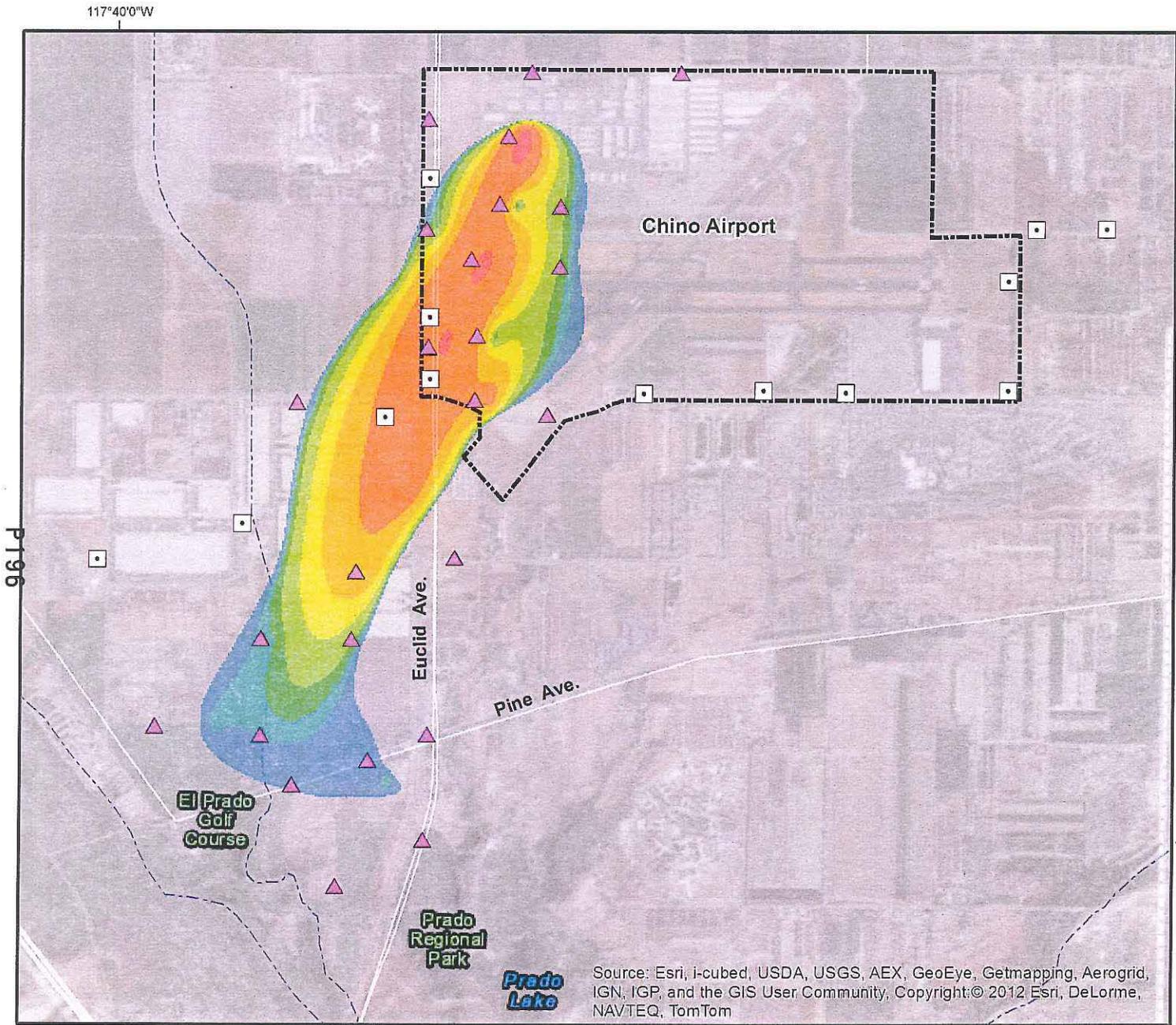
Chino Basin Watermaster samples water quality at private wells in the area, and at the HCMP-4 monitoring well in the southern portion of the plume. Watermaster uses data obtained from their own monitoring, and the data collected from the County's monitoring and the CDA's monitoring at the desalter wells, 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 Airport¹. The work plan targets several areas of concern identified in a May 2013 site assessment report², 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. The work plan is pending the Regional Board's comments and approval.

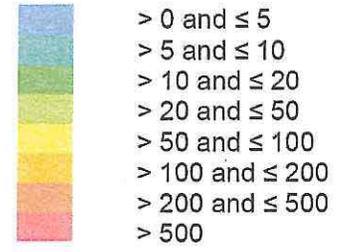
¹ *Work Plan for Additional Site Characterization - Chino Airport- San Bernardino County, California.* June, 2013. Prepared by Tetra Tech.

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





TCE Concentration (ug/L)



Other Features

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

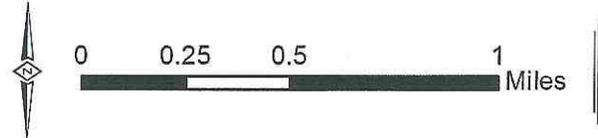


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Location of the Chino Airport Plume