

# CHINO BASIN WATERMASTER



## NOTICE OF MEETING

**Thursday, November 21, 2013**

9:00 a.m. – Advisory Committee Meeting

11:00 a.m. – 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, November 21, 2013**

9:00 a.m. – Advisory Committee Meeting

11:00 a.m. – Board Meeting

***AGENDA PACKAGE***

**CHINO BASIN WATERMASTER  
ADVISORY COMMITTEE MEETING**

9:00 a.m. – November 21, 2013

**WITH**

*Ms. Rosemary Hoerning, Chair*

*Mr. Brian Geye, Vice-Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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

**A. MINUTES**

1. Minutes of the Advisory Committee Meeting held October 17, 2013 (*Page 1*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the Month of September 2013 (*Page 9*)
2. Watermaster VISA Check Detail for the Month of September 2013 (*Page 23*)
3. Combining Schedule for the Period July 1, 2013 through September 30, 2013 (*Page 27*)
4. Treasurer's Report of Financial Affairs for the Period September 1, 2013 through September 30, 2013 (*Page 31*)
5. Budget vs. Actual Report for the Period July 1, 2013 through September 30, 2013 (*Page 35*)

**C. WESTERN MUNICIPAL WATER DISTRICT ASSIGNMENT OF DESALTER PRODUCTION**

Receive and file notice of assignment of Western Municipal Water District Desalter production. (*Page 49*)

**II. BUSINESS ITEMS**

**A. CHINO BASIN WATERMASTER 2013-2014 ASSESSMENT PACKAGE (*Page 57*)**

Approve the Fiscal Year 2013-2014 Assessment Package as presented.

*(The Assessment Package can be found on the Watermaster FTP site at:*

*<http://www.cbwm.org/FTP/Meeting%20Packets%20&%20Agendas/20131121%20DRAFT%202013-2014%20Assessment%20Package%20%28Based%20on%20Production%20Year%202012-2013%29--Revised%2011-13-2013.pdf>*)

**B. LEVYING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS (*Page 59*)**

Approve Resolution 13-07 as presented.

**C. PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION (*Page 65*)**

Approve the proposed FY 2013-14 substitute Physical Solution Transfer rate, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Watermaster RMPU Amendment Motion
2. City of Fontana Motion
3. CDA Request

**B. CFO REPORT**

**C. GM REPORT**

1. Update on Safe Yield Recalculation
2. Pool and Board Representation

**D. INLAND EMPIRE UTILITIES AGENCY**

1. Status of San Sevaine Property
2. MWD Update (Oral)
3. Integrated Resource Plan Update (Oral)
4. State and Federal Legislative Reports
5. Community Outreach/Public Relations Report

**E. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

**IV. INFORMATION**

1. Cash Disbursements for October 2013 (*Page 121*)

**V. COMMITTEE MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, November 21, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, November 21, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, November 21, 2013	10:00 a.m.*	Joint IEUA/CBWM Projects Update Meeting
Thursday, November 21, 2013	11:00 a.m.	Watermaster Board Meeting
Tuesday, November 26, 2013	9:00 a.m.	GRCC Meeting
Thursday, December 12, 2013	9:00 a.m.	Appropriative Pool Committee Meeting
Thursday, December 12, 2013	11:00 a.m.	Non-Agricultural Pool Committee Meeting
Thursday, December 12, 2013	1:30 p.m.	Agricultural Pool Committee Meeting
Thursday, December 19, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, December 19, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, December 19, 2013	10:00 a.m.*	Joint IEUA/CBWM Projects Update Meeting
Thursday, December 19, 2013	11:00 a.m.	Watermaster Board Meeting

**\*Note:** The Joint IEUA/CBWM Projects Update Meeting will take place immediately following the Advisory Committee Meeting.

**ADJOURNMENT**

**CHINO BASIN WATERMASTER  
WATERMASTER BOARD MEETING**

11:00 a.m. – November 21, 2013

**WITH**

*Mr. Bob Kuhn, Chair*

*Mr. Jim Curatalo, Vice-Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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

**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held October 24, 2013 (*Page 5*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the Month of September 2013 (*Page 9*)
2. Watermaster VISA Check Detail for the Month of September 2013 (*Page 23*)
3. Combining Schedule for the Period July 1, 2013 through September 30, 2013 (*Page 27*)
4. Treasurer's Report of Financial Affairs for the Period September 1, 2013 through September 30, 2013 (*Page 31*)
5. Budget vs. Actual Report for the Period July 1, 2013 through September 30, 2013 (*Page 35*)

**C. WESTERN MUNICIPAL WATER DISTRICT ASSIGNMENT OF DESALTER PRODUCTION**

Receive and file notice of assignment of Western Municipal Water District Desalter production. (*Page 49*)

**II. BUSINESS ITEMS**

**A. CHINO BASIN WATERMASTER 2013-2014 ASSESSMENT PACKAGE (*Page 57*)**

Approve the Fiscal Year 2013-2014 Assessment Package as presented.

*(The Assessment Package can be found on the Watermaster FTP site at:*

*<http://www.cbwm.org/FTP/Meeting%20Packets%20&%20Agendas/20131121%20DRAFT%202013-2014%20Assessment%20Package%20%28Based%20on%20Production%20Year%202012-2013%29--Revised%2011-13-2013.pdf>*)

**B. LEVYING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS (Page 59)**

Approve Resolution 13-07 as presented.

**C. PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION (Page 65)**

Approve the proposed FY 2013-14 substitute Physical Solution Transfer rate, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

**D. BUSINESS PLAN (Page 79)**

Receive and file the proposed Watermaster 2013 Business Plan

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Watermaster RMPU Amendment Motion
2. City of Fontana Motion
3. CDA Request

**B. CFO REPORT**

1. Watermaster Annual Audit Presentation by Charles Z. Fedak & Company

**C. GM REPORT**

1. Joint IEUA-Watermaster Recharge Projects
2. Update on Safe Yield Recalculation
3. Wineville POC Project Update
4. Pool and Board Representation
5. Other

**IV. INFORMATION**

1. Cash Disbursements for October 2013 (Page 121)
2. Update on Wineville Proof of Concept Project (Page 131)
3. Update on Archibald South & Chino Airport Plumes (Page 133)

**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. Watermaster RMPU Amendment Motion
2. City of Fontana Motion
3. Potential Litigation (one matter)

**VIII. FUTURE MEETINGS AT WATERMASTER**

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Thursday, December 12, 2013	9:00 a.m.	Appropriative Pool Committee Meeting
Thursday, December 12, 2013	11:00 a.m.	Non-Agricultural Pool Committee Meeting
Thursday, December 12, 2013	1:30 p.m.	Agricultural Pool Committee Meeting

Thursday, December 19, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, December 19, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, December 19, 2013	10:00 a.m.*	Joint IEUA/CBWM Projects Update Meeting
Thursday, December 19, 2013	11:00 a.m.	Watermaster Board Meeting

**\*Note:** The Joint IEUA/CBWM Projects Update Meeting will take place immediately following the Advisory Committee Meeting.

**ADJOURNMENT**

# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Advisory Committee Meeting held on October 17, 2013

**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**ADVISORY COMMITTEE MEETING**

October 17, 2013

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on October 17, 2013.

**ADVISORY COMMITTEE MEMBERS PRESENT**

**APPROPRIATIVE POOL**

Rosemary Hoerning, Chair	City of Upland
Marty Zvirbulis	Cucamonga Valley Water District
Josh Swift	Fontana Union Water Company
Teri Layton	San Antonio Water Company
Nadeem Majaj	City of Chino Hills
Ben Lewis	Golden State Water Company
Seth Zeilke	Fontana Water Company
Dave Crosley	City of Chino
Van Jew	Monte Vista Irrigation Company
Scott Burton	City of Ontario
Darron Poulsen	City of Pomona
Todd Corbin	Jurupa Community Services District

**AGRICULTURAL POOL**

Pete Hall	Agricultural Pool – State of California – CIM
Jeff Pierson	Agricultural Pool – Crops

**NON-AGRICULTURAL POOL**

Bob Bowcock, for Brian Gey	Vulcan Materials Company (Calmat Division)
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**BOARD MEMBERS PRESENT**

Bob Kuhn	Three Valleys Municipal Water District
Robert "Bob" Craig	Jurupa Community Services District

**WATERMASTER STAFF PRESENT**

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joseph Joswiak	Chief Financial Officer
Anna Truong	Recording Secretary

**WATERMASTER CONSULTANTS PRESENT**

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
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**OTHERS PRESENT WHO SIGNED IN**

David DeJesus	Three Valleys Municipal Water District
Ron Craig	City of Chino Hills
Eunice Ulloa	Chino Basin Water Conservation District
Terry Catlin	Inland Empire Utilities Agency
Sylvie Lee	Inland Empire Utilities Agency
Chris Berch	Inland Empire Utilities Agency

Rick Rees  
 Jo Lynne Russo-Pereyra  
 Manny Martinez  
 Sheri Rojo  
 Paula Lantz  
 Sandra Rose  
 Curtis Paxton

State of California – CIM  
 Cucamonga Valley Water District  
 Monte Vista Water District  
 Fontana Water Company  
 City of Pomona  
 Monte Vista Water District  
 Chino Desalter Authority

**CALL TO ORDER**

Chair Hoerning called the Advisory Committee meeting to order at 9:01 a.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

- 1. Minutes of the Advisory Committee Meeting held September 19, 2013

**B. FINANCIAL REPORTS**

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

(0:00:27)

*Motion by Mr. Darron Poulsen, second by Ms. Teri Layton, and by unanimous vote*

***Moved to approve Consent Calendar as presented***

**II. BUSINESS ITEMS**

**A. Budget Amendment Form (A-13-10-01)**

Approve Budget Amendment Form (A-13-10-01) for FY 2013/14 in the amount of \$62,150 for the increased costs associated with the Wineville Proof of Concept Project as presented.

(0:01:07) Mr. Joswiak gave a report.

*Motion by Mr. Marty Zvirbulis, second by Mr. Mark Kinsey, and by unanimous vote*

***Moved to approve Budget Amendment Form (A-13-10-01) for FY 2013/14 in the amount of \$62,150 for the increased costs associated with the Wineville Proof of Concept Project as presented***

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

- 1. City of Fontana Motion
- 2. CDA Request

(0:02:13) Mr. Herrema gave a report.

**B. CFO REPORT**

1. Budget Carry-Over Practices
2. Creation of New Account

(0:06:10) Mr. Kavounas stated that the CFO report covered at the Pools meetings can be presented again if the Advisory Committee would like to hear it. Chair Hoerning asked the Committee members and they declined to hear the presentation.

**C. GM REPORT**

1. Assessment Package Workshop
2. Joint IEUA-Watermaster Recharge Projects
3. Chino Basin Watermaster Business Plan
4. Physical Solution Transfer Rate Substitution

(0:06:51) Mr. Kavounas announced that the Assessment Package Workshop has been scheduled for October 30<sup>th</sup> at 2 p.m.

(0:07:08) Mr. Kavounas also announced that IEUA and Watermaster will begin to hold a regular monthly meeting to review all jointly-funded projects and asked the Pools to see if there would be interest in forming a small subcommittee to attend these meetings so that it would be easier to coordinate the flow of information amongst all.

(0:07:40) Mr. Kavounas gave an update on the Business Plan.

(0:07:55) Mr. Kavounas gave an update on the Physical Solution Transfer Rate. He envisions that the Pools would conclude their negotiation of a Transfer Rate that this will come to the Pools for review at the November 14, 2013 meeting. The Advisory Committee and Watermaster Board will then presumably approve and authorize Watermaster to make the filing with the Court on or before December 1, 2013, giving the Court a 30-day notice and an opportunity for the Judge to approve by December 31, 2013. The Non-Ag Pool parties would declare water availability by December 31, 2013, at which time Watermaster would have to issue a notice of availability by January 31, 2014. The Appropiative Pool individual members will need to make their commitment by March 1, 2014. The purpose of this notification is to make everyone aware of the approaching timeline.

**D. INLAND EMPIRE UTILITIES AGENCY**

1. MWD Update – Oral
2. State and Federal Legislative Reports
3. Community Outreach/Public Relations Report
4. Quarterly Water Newsletter
5. 2013 MWD Tier I Purchases (YTD)

(0:11:26) Mr. Berch gave a report.

**E. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

**IV. INFORMATION**

1. Cash Disbursements for September 2013

**V. COMMITTEE MEMBER COMMENTS**

(0:14:16) Chair Hoerning reminded everyone about the Landscape and Water Conservation Fair at the Chino Basin Water Conservation District on Saturday, October 19, 2013 from 9 a.m. to 2 p.m.

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, October 17, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, October 17, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, October 17, 2013	10:00 a.m.	Land Subsidence Committee Meeting
Thursday, October 24, 2013	11:00 a.m.	Watermaster Board Meeting
Wednesday, October 30, 2013	2:00 p.m.	Assessment Package Workshop

**ADJOURNMENT**

Chair Hoerning adjourned the Advisory Committee meeting at 9:16 a.m.

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

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

# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Board Meeting held on October 24, 2013

**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD MEETING**

October 24, 2013

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on October 24, 2013.

**WATERMASTER BOARD MEMBERS PRESENT**

Bob Kuhn, Chair	Three Valleys Municipal Water District
Robert "Bob" Craig	Jurupa Community Services District
Charles Field	Western Municipal Water District
Peter Rogers	City of Chino Hills
Steve Elie	Inland Empire Utilities Agency
Jim Curatalo	Fontana Union Water Company
Bob Bowcock	Vulcan Materials Company (Calmat Division)
Geoffrey Vanden Heuvel	Agricultural Pool – Dairy
Bob Feenstra, for Paul Hofer	Agricultural Pool – Dairy

**WATERMASTER BOARD MEMBERS ABSENT**

Paul Hofer	Agricultural Pool – Crops
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**WATERMASTER STAFF PRESENT**

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joseph Joswiak	Chief Financial Officer
Anna Truong	Recording Secretary

**WATERMASTER CONSULTANTS PRESENT**

Scott Slater	Brownstein Hyatt Farber Schreck, LLP
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**OTHERS PRESENT**

Eunice Ulloa	Chino Basin Water Conservation District
Pete Hall	Agricultural Pool – State of California – CIM
Jeff Pierson	Agricultural Pool – Crops
Dave Crosley	City of Chino
David DeJesus	Three Valleys Municipal Water District
Marty Zvirbulis	Cucamonga Valley Water District
John Bosler	Cucamonga Valley Water District
Curtis Paxton	Chino Desalter Authority
Ben Lewis	Golden State Water Company
Craig Parker	Inland Empire Utilities Agency
Terry Catlin	Inland Empire Utilities Agency
Ken Jeske	California Steel Industries
Sandra Rose	Monte Vista Water District
Rick Hansen	Three Valleys Municipal Water District
Darron Poulsen	City of Pomona
Justin Scott-Coe	Monte Vista Water District
Nadeem Majaj	City of Chino Hills
Scott Burton	City of Ontario
Brian Geye	Auto Club Speedway

Chuck Hays  
Rogelio Matta  
Sheri Rojo  
Todd Corbin  
Art Kidman

City of Fontana  
City of Fontana  
Fontana Water Company  
Jurupa Community Services District  
Monte Vista Water District

**CALL TO ORDER**

Chair Kuhn called the Watermaster Board meeting to order at 11:03 a.m.

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held August 22, 2013 (Revised)
2. Minutes of the Watermaster Board Meeting held September 26, 2013

**B. FINANCIAL REPORTS**

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

(0:01:00)

*Motion by Mr. Peter Rogers, second by Mr. Bob Craig, and carried unanimously*

***Moved to approve Consent Calendar as presented***

**II. BUSINESS ITEMS**

**A. Budget Amendment Form (A-13-10-01)**

(0:01:21) Mr. Kavounas introduced the item and offered to give the Board a presentation on the Wineville Proof of Concept project and on the Budget Amendment Form (A-13-10-01), as they were presented at the Pools meetings this month. The Board declined to hear the presentation.

*Motion by Mr. Jim Curatalo, second by Mr. Peter Rogers, and carried unanimously*

***Moved to approve Budget Amendment Form (A-13-10-01) for FY 2013/14 in the amount of \$62,150 for the increased costs associated with the Wineville Proof of Concept project as presented***

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. City of Fontana Motion
2. CDA Request

(0:02:56) Mr. Slater gave a report.

(0:06:22) Mr. Vanden Heuvel raised a concern regarding the CDA request and a discussion ensued.

(0:9:43) Chair Kuhn presented an opportunity for Mr. Hays (City of Fontana) to speak on the City of Fontana Motion. Mr. Hays stated that Mr. Slater is correct on his report for the issue; they have been communicating, and he didn't have anything to add.

**B. CFO REPORT**

1. Creation of New Account

(0:10:26) Mr. Joswiak gave a report.

(0:10:49) Mr. Elie joined the meeting.

**C. GM REPORT**

1. New Employee Introduction
2. Safe Yield Recalculation
3. Recharge Master Plan Update Amendment
4. Assessment Package Workshop
5. Joint IEUA-Watermaster Recharge Projects
6. November/December Meeting Dates
7. Other

(0:11:28) Mr. Kavounas introduced a new employee, Bill McLaughlin, who joined Chino Basin Watermaster on October 7, 2013.

(0:13:40) Mr. Kavounas then gave a report on the Safe Yield Recalculation process, and a discussion ensued.

(0:30:27) Mr. Kavounas proceeded to give a report on the remainder of the GM Report.

**IV. INFORMATION**

1. Cash Disbursements for September 2013
2. Update on Wineville Proof of Concept project
3. Update on Archibald South & Chino Airport Plumes

**V. BOARD MEMBER COMMENTS**

(0:33:58) Mr. Curatalo commented that in his experience, and though there are varying styles, the leadership of the Board, staff, and Pool Chairs has been very open and honest, and efforts have always been made to include everyone and their opinions. Additionally, he personally wanted it reflected for the record that business has always been conducted very professionally and openly and to characterize it in any other way would be inaccurate.

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

The Watermaster Board went into closed session at 11:38 a.m. to discuss the following:

- 1. City of Fontana Motion to Revise Section 5 of the Recharge Master Plan Update and Restated Judgment
- 2. Potential Litigation (one matter)

The Board came out of Confidential Session at 12:05 p.m. There was no reportable action.

**VIII. FUTURE MEETINGS AT WATERMASTER**

Wednesday, October 30, 2013	2:00 p.m.	Assessment Package Workshop
Thursday, November 14, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, November 14, 2013	11:00 a.m.	Non-Agricultural Pool Meeting
Thursday, November 14, 2013	1:30 p.m.	Agricultural Pool Meeting
Thursday, November 21, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, November 21, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, November 21, 2013	11:00 a.m.	Watermaster Board Meeting

**ADJOURNMENT**

Chair Kuhn adjourned the Watermaster Board meeting at 12:07 p.m.

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

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

# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

1. Cash Disbursements for the Month of September 2013
2. Watermaster VISA Check Detail for the Month of September 2013
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5. Budget vs. Actual Report for the Period July 1, 2013 through September 30, 2013



# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013  
TO: Advisory Committee Members  
Board Members  
SUBJECT: Cash Disbursement Report - Financial Report B1 (September 30, 2013)

### SUMMARY

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

Recommendation: Receive and file Cash Disbursements for September 30, 2013 as presented.

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

### Future Consideration

Advisory Committee: November 21, 2013; Receive and File

Watermaster Board: November 21, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously approved

November 14, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

November 14, 2013 – Agricultural Pool – Unanimously approved

November 21, 2013 – Advisory Committee –

November 21, 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 September 2013 were \$697,635.18. The most significant expenditures during the month were to Brownstein Hyatt Farber Schreck in the amounts of \$100,348.39 and \$121,916.23 (check numbers 17195 and 17224 dated September 9, 2013 and September 16, 2013); Inland Empire Utilities Agency in the amount of \$198,694.00 (check number 17188 dated September 4, 2013); and Wildermuth Environmental, Inc. in the amount of \$117,320.38 (check number 17252 dated September 24, 2013).

## ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/04/2013	17182	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2013	0023230253		Office Water Bottle - August 2013	6031.7 · Other Office Supplies	95.67
TOTAL						95.67
Bill Pmt -Check	09/04/2013	17183	CALPERS 457 PLAN	Payroll and Taxes for 08/04/13-08/17/13	1012 · Bank of America Gen'l Ckg	
General Journal	08/17/2013	08/17/2013	CALPERS 457 PLAN	457 Employee deductions for 08/04/13-08/17/13	2000 · Accounts Payable	3,266.77
TOTAL						3,266.77
Bill Pmt -Check	09/04/2013	17184	CHEF DAVE'S CAFE & CATERING	1124	1012 · Bank of America Gen'l Ckg	
Bill	08/22/2013	1124		Lunch for 8/22/2013 Board Meeting	6312 · Meeting Expenses	431.90
TOTAL						431.90
Bill Pmt -Check	09/04/2013	17185	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	08/20/2013	88242		Hard drive, hard drive tray	6055 · Computer Hardware	804.60
Bill	08/26/2013	88290		Labor for #88242 - hard drive, hard drive tray	6057 · Computer Maintenance	250.00
TOTAL						1,054.60
PT1 Bill Pmt -Check	09/04/2013	17186	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	08/18/2013	019447404		Service period of 8/19/13 -9/18/13	6031.7 · Other Office Supplies	94.99
TOTAL						94.99
Bill Pmt -Check	09/04/2013	17187	HOGAN LOVELLS	2759037	1012 · Bank of America Gen'l Ckg	
Bill	08/22/2013	2759037		Non-Ag Pool legal services - August 2013	8567 · Non-Ag Legal Service	2,212.97
TOTAL						2,212.97
Bill Pmt -Check	09/04/2013	17188	INLAND EMPIRE UTILITIES AGENCY	90012578	1012 · Bank of America Gen'l Ckg	
Bill	08/27/2013	90012578		GW Recharge O&M Cost Reimbursement	7206 · Comp Recharge-O&M	198,694.00
TOTAL						198,694.00
Bill Pmt -Check	09/04/2013	17189	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	08/17/2013	08/17/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/04/13-08/17/13	2000 · Accounts Payable	6,430.46
TOTAL						6,430.46
Bill Pmt -Check	09/04/2013	17190	STAPLES BUSINESS ADVANTAGE	8026676185	1012 · Bank of America Gen'l Ckg	
Bill	08/17/2013	8026676185		Miscellaneous office supplies	6031.7 · Other Office Supplies	101.87
TOTAL						101.87
Bill Pmt -Check	09/04/2013	17191	STATE COMPENSATION INSURANCE FUND	1970970-13	1012 · Bank of America Gen'l Ckg	
Bill	09/01/2013	1970970-13		Premium on account 8/26/13-9/26/13	60183 · Worker's Comp Insurance	786.42

CHINO BASIN WATERMASTER  
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	Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL							786.42
	Bill Pmt -Check	09/04/2013	17192	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
	Bill	08/18/2013	20384		Week ending 8/18/13	6017 · Temporary Services	659.20
					Week ending 8/18/13	6017 · Temporary Services	1,811.20
					Week ending 8/18/13	6017 · Temporary Services	504.00
TOTAL							2,974.40
	Bill Pmt -Check	09/04/2013	17193	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
	Bill	08/27/2013	001017890001		Vision premium - September 2013	60182.2 · Dental & Vision Ins	57.81
TOTAL							57.81
	Bill Pmt -Check	09/04/2013	17194	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
	Bill	09/01/2013	08-k2 213849		Service for September 2013	6024 · Building Repair & Maintenance	106.53
TOTAL							106.53
	Bill Pmt -Check	09/09/2013	17195	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
P12	Bill	07/31/2013	537855		537855	6907.32 · Chino Airport Plume	675.00
	Bill	07/31/2013	542049		542049	6907.32 · Chino Airport Plume	4,822.51
	Bill	07/31/2013	542060		542060	6078.12 · CCG Motion	15,508.08
	Bill	07/31/2013	542059		542059	6078.11 · Safe Yield Recalculation	17,006.82
	Bill	07/31/2013	542058		542058	6907.40 · Storage Agreements	54.90
	Bill	07/31/2013	542057		542057	6907.39 · Recharge Master Plan	13,439.28
	Bill	07/31/2013	542056		542056	6072 · BHFS Legal - Annotated Judgment	14,349.29
	Bill	07/31/2013	542055		542055	6071 · BHFS Legal - Court Coordination	814.50
	Bill	07/31/2013	542054		542054	8575 · BHFS Legal - Non-Ag Pool	960.75
	Bill	07/31/2013	542053		542053	8475 · BHFS Legal - Agricultural Pool	1,147.50
	Bill	07/31/2013	542052		542052	8375 · BHFS Legal - Appropriative Pool	1,482.30
	Bill	07/31/2013	542051		542051	6375 · BHFS Legal - Board Meeting	3,593.25
	Bill	07/31/2013	542050		542050	6907.33 · Desalter/Hydraulic Control	3,483.45
	Bill	07/31/2013	542048		542048	6907.34 · Santa Ana River Water Rights	54.90
	Bill	07/31/2013	542047		Alvarez	6073 · BHFS Legal - Personnel Matters	2,065.50
					Employment	6073 · BHFS Legal - Personnel Matters	14,789.60
						6078 · BHFS Legal - Miscellaneous	5,980.39
						6375 · BHFS Legal - Board Meeting	120.37
TOTAL							100,348.39
	Bill Pmt -Check	09/09/2013	17196	APPLIED COMPUTER TECHNOLOGIES	2123	1012 · Bank of America Gen'l Ckg	
	Bill	08/31/2013	2123		Database services - August 2013	6052.2 · Applied Computer Technoi	3,747.80
TOTAL							3,747.80

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/09/2013	17197	BOWCOCK, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	08/12/2013	8/12 Conf Board Mtg		8/12/13 Confidential Board Meeting	6311 - Board Member Compensation	125.00
Bill	08/22/2013	8/22 Board Mtg		8/22/13 Board Meeting	6311 - Board Member Compensation	125.00
Bill	08/30/2013	8/30 Board Mtg		8/30/13 Board Subcommittee Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	09/09/2013	17198	CALPERS 457 PLAN	Payroll and Taxes for 08/18/13-08/31/13	1012 - Bank of America Gen'l Ckg	
General Journal	08/31/2013	08/31/2013	CALPERS 457 PLAN	457 Employee deductions for 08/18/13-08/31/13	2000 - Accounts Payable	3,266.77
TOTAL						3,266.77
Bill Pmt -Check	09/09/2013	17199	COMPUTER NETWORK	88318	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2013	88318		Replacement workstation	6055 - Computer Hardware	1,485.00
TOTAL						1,485.00
Bill Pmt -Check	09/09/2013	17200	CRAIG, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	08/02/2013	8/02 Admin Mtg		8/02/13 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	08/08/2013	8/08 Appro Pool Mtg		8/08/13 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
Bill	08/12/2013	8/12 Conf Bd Mtg		8/12/13 Confidential Board Meeting	6311 - Board Member Compensation	125.00
Bill	08/15/2013	8/15 Advisory Comm		8/15/13 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	08/22/2013	8/22 Board Mtg		8/22/13 Board Meeting	6311 - Board Member Compensation	125.00
Bill	08/29/2013	8/29 RMPU Mtg		8/29/13 RMPU Steering Committee Meeting	6311 - Board Member Compensation	125.00
TOTAL						750.00
Bill Pmt -Check	09/09/2013	17201	CURATALO, JAMES		1012 - Bank of America Gen'l Ckg	
Bill	08/12/2013	8/12 Conf Board Mtg		8/12/13 Confidential Board Meeting	6311 - Board Member Compensation	125.00
Bill	08/20/2013	8/20 Board Agenda		8/20/13 Board Agenda Review	6311 - Board Member Compensation	125.00
Bill	08/22/2013	8/22 Board Mtg		8/22/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	09/09/2013	17202	DGO AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2013			Wash 4 trucks on 7/31/13, 8/14/13, and 8/28/13	8177 - Vehicle Repairs & Maintenance	300.00
TOTAL						300.00
Bill Pmt -Check	09/09/2013	17203	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	08/08/2013	8/08 Ag Pool Mtg		8/08/13 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	09/09/2013	17204	ELIE, STEVEN		1012 - Bank of America Gen'l Ckg	

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**CHINO BASIN WATERMASTER**  
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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	08/12/2013	8/12 Conf Bd Mtg		8/12/13 Confidential Board Meeting	6311 · Board Member Compensation	125.00
Bill	08/22/2013	8/22 Board Meeting		8/22/13 Board Meeting	6311 · Board Member Compensation	125.00
<b>TOTAL</b>						<b>250.00</b>
<b>Bill Pmt -Check</b>	<b>09/09/2013</b>	<b>17205</b>	<b>EUROFINS EATON ANALYTICAL</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	08/30/2013	L0131487		L0131487	7108.4 · Hydraulic Control-Lab Svcs	1,592.00
Bill	08/30/2013	L0131128		L0131128	7108.4 · Hydraulic Control-Lab Svcs	440.00
<b>TOTAL</b>						<b>2,032.00</b>
<b>Bill Pmt -Check</b>	<b>09/09/2013</b>	<b>17206</b>	<b>FEENSTRA, BOB</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	07/26/2013	7/26 Admin Mtg		7/26/13 Administrative Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/08/2013	8/08 Ag Pool Mtg		8/08/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/22/2013	8/22 Board Mtg		8/22/13 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/26/2013	20006		Lunch expense for 7/26/13 and 8/26/13	8485 · Ag Pool - Misc. Expense-Ag Fund	94.06
Bill	08/26/2013	8/26 Admin Mtg		8/26/13 Administrative Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/29/2013	8/29 RMPU Meeting		8/29/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/29/2013	8/29 SY Recalc Wkshp		8/29/13 Safe Yield Recalculation Workshop	8470 · Ag Meeting Attend -Special	125.00
<b>TOTAL</b>						<b>844.06</b>
<b>P14</b>						
<b>Bill Pmt -Check</b>	<b>09/09/2013</b>	<b>17207</b>	<b>HALL, PETE*</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	08/01/2013	8/01 RMPU Mtg		8/01/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/08/2013	8/08 Ag Pool Mtg		8/08/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/08/2013	8/08 Appro Pool Mtg		8/08/13 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/15/2013	8/15 DYY Mtg		8/15/13 Dry Year Yield Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/15/2013	8/15 Advisory Comm		8/15/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/15/2013	8/15 RMPU Mtg		8/15/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/22/2013	8/22 Board Mtg		8/22/13 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/29/2013	8/29 RMPU Mtg		8/29/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/29/2013	8/29 SY Recalc Wkshp		8/29/13 Safe Yield Recalculation Workshop	8470 · Ag Meeting Attend -Special	125.00
<b>TOTAL</b>						<b>1,125.00</b>
<b>Bill Pmt -Check</b>	<b>09/09/2013</b>	<b>17208</b>	<b>HSBC BUSINESS SOLUTIONS</b>	<b>7003-7309-1000-2744</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	08/26/2013	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	413.17
				Copy paper	6031.1 · Copy Paper	213.78
<b>TOTAL</b>						<b>626.95</b>
<b>Bill Pmt -Check</b>	<b>09/09/2013</b>	<b>17209</b>	<b>HUITSING, JOHN</b>	<b>Ag Pool Member Compensation</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	08/08/2013	8/08 Ag Pool Mtg		8/08/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
<b>TOTAL</b>						<b>125.00</b>

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/09/2013	17210	KAVOUNAS, PETER	Travel Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	08/30/2013			travel expense reimbursement	6171.1 · GM - Reimbursement	163.68
TOTAL						163.68
Bill Pmt -Check	09/09/2013	17211	KOOPMAN, GENE		1012 · Bank of America Gen'l Ckg	
Bill	08/08/2013	8/08 Ag Pool Mtg		8/08/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	08/29/2013	8/29 SY Recalc Wkshp		8/29/13 Safe Yield Recalculation Workshop	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	09/09/2013	17212	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
Bill	08/01/2013	7/03 Admin Mtg		7/03/13 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	08/08/2013	8/08 Appro Pool Mtg		8/08/13 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	08/12/2013	8/12 Conf Bd Mtg		8/12/13 Confidential Board Meeting	6311 · Board Member Compensation	125.00
Bill	08/20/2013	8/20 Board Agenda		8/20/13 Board Agenda Review	6311 · Board Member Compensation	125.00
Bill	08/22/2013	8/22 Board Mtg		8/22/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	09/09/2013	17213	MIJAC ALARM	341226	1012 · Bank of America Gen'l Ckg	
Bill	09/01/2013	341226		Bldg. monitoring from 9/01/13-11/30/13	6026 · Security Services	450.00
TOTAL						450.00
Bill Pmt -Check	09/09/2013	17214	PARK PLACE COMPUTER SOLUTIONS, INC.	478	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	478		IT Consulting services - August 2013	6052.1 · Park Place Comp Solutn	2,325.00
TOTAL						2,325.00
Bill Pmt -Check	09/09/2013	17215	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	08/01/2013	8/01 RMPU Mtg		8/01/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/08/2013	8/08 Ag Pool Mtg		8/08/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/15/2013	8/15 Advisory Comm		8/15/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/15/2013	8/15 RMPU Mtg		8/15/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/22/2013	8/22 Board Mtg		8/22/13 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/29/2013	8/29 RMPU Mtg		8/29/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/29/2013	8/29 SY Recalc Wkshp		8/29/13 Safe Yield Recalculation Workshop	8470 · Ag Meeting Attend -Special	125.00
TOTAL						875.00
Bill Pmt -Check	09/09/2013	17216	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	08/31/2013	08/31/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/18/13-08/31/13	2000 · Accounts Payable	6,430.46

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Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						6,430.46
Bill Pmt -Check	09/09/2013	17217	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2013	8000909000168851		Mathis GM Report-Board members & Pool chairs	6042 · Postage - General	169.95
TOTAL						169.95
Bill Pmt -Check	09/09/2013	17218	ROGERS, PETER		1012 · Bank of America Gen'l Ckg	
Bill	08/12/2013	8/12 Conf Board Mtg		8/12/13 Confidential Board Meeting	6311 · Board Member Compensation	125.00
Bill	08/20/2013	8/20 Admin Mtg		8/20/13 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	08/22/2013	8/22 Board Meeting		8/22/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	09/09/2013	17219	STAPLES BUSINESS ADVANTAGE	8026749833	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	8026749833		Miscellaneous office supplies	6031.7 · Other Office Supplies	16.19
TOTAL						16.19
Bill Pmt -Check	09/09/2013	17220	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	08/26/2013	20405		Week ending 8/25/13	6017 · Temporary Services	494.40
				Week ending 8/25/13	6017 · Temporary Services	1,811.20
				Week ending 8/25/13	6017 · Temporary Services	352.80
TOTAL						2,658.40
Bill Pmt -Check	09/09/2013	17221	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	08/01/2013	8/01 Admin Mtg		8/01/13 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	08/08/2013	8/08 Ag Pool Mtg		8/08/13 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	08/22/2013	8/22 Board Mtg		8/22/13 Board Meeting	6311 · Board Member Compensation	125.00
Bill	08/29/2013	8/29 Safe Yield Wksh		8/29/13 Safe Yield Recalculation Workshop	6311 · Board Member Compensation	125.00
Bill	08/30/2013	8/30 Bd Subcommittee		8/30/13 Board Subcommittee Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	09/09/2013	17222	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	08/08/2013	8/08 Ag Pool Mtg		8/08/13 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	09/09/2013	17223	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	012519116950792103		012519116950792103	6022 · Telephone	532.61
Bill	08/31/2013	012561121521714508		012561121521714508	7405 · PE4-Other Expense	184.09
TOTAL						716.70

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Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	09/14/2013	09/14/2013	Payroll and Taxes for 09/01/13-09/14/13	Payroll and Taxes for 09/01/13-09/14/13	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 09/01/13-09/14/13	1012 · Bank of America Gen'l Ckg	19,939.86
				Payroll Taxes for 09/01/13-09/14/13	1012 · Bank of America Gen'l Ckg	6,291.48
				Direct Deposits for 09/01/13-09/14/13	1012 · Bank of America Gen'l Ckg	323.97
				Payroll Taxes for 09/01/13-09/14/13	1012 · Bank of America Gen'l Ckg	231.03
			ICMA-RC	457 Employee deductions for 09/01/13-09/14/13	1012 · Bank of America Gen'l Ckg	3,266.77
TOTAL						30,053.11
Check	09/16/2013	09/16/2013	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	228.58
TOTAL						228.58
Bill Pmt -Check	09/16/2013	17224	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	542898		542898	6078 · BHFS Legal - Miscellaneous	7,137.02
				542898	6078.12 · CCG Motion	355.50
				542898	6907.39 · Recharge Master Plan	120.37
				542898	8078.11 · Safe Yield Recalculation	120.37
Bill	08/31/2013	542899		GM Contract Extension	6073 · BHFS Legal - Personnel Matters	5,989.50
				Employment	6073 · BHFS Legal - Personnel Matters	13,989.60
Bill	08/31/2013	542900		Audit Response	6078 · BHFS Legal - Miscellaneous	433.35
Bill	08/31/2013	542901			6907.32 · Chino Airport Plume	661.50
Bill	08/31/2013	542902			6907.36 · Santa Ana River Habitat	684.45
Bill	08/31/2013	542903			6275 · BHFS Legal - Advisory Committee	819.00
Bill	08/31/2013	542904			6375 · BHFS Legal - Board Meeting	12,220.03
Bill	08/31/2013	542905			8375 · BHFS Legal - Appropriative Pool	1,795.50
Bill	08/31/2013	542906			8475 · BHFS Legal - Agricultural Pool	1,795.50
Bill	08/31/2013	542907			8575 · BHFS Legal - Non-Ag Pool	3,381.75
Bill	08/31/2013	542908			6071 · BHFS Legal - Court Coordination	2,141.55
Bill	08/31/2013	542909			6072 · BHFS Legal - Annotated Judgment	2,773.18
Bill	08/31/2013	542910			6907.39 · Recharge Master Plan	16,317.31
Bill	08/31/2013	542911			6907.40 · Storage Agreements	94.50
Bill	08/31/2013	542912			6078.11 · Safe Yield Recalculation	7,796.25
Bill	08/31/2013	542913			6078.12 · CCG Motion	43,290.00
TOTAL						121,916.23
Bill Pmt -Check	09/16/2013	17225	CHARLES Z. FEDAK & COMPANY		1012 · Bank of America Gen'l Ckg	
Bill	09/08/2013			Progress billing - August 2013	6062 · Audit Services	4,180.00
TOTAL						4,180.00
Bill Pmt -Check	09/16/2013	17226	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	09/09/2013	88399		External hard drive	6055 · Computer Hardware	641.52
Bill	09/10/2013	88406		Replacement motherboard	6055 · Computer Hardware	841.00
Bill	09/12/2013	88424		Replacement Web/FTP server	6055 · Computer Hardware	7,668.00
TOTAL						9,150.52
Bill Pmt -Check	09/16/2013	17227	CORELOGIC INFORMATION SOLUTIONS	80961304	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	80961304		80961304	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80961304	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	09/16/2013	17228	CUCAMONGA VALLEY WATER DISTRICT	Lease due October 1, 2013	1012 · Bank of America Gen'l Ckg	
Bill	09/16/2013			Lease due October 1, 2013	1422 · Prepaid Rent	6,160.00
TOTAL						6,160.00
Bill Pmt -Check	09/16/2013	17229	GREAT AMERICA LEASING CORP.	14163134	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	14163134		Invoice	6043.1 · Ricoh Lease Fee	2,795.00
				Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	317.25
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	456.52
				San Bernardino County Property Tax	6043.1 · Ricoh Lease Fee	135.66
				San Bernardino County Property Tax	6043.1 · Ricoh Lease Fee	40.70
				San Bernardino County Property Tax	6043.1 · Ricoh Lease Fee	162.79
TOTAL						3,907.92
Bill Pmt -Check	09/16/2013	17230	MIJAC ALARM	341902	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2013	341902		To replace batteries in alarm panel	6026 · Security Services	34.00
TOTAL						34.00
Bill Pmt -Check	09/16/2013	17231	OFFICE DEPOT	673125641001	1012 · Bank of America Gen'l Ckg	
Bill	09/03/2013	673125641001		Miscellaneous office supplies	6031.7 · Other Office Supplies	106.88
TOTAL						106.88
Bill Pmt -Check	09/16/2013	17232	PAYCHEX	2013082900	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	2013082900		August 2013	6012 · Payroll Services	241.31
TOTAL						241.31
Bill Pmt -Check	09/16/2013	17233	PETTY CASH	2439-2454	1012 · Bank of America Gen'l Ckg	
Bill	09/16/2013	2439-2454		Bagged ice for meetings	6031.7 · Other Office Supplies	16.40
				Internet expense for Assist GM	6053 · Internet Expense	30.00
				Supplies for Administrative Professionals Day	6141.3 · Admin Meetings	14.99
				Supplies for Basin Tour	6312 · Meeting Expenses	77.79

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2013

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
				Supplies for various meetings	6909.1 · OBMP Meetings	123.00
				Purchase supplies for WQ	7103.6 · Grdwtr Qual-Supplies	13.11
				Supplies for GM/Attorney Mtg-Approp. Pool	8312 · Meeting Expenses	22.71
TOTAL						298.00
Bill Pmt -Check	09/16/2013	17234	R&D PEST SERVICES	0169805	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2013	0169805		Continuing treatment for ants	6024 · Building Repair & Maintenance	85.00
TOTAL						85.00
Bill Pmt -Check	09/16/2013	17235	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013				60182.4 · Retiree Medical	29.19
TOTAL						29.19
Bill Pmt -Check	09/16/2013	17236	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	09/01/2013	20426		Week ending 9/01/13	6017 · Temporary Services	659.20
				Week ending 9/01/13	6017 · Temporary Services	1,786.56
				Week ending 9/01/13	6017 · Temporary Services	453.60
TOTAL						2,901.36
P19						
Bill Pmt -Check	09/16/2013	17237	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	300732989		Fuel - August 2013	6175 · Vehicle Fuel	40.54
TOTAL						40.54
Bill Pmt -Check	09/16/2013	17238	UNITED PARCEL SERVICE	2x81x0	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	2x81x0		Letter to auditors	6042 · Postage - General	68.10
TOTAL						68.10
Bill Pmt -Check	09/16/2013	17239	VERIZON WIRELESS	9711008786	1012 · Bank of America Gen'l Ckg	
Bill	09/16/2013	9711008786		Monthly service	6022 · Telephone	240.44
TOTAL						240.44
Bill Pmt -Check	09/16/2013	17240	WESTERN DENTAL SERVICES, INC.	11882	1012 · Bank of America Gen'l Ckg	
Bill	09/12/2013	11882		Dental premium - September 2013	60182.2 · Dental & Vision Ins	30.00
TOTAL						30.00
Bill Pmt -Check	09/23/2013	17241	ACWA JOINT POWERS INSURANCE AUTHORITY	00198	1012 · Bank of America Gen'l Ckg	
Bill	08/30/2013	00198		Prepayment - October	1409 · Prepaid Life, BAD&D & LTD	96.90
				September 2013	60191 · Life & Disab. Ins Benefits	96.90
TOTAL						193.80

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2013

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/23/2013	17242	AUTOMOBILE CLUB OF SOUTHERN CALIFORNI	Membership# 98966125	1012 · Bank of America Gen'l Ckg	
Bill	09/19/2013	98966125		Yearly membership for fleet trucks	6177 · Vehicle Repairs & Maintenance	78.00
TOTAL						78.00
Bill Pmt -Check	09/23/2013	17243	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	XXXX-XXXX-XXXX-9341		DM meeting w/field tech applicant	6016 · New Employee Search Costs	67.14
				DM meeting w/field tech applicant	6016 · New Employee Search Costs	62.90
				PK meeting w/Curtis Paxton - CDA	7305 · PE3&5-Supplies	27.23
				PK to attend the ACWA 2013 Regulatory Summit	6191 · Conferences - General	225.76
				PK meeting w/Rosemary Hoerning	8312 · Meeting Expenses	17.35
				PK meeting w/Peter Rogers	6312 · Meeting Expenses	40.05
				PK registration for ACWA 2013 Fall Conference	6193.2 · Conference - Registration Fee	695.00
				PK meeting w/Scott Burton	8312 · Meeting Expenses	26.98
				Supplies for audio in Auxillary Room	6031.7 · Other Office Supplies	14.82
				Parking expense for CFO-attend HR Law Seminar	6191 · Conferences - General	8.00
				Lunch for CFO-attend the HR Law Seminar	6191 · Conferences - General	23.44
				Airfare-CFO-attend Oct. 21-23, 2013 CalPERS Edu	6191 · Conferences - General	176.30
				Registration-fee-CFO-Oct. 21-23, 2013 CalPERS E	6193.2 · Conference - Registration Fee	325.00
				Parts to connect HP9500 printer/fax to phone line	6031.7 · Other Office Supplies	32.45
TOTAL						1,742.42
Bill Pmt -Check	09/23/2013	17244	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	09/19/2013	1394905143		Medical insurance premiums - October 2013	60182.1 · Medical Insurance	4,398.96
TOTAL						4,398.96
Bill Pmt -Check	09/23/2013	17245	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	09/16/2013	0111802		Employee deductions - September 2013	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	09/23/2013	17246	PITNEY BOWES CREDIT CORPORATION	6684246	1012 · Bank of America Gen'l Ckg	
Bill	09/13/2013	6684246		Property tax	6044 · Postage Meter Lease	28.69
TOTAL						28.69
Bill Pmt -Check	09/23/2013	17247	PREMIERE GLOBAL SERVICES	12510402	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2013	14510402		Call on 8/06	6909.1 · OBMP Meetings	8.64
				Call on 8/07	6909.1 · OBMP Meetings	1.45
				Non Ag pool meeting call on 8/08	8512 · Meeting Expense	259.43
				Board closed session call on 8/12	6312 · Meeting Expenses	32.52
				RMPU call on 8/13	7204 · Comp Recharge-Supplies	82.00
				RMPU call on 8/15	7204 · Comp Recharge-Supplies	48.06

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

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
				Follow up to Board closed session call on 8/20	6312 · Meeting Expenses	86.34
				RMPU call on 8/23	7204 · Comp Recharge-Supplies	15.21
				Call re data requests	6909.1 · OBMP Meetings	24.22
				RMPU call on 8/23	7204 · Comp Recharge-Supplies	71.54
				Administrative issues call on 8/26	6141.3 · Admin Meetings	19.87
				Moderator charge	6022 · Telephone	11.91
				Moderator charge	6022 · Telephone	79.45
				Monthly fee	6022 · Telephone	19.95
				Monthly fee	6022 · Telephone	26.62
<b>TOTAL</b>						<b>787.21</b>
<b>Bill Pmt -Check</b>	<b>09/23/2013</b>	<b>17248</b>	<b>THE LAWTON GROUP</b>	<b>6017</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	09/13/2013	20446		Week ending 9/08/13	6017 · Temporary Services	494.40
				Week ending 9/08/13	6017 · Temporary Services	1,777.24
<b>TOTAL</b>						<b>2,271.64</b>
<b>Bill Pmt -Check</b>	<b>09/24/2013</b>	<b>17249</b>	<b>LIATTI &amp; ASSOCIATES</b>	<b>454</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	09/23/2013	454		09/30/13-09/30/14	6086 · Position Bond Insurance	256.00
<b>TOTAL</b>						<b>256.00</b>
<b>Bill Pmt -Check</b>	<b>09/24/2013</b>	<b>17250</b>	<b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>	<b>Payor #3493</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
General Journal	09/14/2013	09/14/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 09/01/13-09/14/13	2000 · Accounts Payable	6,568.45
<b>TOTAL</b>						<b>6,568.45</b>
<b>Bill Pmt -Check</b>	<b>09/24/2013</b>	<b>17251</b>	<b>SAN BERNARDINO COUNTY FLOOD CONTROL</b>	<b>FC 030/14</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	09/23/2013	FC 030/14		License agreement with SCE-Etiwanda Basins	7205 · Comp Recharge-Other Expense	5,000.00
<b>TOTAL</b>						<b>5,000.00</b>
<b>Bill Pmt -Check</b>	<b>09/24/2013</b>	<b>17252</b>	<b>WILDERMUTH ENVIRONMENTAL INC</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	08/31/2013	2013233		Safe Yield Workshop	6906 · OBMP Engineering Services	2,657.34
Bill	08/31/2013	2013234		2013234	6906.7 · OBMP - Data Requests	620.00
Bill	08/31/2013	2013235		2013235	6906.71 · OBMP - Misc. GM Requests	24,993.84
Bill	08/31/2013	2013236		2013236	6906 · OBMP Engineering Services	11,270.00
Bill	08/31/2013	2013237		2013237	6906 · OBMP Engineering Services	697.50
Bill	08/31/2013	2013238		2013238	6906.1 · OBMP - Watermaster Model Update	25,289.00
Bill	08/31/2013	2013239		2013239	7103.3 · Grdwtr Qual-Engineering	11,455.00
Bill	08/31/2013	2013240		2013240	7104.3 · Grdwtr Level-Engineering	13,879.56
Bill	08/31/2013	2013241		2013241	7107.61 · Grd Level-Chino Hillis ASR	330.00
Bill	08/31/2013	2013242		2013242	7107.2 · Grd Level-Engineering	3,257.03
Bill	08/31/2013	2013243		2013243	7108.3 · Hydraulic Control-Engineering	430.00

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2013	2013244		2013244	7108.3 · Hydraulic Control-Engineering	256.25
Bill	08/31/2013	2013245		2013245	7108.7 · Hydraulic Control - Prado Basin	701.25
Bill	08/31/2013	2013246		2013246	7202.3 · Comp Recharge-Implementation	17,384.86
Bill	08/31/2013	2013247		2013247	7402 · PE4-Engineering	751.25
Bill	08/31/2013	2013248		2013248	7502 · PE6&7-Engineering	2,363.75
Bill	08/31/2013	2013249		2013249	7108.7 · Hydraulic Control - Prado Basin	983.75
TOTAL						117,320.38
Bill Pmt -Check	09/24/2013	17253	NAKANO, JUSTIN		1012 · Bank of America Gen'l Ckg	
Bill	09/24/2013			Reimbursement for safety shoes for field work	6152 · Safety Shoes	140.39
TOTAL						140.39
Bill Pmt -Check	09/24/2013	17254	YOO, FRANK		1012 · Bank of America Gen'l Ckg	
Bill	09/24/2013			Reimbursement for safety shoes for field work	6152 · Safety Shoes	161.99
TOTAL						161.99
General Journal	09/28/2013	09/28/2013	Payroll and Taxes for 09/15/13-09/28/13	Payroll and Taxes for 09/15/13-09/28/13	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 09/15/13-09/28/13	1012 · Bank of America Gen'l Ckg	19,856.20
				Payroll Taxes for 09/15/13-09/28/13	1012 · Bank of America Gen'l Ckg	7,156.55
			ICMA-RC	457 Employee Deductions for 09/15/13-09/28/13	1012 · Bank of America Gen'l Ckg	3,074.37
TOTAL						30,087.12
General Journal	09/30/2013	09/30/2013	Wage Works FSA Direct Debits - Sept. 2013	Wage Works FSA Direct Debits - Sept. 2013	1012 · Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - Sept. 2013	1012 · Bank of America Gen'l Ckg	393.08
				Wage Works FSA Direct Debits - Sept. 2013	1012 · Bank of America Gen'l Ckg	393.08
				Wage Works FSA Direct Debits - Sept. 2013	1012 · Bank of America Gen'l Ckg	76.25
TOTAL						862.41
					<b>Total Disbursements:</b>	<b>697,635.18</b>

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013  
TO: Advisory Committee Members  
Board Members  
SUBJECT: VISA Check Detail Report - Financial Report B2 (September 30, 2013)

### SUMMARY

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

Recommendation: Receive and file VISA Check Detail Report for September 30, 2013 as presented.

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

### Future Consideration

Advisory Committee: November 21, 2013; Receive and File

Watermaster Board: November 21, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously approved

November 14, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

November 14, 2013 – Agricultural Pool – Unanimously approved

November 21, 2013 – Advisory Committee –

November 21, 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 September 2013 was \$1,742.42. This payment was processed by check number 17243 dated September 23, 2013. The monthly charges for September 2013 were for routine and customary expenditures and properly documented with receipts.

## ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER  
 VISA Check Detail Report  
 September 2013

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/23/2013	17243	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2013	XXXX-XXXX-XXXX-9341		DM meeting w/field tech applicant	6016 - New Employee Search Costs	67.14
				DM meeting w/field tech applicant	6016 - New Employee Search Costs	62.90
				PK meeting w/Curtis Paxton - CDA	7305 - PE3&5-Supplies	27.23
				PK to attend the ACWA 2013 Regulatory Summit	6191 - Conferences - General	225.76
				PK meeting w/Rosemary Hoerning	8312 - Meeting Expenses	17.35
				PK meeting w/Peter Rogers	6312 - Meeting Expenses	40.05
				PK registration for ACWA 2013 Fall Conference	6193.2 - Conference - Registration Fee	695.00
				PK meeting w/Scott Burton	8312 - Meeting Expenses	26.98
				Supplies for audio in Auxilliary Room	6031.7 - Other Office Supplies	14.82
				Parking expense for CFO-attend HR Law Seminar	6191 - Conferences - General	8.00
				Lunch for CFO-attend the HR Law Seminar	6191 - Conferences - General	23.44
				Airfare-CFO-attend Oct. 21-23, 2013 CalPERS Educational Forum	6191 - Conferences - General	176.30
				Registration-fee-CFO-Oct. 21-23, 2013 CalPERS Educational Forum	6193.2 - Conference - Registration Fee	325.00
				Parts to connect HP9500 printer/fax to phone line	6031.7 - Other Office Supplies	32.45
					<b>Total Disbursements:</b>	<b>1,742.42</b>

TOTAL  
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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013

TO: Advisory Committee Members  
Board Members

SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2013 through September 30, 2013 - Financial Report B3 (September 30, 2013)

### SUMMARY

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

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2013 through September 30, 2013 as presented.

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

### Future Consideration

Advisory Committee: November 21, 2013; Receive and File

Watermaster Board: November 21, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously approved

November 14, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

November 14, 2013 – Agricultural Pool – Unanimously approved

November 21, 2013 – Advisory Committee –

November 21, 2013 – Watermaster Board –

## BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2013 through September 30, 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 SEPTEMBER 30, 2013

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GRAND TOTALS	BUDGET 2013-2014
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
<b>Administrative Revenues:</b>										
Administrative Assessments			-		-				-	6,540,455
Interest Revenue			2,724	314	83				3,121	29,700
Mutual Agency Project Revenue	153,036								153,036	154,581
Grant Income									-	0
Miscellaneous Income	-								-	0
<b>Total Revenues</b>	<b>153,036</b>	<b>-</b>	<b>2,724</b>	<b>314</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>156,156</b>	<b>6,724,736</b>
<b>Administrative &amp; Project Expenditures:</b>										
Watermaster Administration	403,496								403,496	705,399
Watermaster Board-Advisory Committee	41,700								41,700	205,657
Ag Pool Misc. Expense - Ag Fund				94					94	400
Pool Administration			9,597	46,924	21,375				77,896	599,649
Optimum Basin Mgmt Administration		368,723							368,723	1,237,798
OBMP Project Costs		512,278							512,278	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
<b>Total Administrative/OBMP Expenses</b>	<b>445,196</b>	<b>1,287,127</b>	<b>9,597</b>	<b>46,924</b>	<b>21,375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,810,313</b>	<b>7,531,466</b>
Net Administrative/OBMP Expenses	(292,160)	(1,287,127)								
Allocate Net Admin Expenses To Pools	292,160		207,780	74,186	10,194					
Allocate Net OBMP Expenses To Pools		881,001	626,555	223,707	30,739					
Allocate Debt Service to App Pool		406,127	406,127							
Agricultural Expense Transfer*			344,817	(344,817)						
<b>Total Expenses</b>			<b>1,594,875</b>	<b>94</b>	<b>62,308</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,810,313</b>	<b>7,531,466</b>
Net Administrative Income			(1,592,151)	220	(62,225)				(1,654,156)	(806,730)
<b>Other Income/(Expense)</b>										
Replenishment Water Assessments									-	0
Non-Ag Stored Water Purchases									-	0
Interest Revenue						441			441	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
<b>Net Other Income/(Expense)</b>						<b>441</b>			<b>441</b>	<b>0</b>
<b>Net Transfers To/(From) Reserves</b>		<b>(1,653,715)</b>	<b>(1,592,151)</b>	<b>220</b>	<b>(62,225)</b>	<b>441</b>			<b>(1,653,715)</b>	<b>(806,730)</b>
<b>Working Capital, July 1, 2013</b>			<b>4,759,923</b>	<b>478,917</b>	<b>156,647</b>	<b>667,399</b>	<b>158,251</b>	<b>1,763</b>	<b>6,222,901</b>	
<b>Working Capital, End Of Period</b>			<b>3,167,772</b>	<b>479,137</b>	<b>94,422</b>	<b>667,840</b>	<b>158,251</b>	<b>1,763</b>	<b>4,569,185</b>	<b>4,569,185</b>
<b>12/13 Assessable Production</b>			<b>96,541,412</b>	<b>34,469,385</b>	<b>4,736,322</b>				<b>135,747,119</b>	
<b>12/13 Production Percentages</b>			<b>71.119%</b>	<b>25.392%</b>	<b>3.489%</b>				<b>100.000%</b>	

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

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013

TO: Advisory Committee Members  
Board Members

SUBJECT: Treasurer's Report of Financial Affairs for the Period September 1, 2013 through September 30, 2013 - Financial Report B4 (September 30, 2013)

### SUMMARY

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

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period September 1, 2013 through September 30, 2013 as presented.

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

### Future Consideration

Advisory Committee: November 21, 2013; Receive and File  
Watermaster Board: November 21, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously approved  
November 14, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval  
November 14, 2013 – Agricultural Pool – Unanimously approved  
November 21, 2013 – Advisory Committee –  
November 21, 2013 – Watermaster Board –

## BACKGROUND

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

## DISCUSSION

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

## ATTACHMENTS

1. Financial Report - B4

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

Financial Report - B4

**DEPOSITORIES:**

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	87,185		
Zero Balance Account - Payroll	\$	-		87,185
Local Agency Investment Fund - Sacramento				4,685,882
<b>TOTAL CASH IN BANKS AND ON HAND</b>				<b>\$ 4,773,567</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>		9/30/2013		<b>5,467,989</b>
		8/31/2013		<b>5,467,989</b>
<b>PERIOD INCREASE (DECREASE)</b>				<b>\$ (694,422)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable			\$	(156,598)
Assessments Receivable				-
Prepaid Expenses, Deposits & Other Current Assets				(62)
(Decrease)/Increase in Liabilities: Accounts Payable				(327,939)
Accrued Payroll, Payroll Taxes & Other Current Liabilities				2,795
Transfer to/(from) Reserves				(212,618)
<b>PERIOD INCREASE (DECREASE)</b>				<b>\$ (694,422)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 8/31/2013	\$ 500	\$ 281,607	\$ -	\$ 5,185,882	\$ 5,467,989
Deposits	-	503,213	-	-	503,213
Transfers	-	(52,756)	52,756	(500,000)	(500,000)
Withdrawals/Checks	-	(644,880)	(52,756)	-	(697,635)
Balances as of 9/30/2013	\$ 500	\$ 87,185	\$ -	\$ 4,685,882	\$ 4,773,567
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ (194,422)</b>	<b>\$ -</b>	<b>\$ (500,000)</b>	<b>\$ (694,422)</b>

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

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
9/11/2013	Withdrawal	L.A.I.F	\$ (400,000)				
9/30/2013	Withdrawal	L.A.I.F	\$ (100,000)				
			\$ -				
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$ (500,000)</b>	<b>-</b>			

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.26% was the effective yield rate at the Quarter ended September 30, 2013.

**INVESTMENT STATUS  
September 30, 2013**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 4,685,882			
<b>TOTAL INVESTMENTS</b>	<b>\$ 4,685,882</b>			

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

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

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster



# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013

TO: Advisory Committee Members  
Board Members

SUBJECT: Budget vs. Actual Report for the Period July 1, 2013 through September 30, 2013 -  
Financial Report B5 (September 30, 2013)

### SUMMARY

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

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2013 through September 30, 2013 as presented.

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

### Future Consideration

Advisory Committee: November 21, 2013; Receive and File

Watermaster Board: November 21, 2013; Receive and File (Normal Course of Business)

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### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously approved

November 14, 2013 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

November 14, 2013 – Agricultural Pool – Unanimously approved

November 21, 2013 – Advisory Committee –

November 21, 2013 – Watermaster Board –

## BACKGROUND

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

## DISCUSSION

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

There was a Budget Amendment approved during the October 2013 meetings as a result of increased costs related to the Wineville Proof of Concept Project. Budget Amendment Form (A-13-10-01) in the amount of \$62,150 increased the Amended FY 2013/14 budget from \$7,531,466 to \$7,593,616. Budget Amendment Form (A-13-10-01) was recorded to the accounting records for the accounting period ending September 30, 2013, and is included in this financial report. The amount of \$62,150 was included in account (7209.2) Wineville Basin.

Year-To-Date (YTD) for the three months ending September 30, 2013, all but three categories were at or below the projected budget. Overall, the (YTD) Actual Expenses were \$1,336,043 or 44.7% below the (YTD) Budgeted Expenses of \$2,989,770. The three categories above budget were the Watermaster Administrative Salary/Benefits Costs (6010's) over budget by the amount of \$13,335; Watermaster Legal Services (6070's) over budget by the amount of \$72,950; and Insurance Expenses (6080's) over budget by the amount of \$7,397. Please note that the Watermaster Administrative Salary/Benefits Costs (6010's) are not the grand total of all Watermaster salary costs. The category (6010's) captures the portion of the total Watermaster Salary/Benefits Costs allocated to specific Administrative tasks. The consolidated Watermaster Salaries Expenses and Watermaster Legal Services are discussed in greater detail within their specific sections.

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 decided that Watermaster should apply and purchase Directors and Officers Liability Insurance, which had not been part of the Watermaster insurance policies in the past. The application for coverage was submitted by our insurance broker to approximately ten to fifteen insurance carriers in June 2013 and Watermaster was accepted and approved for coverage. The cost of the D&O coverage was approximately \$7,500 which included 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.

## SALARIES EXPENSE

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. Recently, some Watermaster staff spent more time on administrative related tasks and less time on specific OBMP or project related areas. 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. This is what is currently occurring within the Administrative Salary/Benefit costs category.

As of September 30, 2013, the total (YTD) Watermaster salary expenses are \$41,939 or 12.1% below the (YTD) budgeted amount of \$346,993. The budget was developed with a staffing level of nine Full Time Equivalents (FTE's). As of September 30, 2013, the actual staffing level was seven Full Time Equivalents (FTE's). The two vacant positions were the Executive Assistant and the Field Operations Specialist 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 expenses listed below. Regarding the Field Operations Specialist, the position has been filled and the new hire started on Monday, October 7, 2013.

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of September 30, 2013. 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 - Sep '13	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>WM Salary Expense</b>					
6011 · WM Staff Salaries	163,097.96	146,405.74	16,692.22	111.4%	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	2,771.41	4,941.97	-2,170.56	56.08%	19,768.00
6301 · Watermaster Board - WM Staff Salaries	4,503.32	8,324.76	-3,821.44	54.1%	33,299.00
8301 · Appropriative Pool - WM Staff Salaries	4,292.68	6,793.26	-2,500.58	63.19%	27,173.00
8401 · Agricultural Pool - WM Staff Salaries	3,870.07	5,840.51	-1,970.44	66.26%	23,362.00
8501 · Non-Agricultural Pool - WM Staff Salaries	1,266.07	3,553.53	-2,287.46	35.63%	14,214.00
6901 · OBMP - WM Staff Salaries	49,445.65	52,972.51	-3,526.86	93.34%	211,890.00
7101.1 · Production Monitor - WM Staff Salaries	13,015.73	20,224.75	-7,209.02	64.36%	80,899.00
7102.1 · In-line Meter - WM Staff Salaries	678.54	2,660.24	-1,981.70	25.51%	10,641.00
7103.1 · Grdwater Quality - WM Staff Salaries	4,499.43	16,312.41	-11,812.98	27.58%	64,261.00
7104.1 · Grdwater Level - WM Staff Salaries	16,671.69	14,878.76	1,792.93	112.05%	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	597.81	-597.81	0.0%	2,355.00
7108.11 · Prado Basin - WM Staff Salaries	1,906.42	1,911.47	-5.05	99.74%	7,646.00
7201 · Comp Recharge - WM Staff Salaries	6,824.00	13,063.03	-6,239.03	52.24%	52,252.00
7301 · PE3&5 - WM Staff Salaries	0.00	3,516.24	-3,516.24	0.0%	14,065.00
7401 · PE4 - WM Staff Salaries	0.00	560.71	-560.71	0.0%	8,562.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	1,543.49	-1,543.49	0.0%	6,174.00
7501 · PE6&7 - WM Staff Salaries	0.00	1,030.11	-1,030.11	0.0%	4,058.00
7601 · PE8&9 - WM Staff Salaries	204.51	4,736.99	-4,532.48	4.32%	18,948.00
7701 · Inactive Well - WM Staff Salaries	0.00	0.00	0.00	0.0%	0.00
<b>Subtotal WM Staff Costs</b>	<b>273,047.48</b>	<b>309,868.29</b>	<b>-36,820.81</b>	<b>88.12%</b>	<b>1,244,705.00</b>
60185 · Vacation	20,150.03	19,079.97	1,070.06	105.61%	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	2,295.69	10,827.00	-8,531.31	21.2%	43,308.00
60186.1 · Sick Leave Accrual Adjustment	0.00	0.00	0.00	0.0%	0.00
60187 · Holidays	9,561.20	7,218.00	2,343.20	132.46%	43,308.00
<b>Subtotal WM Paid Leaves</b>	<b>32,006.92</b>	<b>37,124.97</b>	<b>-5,118.05</b>	<b>86.21%</b>	<b>146,936.00</b>
<b>Total WM Salary Costs</b>	<b>305,054.40</b>	<b>346,993.26</b>	<b>-41,938.86</b>	<b>87.91%</b>	<b>1,391,641.00</b>

## BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

As of September 30, 2013, the total (YTD) BHFS legal expenses are \$72,344 or 30.6% above the (YTD) budgeted amount of \$236,514. Some of the specific legal categories were under budget for the month, while 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. The total budget was developed by multiplying the number of hours that would be required to complete the specific tasks by the hourly rate. Unfortunately, three specific activities were never included as part of the budget when initially developed and approved, and while another activity was anticipated and budgeted for, it was not budgeted at the level of legal support required. These activities were Personnel Matters (6073), CCG Motion (6078.12), Safe Yield Recalculation (6907.42), and RMPU-City of Fontana Motion (6907.43). Over the next few months, as the current fiscal year progresses, a Budget Transfer Form could be submitted to adjust this budget category shortfall.

CCG Motion, Safe Yield Recalculation and RMPU-City of Fontana Motion: As new legal activities are established, an account code is developed and assigned to capture the costs. To date, there have been three new accounts created. As of September 30, 2013 the CCG Motion (6078.12) has cumulative year-to-date costs of \$62,037; Safe Yield Recalculation (6907.42) has cumulative year-to-date costs of \$27,529; and RMPU-City of Fontana Motion (6907.43) has cumulative year-to-date costs of \$11,816. Please note these costs were not anticipated or expected when the FY 2013/14 legal services budget was developed and approved.

Personnel Matters: 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. Aside from the Alvarez appeal and a separate issue, a former employee's attorney has recently informed Watermaster of a potential wrongful termination suit against Watermaster. As of September 30, 2013 both activities totaled \$38,839 and these activities were not part of the original fiscal year budget amount of \$757,490. These two separate legal activities will continue until a resolution is reached. These activities are recorded under Personnel Matters (6073). The anticipated activity for this category was the General Manager's annual evaluation, along with the development of the General Manager's employment contract. All of the ongoing employment related costs for the General Manager was budgeted at \$7,000. The cost to date for this activity is \$6,084.

As approved during the June 2013 meetings, the Pools, Advisory Committee and the Board meeting for the month of July 2013 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 September 30, 2013 was \$7,619 or 13.9% below the budgeted amount of \$54,660.

The OBMP legal expenses were above the budget for the month. As mentioned above, there were two new accounts added to the OBMP section. The accounts were the Safe Yield Recalculation (6907.42) and the RMPU-City of Fontana Motion (6907.43). Both accounts do not have budget dollars allocated. As of September 30, 2013 this category of legal expenses was \$7,013 or 6.6% above the budgeted amount of \$105,963.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of September 30, 2013 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not

the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	<u>Jul '13 - Sep '13</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
<b>6070 · Watermaster Legal Services</b>					
6071 · BHFS Legal - Court Coordination	3,869.59	9,381.28	-5,511.69	41.25%	37,525.00
6072 · BHFS Legal - Annotated Judgment	17,122.47	21,204.15	-4,081.68	80.75%	36,350.00
6073 · BHFS Legal - Personnel Matters	44,923.45	7,000.00	37,923.45	641.76%	7,000.00
6074 · BHFS Legal - Interagency Issues	0.00	12,600.00	-12,600.00	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	6,424.97	-6,424.97	0.0%	25,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	20,889.02	8,181.28	12,707.74	255.33%	32,725.00
6078.10 · BHFS Legal - Refresh, Recharge, Reunite	0.00	0.00	0.00	0.0%	0.00
6078.12 · BHFS Legal - CCG Motion	62,037.42	0.00	62,037.42	100.0%	0.00
6078.20 · BHFS Legal - Approp. Pool Issue Resolution	0.00	11,100.00	-11,100.00	0.0%	44,400.00
<b>Total 6070 · Watermaster Legal Services</b>	<b>148,841.95</b>	<b>75,891.68</b>	<b>72,950.27</b>	<b>196.12%</b>	<b>234,100.00</b>
<b>6275 · BHFS Legal - Advisory Committee</b>					
6275 · BHFS Legal - Advisory Committee	2,551.07	8,400.00	-5,848.93	30.37%	33,600.00
<b>6375 · BHFS Legal - Board Meeting</b>					
6375 · BHFS Legal - Board Meeting	23,543.29	21,060.00	2,483.29	111.79%	84,240.00
<b>8375 · BHFS Legal - Appropriative Pool</b>					
8375 · BHFS Legal - Appropriative Pool	4,979.25	8,400.00	-3,420.75	59.28%	33,600.00
<b>8475 · BHFS Legal - Agricultural Pool</b>					
8475 · BHFS Legal - Agricultural Pool	4,644.45	8,400.00	-3,755.55	55.29%	33,600.00
<b>8575 · BHFS Legal - Non-Ag Pool</b>					
8575 · BHFS Legal - Non-Ag Pool	11,322.70	8,400.00	2,922.70	134.79%	33,600.00
<b>Total BHFS Legal Services</b>	<b>47,040.76</b>	<b>54,660.00</b>	<b>-7,619.24</b>	<b>86.06%</b>	<b>218,640.00</b>
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	0.00	0.00	0.00	0.0%	0.00
6907.31 · Archibald South Plume	0.00	7,118.72	-7,118.72	0.0%	28,475.00
6907.32 · Chino Airport Plume	6,159.01	15,300.00	-9,140.99	40.26%	61,200.00
6907.33 · Desalter/Hydraulic Control	3,640.95	12,274.97	-8,634.02	29.66%	49,100.00
6907.34 · Santa Ana River Water Rights	965.70	7,099.97	-6,134.27	13.6%	28,400.00
6907.35 · Paragraph 31 Motion	0.00	0.00	0.00	0.0%	0.00
6907.36 · Santa Ana River Habitat	684.45	5,625.00	-4,940.55	12.17%	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	3,212.53	-3,212.53	0.0%	12,850.00
6907.39 · Recharge Master Plan	62,030.91	39,700.00	22,330.91	156.25%	39,700.00
6907.40 · Storage Agreements	149.40	4,675.03	-4,525.63	3.2%	18,700.00
6907.41 · Prado Basin Habitat Sustainability	0.00	4,675.03	-4,675.03	0.0%	18,700.00
6907.42 · Safe Yield Recalculation	27,529.18	0.00	27,529.18	100.0%	0.00
6907.43 · RMPU - City of Fontana Motion	11,815.92	0.00	11,815.92	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	6,281.25	-6,281.25	0.0%	25,125.00
<b>Total 6907 · WM Legal Counsel</b>	<b>112,975.52</b>	<b>105,962.50</b>	<b>7,013.02</b>	<b>106.62%</b>	<b>304,750.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>308,858.23</b>	<b>236,514.18</b>	<b>72,344.05</b>	<b>130.59%</b>	<b>757,490.00</b>

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Discussions with 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 September 30, 2013, the accounts 6901-6906 (Optimum Basin Mgmt Program) section was below the Year-To-Date (YTD) budget by \$12,031 or 6.7%. 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 \$61,676 while some other line item activities were below the budget by \$54,663. Above the budget line items were the Recharge Master Plan of \$22,331; the Safe Yield Recalculation of \$27,529; and the RMPU-City of Fontana Motion of \$11,816. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$7,119; the Chino Airport Plume of

\$9,141; the Desalter/Hydraulic Control of \$8,634; the Santa Ana River Water Rights of \$6,134; the Santa Ana River Habitat of \$4,941; the Regional Water Quality Control Board of \$3,212; Storage Agreements of \$4,526; the Prado Basin Habitat Sustainability of \$4,675; and the WM Unanticipated of \$6,281. For the three months ended September 30, 2013, the overall cumulative (YTD) budget was \$105,962 and the actual (BHFS) legal expenses totaled \$112,975 which resulted in an over budget variance of \$7,013 or 6.6%.

Overall, the Optimum Basin Management Program (OBMP) category was \$344,225 compared to a (YTD) budget of \$353,122 for an under budget of \$8,897 or 2.5% as of September 30, 2013.

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

	<u>Jul '13 - Sep '13</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	49,445.65	52,972.51	-3,526.86	93.34%	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	94,235.25	101,000.00	-6,764.75	93.3%	101,000.00
6906.7 · OBMP - Data Requests	852.50	0.00	852.50	100.0%	0.00
6906.71 · OBMP - Misc. GM Requests	31,789.00	0.00	31,789.00	100.0%	0.00
6906.72 · OBMP - Data Requests - Non CBWM	1,265.50	0.00	1,265.50	100.0%	0.00
6906.73 · OBMP - Safe Yield	7,091.01	0.00	7,091.01	100.0%	0.00
6906.8 · OBMP - Reports	0.00	0.00	0.00	0.0%	50,000.00
6906 · OBMP Engineering Services - Other	33,422.32	79,687.03	-46,264.71	41.94%	318,748.00
<b>Total 6906 · OBMP Engineering Services</b>	<b>168,655.58</b>	<b>180,687.03</b>	<b>-12,031.45</b>	<b>93.34%</b>	<b>469,748.00</b>
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	7,118.72	-7,118.72	0.0%	28,475.00
6907.32 · Chino Airport Plume	6,159.01	15,300.00	-9,140.99	40.26%	61,200.00
6907.33 · Desalter/Hydraulic Control	3,640.95	12,274.97	-8,634.02	29.66%	49,100.00
6907.34 · Santa Ana River Water Rights	965.70	7,099.97	-6,134.27	13.6%	28,400.00
6907.35 · Paragraph 31 Motion	0.00	0.00	0.00	0.0%	0.00
6907.36 · Santa Ana River Habitat	684.45	5,625.00	-4,940.55	12.17%	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	3,212.53	-3,212.53	0.0%	12,850.00
6907.39 · Recharge Master Plan	62,030.91	39,700.00	22,330.91	156.25%	39,700.00
6907.40 · Storage Agreements	149.40	4,675.03	-4,525.63	3.2%	18,700.00
6907.41 · Prado Basin Habitat Sustainability	0.00	4,675.03	-4,675.03	0.0%	18,700.00
6907.42 · Safe Yield Recalculation	27,529.18	0.00	27,529.18	100.0%	0.00
6907.42 · RMPU - City of Fontana Motion	11,815.92	0.00	11,815.92	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	6,281.25	-6,281.25	0.0%	25,125.00
<b>Total 6907 · WM Legal Counsel</b>	<b>112,975.52</b>	<b>105,962.50</b>	<b>7,013.02</b>	<b>106.62%</b>	<b>304,750.00</b>
<b>Total 6907 · OBMP Legal Fees</b>	<b>112,975.52</b>	<b>105,962.50</b>	<b>7,013.02</b>	<b>106.62%</b>	<b>304,750.00</b>
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	688.06	0.00	688.06	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	2,500.03	-2,500.03	0.0%	10,000.00
<b>Total 6909 · OBMP Other Expenses</b>	<b>688.06</b>	<b>2,500.03</b>	<b>-1,811.97</b>	<b>27.52%</b>	<b>11,977.00</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>344,224.81</b>	<b>353,122.07</b>	<b>-8,897.26</b>	<b>97.48%</b>	<b>1,009,365.00</b>

## OBMP IMPLEMENTATION PROJECTS COSTS

As of September 30, 2013, the total (YTD) Engineering Services expenses are \$174,084 or 25.1% below the (YTD) budget amount of \$693,680. The OBMP Implementation Projects (accounts 7100's – 7700's) were all (Under) budget as of September 30, 2013.

The approved original Engineering Services budget of \$1,825,362 was increased by \$107,406 to the final amended amount of \$1,932,768 for FY 2013/14 as provided in the Task Order. The amount of \$107,406 is comprised of \$19,508 from account (7107.2) and \$87,898 from account (7108.7), both amounts from FY 2012/13 which have been "Carried Over" into the current FY 2013/14 budget. 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%).

While the year-to-date actual expenses as of September 30, 2013 are currently under budget, there are no immediate plans to rearrange or adjust the overall Engineering Services budget to reflect any anticipated savings. The latest Wildermuth Environmental, Inc. projection for the Engineering Services budget anticipates the full amount of budgeted funds being used in the upcoming months.

The table 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 as of September 30, 2013. 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:

	<u>Jul '13 - Sep '13</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
6906 · OBMP Engineering Services - Other	33,422.32	79,687.03	-46,264.71	41.94%	318,748.00
6906.1 · OBMP - Watermaster Model Update	94,235.25	101,000.00	-6,764.75	93.3%	101,000.00
6906.7 · OBMP - Data Requests	852.50	0.00	852.50	100.0%	0.00
6906.71 · OBMP - Misc. GM Requests	31,789.00	0.00	31,789.00	100.0%	0.00
6906.72 · OBMP - Data Requests - Non CBWM	1,265.50	0.00	1,265.50	100.0%	0.00
6906.73 · OBMP - Safe Yield	7,091.01	0.00	7,091.01	100.0%	0.00
7103.3 · Grdwtr Qual-Engineering	28,808.75	25,720.03	3,088.72	112.01%	90,880.00
7103.5 · Grdwtr Qual-Lab Svcs	0.00	9,697.03	-9,697.03	0.0%	38,788.00
7104.3 · Grdwtr Level-Engineering	29,157.04	49,335.00	-20,177.96	59.1%	197,340.00
7104.8 · Grdwtr Level-Contracted Services	0.00	2,500.03	-2,500.03	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	0.00	3,481.25	-3,481.25	0.0%	13,925.00
7107.2 · Grd Level-Engineering	167,018.38	35,503.53	131,514.85	470.43%	83,490.00
7107.3 · Grd Level-SAR Imagery	14,123.75	22,500.00	-8,376.25	62.77%	90,000.00
7107.6 · Grd Level-Contract Svcs	0.00	35,310.00	-35,310.00	0.0%	141,240.00
7107.61 · Grd Level-Chino Hills ASR	7,907.00	10,413.75	-2,506.75	75.93%	41,655.00
7107.8 · Grd Level-Cap Equip Exte	0.00	2,607.00	-2,607.00	0.0%	10,428.00
7108.3 · Hydraulic Control-Engineering	5,631.60	31,613.25	-25,981.65	17.81%	126,453.00
7108.31 · Hydraulic Control-PBHSP	0.00	14,043.75	-14,043.75	0.0%	56,175.00
7108.4 · Hydraulic Control-Lab Svcs	2,032.00	6,384.00	-4,352.00	31.83%	25,536.00
7108.41 · Hydraulic Control-PBHSP	0.00	12,064.97	-12,064.97	0.0%	48,260.00
7108.7 · Hydraulic Control-Prado Basin Habitat	10,994.34	97,797.75	-86,803.41	11.24%	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	5,250.00	-5,250.00	0.0%	21,000.00
7202.2 · Comp Recharge-Engineering Services	0.00	5,331.00	-5,331.00	0.0%	21,324.00
7202.3 · Comp Recharge-Implementation	74,199.81	78,693.32	-4,493.51	94.29%	118,040.00
7303 · PE3&5-Engineering - Other	0.00	9,895.97	-9,895.97	0.0%	39,584.00
7402 · PE4-Engineering	6,802.50	19,053.75	-12,251.25	35.7%	76,215.00
7403 · PE4-Contract Svcs	0.00	5,057.53	-5,057.53	0.0%	20,230.00
7502 · PE6&7-Engineering	4,265.21	25,219.97	-20,954.76	16.91%	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	5,520.00	-5,520.00	0.0%	22,080.00
<b>Total Wildermuth Environmental, Inc. Costs</b>	<b>519,595.96</b>	<b>693,679.91</b>	<b>-174,083.95</b>	<b>74.9%</b>	<b>1,932,768.00</b> *

\* 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 September 30, 2013:

	Wildermuth Environmental, Inc.	50% Billing "TO" IEUA	50% Billing "FROM" IEUA	Costs For Watermaster	Watermaster Staff "Hours"	Watermaster Staff "Costs"
May 2012 - Jun. 2012	\$ 11,143.75	\$ (5,571.88)	\$ -	\$ 5,571.88	4.00	\$ 411.38
Jul. 2012 - Jun. 2013	\$ 120,945.28	\$ (60,472.64)	\$ 6,275.92	\$ 66,748.56	73.00	\$ 7,837.27
Jul. 2013 - Sep. 2013	\$ 10,994.34	\$ (5,497.17)	\$ 474.09	\$ 5,971.26	19.00	\$ 1,906.42
<b>Totals</b>	<b>\$ 143,083.37</b>	<b>\$ (71,541.69)</b>	<b>\$ 6,750.01</b>	<b>\$ 78,291.70</b>	<b>96.00</b>	<b>\$ 10,155.07</b>
	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 ending September 30, 2013.

#### "CARRY OVER" FUNDING

The Watermaster Board approved the Operating Cash Reserve Policy 4.17 on March 22, 2012. Section 4.17.6 of the policy (Carry-over Expenses) provides Watermaster staff the authority to carryover unfinished capital projects or related expenses from one fiscal year to the next. These expenses would be included as an amendment to the current year's budget. However, because these unfinished capital projects or related expenses had been previously funded from the Assessment process, they would be excluded from the upcoming Assessment process. If these expenses were not excluded, they would be funded for multiple times over. The current policy does not address a minimum or maximum dollar amount or how long the carryover expenses can be maintained.

Once the FY 2012/13 period as of June 30, 2013 was closed, the amount of unfinished capital projects and related engineering costs were calculated and the "Carry Over" funding amount was added to the current FY 2013/14 budget. 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 the FY 2012/13 expense funding and \$276,806 "Carried Over" from FY 2011/12 expense funding. 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).

Unspent funds from the Engineering Services budget from FY 2012/13 in account 7107.2 and 7108.7 (\$19,508 and \$87,898 respectively) were "Carried Over" into the current FY 2013/14 budget. These funds were from the Ground Level Monitoring (7107.2) and the Prado Basin Hydraulic Control (7108.7).

The Recharge Proof of Concept amount of \$300,000 from FY 2012/13 (account 7209) was "Carried Over" into the budget for FY 2013/14. An amount of \$150,000 has been coded to account (7209.1) for the Jurupa Pumping Station and the remaining amount of \$150,000 has been coded to account (7209.2) for the Wineville Basin Proof of Concept.

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).

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.

As of September 30, 2013, the total (YTD) amount remaining of the "Carried Over" funding is \$761,632 (\$806,730 - \$45,098 = \$761,632). The following details are provided:

"Carried Over" Expenses At June 30, 2013

		<u>GL Account</u>	
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"	<u>\$ 276,806.00</u>		
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"	<u>\$ 529,924.00</u>		
<b>Total Balance, June 30, 2013</b>	<b><u>\$ 806,730.00</u></b>		

"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
Jurupa Pumping Station	\$ 150,000.00	7209.1
Wineville Basin Proof of Concept	\$ 150,000.00	7209.2
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
<b>Total Balance, June 30, 2013</b>	<b><u>\$ 806,730.00</u></b>	

"Carried Over" Balance, July 1, 2013

Less: (Invoices Received To Date FY 2013/14)

Ground Level Monitoring - Engineering	\$ (5,842.50)	7107.2
Hydraulic Control - Prado Basin - Other	\$ (6,923.09)	7108.7
Wineville Basin Proof of Concept	\$ (32,332.18)	7209.2
<b>Updated Balance as of September 30, 2013</b>	<b><u>\$ 761,632.23</u></b>	

#### AUDIT FIELD WORK

Auditors from the audit firm of Charles Z. Fedak & Company were previously onsite at the Watermaster offices on May 29<sup>th</sup> through May 30<sup>th</sup> and August 12<sup>th</sup> through August 14<sup>th</sup> 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 in 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 21, 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 21, 2013 meeting.

#### ATTACHMENTS

1. Financial Report - B5

	1/12th (8.33%) of the Total Budget				3/12th (25%) of the Total Budget				100% of the Total Budget			
	For The Month of September 2013				Year-To-Date as of September 30, 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
<b>Income</b>												
4010 - Local Agency Subsidies	153,035.68	154,581.00	-1,545.32	99.0%	153,035.68	154,581.00	-1,545.32	99.0%	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%	6,361,227.00	6,361,227.00	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%	241,378.00	241,378.00	0.00	100.0%
4700 - Non Operating Revenues	3,550.10	4,455.00	-904.90	79.69%	3,550.10	4,455.00	-904.90	79.69%	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%
<b>Total income</b>	<b>156,585.78</b>	<b>159,036.00</b>	<b>-2,450.22</b>	<b>98.46%</b>	<b>156,585.78</b>	<b>159,036.00</b>	<b>-2,450.22</b>	<b>98.46%</b>	<b>6,786,886.00</b>	<b>6,786,886.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>Gross Profit</b>	<b>156,585.78</b>	<b>159,036.00</b>	<b>-2,450.22</b>	<b>98.46%</b>	<b>156,585.78</b>	<b>159,036.00</b>	<b>-2,450.22</b>	<b>98.46%</b>	<b>6,786,886.00</b>	<b>6,786,886.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>Expense</b>												
6010 - Admin. Salary/Benefit Costs	60,086.83	48,220.99	11,865.84	124.61%	175,503.06	162,167.73	13,335.33	108.22%	617,747.00	617,747.00	0.00	100.0%
6020 - Office Building Expense	8,586.44	9,176.00	-589.56	93.58%	24,924.14	26,483.00	-1,558.86	94.11%	106,630.00	106,630.00	0.00	100.0%
6030 - Office Supplies & Equip.	1,467.34	1,658.33	-190.99	88.48%	3,699.30	5,475.03	-1,775.73	67.57%	22,900.00	22,900.00	0.00	100.0%
6040 - Postage & Printing Costs	4,009.25	3,683.33	325.92	108.85%	11,729.35	13,225.03	-1,495.68	88.69%	57,900.00	57,900.00	0.00	100.0%
6050 - Information Services	17,591.09	21,858.00	-4,266.91	80.48%	41,955.21	50,124.00	-8,168.79	83.7%	140,496.00	140,496.00	0.00	100.0%
6060 - Contract Services	4,236.38	2,000.00	2,236.38	211.82%	4,236.38	7,500.00	-3,263.62	56.49%	24,800.00	24,800.00	0.00	100.0%
6070 - Watermaster Legal Services	19,224.89	18,925.00	299.89	101.59%	148,841.95	75,891.68	72,950.27	196.12%	234,100.00	234,100.00	0.00	100.0%
6080 - Insurance	256.00	0.00	256.00	100.0%	26,504.24	19,107.00	7,397.24	138.72%	19,107.00	19,107.00	0.00	100.0%
6110 - Dues and Subscriptions	0.00	0.00	0.00	0.0%	13,112.00	13,160.00	-48.00	99.64%	17,825.00	17,825.00	0.00	100.0%
6140 - WM Admin Expenses	14.99	200.00	-185.01	7.5%	34.88	600.00	-565.14	5.81%	2,400.00	2,400.00	0.00	100.0%
6150 - Field Supplies	302.38	300.00	2.38	100.79%	302.38	400.00	-97.62	75.6%	1,400.00	1,400.00	0.00	100.0%
6170 - Travel & Transportation	1,574.82	1,643.33	-68.51	95.83%	4,266.20	4,346.68	-80.48	98.15%	16,220.00	16,220.00	0.00	100.0%
6190 - Conferences & Seminars	15.00	2,500.00	-2,485.00	0.6%	1,906.00	4,650.00	-2,744.00	40.99%	12,500.00	12,500.00	0.00	100.0%
6200 - Advisory Comm - WM Board	2,989.06	4,479.98	-1,490.92	66.72%	5,322.48	13,592.00	-8,269.52	39.16%	54,368.00	54,368.00	0.00	100.0%
6300 - Watermaster Board Expenses	11,176.05	12,522.03	-1,345.98	89.25%	36,377.84	37,822.26	-1,444.62	96.18%	151,289.00	151,289.00	0.00	100.0%
8300 - Appr PI-WM & Pool Admin	3,549.01	11,286.41	-7,737.40	31.45%	9,596.50	34,068.23	-24,471.73	28.17%	136,273.00	136,273.00	0.00	100.0%
8400 - Agri Pool-WM & Pool Admin	3,192.08	4,836.93	-1,644.85	65.99%	9,053.81	14,690.51	-5,636.70	61.63%	58,782.00	58,782.00	0.00	100.0%
8467 - Ag Legal & Technical Services	16,912.50	17,583.33	-670.83	96.19%	31,495.00	52,750.03	-21,255.03	59.71%	211,000.00	211,000.00	0.00	100.0%
8470 - Ag Meeting Attend -Special	1,750.00	1,525.00	225.00	114.75%	6,375.00	4,575.00	1,800.00	139.34%	18,300.00	18,300.00	0.00	100.0%
8471 - Ag Pool Expense	0.00	12,500.00	-12,500.00	0.0%	0.00	27,500.00	-27,500.00	0.0%	65,000.00	65,000.00	0.00	100.0%
8485 - Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	94.06	100.00	-5.94	94.06%	400.00	400.00	0.00	100.0%
8500 - Non-Ag PI-WM & Pool Admin	11,794.33	9,156.38	2,637.95	128.81%	21,375.44	27,578.56	-6,203.12	77.51%	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	-16,493.69	-51,907.16	35,413.47	31.78%	-53,519.57	-157,262.06	103,742.49	34.03%	-568,626.00	-568,626.00	0.00	100.0%
6900 - Optimum Basin Mgmt Plan	80,985.32	109,755.66	-28,770.34	73.79%	344,224.81	353,122.07	-8,897.26	97.48%	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	6,271.69	20,852.56	-14,580.87	30.08%	24,497.69	63,176.57	-38,678.88	38.78%	228,433.00	228,433.00	0.00	100.0%
7101 - Production Monitoring	3,887.02	6,596.65	-2,709.63	58.92%	13,203.23	20,412.25	-7,209.02	64.68%	81,649.00	81,649.00	0.00	100.0%
7102 - In-line Meter Installation	0.00	12,232.39	-12,232.39	0.0%	678.54	29,695.66	-29,017.12	2.29%	104,616.00	104,616.00	0.00	100.0%
7103 - Grdwtr Quality Monitoring	9,705.06	17,410.63	-7,705.57	55.74%	33,965.44	54,298.62	-20,333.18	62.55%	202,339.00	202,339.00	0.00	100.0%
7104 - Gdwtr Level Monitoring	11,802.92	22,331.98	-10,529.06	52.85%	45,828.73	73,210.01	-27,381.28	62.6%	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%

	1/12th (8.33%) of the Total Budget				3/12th (25%) of the Total Budget				100% of the Total Budget			
	For The Month of September 2013				Year-To-Date as of September 30, 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	23,125.20	43,073.08	-19,947.88	53.69%	38,739.13	333,829.28	-295,090.15	11.6%	594,308.00	594,308.00	0.00	100.0%
7108 - Hydraulic Control Monitoring	9,392.71	26,590.11	-17,197.40	35.32%	21,038.45	169,668.25	-148,629.80	12.4%	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	5,250.00	-5,250.00	0.0%	21,000.00	21,000.00	0.00	100.0%
7200 - PE2- Comp Recharge Pgm	58,468.97	102,824.03	-44,355.06	56.86%	317,390.37	663,431.32	-346,040.95	47.84%	1,358,042.00	1,358,042.00	0.00	100.0%
7300 - PE3&5-Water Supply/Desalte	0.00	5,018.02	-5,018.02	0.0%	27.23	15,162.24	-15,135.01	0.18%	60,649.00	60,649.00	0.00	100.0%
7400 - PE4- Mgmt Plan	2,132.30	8,936.96	-6,804.66	23.66%	7,915.70	26,876.78	-18,961.08	29.45%	107,507.00	107,507.00	0.00	100.0%
7500 - PE6&7-CoopEfforts/SaltMgmt	852.50	9,248.71	-8,396.21	9.22%	4,265.21	27,793.57	-23,528.36	15.35%	111,112.00	111,112.00	0.00	100.0%
7600 - PE8&9-StorageMgmt/Conj Use	135.23	3,399.59	-3,264.36	3.98%	204.51	10,344.46	-10,139.95	1.98%	41,378.00	41,378.00	0.00	100.0%
7690 - Recharge Improvement Debt Pymt	0.00	82,436.42	-82,436.42	0.0%	406,126.50	769,779.49	-363,652.99	52.76%	1,111,637.00	1,111,637.00	0.00	100.0%
7700 - Inactive Well Protection Prgm	0.00	41.67	-41.67	0.0%	0.00	124.97	-124.97	0.0%	500.00	500.00	0.00	100.0%
9502 - G&A Expenses Allocated-Projects	10,221.99	31,054.60	-20,832.61	32.92%	29,021.87	94,085.48	-65,063.61	30.85%	340,193.00	340,193.00	0.00	100.0%
<b>Total Expense</b>	<b>369,215.66</b>	<b>635,700.94</b>	<b>-266,485.28</b>	<b>58.08%</b>	<b>1,810,312.64</b>	<b>3,148,805.70</b>	<b>-1,338,492.86</b>	<b>57.49%</b>	<b>7,583,616.00</b>	<b>7,593,616.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>Net Ordinary Income</b>	<b>-212,629.88</b>	<b>-476,664.94</b>	<b>264,035.06</b>	<b>44.61%</b>	<b>-1,653,727.06</b>	<b>-2,989,769.70</b>	<b>1,336,042.64</b>	<b>55.31%</b>	<b>-806,730.00</b>	<b>-806,730.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>Other Income</b>												
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	11.91	0.00	11.91	100.0%	11.91	0.00	11.91	100.0%	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%
<b>Total Other Income</b>	<b>11.91</b>	<b>0.00</b>	<b>11.91</b>	<b>100.0%</b>	<b>11.91</b>	<b>0.00</b>	<b>11.91</b>	<b>100.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Other Expense</b>												
5010 - Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5100 - Other Water Purchases	0.00	0.00	0.00	0.0%	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%
<b>Total Other Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Net Other Income</b>	<b>11.91</b>	<b>0.00</b>	<b>11.91</b>	<b>100.0%</b>	<b>11.91</b>	<b>0.00</b>	<b>11.91</b>	<b>100.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Net Income</b>	<b>-212,617.97</b>	<b>-476,664.94</b>	<b>264,046.97</b>	<b>44.61%</b>	<b>-1,653,715.15</b>	<b>-2,989,769.70</b>	<b>1,336,054.55</b>	<b>55.31%</b>	<b>-806,730.00</b>	<b>-806,730.00</b>	<b>0.00</b>	<b>100.0%</b>

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

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# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013  
TO: Advisory Committee Members  
Board Members  
SUBJECT: Assignment of Western Municipal Water District Desalter Production

### SUMMARY

Issue: Consistent with the requirements of Watermaster Resolution No. 2010-04 and the Court's order approving the same, Western Municipal Water District has assigned its Desalter production to the City of Norco. In accounting for Desalter production, Watermaster will note this assignment.

Recommendation: Receive and file notice of assignment of Western Municipal Water District Desalter production.

Financial Impact: None

### Future Consideration

Advisory Committee: November 21, 2013 Receive and File

Watermaster Board: November 21, 2013 Receive and File [Board Duties and Powers]

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### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously voted to receive and file  
November 14, 2013 – Non-Agricultural Pool – Unanimously voted to receive and file without approval  
November 14, 2013 – Agricultural Pool – Unanimously voted to receive and file  
November 21, 2013 – Advisory Committee –  
November 21, 2013 – Watermaster Board –

## BACKGROUND

The Court approved the Peace II Measures in December of 2007 and incorporated performance milestones for implementing the Supplement to the OBMP, inclusive of securing Hydraulic Control through Basin Re-Operation. The Court conditionally authorized Watermaster to allow 400,000 acre-feet of water to be produced by the Desalters (existing and proposed) without incurring any Replenishment obligation.

The Watermaster and Court-approved strategy called for the Western Municipal Water District (WMWD) independently, or in its complete discretion, jointly with the City of Ontario (Ontario) and the Jurupa Community Services District (Jurupa), to construct an additional 9 MGD of Desalter capacity. (Peace II Agreement.) WMWD exercised its discretion to work with the City of Ontario and Jurupa Community Services District to carry out the Phase III Desalter Expansion. Through a series of agreements, the Phase III Desalter Expansion (Expansion) became a Chino Basin Desalter Authority (CDA) project.

Pressed by concerns arising from compliance with Regional Board permits and the prior orders of the Court, in May of 2010 the Watermaster Board requested General Counsel and Staff to support efforts among the various stakeholders to facilitate the timely completion of documentation that would allow the Expansion to proceed. This led to the drafting, adoption, and Court approval of Watermaster Resolution No. 2010-04 ("Resolution 2010-04").

At the time of Resolution 2010-04, it was not clear whether and on what terms WMWD might intervene into the Appropriative Pool. WMWD could not be fairly asked to complete that assessment and close on these terms during the finalization of Resolution 2010-04, and, accordingly, Resolution 2010-04 provided WMWD a 24 month window to elect to either negotiate terms under which it would intervene into the Appropriative Pool or assign its Production attributable to the Desalters to an Appropriator member of the CDA. (Resolution 2010-04, Resolving Para. 22.) The assignment was described as for accounting purposes only and it was stated that the assignment would have no impact on the rights or obligations of any party.

After an October 28, 2011 hearing, the Court issued its Order after Hearing on Motion for Approval of Watermaster Resolution 2010-04<sup>1</sup>, finding that within 24 months from the adoption of the Resolution, WMWD could reasonably negotiate terms for intervention into the Appropriative Pool or request Watermaster to designate a member of CDA that is also a member of the Appropriative Pool for purposes of accounting for the Desalter Production, and that such designation, were it to occur, must not increase the assignee Appropriator's obligations or benefits to Watermaster or under the Judgment, Peace Agreement and the Peace II Measures. (October 28, 2011 Order after Hearing on Motion for Approval of Watermaster Resolution 2010-04, 3:25-4:3.) On the basis of the evidence before it, the Court ordered that within 24 months of the date of Watermaster Resolution 2010-04, "WMWD will make an election to either: (a) intervene into the Appropriative Pool on terms it may freely negotiate; or (b) consensually assign the production for the desalted water attributable to the Expansion Project on behalf of WMWD to an Appropriative Pool member of the CDA." (*Id.*, 7:27-8:3.)

On October 31, 2013, Watermaster received notice from WMWD that WMWD and the City of Norco had entered into a Memorandum of Agreement pursuant to which, consistent with Resolution 2010-04 and the Court's October 2011 Order, WMWD will assign the production for the desalted water attributable to the Expansion Project to the City of Norco.

## DISCUSSION

Consistent with the requirements of Watermaster Resolution 2010-04 and the Court's order approving the same, WMWD has elected to assign its Desalter production to the City of Norco. Accordingly, in Watermaster's accounting, going forward, WMWD's portion of the Desalter Expansion pumping will be assigned to the City of Norco. Because Desalter production is not assessed and is not considered in the determination of Desalter production offset ("Desalter Replenishment"), there will be no impact on the City of Norco. Because the formula for apportioning the cost of Replenishment attributable to the Desalters

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<sup>1</sup> Notice of the order was served on November 1, 2011.

expressly excludes production from the Desalters (Peace II Agreement, ¶ 6.2<sup>2</sup>), Norco will not incur any replenishment obligation for the Desalter expansion pumping. Further, the assignment will cause no impact on the net Desalter Replenishment obligation of any other party to the Judgment because all of the projected groundwater production is anticipated to be off-set by the apportionment of 175,000 acre feet for this purpose. (See Watermaster's Compliance with Condition Subsequent Number Seven; Supplement to Condition Subsequent Number Five, December 23, 2008.)

To the extent the City of Norco's use of the assigned production might be considered an export from the Basin, the assignment will not be considered to create an obligation on behalf of Norco in regard to the minimization of exports from the Basin. Desalter production is already replenished independent of any export consideration, and it is unnecessary that any replenishment be undertaken based on the absence of return flows to the Chino Basin as a result of any export. Requiring such replenishment would be contrary to the goals of re-operation, which include the achievement of Hydraulic Control through the reduction in losses to de minimis quantities. Finally, any WMWD obligation in regard to exports from the Basin will be evaluated consistent with the reconciliation procedure described in paragraph 5.8(b)(ii).

#### ATTACHMENTS

1. Notice of Assignment of Desalter Production

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<sup>2</sup> The treatment of Replenishment in any Renewal Term (Post Peace Agreement 2030) is the subject of negotiation. (Peace Agreement II, Section 6.2(c).)



John V. Rossi  
General Manager

**Securing Your Water Supply**

Charles D. Field  
Division 1

Thomas P. Evans  
Division 2

Brenda Dennstedt  
Division 3

Donald D. Galleano  
Division 4

S.R. "Al" Lopez  
Division 5

October 31, 2013

Dear Mr. Kavounas,

Pursuant to the requirements of Watermaster Resolution No. 2010-04 and the Watermaster Court's October 28, 2011 order approving the same, Western Municipal Water District (WMWD) has assigned its Desalter production to the City of Norco. This assignment has been made pursuant to the attached Memorandum of Understanding (MOU). The WMWD Board of Directors approved the MOU at its October 16, 2013 regular Board meeting and the City of Norco City Council approved the MOU at its October 16, 2013 regular meeting.

By this letter, WMWD provides notice of its compliance with the terms of Resolution No. 2010-04 and the Court's October 28, 2011 Order and WMWD requests that Watermaster account for the assignment in its accounting for Desalter production. Consistent with Resolution No. 2010-04, WMWD understands that the assignment is for accounting purposes only and will have no impact on the rights or obligations of any party.

Sincerely,

A handwritten signature in black ink, appearing to read "John V. Rossi", is written over a horizontal line.

John V. Rossi  
General Manager

JVR: jmp

**MEMORANDUM OF UNDERSTANDING BY AND BETWEEN WESTERN  
MUNICIPAL WATER DISTRICT AND THE CITY OF NORCO PROVIDING  
FOR THE ASSIGNMENT AND EXCHANGE OF WATER PRODUCED FROM  
THE ARLINGTON DESALTER AND THE CHINO DESALTERS**

This Memorandum of Understanding (MOU), dated October 16, 2013, is entered into by and between Western Municipal Water District (WMWD) and the City of Norco (Norco), sometimes individually or collectively referred to herein as "Party" or "Parties", respectively.

**RECITALS**

A. As provided in the Integrated Chino-Arlington Desalters System Term Sheet, dated March 2001, which contemplated the formation of the Chino Basin Desalter Authority (CDA), and the "*Water Purchase Agreement By, Between and Among City Of Norco and Western Municipal Water District of Riverside County*", dated July 1, 2003, attached hereto as Exhibit "A" (Arlington Desalter Agreement), Norco has the right to receive 4,400 Acre-Feet per Year (AFY) of potable water (less the Home Gardens 400 AFY priority option) from the Arlington Desalter. Among other things, these agreements intend that the Chino-Arlington Desalters System be integrally operated for purposes including the exchange of water between the desalter facilities.

B. WMWD and Norco respectively own 3,534 and 1,000 AFY of capacity in CDA facilities. WMWD's capacity ownership is part of the Chino Desalter Phase 3 Expansion Project. Following full execution of this MOU by the Parties, Norco will continue to physically receive Potable Water from the Arlington Desalter and physically receive approximately 3,534 AFY from CDA in exchange for WMWD physically receiving approximately 3,534 AFY from the Arlington Desalter instead of CDA.

C. WMWD has facilitated the preparation of approved plans and specifications that include Turnouts "A" and "B" as shown on those plans for the purpose of connecting the CDA transmission waterline to be constructed in Hamner Avenue to Norco's potable water system to facilitate blending to enable Norco to utilize its water supplies and meet water quality standards.

D. The Parties desire to enter into this mutually beneficial MOU for purposes of increasing water supply reliability while maintaining water quality in accordance with the Arlington Desalter Agreement (which currently produces 5,400 acre-feet per year of potable water) and avoiding the unnecessary expenditure of capital funds to construct capital facilities otherwise required to physically deliver water to the Parties.

**NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING RECITALS AND FOLLOWING PROVISIONS, THE PARTIES ENTER INTO THE FOLLOWING UNDERSTANDINGS:**

**Section 1. Exchange Water.** Subject to the terms and conditions set forth in this MOU and the provisions of the WMWD/CDA Water Purchase Agreement, WMWD will assign its CDA production right to Norco which will accordingly take delivery of up to 3,534AFY of CDA water in lieu of receiving Potable Water<sup>1</sup> from the Arlington Desalter, and WMWD will take delivery of up to 3,534 AFY of Potable Water from the Arlington Desalter in lieu of receiving 3,534 AFY of water from CDA (collectively, the “Exchange Water”).

**Section 2. Water Price and Payment.** Norco shall pay for the delivery of CDA water at the delivery point specified in this MOU pursuant to the terms and methodology set forth in the Arlington Desalter Agreement as if Norco were continuing to receive water from the Arlington Desalter.

**Section 3. Delivery Point.** Norco shall take delivery of CDA water at existing Arlington Desalter Turnouts (“Delivery Point”). WMWD shall be responsible for the entire cost of constructing additional metering facilities necessary to enable Norco to take its share of Exchange Water at the Delivery Point and as may otherwise be necessary for the respective delivery of Exchange Water to the Parties.

**Section 4. Water Quality and Delivery Schedule.** It is anticipated, based on the operational characteristics of the CDA facilities, that the quality of water delivered to Norco will be equal to or exceed current deliveries, however, in any event the quality of water and schedule for delivery of Exchange Water to Norco shall be subject to the provisions of the WMWD/CDA Water Purchase Agreement.

**Section 5. Arlington Desalter Agreement.** WMWD and Norco commit to exercise best efforts to negotiate a revision to the Arlington Desalter Agreement with the objectives of developing a mutually agreed to administrative overhead budget calculation, capital facilities replacement schedule, accompanying funding plan, and enabling the expansion of the Arlington Desalter to meet regional water demands while fairly allocating the costs therefore based on the respective benefits to the Parties.

**Section 6. Continued Delivery of Arlington Desalter Water to Norco.** Supplemental to its share of Exchange Water, Norco shall continue to receive Potable Water from the Arlington Desalter so that the combined amount of 3,534 AFY of Exchange Water plus supplemental water at least meets the amount Norco is entitled to receive under the Arlington Desalter Agreement.

**Section 7. Exchange Water Delivery Shortfalls.** The Parties shall not be required to provide make-up water to each other in the event of temporary or ongoing shortfalls in their respective deliveries of Exchange Water and neither Party shall be a guarantor to the

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<sup>1</sup> “Potable Water” is defined in the Arlington Desalter Agreement.

other with respect to the quantity or reliability of Exchange Water deliveries. The Parties may, however, elect to enter into understandings for the purpose of increasing or decreasing their respective amounts of Exchange Water, whether in connection with delivery shortfalls, operational considerations or water demands, including for purposes of meeting peak water demands. The Parties shall annually reconcile the amount of Exchange Water and other water deliveries to maximize operational flexibility. The reconciliation process will be used in-lieu of invoicing for the shortfall of water deliveries.

**Section 8. No Revision of Arlington Desalter and CDA-Related Agreements.** Nothing herein shall operate to revise the provisions of the Arlington Agreement or CDA-related agreements involving the Parties, including the rights and obligations of CDA or other parties.

**Section 9. WMWD Assignment of CDA Production.** In accordance with the provisions of Chino Basin Watermaster Resolution No. 2010-04 (Resolution No. 2010-04), WMWD hereby exercises its election to designate Norco for the purpose of assigning WMWD's production of CDA water attributable to the Expansion Project to Norco, which is an Appropriative Pool member of CDA. In accordance with Section 16 (page 10) of Resolution No. 2010-04, the designation of Norco by WMWD as the assignee of WMWD's production will not increase Norco's obligations or benefits to Watermaster or under the Judgment, Peace Agreement and the Peace II Measures.

**Section 10. Promulgating Agreements.** The Parties may determine to enter into one or more agreements for purposes of promulgating provisions of this MOU, or related assignment or other agreements with CDA or other parties in connection with furthering the understandings set forth herein.

By: 

John V. Rossi, General Manager  
Western Municipal Water District

By: 

Andy Okoro, City Manager  
City of Norco

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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEMS

- A. CHINO BASIN WATERMASTER 2013-2014  
ASSESSMENT PACKAGE
- B. LEVYING REPLENISHMENT AND ADMINISTRATIVE  
ASSESSMENTS
- C. PHYSICAL SOLUTION TRANSFER RATE  
SUBSTITUTION
- D. BUSINESS PLAN (BOARD ONLY)



# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013  
TO: Advisory Committee Members  
Board Members  
SUBJECT: Fiscal Year 2013-2014 Assessment Package

### SUMMARY

Issue: Chino Basin Watermaster Fiscal Year 2013-2014 Assessment Package, based on Production Year 2012-2013.

Recommendation: Approve the Fiscal Year 2013-2014 Assessment Package as presented.

Financial Impact: The Assessment Package creates the funds that are used during this fiscal year for budgeted expenses.

### Future Consideration

Advisory Committee: November 21, 2013 Approval

Watermaster Board: November 21, 2013 Approval [Advisory Committee Approval Required]

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### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously recommended to the Advisory Committee to approve the Fiscal Year 2013-2014 Assessment Package as presented.

November 14 – Non-Agricultural Pool – Unanimously recommended to the Advisory Committee to approve the Fiscal Year 2013-2014 Assessment Package as presented, and direct Non Ag Pool representatives to vote at the Advisory Committee and Board meetings subject to changes which they deem appropriate and subject to further consultation with Pool counsel.

November 14 – Agricultural Pool – Unanimously recommended to the Advisory Committee to approve the Fiscal Year 2013-2014 Assessment Package as presented.

November 21 – Advisory Committee –

November 21 – Watermaster Board –

## BACKGROUND

Watermaster issues an Assessment Package annually based on the previous production year (July 1 through June 30). Production information is generally collected quarterly, and other necessary information is collected annually. The Assessment Package creates funds that are used during the current fiscal year for budgeted expenses. Assessments are based on the approved budget divided by the total assessable production in the Basin.

## DISCUSSION

The Parties of the Non-Agricultural Pool and the Appropriative Pool were each sent a copy of their Water Activity Report in August that summarized their water activity for the previous year, including production, Dry Year Yield (DYY), land use conversions, transfers, and assignments. Each Party was asked to verify the data gathered and summarized by Watermaster. The Water Activity Reports were received back, and any necessary corrections were made.

Watermaster held an Assessment Package Workshop on October 30, 2013. The purpose of the Assessment Package Workshop was to review the prior year production, transfers, DYY, etc., and to review the current year cash requirements pursuant to the adopted budget and the resulting impact on assessments. Discussion at the workshop covered the detail of how assessments are calculated.

The Draft Assessment Package is attached. It is based on the budget that was approved in May 2013, and then amended in October 2013. The Assessment Package identifies total assessable production for all Pools as 135,628 acre-feet, resulting in assessments of \$9.76/acre-foot for Admin and \$30.63/acre-foot for OBMP, excluding recharge debt service, recharge improvement project expenses, "Pomona Credit" assessments, and assessments for replenishment water. For production year 2012-2013, there is a replenishment obligation of 734 acre-feet. The new replenishment rate is \$608, which is MWD's \$593 Tier 1 rate plus IEUA's \$13 surcharge plus OCWD's \$2 connection fee. The additional assessments, allocated amongst the Appropriators based on their percentage of Operating Safe Yield, are: Pomona Credit (annual assessment of \$66,667.00, for two years), recharge debt payment assessment of \$456,092.99, and recharge improvement project assessment of \$483,715.00.

It is important to note that the funding of the "Pomona Credit," as of Assessment Year 2012/2013 (Production Year 2011/2012), is once-again the responsibility of the Appropriative Pool. The letter from Three Valleys Municipal Water District (TVMWD), dated November 7, 2012, notifying Watermaster that TVMWD was electing to terminate its "Pomona Credit" obligation was received by Watermaster after the previous Assessment Package had already been finalized. For this reason, on February 28, 2013, the Board approved funding of the payment from existing Watermaster cash reserves in Fiscal Year 2012/2013 with double appropriative assessments in Fiscal Year 2013/2014. The FY 2012/2013 credit of \$53,030.93 was paid to the City of Pomona in March 2013.

If approved through the Watermaster process in November, the invoices will be mailed in late November or early December.

## ATTACHMENTS

1. Draft Fiscal Year 2013-2014 Assessment Package (*please access at the link below*)  
<http://www.cbwm.org/FTP/Meeting%20Packets%20&%20Agendas/20131121%20DRAFT%202013-2014%20Assessment%20Package%20%28Based%20on%20Production%20Year%202012-2013%29--Revised%2011-13-2013.pdf>



# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013  
TO: Advisory Committee Members  
Board Members  
SUBJECT: Resolution to Levy Replenishment and Administrative Assessments for Fiscal Year 2013-2014 (based on Production Year 2012-2013).

### SUMMARY

Issue: A resolution is required for the Chino Basin Watermaster to levy replenishment and administrative assessments for Fiscal Year 2013-2014.

Recommendation: Approve Resolution 13-07 as presented.

Financial Impact: The Assessment Package creates the funds that are used during the current fiscal year for budgeted expenses.

### Future Consideration

Advisory Committee: November 21, 2013 Approval

Watermaster Board: November 21, 2013 Approval [Advisory Committee Approval Required]

---

### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously recommended to the Advisory Committee to approve Resolution 13-07 as presented.

November 14 – Non-Agricultural Pool – Unanimously recommended to the Advisory Committee to approve Resolution 13-07 as presented, and direct Non Ag Pool representatives to vote at the Advisory Committee and Board meetings subject to changes which they deem appropriate and subject to further consultation with Pool counsel.

November 14 – Agricultural Pool – Unanimously recommended to the Advisory Committee to approve Resolution 13-07 as presented.

November 21 – Advisory Committee –

November 21 – Watermaster Board –

## BACKGROUND

Watermaster issues an Assessment Package annually based on the previous production year (July 1 through June 30). Production information is generally collected quarterly, and other necessary information is collected annually. The Assessment Package creates funds that are used during the current fiscal year for budgeted expenses. Assessments are based on the approved budget divided by the total assessable production in the Basin. Watermaster is entitled with powers to levy and collect administrative and replenishment assessments necessary to maintain water levels and to cover the cost of administering the Chino Basin Judgment. Pursuant to the Judgment, each party has thirty days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55 (c) of the Restated Judgment.

## DISCUSSION

The Draft Assessment Package is being considered for approval this month. It is based on the budget that was approved in May 2013, and then amended in October 2013. The Assessment Package identifies total assessable production for all Pools as 135,628 acre-feet, resulting in assessments of \$9.76/acre-foot for Admin and \$30.63/acre-foot for OBMP, excluding recharge debt service, recharge improvement project expenses, "Pomona Credit" assessments, and assessments for replenishment water.

For production year 2012-2013, there is a replenishment obligation of 734 acre-feet. The new replenishment rate is \$608, which is MWD's \$593 Tier 1 rate plus IEUA's \$13 surcharge plus OCWD's \$2 connection fee. The following are also included, allocated amongst the Appropriators based on their percentage of Operating Safe Yield: Pomona Credit assessment of \$66,667.00, recharge debt payment assessment of \$456,092.99, and recharge improvement project assessment of \$483,715.00.

If Resolution 13-07 is approved through the Watermaster process in November, the invoices will be mailed in late November or early December.

## ATTACHMENTS

1. Resolution 13-07: A resolution of the Chino Basin Watermaster levying replenishment and administrative assessments for Fiscal Year 2013-2014

**RESOLUTION 13-07**

**A RESOLUTION OF THE CHINO BASIN WATERMASTER LEVYING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2013-2014**

WHEREAS, the Chino Basin Watermaster was appointed on January 27, 1978, under Case No. RCV 51010 (formerly case No. SCV 164327) entitled Chino Basin Municipal Water District v. City of Chino, et al., with powers to levy and collect administrative and replenishment assessments necessary to maintain water levels and to cover the cost of administering the Chino Basin Judgment; and

WHEREAS, the Watermaster Advisory Committee approved and the Watermaster Board adopted the Fiscal Year 2013-2014 Budget on May 23, 2013, and amended the budget on October 24, 2013, to carry out the necessary Watermaster functions under the Judgment; and

WHEREAS, the parties named in this Judgment have pumped 734.489 acre-feet of water in excess of the operating safe yield, which is required to be replaced at the expense of the parties in accordance with the assessment formulas for the respective pools.

NOW, THEREFORE, BE IT RESOLVED that the Chino Basin Watermaster levies the respective assessments for each pool effective November 21, 2013 as showed on Exhibit "A" attached hereto.

BE IT FURTHER RESOLVED, that pursuant to the Judgment, each party has thirty-days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55 (c) of the Restated Judgment.

THE FOREGOING RESOLUTION was

**APPROVED** by the Advisory Committee on the 21<sup>st</sup> day of November 2013.

**ADOPTED** by the Watermaster Board on the 21<sup>st</sup> day of November 2013.

By: \_\_\_\_\_  
Chairman, Watermaster Board

APPROVED:

\_\_\_\_\_  
Chairman, Advisory Committee

ATTEST:

\_\_\_\_\_  
Secretary, Watermaster Board

Exhibit "A"  
Resolution 13-07

Summary  
of  
Assessments  
Fiscal Year 2013-2014  
Production Year 2012-2013

1.	OVERLYING (NON-AGRICULTURAL) POOL	
a.	2013-2014 Amended Budget	\$ <u>9.76</u> Per AF - Admin. \$ <u>30.63</u> Per AF - OBMP
b.	Replenishment	\$ <u>608.00</u> Per AF
2.	APPROPRIATIVE POOL	
a.	Administration	
	1. 2013-2014 Amended Budget	\$ <u>9.76</u> Per AF - Admin. \$ <u>30.63</u> Per AF - OBMP
	2. Ag Pool Reallocated	\$ <u>6.96</u> Per AF - Admin. \$ <u>21.83</u> Per AF - OBMP
b.	100% Net Replenishment	\$ <u>608.00</u> Per AF
c.	15/85 Water Activity	
	15% Replenishment Assessments	\$ <u>1,067.68</u> Total
	15% Water Transaction Activity	\$ <u>320,942.99</u> Total
d.	Pomona Credit (2013-14 Assessment)	\$ <u>66,667.00</u> Total
e.	Recharge Debt Payment	\$ <u>456,092.99</u> Total
f.	Recharge Improvement Project	\$ <u>483,715.00</u> Total
g.	Pomona Credit (2012-13 Assessment)	\$ <u>66,667.00</u> Total

STATE OF CALIFORNIA            )  
  ) ss  
COUNTY OF SAN BERNARDINO    )

I, Peter Kavounas, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 13-07, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CHINO BASIN WATERMASTER

\_\_\_\_\_  
Secretary

Date: \_\_\_\_\_

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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: November 21, 2013  
TO: Advisory Committee Members  
Board Members  
SUBJECT: Physical Solution Transfer Rate Substitution

#### SUMMARY

Issue: A Physical Solution Transfer rate for FY 2013-14 needs to be established.

Recommendation: Approve the proposed FY 2013-14 substitute Physical Solution Transfer rate, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

Financial Impact: None

#### Future Consideration

Advisory Committee: November 21, 2013 Approval

Watermaster Board: November 21, 2013 Approval [with advice and assistance from Pools and Advisory Committee]

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#### ACTIONS:

November 14, 2013 – Appropriative Pool – Unanimously recommended Advisory Committee approval of the proposed rate and approval of Watermaster legal counsel filing motion with the Court; and authorize Pool's legal counsel to sign the stipulation

November 14, 2013 – Non-Agricultural Pool – Unanimously recommended Advisory Committee approval of the proposed rate and approval of Watermaster legal counsel filing motion with the Court; and authorize Pool's legal counsel to sign the stipulation; and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate

November 14, 2013 – Agricultural Pool – Unanimously recommended Advisory Committee approval of the proposed rate and approval of Watermaster legal counsel filing motion with the Court

November 21, 2013 – Advisory Committee –

November 21, 2013 – Watermaster Board –

## BACKGROUND

Paragraph 9 of Exhibit "G" to the Judgment, entitled "Physical Solution Transfers," provides mechanisms pursuant to which, during the term of the Peace Agreement, the members of the Overlying (Non-Agricultural) Pool have the right to transfer or lease their quantified Production rights and carry-over water held in storage accounts. Pursuant to the procedures outlined in Paragraph 9, Paragraph 9(d) of Exhibit "G" specifies that the payment for water purchased for transfer to Watermaster, and thence to the members of the Appropriative Pool, will be 92% of the then-prevailing "[Metropolitan Water District of Southern California] Replenishment Rate."

According to Watermaster's past practice, the MWD Replenishment Rate utilized would be that applicable for the calendar year in which Watermaster's purchase takes place. As applied to transfers in Fiscal Year 2013-14, as payment would be made by June 30, 2014, if MWD had a Replenishment Rate in effect for 2014, that rate would be utilized. MWD ceased publishing a Replenishment Rate in 2013 and it is not presently known when and how MWD may reinstate a replenishment program. Accordingly, Watermaster and the parties to the Judgment are without a rate from which to calculate the rate for Physical Solution Transfers in Fiscal Year 2013-14. This was also the case during Fiscal Year 2012-2013, during which the Watermaster Court approved a requested one year rate substitution.

## DISCUSSION

The members of the Overlying (Non-Agricultural) and Appropriative Pools have proposed to use a substitute rate of 82% of MWD's 2014 Tier 1 Untreated Rate for Physical Solution Transfers during Fiscal Year 2013-14. The 2014 MWD Tier 1 Untreated Rate is \$593 per acre-foot; 82% of that rate is \$486.26 per acre-foot.

A motion to allow substitution of Physical Solution Transfer rate for FY 2013-14 would request the deviation from the terms of the Judgment in order to utilize a substitute "Physical Solution Transfer" rate applicable to transfers from the Overlying (Non-Agricultural) Pool to Watermaster, and thence to members of the Appropriative Pool, pursuant to Paragraph 9 of Exhibit "G" to the Judgment. If granted, this would allow Watermaster to substitute a rate of 82% of the Tier 1 MWD Untreated Rate for the rate provided for in Exhibit "G" for FY 2013-14, as MWD no longer publishes a Replenishment Rate.

The Court's approval of a substitute rate under Paragraph 9(d) of Exhibit "G" would allow transfers to proceed without issue in 2013-2014, with the Parties able to discuss a long-term solution when MWD's long term replenishment plans become clear.

## ATTACHMENTS

1. Draft Stipulation and Proposed Order
2. Draft Motion for Court Approval of Temporary Substitute Rate

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IT IS HEREBY STIPULATED AND AGREED, by and among the undersigned counsel, solely on behalf of the parties that they represent of record, as follows:

1. If any member of the Overlying (Non-Agricultural) Pool Committee (each, a "NAP Electing Member") elects, pursuant to Section 9(a) of Exhibit "G" to the Judgment, to make any or all of its current annual Production right or water held in storage available for purchase by the members of the Appropriative Pool, then such offer shall be subject to the terms and conditions of Section 9 of Exhibit "G", except that the phrase "92% of the then-prevailing 'MWD Replenishment Rate'" shall be replaced with the phrase "82% of the water rate for Full Service Untreated Volumetric Cost: Tier 1, as adopted by the Metropolitan Water District of Southern California as of the date hereof to be effective during the period of January 1, 2014 through June 30, 2014, for each acre foot so transferred. MWD's 2014 rate for Full Service Untreated Volumetric Cost: Tier 1 is \$593 per acre-foot; 82% of that rate is \$486.26 per acre-foot." The terms and conditions of this Stipulation shall apply only to water made available by a NAP Electing Member between the date hereof and December 31, 2013, and only in the event that MWD does not, prior to December 31, 2013, publish a MWD Replenishment Rate that is effective during the period of January 1, 2014 through June 30, 2014.

2. The approval of a temporary substitute rate for Physical Solution Transfers herein shall have no precedential effect in regard to the rate that may be implemented for Physical Solution Transfers in years other than Fiscal Year 2013-2014.

3. Legal counsel for the Watermaster Board shall file a motion seeking entry of an order of the Court approving the rate substitution described in paragraph 1 above, and shall

1 provide notice to other parties thereof. No assertion of fact or law contained in any paper filed  
2 with the Court by the Watermaster Board shall be construed as the belief or position of any other  
3 party.

4 Dated: November \_\_\_\_, 2013

HOGAN LOVELLS US, LLP

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6

By: \_\_\_\_\_

ALLEN W. HUBSCH  
Attorneys for CHINO BASIN  
WATERMASTER OVERLYING (NON-  
AGRICULTURAL) POOL

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9 Dated: November \_\_\_\_, 2013

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BY: \_\_\_\_\_

JOHN J. SCHATZ  
Attorneys for CHINO BASIN  
WATERMASTER APPROPRIATIVE  
POOL

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13 Dated: November \_\_\_\_, 2013

BROWNSTEIN HYATT FARBER  
SCHRECK, LLP

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15

BY: \_\_\_\_\_

SCOTT S. SLATER  
BRADLEY J. HERREMA  
Attorneys for CHINO BASIN  
WATERMASTER

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ORDER

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Pursuant to the stipulation of the parties and good cause appearing thereof, IT IS SO

21

ORDERED.

22

DATED: \_\_\_\_\_, 2013

23

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\_\_\_\_\_  
Judge of the Superior Court

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26

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28

1 **SCOTT SLATER (State Bar No. 117317)**  
2 **BRADLEY J. HERREMA (State Bar No. 228976)**  
3 **BROWNSTEIN HYATT FARBER SCHRECK, LLP**  
4 21 East Carrillo Street  
5 Santa Barbara, CA 93101-2706  
6 Telephone: 805.963.7000  
7 Facsimile: 805.965.4333

8 Attorneys for  
9 **CHINO BASIN WATERMASTER**

10  
11 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
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]

**NOTICE OF MOTION AND MOTION  
FOR COURT APPROVAL OF  
TEMPORARY SUBSTITUTE RATE FOR  
PHYSICAL SOLUTION TRANSFERS  
UNDER EXHIBIT "G" TO THE  
JUDGMENT; DECLARATION OF  
BRADLEY J. HERREMA IN SUPPORT  
THEREOF**

Date: TBD  
Time: TBD  
Dept.: R-6

19  
20  
21 TO ALL PARTIES AND TO THEIR RESPECTIVE ATTORNEYS OF RECORD:

22 PLEASE TAKE NOTICE THAT the Chino Basin Watermaster ("Watermaster") hereby  
23 moves this Court, pursuant to Paragraph 15 of the Judgment in this action, for an Order approving  
24 a temporary substitute rate applicable to "physical solution transfers" pursuant to Exhibit "G" to  
25 the Judgment in this matter. This request is made pursuant to the Court's continuing jurisdiction  
26 and authority to enforce and carry out the Judgment in this action with respect to the rights  
27 established thereunder.

28 The Motion will be based upon this Notice of Motion and Motion, the attached

1 Memorandum of Points and Authorities, the pleadings, records and files in this action, and upon  
2 such oral argument and other evidence as may be presented at the hearing on the Motion.

3 As described in the Declaration of Bradley J. Herrema in support of Motion for Court  
4 Approval of Temporary Substitute Rate for Physical Solution Transfers Under Exhibit "G" to the  
5 Judgment, the proposed substitution that is the subject of this Motion was unanimously approved  
6 by the Watermaster Pool Committees, Advisory Committee and Board, and Watermaster does not  
7 believe that any party will oppose this Motion. For this reason, Watermaster requests that the  
8 Court grant this motion without hearing. However, if the Court believes that a hearing is  
9 necessary, Watermaster requests that such a hearing be set for the December 13, 2013 hearing  
10 date at which Watermaster's Motion for Court Approval of 2013 Amendment to 2010 Recharge  
11 Master Plan Update; Request for Intervention of TAMCO is scheduled to be heard.  
12 Watermaster's request for hearing on this date is supported by its Application for Order  
13 Shortening Time filed herewith.

14 Dated: November 21, 2013

BROWNSTEIN HYATT FARBER  
SCHRECK, LLP

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18 By: \_\_\_\_\_  
19 SCOTT S. SLATER  
20 BRADLEY J. HERREMA  
21 Attorneys for Plaintiff  
22 CHINO BASIN WATERMASTER  
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1 MEMORANDUM OF POINTS AND AUTHORITIES

2  
3 **I. INTRODUCTION**

4 Pursuant to Paragraph 15 of the Judgment in this action, the Chino Basin Watermaster  
5 (“Watermaster”) respectfully requests that the Court grant this Motion and the relief herein  
6 requested, which are necessary to enforce and carry out the Chino Basin Judgment (“Judgment”).  
7 Watermaster petitions the Court to allow Watermaster to temporarily deviate from the  
8 requirements of certain provisions of Exhibit “G” to the Judgment, due to unique circumstances  
9 for Fiscal Year 2013-2014. Specifically, Watermaster seeks the Court’s approval to utilize a  
10 substitute “Physical Solution Transfer” rate applicable to transfers from the Overlying (Non-  
11 Agricultural) Pool to Watermaster, and thence to members of the Appropriative Pool, pursuant to  
12 Paragraph 9 of Exhibit “G” to the Judgment, as explained below.

13 **II. BACKGROUND**

14 Under this Court’s continuing jurisdiction, reserved to it pursuant to Paragraph 15 of the  
15 Judgment, upon application of any party by properly noticed motion and after hearing thereon,  
16 the Court may “...make such further or supplemental orders to direction as may be necessary or  
17 appropriate for interpretation, enforcement or carrying out of this Judgment, and to modify,  
18 amend or amplify any of the provisions of the Judgment.” (Judgment, ¶ 15.)

19 Exhibit “G” to the Judgment is the Overlying Non-Agricultural Pooling Plan. Paragraph 9  
20 of Exhibit “G,” entitled “Physical Solution Transfers,” provides mechanisms pursuant to which,  
21 during the term of the Peace Agreement, the members of the Overlying (Non-Agricultural) Pool  
22 have the right to transfer or lease their quantified Production rights and carry-over water held in  
23 storage accounts. (Judgment, Exh. “G”, ¶ 9.) Specifically as pertains to this Motion, the members  
24 of the Overlying (Non-Agricultural) Pool may transfer water to Watermaster, and thence to  
25 members of the Appropriative Pool, in accordance with the guidelines contained in Paragraph 9.  
26 (Judgment, Exh. “G”, ¶ 9.)

27 By way of summary, the procedure for these transfers, as described in Paragraph 9 of  
28 Exhibit “G”, is as follows: by December 31 of each year, the members of the Overlying (Non-

1 Agricultural) Pool shall notify Watermaster of the amount of water each member shall make  
2 available in their individual discretion for purchase by the Appropriators. By January 31 of the  
3 following year, Watermaster shall provide a Notice of Availability of each Appropriator's pro-  
4 rata share of such water. (Judgment, Exh. "G", ¶ 9(a).) The members of the Appropriative Pool  
5 have until March 1 of that year to determine whether to purchase such pro-rata share, and if a  
6 member's pro-rata share is not purchased, it is made available to the remaining members of the  
7 Pool in accordance with their resulting pro-rata shares. (Judgment, Exh. "G", ¶ 9(c).)  
8 Commensurate with the cumulative commitments by members of the Appropriative Pool to  
9 purchase the water made available by the members of the Overlying (Non-Agricultural Pool),  
10 Watermaster will purchase the surplus water made available by the Overlying (Non-Agricultural)  
11 Pool on behalf of the members of the Appropriative Pool, and, by June 30 of each year, each  
12 member of the Appropriative Pool must complete its payment for its share of the water made  
13 available. (Judgment, Exh. "G", ¶ 9(d).) Paragraph 9(d) of Exhibit "G" specifies that payment  
14 for such purchased water will be 92% of the then-prevailing "[Metropolitan Water District of  
15 Southern California] Replenishment Rate." (*Id.*)

16 **III. ARGUMENT**

17 **A. Temporary Adjustment of the Physical Solution Transfer Rate is Necessary in**  
18 **the Event MWD does not Publish a Replenishment Rate**

19 As described above, Paragraph 9(d) of Exhibit G provides that Watermaster will purchase  
20 the surplus water made available by the Overlying (Non-Agricultural) Pool water, on behalf of  
21 the members of the Appropriative Pool, at a rate of 92% of the then-applicable Metropolitan  
22 Water District of Southern California ("MWD") Replenishment Rate. (Judgment, Exh. G, ¶ 9(d).)  
23 According to Watermaster's past practices, the MWD Replenishment Rate utilized is that  
24 applicable for the calendar year in which Watermaster's purchase takes place. (Declaration of  
25 Bradley J. Herrema in Support of Motion for Court Approval of Temporary Substitute Rate for  
26 Physical Solution Transfers under Exhibit "G" to the Judgment, dated November 21, 2013 and  
27 attached hereto ("Herrema Dec.," at ¶ 4.) As applied to transfers in Fiscal Year 2013-14, as  
28 payment would be made by June 30, 2014, MWD's Replenishment Rate for 2014 would be

1 utilized. (Herrema Dec., ¶ 4.) Watermaster, the members of the Appropriative Pool, and the  
2 members of the Overlying (Non-Agricultural) Pool are aware, however, that MWD discontinued  
3 its Replenishment Rate prior to 2013. (Herrema Dec., ¶ 5.) Accordingly, as this is the case,  
4 Watermaster and the parties to the Judgment are left without a rate from which to calculate the  
5 rate for Physical Solution Transfers in Fiscal Year 2013-14. (See Herrema Dec., ¶ 5.)

6 Recognizing this problem, Watermaster, the Overlying (Non-Agricultural) Pool and the  
7 Appropriative Pool have stipulated that the substitution of a rate of 82% of MWD's 2013 Tier 1  
8 Untreated Rate for the rate of 92% of its Replenishment Rate for Physical Solution Transfers  
9 during Fiscal Year 2013-14 would be appropriate. (See attached Stipulation and Proposed  
10 Order.) Watermaster and the members of the Appropriative and Overlying (Non-Agricultural)  
11 Pools have all agreed that 82% of MWD's Tier 1 Untreated Rate is a proper rate to be used  
12 temporarily. (Herrema Dec., ¶¶ 6, 7.) It is important that the substitute rate be identified prior to  
13 the December 31, 2013 date by which members of the Overlying (Non-Agricultural) Pool must  
14 determine whether to make water available for transfer so that they may properly evaluate  
15 whether to do so. (Herrema Dec., ¶ 8.) The Court's approval of a substitute rate under Paragraph  
16 9(d) of Exhibit "G" would allow transfers to proceed without further issue, allowing the parties to  
17 discuss a long-term solution once MWD's plan for offering replenishment water in the future  
18 becomes clear.

19 **B. Court Approval is Necessary for Watermaster Compliance with the Peace II**  
20 **Measures**

21 In its December 21, 2007 Order, this Court approved the amendment to the Judgment to  
22 include the current Exhibit "G." (Order Concerning Motion for Approvals of Peace II Documents  
23 (Dec. 21, 2007), at p 7:11-12.) The Court required Watermaster to "proceed in accordance with  
24 the second amendment to the Peace Agreement," and "comply with all commitments it has made  
25 in the Peace II documents...." (Order Concerning Motion for Approvals of Peace II Documents  
26 (Dec. 21, 2007), at p 7:13-14, p. 8:24-25.) In order to remain compliant with Watermaster's  
27 Peace II obligations and with the terms of Exhibit "G" to the Judgment, Watermaster seeks court  
28 approval to temporarily deviate from the terms of the Judgment and utilize the MWD 2013 Tier 1

1 Untreated rate in place of the MWD Replenishment Rate for transfers under Paragraph 9 of  
2 Exhibit G. Watermaster requests that the temporary substitute 82% of the 2014 Tier 1 Untreated  
3 Rate apply only for Physical Solution Transfers in Fiscal Year 2013-2014.

4 **IV. CONCLUSION**

5 For the reasons stated above, there is good cause to grant Watermaster's Motion for Court  
6 Approval of Temporary Substitute Rate under Exhibit "G", allowing temporary deviation from  
7 the terms of the Judgment to substitute a rate of 82% of MWD's Tier 1 Untreated Rate for Fiscal  
8 Year 2013-2014.

9 Dated: November 21, 2013

BROWNSTEIN HYATT FARBER  
SCHRECK, LLP

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13 By: \_\_\_\_\_  
14 SCOTT S. SLATER  
15 BRADLEY J. HERREMA  
16 Attorneys for Plaintiff  
17 CHINO BASIN WATERMASTER  
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1 **SCOTT SLATER (State Bar No. 117317)**  
2 **BRADLEY J. HERREMA (State Bar No. 228976)**  
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8 Attorneys for  
9 **CHINO BASIN WATERMASTER**

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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**

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

**DECLARATION OF BRADLEY J.  
HERREMA IN SUPPORT OF MOTION  
FOR COURT APPROVAL OF  
TEMPORARY SUBSTITUTE RATE FOR  
PHYSICAL SOLUTION TRANSFERS  
UNDER EXHIBIT "G" TO THE  
JUDGMENT**

I, Bradley J. Herrema, declare as follows:

1. I am an attorney duly admitted to practice before all of the courts of this State, and am a shareholder in the law firm of Brownstein Hyatt Farber Schreck, LLP, counsel of record for Chino Basin Watermaster ("Watermaster"). I have personal knowledge of the facts stated in this declaration, except where stated on information and belief, and if called as a witness, I could and would competently testify to them under oath. I make this declaration in support of the above-referenced motion.

2. As legal counsel for Watermaster, I am familiar with Watermaster's practices and procedures, as well as actions taken by the Pool Committees, Advisory Committee and Board.

3. Exhibit "G" to the Judgment in the above-captioned matter is the Overlying Non-

1 Agricultural Pooling Plan. Paragraph 9 of Exhibit “G,” entitled “Physical Solution Transfers,”  
2 provides mechanisms pursuant to which, during the term of the Peace Agreement, the members of  
3 the Overlying (Non-Agricultural) Pool have the right to transfer or lease their quantified  
4 Production rights and carry-over water held in storage accounts.

5 4. According to Watermaster’s past practice applicable to Physical Solution Transfers  
6 pursuant to Exhibit “G” Paragraph 9 to the Judgment, the Metropolitan Water District of Southern  
7 California (“MWD”) Replenishment Rate utilized to calculate the rate to be paid for transferred  
8 water under Exhibit “G” Paragraph 9(d) is the Replenishment Rate applicable for the calendar  
9 year in which Watermaster’s purchase of water, on behalf of the members of the Appropriative  
10 Pool, takes place. As applied to transfers in Fiscal Year 2013-14, as payment would be made by  
11 June 30, 2014, MWD’s Replenishment Rate for 2014 would typically be utilized.

12 5. MWD terminated its Replenishment Rate prior to 2013 and there are no  
13 indications that it will publish a Replenishment Rate for 2014. Accordingly, Watermaster and the  
14 parties to the Judgment will be left without a base rate from which to calculate the required 92%  
15 rate for Physical Solution Transfers in Fiscal Year 2013-14.

16 6. Recognizing this problem, Watermaster, the Overlying (Non-Agricultural) Pool  
17 and the Appropriative Pool have agreed to a substitute rate, which is 82% of MWD’s 2013 Tier 1  
18 Untreated Rate, applicable to Physical solution Transfers in FY 2013-2014. MWD’s 2014 Tier 1  
19 Untreated Rate is \$593 per acre-foot; 82% of that rate is \$486.26 per acre-foot.

20 7. At their November 14, 2013 regular meetings, the Overlying (Agricultural),  
21 Overlying (Non-Agricultural) and Appropriative Pool Committees each approved this rate  
22 substitution for Fiscal Year 2013-2014 transfers. At their regular meetings on November 21,  
23 2012, the Advisory Committee and Watermaster Board approved the rate substitution.

24 8. It is important that the rate for Physical Solution Transfers be identified prior to  
25 the December 31, 2013 date by which members of the Overlying (Non-Agricultural) Pool must  
26 determine whether to make water available for transfer so that they may properly evaluate  
27 whether to do so.  
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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Dated this 21st day of November, 2013, at Rancho Cucamonga, CA.

\_\_\_\_\_  
Bradley J. Herrema

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# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: November 21, 2013  
TO: Board Members  
SUBJECT: Watermaster 2013 Business Plan

### SUMMARY

Issue: Watermaster and the Parties will benefit from a systematic approach to handling various known issues, as well as an efficiently functioning Watermaster organization.

Recommendation: Receive and file the proposed Watermaster 2013 Business Plan

Financial Impact: The proposed action has no financial impact.

### Future Consideration

Watermaster Board: November 21, 2013 Receive and File [Normal Course of Business]

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### ACTIONS:

November 21, 2013 – Watermaster Board –

## BACKGROUND

Watermaster needs to address a number of issues and challenges in addition to the routine duties associated with implementation of the Judgment and the Optimum Basin Management Program (OBMP) Implementation Plan. In addition, like every other organization, Watermaster needs to be managed and administered in a way that allows it to effectively perform its function, while controlling the cost of operation.

The 2013 Business Plan is a written statement of the approach to meet these needs.

## DISCUSSION

Watermaster duties and responsibilities are explained in detail in the Judgment and subsequent Orders of the Court. These duties, in addition to duties and responsibilities created in the OBMP Implementation Plan, and Peace and Peace II Agreements, create a body of ongoing work that is necessary to the management of Chino Basin.

In response to numerous questions and concerns expressed by the Parties, Watermaster convened a work session in March 2013 called "Refresh, Recharge, and Reunite." During that session, Watermaster legal counsel gave a presentation of the Watermaster legal framework, and Parties were invited to identify any and all issues they believed needed to be addressed. All expressed concerns were recorded and subsequently grouped by Watermaster staff; the Board and all Parties had an opportunity to review the raw data and subsequent grouping, and offer comments and suggestions.

The 2013 Business Plan captures all the necessary ongoing and routine work, and presents an order in which issues identified by the Parties are planned to be dealt with. The order is shown schematically as a timeline, and it is intended to represent a planning concept at this time. It is expected that from time to time new issues can and will arise that will either take priority over currently identified topics, and also that the current topics may take longer than planned to complete.

Watermaster needs to be properly managed to perform its duties. Management identified practices in the areas of Administration, Financial Management, Information Management, Human Resources Management, and Risk Management, and has captured these in the 2013 Business Plan. In addition, some specific goals have been identified.

The 2013 Business Plan was presented in draft form to the Board in September 2013, and with the Board's permission, was subsequently presented to the Appropriative and Non-Agricultural Pools. The Agricultural Pool elected to defer to its Board representatives on this matter and has not received a presentation. At the Board's request, the 2013 Business Plan is being brought forward with the recommendation to Receive and File.

Watermaster staff intends to update the Business Plan periodically and bring it back to the Board for review and discussion.

## ATTACHMENTS

1. Watermaster 2013 Business Plan

CHINO BASIN WATERMASTER  
BUSINESS PLAN  
November 2013

## ORGANIZATION DESCRIPTION

The Chino Basin Watermaster is a consensus-based organization facilitating development and utilization of the Chino Groundwater Basin. The Watermaster consists of various entities pumping water from the Basin including cities, water districts, water companies, agricultural, commercial and other private concerns. Chino Basin Watermaster's mission is "To manage the Chino Groundwater Basin in the most beneficial manner and to equitably administer and enforce the provisions of the Chino Basin Watermaster Judgment," Case No. RCV 51010 (formerly Case No. SCV 164327).

The Watermaster is progressively and actively implementing the Basin's Optimum Basin Management Program which includes extensive monitoring, further developing recharge capabilities, storage and recovery projects, managing salt loads, developing new yield such as reclaimed and storm water recharge and continuing to work with other agencies and entities to enhance this significant natural resource.

## MANAGEMENT AREAS

1. Chino Basin Management
2. Watermaster Business Practices

## MANAGEMENT OBJECTIVES & APPROACH

### 1 Chino Basin Management

Objective: Administer the Judgment and subsequent Court Orders and manage the Basin in accordance with the Optimum Basin Management Program and the provisions of the Peace and Peace II Agreements.

Approach: fulfill all obligations; provide accurate data and relevant information in a timely fashion; offer a knowledgeable and trusted resource to clarify ambiguities; support Parties' transactions; assist in resolving conflicts; and help maximize the benefit of Chino Groundwater Basin.

### 2 Watermaster Business Practices

Objective: Professionally manage Chino Basin Watermaster, with a culture that fits a small and specialty organization.

Approach: comply with all federal and State laws, rules, and regulations; consistently follow explicit procedures (administrative policies, employee manual, investment policies, contracting etc.); manage data and information effectively; operate with complete financial transparency; communicate clearly with everyone; operate with structure and allow flexibility; hire the right people; foster teamwork and dedication to Watermaster work; provide employees continuous professional growth; and exhibit professionalism at all times.

## GOALS

### 1 Chino Basin Management

#### 1.1 Judgment Administration

- 1.1.1 Prepare all necessary Court documents/filings
- 1.1.2 Evaluate and process Interventions
- 1.1.3 Evaluate and process water transfers
- 1.1.4 Prepare Water Activity Reports and Assessment Package
- 1.1.5 Prepare Watermaster Annual Report
- 1.1.6 Lead the following efforts:
  - 1.1.6.1 Complete Safe Yield Recalculation, including Desalter Replenishment Obligation
  - 1.1.6.2 Properly administer storage agreements (with support of Pools)
  - 1.1.6.3 Clean-up Pool membership, including dual-Pool membership issues
  - 1.1.6.4 Create an Annotated Judgment
  - 1.1.6.5 Describe Watermaster's role in litigation
- 1.1.7 Support efforts to address (as desired by Parties):
  - 1.1.7.1 Evaluate New Yield allocation (RMPU; MS4; etc.)
  - 1.1.7.2 Evaluate Board membership rotation
  - 1.1.7.3 Evaluate 85/15 Rule
  - 1.1.7.4 Develop more practical mechanisms, including pricing for Non-Agricultural Pool to Appropriative Pool Exhibit G transfers

- 1.2 OBMP Implementation/Peace/Peace II
  - 1.2.1 Collect all necessary monitoring data (well location, well status, production, water level, water quality, well construction records, etc.)
  - 1.2.2 Accurately maintain Watermaster databases (well location, well status, production, water level, water quality, well construction records, etc.)
  - 1.2.3 Fulfill information and data requests (maps and well location, well status, production, water level, water quality, well construction records, etc.)
  - 1.2.4 Prepare or review and comment on various quarterly, semi-annual, and annual reporting requirements
  - 1.2.5 Develop and maintain external (upstream and downstream) relations
  - 1.2.6 Lead the following efforts:
    - 1.2.6.1 Complete and implement the Recharge Master Plan Update (RMPU) (jointly with IEUA)
    - 1.2.6.2 Evaluate Hydraulic Control and Storage Losses
    - 1.2.6.3 Implement the Prado Basin Habitat Sustainability Program (PBHSP) (jointly with IEUA)
    - 1.2.6.4 Describe Watermaster's water quality role: What can and should Watermaster do?
    - 1.2.6.5 Evaluate replenishment obligations: Is there a CURO limit? Who leads the effort to obtain supplemental water sources?
  - 1.2.7 Support efforts to address (as desired by Parties):
    - 1.2.7.1 Evaluate recycled water replenishment and direct-use cost/benefit analysis

## 2 Watermaster Business Practices

### 2.1 Watermaster Administration

- 2.1.1 Effectively support routine and special meetings held at Watermaster offices
- 2.1.2 Proactively educate new incoming Board Members annually
- 2.1.3 Revise Draft Administrative Policy Handbook; present to Board for adoption

### 2.2 Financial Management

- 2.2.1 Consistently process and document all financial transactions
- 2.2.2 Ensure transparent and independent financial audits
- 2.2.3 Create and implement effective budgets
- 2.2.4 Maintain adequate funding for Watermaster
- 2.2.5 Bill and collect assessments

### 2.3 Information Management

- 2.3.1 Maintain Data and Information Management systems using expertise of outside consultant(s)
- 2.3.2 Ensure systems are consistently operational with minimal downtime
- 2.3.3 Consistently monitor information systems reliability and upgrade systems when necessary
- 2.3.4 Create a database to track and report on all Watermaster periodic obligations

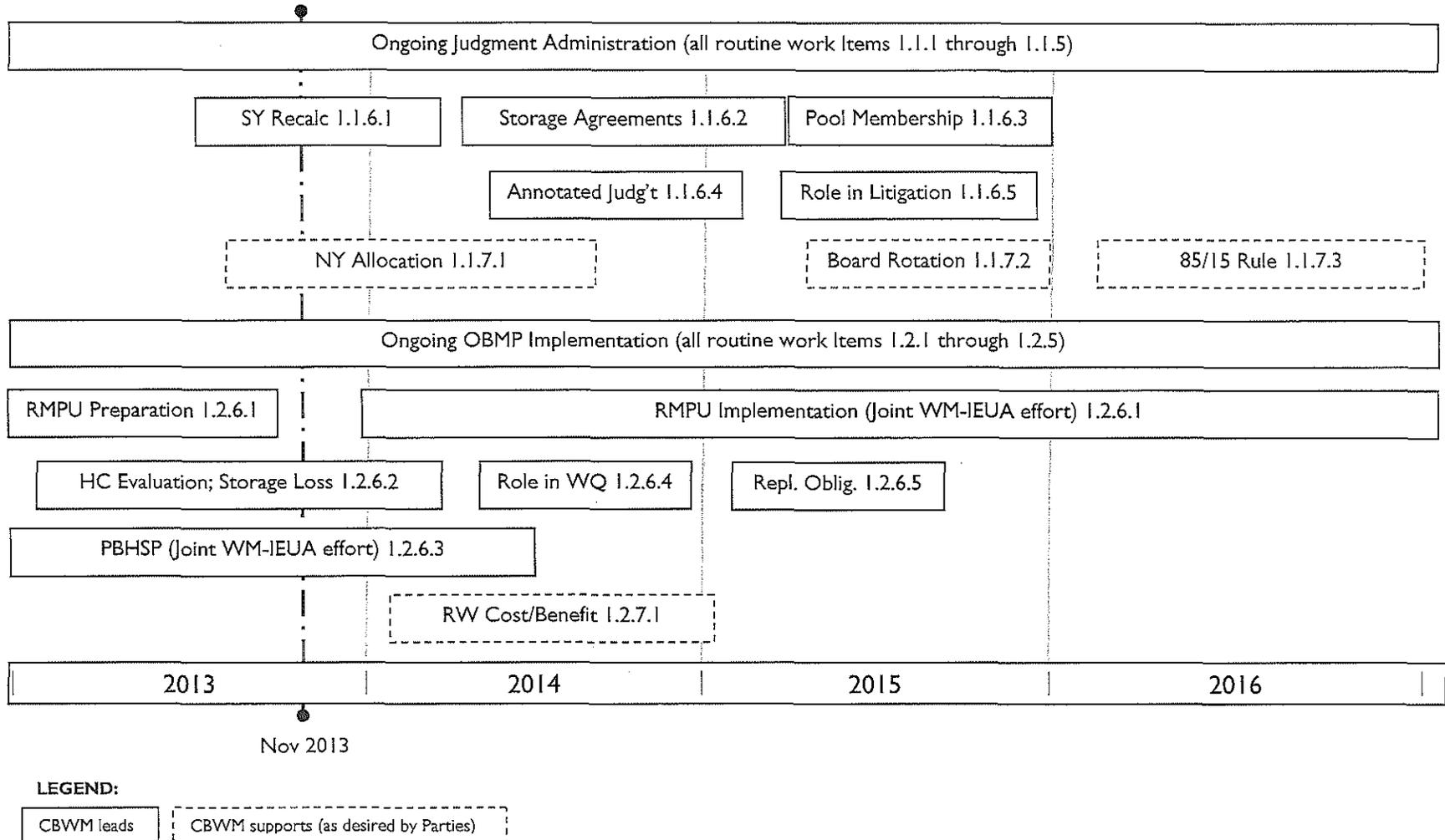
### 2.4 Human Resources Management

- 2.4.1 Improve the robustness of recruitment process
- 2.4.2 Continuously maintain and update Employee Handbook; and ensure employees are familiar with content annually
- 2.4.3 Engage employees in at least one teambuilding activity annually
- 2.4.4 Provide ongoing employee development
  - 2.4.4.1 Create a personal development plan for each employee, including needed and desired training options
  - 2.4.4.2 Create and maintain a training log for each employee

## 2.5 Risk Management

- 2.5.1 Identify risks (legal, regulatory, financial, environmental, safety, and security) facing the organization, and implement strategies for minimizing those
- 2.5.2 Ensure proper types of insurance are in force along with adequate levels of coverage and terms
- 2.5.3 Identify and implement strategies for minimizing uninsurable risks

# CBWM Business Plan Timeline



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# CHINO BASIN WATERMASTER

## III. REPORTS/UPDATES (ADVISORY COMMITTEE ONLY)

### D. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update – Oral
2. Integrated Resource Plan Update - Oral
3. State and Federal Legislative Reports
4. Community Outreach/Public Relations Report

**CHINO BASIN WATERMASTER**

**ADVISORY COMMITTEE**

**November 21, 2013**

**AGENDA**

**INTERAGENCY WATER MANAGER'S REPORT**

**Chino Basin Watermaster**

**9641 San Bernardino Road**

**Rancho Cucamonga, CA 91730**

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**Discussion Items:**

- MWD Update (oral)
- Integrated Resource Plan Update (oral)

**Written Items:**

- State and Federal Legislative Reports
- Community Outreach/Public Relations Report



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Date: November 20, 2013  
To: The Honorable Board of Directors  
Through: Public, Legislative Affairs, and Water Resources Committee (11/13/13)  
From: P. Joseph Grindstaff  
General Manager  
Submitted by: Rebecca Long  
Manager of External Affairs  
Subject: Public Outreach and Communication

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**RECOMMENDATION**

This is an informational item for the Board of Directors to receive and file.

**BACKGROUND**

November

- November 2, Bird Festival, Chino Creek Wetlands and Educational Park, 9:00 a.m. – 1:00 p.m.
- November 9, Solar Cup Boat Building Workshop, Three Valleys MWD, 8:00 a.m. – 4:00 p.m.
- November 9, Volunteer Event w/ Anheuser Busch, Chino Creek Park, 9:00 a.m.

December

- December 3-6, ACWA Fall Conference, JW Marriot LA Live (Los Angeles)
- December 13, Employee Association Holiday Dinner, CocoPalm Restaurant (1600 Fairplex Drive, Pomona), 7:00 p.m.
- December 18, IEUA Holiday Luncheon, Los Serranos Country Club, 11:30 a.m. – 2:30 p.m.

May 2014

- May 2-3, State Water Project Trip MWD (Director Camacho)

**Outreach/Educational Inland Valley Daily Bulletin Newspaper Campaign**

The monthly tips on ways to help conserve water continue to appear in our local newspapers each month.

- The Legislative “Thank You” ad ran on Friday, September 20, 2013 in the Daily Bulletin.
- Water softener rebate ad ran on Wednesday, September 25, 2013 in the Daily Bulletin.

- Garden-Friendly plant sale ad ran on Sunday, September 29, 2013 in the Daily Bulletin.

#### Water Use Efficiency Outreach and Activities

##### Regional Conservation Outreach Campaign

- Ongoing monthly ¼-page ads in the Inland Valley Daily Bulletin, Champion Newspaper, Fontana Herald News.
- The Leadership Breakfast was held on October 24, 2013 in the Event Room. James Fryer presented a synopsis of the draft demand elasticity study.
- Staff provided two presentations on the Agency's pilot turf removal program during the month of October. One was conducted at the annual Water Smart Innovations Conference and the other was presented at MWD's monthly water use efficiency meeting.
- Staff is currently working with teachers who have been prior participants in the Garden In Every School Program to provide them with \$1,000 mini-grants to assist with the maintenance and sustainability of their existing projects. In order to be eligible for these funds, all identified recipients were required to attend a Project WET Workshop.
- AB 1420 (mandatory implementation of demand management measures) requires that the Department of Water Resources convene an Independent Technical Panel (ITP) to update the Demand Management Measures currently identified under the Urban Water Management Planning Act and report to the Legislature by February 2014. To date, the ITP has developed several draft recommendations for review. Staff, along with MWD, and other impacted agencies continue to monitor these activities.

#### Education and Outreach Updates

- The Water Education Water Awareness Committee (WEWAC) held a Project WET (Water Education for Teachers) workshop on October 22, 2013 at the City of Upland Public Works Building. 25 educators participated and learned about water education curriculum.
- Los Osos High School and Chino High School participated in the first Solar Cup boat building workshop on November 9, 2013 where they built the hull of their boats.
- The Landscape and Water Conservation Fair was held on Saturday, October 19, 2013 at the Chino Basin Water Conservation District. Approximately 800 residents participated in the event that offered workshops, educational giveaways, environmental show, water-wise landscape sales and much more.

#### **PRIOR BOARD ACTION**

None.

#### **IMPACT ON BUDGET**

The above-mentioned activities are budgeted in the FY 2013/14 Administrative Service Fund, Public Information Services budget.

# *Agricultural Resources*

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[agrresources@erdc/s.com](mailto:agrresources@erdc/s.com)

October 30, 2013

## **Legislative Report**

**TO:** Joe Grindstaff  
General Manager, Inland Empire Utility Agency

**FR:** David M. Weiman  
Agricultural Resources  
LEGISLATIVE REPRESENTATIVE, IEUA

**SU:** Legislative Report, October 2013

In the early 1960's, television celebrated a hit British Comedy called, "*That Was the Week That Was*" with David Frost. A TWTWTW version for the United States followed shortly thereafter. Both series were hits. Both series were short lived. It's a half-century later, and they are remembered as cult-like.

This past month qualifies as "That Was the Month That Was." And what a month it was.

It began with the Federal Government shuttering its doors and windows. Words like "stalemate," and "gridlock" and "partisan" filled the airwaves. All true. For 16 days and nights. It was brinkmanship at its worst.

I sent a short report to the General Manager after the first day and declared that "shutdown fatigue" had set in after only 24 hours. After 16 days, it was "shutdown exhaustion." Agreements to end the stalemate were forged, and it was ended, but agreements were not really achieved.

At the top of last month's report, I said, "*Right now, Washington is awash in political conflict and political grandstanding, real issues and manufactured ones, spin and truth – all tumbling, threading and crashing down. Confusion and uncertainty abounds.*" It remains accurate today. **Post-Shutdown.** Government is reopened. Debt ceiling was raised, but only for several months. Departmental and Agency funding is restored at CR (including sequestration) levels, but only to December 13. Budget conferees were appointed. Talks are underway. Prognosis for agreement(s)? Uncertain, unclear and unknown.

***But on the Other Hand – Did Congress Terrify Itself Into (Bi-Partisan) Legislative Action?***  
From inaction to action – two examples.

**WRDA.** House leadership directed the Transportation and Infrastructure Committee (T&I) to bring WRDA to the House floor the week after shutdown. Few were confident that bringing a major – costly – bill to the floor was a good idea. A dozen groups – Freedom Works, Heritage Action, Club for Growth and others – actively opposed the multi-billion authorization (same groups that opposed the Affordable Care Act and/or supported shutdown). An hour before the vote, the Committee did not know whether or not they had the votes to pass the bill. Members and staff were concerned that the "shutdown" fever would infect WRDA and bring it crashing down. Debate was orderly and 24 amendments were dispatched. Some accepted while others were rejected. To the astonishment of all – the bill passed by an overwhelming bi-partisan vote of 412-3. Suddenly, Congress went from paralysis and partisanship to cooperation and collegiality. The House was legislating. It was unexpectedly stunning. Senator Boxer, Chair, Senate Committee on Environment and Public Works was pleased (the Senate has already passed its version of the bill and is awaiting action by the House. Conferees are pending, but pre-conference deliberations are already underway and talks are considered to be "constructive." As of now, it is anticipated that a bill has the potential to be finalized before the sessions closes.

**FARM BILL.** Legislating became infectious. Again, the unexpected occurred. Conferees were appointed, and at month's end, were finally beginning to meet. Right now, observers are cautiously optimistic that the logjam on the farm bill will be broken and a bill crafted that can then pass both the House and Senate (again – before the end of the year).

**Tax Bill – Status Uncertain.** Amidst the CR, Budget, Appropriations and Debt Limit "shuffle" the status of a comprehensive tax bill became uncertain. How a tax bill – required to be "revenue neutral" helps any of these mega-finance issues is less clear and more murky with each passing day. Reports change almost daily. In the House, Chairman Camp (R-MI) previously said he would present his bill (in legislative text) last September 30. That deadline was missed. Now, he's planning to present his bill on November 11. That said, few believe the deadline will be met. Maybe December? Or, maybe he circulates some "principles" in lieu of actual legislative language. Speculation is rampant right now. The biggest problem with tax reform in the House is arithmetic. Simply stated, it doesn't work. The stated political objective is to reduce corporate and personal income rates DOWN to 25%. In order to accomplish that, mortgage deductions will likely have to be changed, tax credits of various kinds have to be eliminated – almost all of them, and provisions such as the Municipal Tax Deduction has to be modified or eliminated. In sum, to achieve the "25%" tax rate goal – the entire tax code

framework would be restructured. Whether or not a bill of this sweeping magnitude can be written, marked up, brought to the House floor and passed remains to be seen. With the Budget-CR-Debt situation uncertain, few believe tax reform can advance in such an environment (but that legislative environment is changing – and swirling). In the Senate, different story. Finance Committee Chairman, Sen. Max Baucus, is working equally hard on a different bill and has been consulting with senators, one-on-one, for weeks. That process is expected to continue throughout the remainder of the year. Baucus is privately saying that he is aiming for the top of the year to begin moving his bill. ACWA, by the way, has recognized the threat by this change in the Municipal bond tax law and instructed their Washington Office to do everything they can to protect this provision of law. The implications for the Bay Delta initiative are dire.

***Drought – Wet Winter, Dry Winter – In California, the Colorado River Basin and the Rest of the West.*** During the Government Shutdown, the Drought Monitor was silenced – shut down. It was a reminder that the Federal Government invests in and underwrites many valuable programs – and over the past few years, the Drought Monitor has become an important tool for water managers all over the country. It's back. It up and running again. Drought did not disappear during its absence. In California, some early Winter storms are generating “hope” that this will be a wet Winter. Few predict it. The Colorado River Basin remains in serious trouble (both water AND power). Drought is being experienced throughout the rest of the West as well (with the single exception of Washington State – at the moment. Study after study – on climate, on weather, on drought or on energy declaring that the West will get drier – and worse. Meanwhile, funding for Title XVI still languishes.

***BuRec Briefing.*** The Bureau of Reclamation hosted its second reps briefing in late October. In sharp contrast to previous briefings over the past two years, this one was packed – well attended. Maybe 40 or more reps from water agencies, districts and tribes attended. Mike Connor, Commissioner and Deputy Secretary Designate presided along with A/S Ann Castle. They almost exclusively talked about their budget problems/challenges. Several reps noted that “drought” wasn't mentioned. Few non-budget issues were.

***Some Closing Personal Comments.*** I rarely editorialize in these reports. Generally, it's not appropriate. But some comments are in order given what happened in the past 30 days. That the Government was shut down was terrible. Great harms were created. People, groups, organizations and initiatives were harmed. People were hurt financially. Program continuity was disrupted. It was wrong. No one has clean hands. No one “won” and in my opinion, all parties “lost.” Over the past several months, the business of the people of these United States was inappropriately and unacceptably subordinated to partisan political issues. As a Nation, as a State, as Southern California – and as the IEUA service area – there are major challenges on resources – air, land and water. IEUA has been and continues to be a genuine leader – doing it right and doing it well – be it water supply, waste water treatment, groundwater recharge, pollution cleanup or alternative energy development. At the conclusion of the BuRec briefing a week ago, I introduced myself to the Acting Commissioner (he'll become acting once Connor gets confirmed). Said I represented IEUA and that the agency was building capacity for 100,000 af of new water annually. His jaw dropped. He had no idea. 100,000 af!! He knew what that meant. And, I can assure you, he doesn't have discussions with many agencies that are even

thinking about these kinds of goals. It is my sincere hope that we return to the “business of the people” – now. The political system is fragile. Trust is very low. The challenges are great and as they said in the movie Apollo 13, “failure is not an option.”

# *Innovative Federal Strategies* LLC

Comprehensive Government Relations

## MEMORANDUM

**To:** Joe Grindstaff, Martha Davis and Rebecca Long, IEUA

**From:** Letitia White and Heather Hennessey

**Date:** October 30, 2013

**Re:** October Monthly Legislative Update

The month of October was dominated by the 16 day government shutdown and the hangover that followed. Politically bruising as the shutdown was, the last half of October has been no better for the President, with continued problems at healthcare.gov and ongoing revelations about NSA spying on European allies keeping the White House on the defensive. But there is some hope that Congress has turned over a new leaf, with the passage of the WRDA bill by an overwhelming bipartisan margin last week giving everyone in Washington a reminder that the House can function when it wants to.

### ***More Debt Limit and Spending Fights Ahead***

Congress has raised the debt limit five times since 2001. Each one of those has been different – some quietly passed Congress without much fanfare while others caused political angst for weeks. But in each case up until recently, the relief enacted by Congress has been for longer than a year. The new pattern of short term extensions on the debt limit is a phenomenon which keeps the debt limit and deficit spending issues constantly in the headlines and before Congress. The current extension expires on February 7, 2014, but economists have estimated that Treasury is unlikely to reach the limit until sometime in March of next year.

Tea party conservatives are largely to thank (or blame!) for this new budgetary reality where we are constantly preparing for or recovering from a fiscal fight on Capitol Hill. Some have called it thuggish hostage taking. Others have called it brilliant. Either way, it is defining the agenda in Washington while thwarting the President as he tries to find traction in Congress for his second term policy initiatives. Will the White House negotiate the next time the debt limit needs to be raised (as has been the norm up until last month)? Can the two sides find a grand bargain deal that funds the government for FY 2014 and avoids the next debt limit fight altogether? We hope those questions can be answered in the positive so that Washington can begin to function again.

### ***December 13<sup>th</sup> – The New Deadline***

Can the next six weeks bring resolution to the budget and fiscal fights that have plagued Washington for the past several years? Under the terms of the deal that ended the shutdown and extended the debt limit, the next round of budget and deficit negotiations will begin with a conference committee to try and resolve the differences between the House and Senate budget plans for FY 2014. The committee is supposed to reach an agreement before December 13<sup>th</sup>. As you may recall, those budget plans were passed back in March and April and have been

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gathering dust ever since. The Senate plan includes almost \$1 trillion in new tax revenues over the next 10 years, while the House plan proposes additional spending cuts and no new taxes. House and Senate Budget Committee Chairs Rep. Paul Ryan (R-WI) and Sen. Patty Murray (D-WA) will lead the effort.

Theoretically, this type of budget conference is supposed to be an annual event that takes place each April. Under regular order, the product of the budget conference sets the annual spending levels for the appropriations process and makes other budgetary policy for the coming fiscal year. But it has been many years since a budget conference took place. Taxation and spending issues are no less controversial than they have been during the past two years, which is probably why Congressional leaders have been downplaying the possibility that this round of talks will produce a grand bargain. Republicans remain opposed to any new taxes and generally supportive of reductions in spending for the domestic federal agencies through continued implementation of the sequester budget cuts. Meanwhile, Democrats want to raise new revenues through tax increases and to end the sequester, especially its brutal impacts on the domestic federal agencies.

The White House will also have a stake in the negotiations through the President's Budget for FY 2014 which was released in April. It contained several provisions aimed at deficit reduction, including increases in fees and premiums for Medicare and a slowdown of cost-of-living increases to Social Security through a budgetary adjustment known as "chained CPI." The term references the fact that cost-of-living increases become linked to the Consumer Price Index rather than the formula by which they are currently calculated, and chained CPI lowers the costs of Social Security in the long term. Overall, the President has indicated a willingness to change mandatory spending programs which is not necessarily backed by Democrats in Congress. For instance, more than 100 Democrats in the House signed a letter opposing chained CPI. Whether that tension between Congressional Democrats and the White House will cause conflict during the budget talks remains to be seen.

### ***FY 2014 Appropriations Outlook***

Intricately connected to the budget and deficit fights is the immediate problem of FY 2014 federal spending. Reconciling federal funding priorities is always challenging, but it is especially difficult this year because of the ongoing sequester budget cuts. The House and Senate have been working with a \$91 billion gap in spending projections because of the sequester, and another round of the cuts is due to hit on January 15<sup>th</sup> of next year. It is no coincidence that the funding extension enacted at the end of the shutdown lasts until January 15<sup>th</sup>, with the plan being for some new spending blueprint to be in effect before the sequester cuts hit.

Once upon a time, everyone had hoped that this year would bring a return to regular order – the state of affairs in the "good old days" where Congress enacted individual spending bills and sent them to the President for signature before the end of the fiscal year. Sadly, the last time that an individual spending bill received the President's signature was the Department of Defense bill for FY 2012 on December 19<sup>th</sup> of 2009. The fact that it has been many years since regular order could be counted on in the appropriations process is probably a leading reason that there is now growing talk of a long-term Continuing Resolution (CR) to fund the government for the

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remainder of FY 2014. As we have reported in the past, CRs are a terrible way to fund the government. They do not make any policy changes, modernize programs or improve the agencies in any way. Rather, they merely continue one year's funding policies into the next year. The agency with the best hope of escaping the fate of a CR for the rest of the year is the Defense Department, which could possibly see a funding bill for FY 2014 combined with Homeland Security and Military Construction. Unfortunately, the domestic bills will be harder to finish given how compressed the timeline will be. By the time that the FY 2014 process is nearing completion, it will be very close to the deadline for the President to release his FY 2015 budget and begin the process all over again.

### ***Farm Bill Conference Underway***

Agriculture policy makers on the Hill are going to use this lull between fiscal fights to try and finish the long overdue Farm Bill. Conference negotiations kicked off during the final days of October and will last into early November. House and Senate negotiators face the daunting task of reconciling the vastly different funding levels in the two bills for the Supplemental Nutrition Assistance Program (SNAP or food stamps). While the Senate bill cuts \$4 billion from the program over 10 years, the House bill contains a massive cut of \$39 billion over the same period. The House bill is also more ambitious in that it replaces all existing law, but the Senate bill retains the 1938 and 1949 farm bills as the basis for commodity programs at the federal level. The last Farm Bill was enacted in 2008, and it would be a huge relief for this one to achieve final passage before the end of the year.

### ***Outlook for November***

Compared to the turmoil of October, November could be very sleepy in Washington. Rumors are circulating that the House could take some extra recess days this month in order to make up for the lost recess weeks and late nights and weekends worked during the government shutdown. Under the schedule as it now stands, the House will be in recess until November 12<sup>th</sup> and will go out of session again on the 22<sup>nd</sup> for the Thanksgiving break. The Senate has not announced a schedule for November and December as of this writing. There could be final votes on either a Farm Bill conference report or a WRDA conference report depending on how quickly the conference committees are able to proceed.

**October 30, 2013**

**To:** Inland Empire Utilities Agency  
**From:** Michael Boccadoro  
President  
**RE:** October Legislative Report



**Overview:**

The Governor took final action on bills from the first year of the 2013-2014 Legislative Session. With very little left on the Governor's desk regarding water and energy, the signing deadline came and went without many significant events. The Legislature will return to Sacramento on January 6 to start the final year of the two-year session.

While the final legislative push to pass AB 145 (Perea), a bill to move the drinking water program from the Department of Public Health to the State Water Resources Control Board, failed, the Governor has created a working group to outline the process to achieve the goals of AB 145. The group has been meeting to iron out details that will be presented in the 2014-2015 budget to officially transfer the drinking water program to the State Board.

The State Water Resources Control Board has released a draft concept paper on groundwater. The paper looks at a number of different aspects of groundwater regulation. The paper considers anti-degradation policy, the effects of climate change on surface storage, and other aspects of groundwater management.

The California Air Resources Board has released the draft AB 32 Scoping Plan Update. The controversial draft recommends measures that could be used to extend AB 32, beyond the statutorily codified goals of reducing greenhouse gas emissions to 1990 levels by 2020. A subsequent executive order discussed reducing greenhouse gas levels by 80 percent below 1990 levels by 2050. Public review of the scoping plan update is continuing.

The California Public Utilities Commission recently approved energy storage targets for the state's Investor Owned Utilities. The goals could lead to increased investment in renewable energy and energy efficiency.

The ongoing battle over the legality of the California Public Utilities Commission (CPUC) created Electric Program Investment Charge (EPIC) has another chapter. A three-member appellate panel asked for further information from Southern California Edison and the Attorney General's Office (on behalf of the CPUC) as they consider the program's validity.

# Inland Empire Utilities Agency

## Status Report – October 2013

### ***Drinking Water Program Shift to SWRCB***

Even though the Legislature failed to pass AB 145 (Perea), the Governor's staff has convened a stakeholder working group to develop a plan to shift the state's drinking water program from the Department of Public Health (DPH) to the State Water Resources Control Board (SWRCB) in the 2014-15 budget.

Significant issues are being worked through at the stakeholder meetings to ensure that sufficient resources will be applied to avoid any reduction in permitting capacity and develop updated regulations to compensate for any backlog. Codifying the role of local field offices is also a priority of water agency representatives. The process for developing MCLs has also been a hot topic in the stakeholder group discussions. The SWRCB understands that shifting the MCL program to the SWRCB is going to be a major undertaking, and that the full board will likely vote on MCLs rather than the DPH director approving MCLs, as is the current practice.

### ***Groundwater Concept Paper Released by SWRCB***

The State Water Resources Control Board (SWRCB) recently released a "groundwater concept paper" that outlines future actions the board might pursue to improve groundwater quality and management throughout the state. The paper was developed to describe a proposed workplan framework under which the board's groundwater activities would be organized.

The paper emphasizes a need to coordinate information given to the state, regional or local planning agencies to better understand the nature of groundwater quality. There is a strong focus on looking at anti-degradation policies and, specifically, nitrate issues. The paper also aims to address the impacts that climate change will have on surface water storage and the state's eventual need to rely more on groundwater than it has in the past.

The SWRCB will convene stakeholder meetings, in addition to a January board meeting, to discuss stakeholder input.

### ***AB 32 Scoping Plan Update Discussion Draft Released***

AB 32, the 2006 Global Warming Solutions Act, requires the California Air Resources Board (CARB) to update the original scoping plan every five years. To that end, CARB released a draft scoping update and held an initial stakeholder workshop to discuss the draft.

The draft update concludes that the state is on track to meet the target of reaching 1990 GHG levels by the end of 2020 and officials should now set a new "interim" reduction target for 2030 as a step to meeting Governor Schwarzenegger's Executive Order to reduce emissions to 80 percent below 1990 levels by 2050. Many stakeholders contend that AB 32 only established the 2020 reduction target and any further targets must be approved by the Legislature.

While stakeholders continue the legal discussion of further reductions, the scoping plan moves forward and lays out strategies to cut GHGs from several sectors, including transportation, energy, water, wastewater management and land use, mostly through new and expanded initiatives to fund programs and projects.

The draft plan also indicated that CARB will develop a “short-lived climate pollutant” strategy by 2016 that will include an inventory of sources and emissions, the identification of additional research needs, and a plan for developing necessary control measures to target pollutants, including black carbon, methane and hydrofluorocarbons.

During the public stakeholder workshop, many representatives noted that the plan fails to provide any details on the control measures the board will seek, projected levels of GHG cuts expected or timelines for the development of such rules.

A revised draft will be released in late November.

### ***Energy Storage***

A new emphasis has been given to developing energy storage throughout California. With the deployment of large amounts of renewable energy sources, decreased load factors of power system assets, increasing costs and difficulty siting and building power plants and transmission lines, and in Southern California’s case, the loss of SONGS and the imminent retirement of once-through-cooling facilities, have combined to start a strong dialogue about energy storage projects in the state.

California only has about sixty energy storage projects currently operating, ranging from entities such as Gills Onions to the SCE Tehachapi Wind Energy Storage Project. To further develop energy storage in the state, the California Public Utilities Commission (CPUC) approved energy storage targets for the state’s investor owned utilities. The utilities must procure over 1.325 GW from energy storage by 2020. The decision outlined guiding principles for the procurement targets including integrating renewables; reducing greenhouse gas emissions and optimizing the grid in order to reduce peak demand, contribute to reliability needs and defer transmission and distribution upgrades.

### ***EPIC Update***

Earlier this year, Southern California Edison (SCE) filed a lawsuit against the California Public Utilities Commission (CPUC) over the creation of the Electric Program Investment Charge (EPIC). EPIC is the program created, at direction from Governor Brown, to replace the Public Goods Charge.

When the Public Goods Charge expired on December 31, 2011, the Legislature made an attempt to extend the charge, IEUA worked hard to include some dedicated funding for bioenergy in the proposed legislation, but failed to get the two-thirds majority vote needed.

Because the Legislature failed to reauthorize the program, the Governor asked the CPUC to extend the program, utilizing their broad constitutional authority to continue funding for energy

projects in the areas of applied research, technology demonstration and deployment, and market facilitation.

The SCE lawsuit challenges the CPUC's authority to create and implement EPIC. Additionally, SCE filed a similar suit challenging the CPUC's denial of SCE's application for re-hearing. There are three basic reasons SCE contends that the EPIC program is unlawful:

- CPUC jurisdiction to regulate utilities does not extend to the establishment of a charge to fund another state agency (in this case the CEC.)
- EPIC is not a regulatory fee, but a tax only the Legislature can implement
  - CPUC lacks authority to implement a tax.
  - EPIC is a tax because it collects for the government to distribute for a social objective.
  - EPIC is not a regulatory fee under the standard established in Proposition 26 and is not a mitigative fee under *Sinclair v. Paint*.
- EPIC involves an unlawful delegation of authority from the CPUC to the CEC.

An oral argument hearing was held in mid-October. Both SCE and the CPUC were asked to submit supplemental briefs to the three-judge panel hearing the case. The outcome of this case could have significant effects on funding available for renewable energy and energy efficiency programs in California.

### ***Legislative Update***

October 13 was the final date for the Governor to sign or veto legislation from the first year of the 2013-2014 legislative session. In the end, the Governor signed 805 bills and vetoed 96. There are still over 1000 bills held over that could be acted on when the Legislature returns in early January.

### **AB 327 (Perea)**

The bill not only extends the Net-Energy Metering Program (NEM) and adopted language that could allow the state's Investor Owned Utilities (IOUs) to change existing NEM contracts to a rate that is less than full-retail, such as a "gen to gen." How this might affect existing PPA contracts is unclear, but will depend on how the contract is written. The CPUC is required to address and finalize NEM "grandfathering" rules by March 2014. The Governor included a positive signing message that directs the CPUC to, "ensure that customers who took service under net metering prior to the statutory net metering cap on or before July 1, 2017, are protected under those rules for the expected life of their system." The Dolphin Group will actively participate in the implementation of the bill at the CPUC to ensure that existing customer NEM projects are not impacted.

## Bills that reached the Governor's Desk that IEUA was tracking

### *Water Quality*

**AB 21 (Alejo D) Safe Drinking Water Small Community Emergency Grant Fund.**

**Introduced:** 12/3/2012

**Status:** 10/8/2013-Chaptered by Secretary of State - Chapter 628, Statutes of 2013.

**Summary:** Would authorize the Department of Public Health to assess a specified annual charge in lieu of interest on loans for water projects made pursuant to the Safe Drinking Water State Revolving Fund, and deposit that money into the Safe Drinking Water Small Community Emergency Grant Fund, which the bill would create in the State Treasury. The bill would limit the grant fund to a maximum of \$50,000,000. The bill would authorize the department to expend the money for grants for specified water projects that serve disadvantaged and severely disadvantaged communities, thereby making an appropriation.

Position

Subject

Watch

Water  
Quality

**AB 30 (Perea D) Water quality.**

**Introduced:** 12/3/2012

**Status:** 10/8/2013-Chaptered by Secretary of State - Chapter 629, Statutes of 2013.

**Summary:** Current law authorizes the State Water Resources Control Board, until 2014, to assess a specified annual charge in connection with any financial assistance made pursuant to the revolving fund program in lieu of interest that otherwise would be charged and requires the proceeds generated from the imposition of that charge to be deposited in the State Water Pollution Control Revolving Fund Small Community Grant Fund, along with any interest earned upon the moneys in the grant fund. This bill would eliminate the requirement that the charge remain unchanged until 2014 and instead would authorize the board to assess the charge without change unless the board makes a prescribed determination. This bill would require the board to replace the charge with an identical interest rate if the board ceases collecting the charge before the repayment is complete.

Position

Subject

Watch

Water  
Quality

**AB 115 (Perca D) Safe Drinking Water State Revolving Fund.**

**Introduced:** 1/14/2013

**Status:** 10/8/2013-Chaptered by Secretary of State - Chapter 630, Statutes of 2013.

**Summary:** Would authorize a legal entity, as defined, to apply for grant funding on behalf of one or more public water systems serving disadvantaged or severely disadvantaged communities if specified requirements are met, including having a signed agreement with each public water system for which it is applying for funding. By authorizing the use of a continuously appropriated fund for new purposes, this bill would make an appropriation. This bill contains other related provisions and other existing laws.

Position	Subject
Watch	Water Quality

**AB 116 (Committee on Environmental Safety and Toxic Materi) Safe Drinking Water State Revolving Fund.**

**Introduced:** 1/14/2013

**Status:** 10/8/2013-Chaptered by Secretary of State - Chapter 631, Statutes of 2013.

**Summary:** Would limit loans and grants from the Safe Drinking Water State Revolving Fund for planning and preliminary engineering studies, project design, and construction costs to those incurred by community and not-for-profit noncommunity public water systems and would specify that a small community water system or nontransient noncommunity water system that is owned by a public agency or a private not-for-profit water company and is serving a severely disadvantaged community, is deemed to have no ability to repay a loan. This bill contains other related provisions and other existing laws.

Position	Subject
Watch	Water Quality

**AB 119 (Committee on Environmental Safety and Toxic Materi) Water treatment devices.**

**Introduced:** 1/14/2013

**Status:** 9/28/2013-Chaptered by Secretary of State - Chapter 403, Statutes of 2013.

**Summary:** Would revise the criteria and procedure for certification of water treatment devices for which a health or safety claim, as defined, is made and would require each manufacturer that offers for sale in California one of those water treatment devices to submit specified information, including the manufacturer's contact information, product identification information, the specific contaminant claimed to be removed or reduced by the device, and a

product information worksheet, as described, to the State Department of Public Health for purposes of inclusion on the department's Internet Web site. This bill contains other related provisions.

Position	Subject
Watch	Water Quality

**AB 850 (Nazarian D) Public capital facilities: water quality.**

**Introduced:** 2/21/2013

**Status:** 10/8/2013-Chaptered by Secretary of State - Chapter 636, Statutes of 2013.

**Summary:** Would authorize specified joint powers authorities, upon the application of a local agency that owns and operates a publicly owned utility, as defined, to issue rate reduction bonds to finance a utility project, as defined, under specified circumstances. The bill would terminate the authority to issue rate reduction bonds pursuant to these provisions after December 31, 2020. The bill would provide that the rate reduction bonds are secured by utility project property, as defined. The bill would authorize the authority to impose on, and collect from, customers of the publicly owned utility a utility project charge, as a separate nonbypassable charge, to finance the rate reduction bond.

Position	Subject
Watch	Water Quality

*Bay Delta*

**AB 1259 (Olson R) Sacramento-San Joaquin Valley.**

**Introduced:** 2/22/2013

**Status:** 9/6/2013-Chaptered by Secretary of State - Chapter 246, Statutes of 2013.

**Summary:** Current law requires each city and county within the Sacramento-San Joaquin Valley, within 24 months of the adoption of the Central Valley Flood Protection Plan, to amend its general plan to include specified data, policies, and implementation measures. The city or county is also required, within 36 months of the adoption of the Central Valley Flood Protection Plan, but not more than 12 months after the amendment of its general plan, to amend its zoning ordinance to be consistent with the general plan, as amended. This bill would include, among the findings that exempt a city or county from the above-described prohibition and requirement, a finding that property in an undetermined risk area has met the urban level of flood protection based on substantial evidence in the record. This bill contains other existing laws.

Position  
Watch

Subject  
Bay Delta

*Water*

**AB 426 (Salas D) Water: water transfers: water right decrees.**

**Introduced:** 2/15/2013

**Status:** 10/8/2013-Chaptered by Secretary of State - Chapter 634, Statutes of 2013.

**Summary:** Under current law, any water right determined under a court decree issued after January 1, 1981, is transferable as specified. This bill would eliminate the requirement that a court decree be issued after January 1, 1981.

Position  
Watch

Subject  
Water

**AB 803 (Gomez D) Water Recycling Act of 2013.**

**Introduced:** 2/21/2013

**Status:** 10/8/2013-Chaptered by Secretary of State - Chapter 635, Statutes of 2013.

**Summary:** Current law requires any person who, without regard to intent or negligence, causes or permits any sewage or other waste, or the effluent of treated sewage or other waste, to be discharged in or on any waters of the state, or where it probably will be discharged in or on any waters of the state, to immediately notify the local health officer or the director of environmental health of the discharge, as prescribed. This bill, the Water Recycling Act of 2013, would provide that this notification requirement does not apply to an unauthorized discharge of effluent of treated sewage defined as recycled water, as defined. This bill contains other related provisions and other existing laws.

Position  
Priority

Subject  
Water

**AB 1200 (Levine D) Recycled water: agricultural irrigation impoundments: pilot project.**

**Introduced:** 2/22/2013

**Status:** 10/7/2013-Vetoed by the Governor

**Summary:** Would, before October 1, 2014, and until January 1, 2018, permit the San Francisco Bay Regional Water Quality Board to authorize a voluntary pilot project for the purposes of investigating potential water quality impacts associated with maximizing the supplementation of agricultural irrigation impoundments with disinfected tertiary treated recycled water, if the regional

board finds that the proposed pilot project satisfies specified criteria. This bill would require the pilot project to include a stakeholder advisory group, composed as prescribed, to review and provide input on pilot project design, implementation, and data analysis.

Position	Subject
Watch	Water

*Energy*

AB 327 **(Pereira D) Electricity: natural gas: rates: net energy metering: California Renewables Portfolio Standard Program.**

**Introduced:** 2/13/2013

**Status:** 10/7/2013-Chaptered by Secretary of State - Chapter 611, Statutes of 2013.

**Summary:** Would repeal the limitations upon increasing the electric service rates of residential customers, including the rate increase limitations applicable to electric service provided to CARE customers, but would require the Public Utilities Commission, in establishing rates for CARE program participants, to ensure that low-income ratepayers are not jeopardized or overburdened by monthly energy expenditures and to adopt CARE rates in which the level of discount for low-income electricity and gas ratepayers correctly reflects their level of need, as determined by a specified needs assessment. The bill would require that this needs assessment be performed not less often than every 3rd year. This bill contains other related provisions and other existing laws.

Position	Subject
Watch	Energy

AB 340 **(Bradford D) Public utilities: Electric Program Investment Charge: contracting.**

**Introduced:** 2/13/2013

**Status:** 10/5/2013-Vetoed by the Governor

**Summary:** Would require the Public Utilities Commission to establish a program to encourage the use of women, minority, and disabled veteran-owned businesses as prime contractors and subcontractors for all grants, contracts, subsidies, financing, and activities administered through the EPIC consistent with General Order 156 of the commission. This bill contains other related provisions and other existing laws.

Position	Subject
Watch	Energy

**SB 43 (Wolk D) Electricity: Green Tariff Shared Renewables Program.**

**Introduced:** 12/11/2012

**Status:** 9/28/2013-Chaptered by Secretary of State - Chapter 413, Statutes of 2013.

**Summary:** Would enact the Green Tariff Shared Renewables Program. The program would require a participating utility, defined as being an electrical corporation with 100,000 or more customers in California, to file with the Public Utilities Commission an application requesting approval of a green tariff shared renewables program to implement a program enabling ratepayers to participate directly in offsite electrical generation facilities that use eligible renewable energy resources, consistent with certain legislative findings and statements of intent. This bill contains other related provisions and other existing laws.

Position	Subject
Watch	Energy

*Public Agency*

**AB 72 (Holder D) Municipal water district: board of directors.**

**Introduced:** 1/10/2013

**Status:** 6/17/2013-Chaptered by Secretary of State - Chapter 8, Statutes of 2013.

**Summary:** The Municipal Water District Law of 1911 provides for the formation of a municipal water district and the election of a board of directors of a municipal water district. Current law requires directors, except directors elected at the district formation election, to take office on the first Monday after January 1 succeeding their election. This bill would instead require the directors of a municipal water district, except directors elected at a district formation election, to take office on the first Friday in December succeeding their election.

Position	Subject
Priority	Public Agency

**AB 662 (Atkins D) Local government: redevelopment: successor agencies to redevelopment agencies.**

**Introduced:** 2/21/2013

**Status:** 10/13/2013-Vetoed by the Governor

**Summary:** Current law prohibits an infrastructure financing district from including any portion of a redevelopment project area. This bill would delete that prohibition and would authorize a district to finance a project or portion of a project that is located in, or overlaps with, a redevelopment project area or former redevelopment project area, as specified. This bill contains other related

provisions and other existing laws.

Position  
Watch

Subject  
Public  
Agency

## All bills from 2013

### Status Report

Wednesday, October 30, 2013

Measure	Author	Topic	Status	Location	Calendar	Position
<u>AB 1</u>	<u>Alejo D</u>	Water quality: integrated plan: Salinas Valley.	5/24/2013-In committee: Set, second hearing. Held under submission.	4/10/2013-A. APPR. SUSPENSE FILE		Watch
<u>AB 21</u>	<u>Alejo D</u>	Safe Drinking Water Small Community Emergency Grant Fund.	10/8/2013-Chaptered by Secretary of State - Chapter 628, Statutes of 2013.	10/8/2013-A. CHAPTERED		Watch
<u>AB 30</u>	<u>Perea D</u>	Water quality.	10/8/2013-Chaptered by Secretary of State - Chapter 629, Statutes of 2013.	10/8/2013-A. CHAPTERED		Watch
<u>AB 69</u>	<u>Perea D</u>	Groundwater: drinking water: Nitrate at Risk Fund.	8/12/2013-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on	8/12/2013-S. AGRI.		Priority

			AGRI.		
<u>AB 72</u>	<u>Holden D</u>	Municipal water district: board of directors.	6/17/2013-Chaptered by Secretary of State - Chapter 8, Statutes of 2013.	6/17/2013-A. CHAPTERED	Priority
<u>AB 115</u>	<u>Perea D</u>	Safe Drinking Water State Revolving Fund.	10/8/2013-Chaptered by Secretary of State - Chapter 630, Statutes of 2013.	10/8/2013-A. CHAPTERED	Watch
<u>AB 118</u>	Committee on Environmental Safety and Toxic Materi	Safe Drinking Water State Revolving Fund.	10/8/2013-Chaptered by Secretary of State - Chapter 631, Statutes of 2013.	10/8/2013-A. CHAPTERED	Watch
<u>AB 119</u>	Committee on Environmental Safety and Toxic Materi	Water treatment devices.	9/28/2013-Chaptered by Secretary of State - Chapter 403, Statutes of 2013.	9/28/2013-A. CHAPTERED	Watch
<u>AB 142</u>	Committee on Water, Parks and Wildlife	Water resources: infrastructure.	5/24/2013-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. on 5/7/2013)	5/24/2013-A. 2 YEAR	Priority
<u>AB 145</u>	<u>Perea D</u>	State Water Resources Control Board: drinking water.	8/30/2013-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/12/2013)	8/30/2013-S. 2 YEAR	Priority
<u>AB 177</u>	<u>V. Manuel Pérez D</u>	Renewable resources.	7/12/2013-Failed Deadline pursuant to Rule	7/12/2013-A. 2 YEAR	

			61(a)(2). (Last location was U. & C. on 6/6/2013 Last Action on 6/6/2013)		
<u>AB 194</u>	<u>Campos D</u>	Open meetings: protections for public criticism: penalties for violations.	5/3/2013-Failed Deadline pursuant to Rule 61(a)(2). (Last location was L. GOV. on 2/7/2013)	5/3/2013-A. 2 YEAR	Watch
<u>AB 284</u>	<u>Quirk D</u>	Energy: Road to 2050 Board: reporting.	5/24/2013- Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/24/2013)	5/24/2013-A. 2 YEAR	Watch
<u>AB 293</u>	<u>Allen R</u>	Energy: California Clean Energy Jobs Act: implementation	5/24/2013- Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/16/2013)	5/24/2013-A. 2 YEAR	Watch
<u>AB 295</u>	<u>Committee on Water, Parks and Wildlife</u>	Water: water supply: infrastructure.	5/24/2013- Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. on 5/7/2013)	5/24/2013-A. 2 YEAR	Priority
<u>AB 327</u>	<u>Perea D</u>	Electricity: natural gas: rates: net energy metering: California	10/7/2013- Chaptered by Secretary of State - Chapter 611, Statutes of 2013.	10/7/2013- A. CHAPTERED	Watch

		Renewables Portfolio Standard Program.			
<u>AB 340</u>	<u>Bradford D</u>	Public utilities: Electric Program Investment Charge: contracting.	10/5/2013- Vetoed by the Governor	10/5/2013- A. VETOED	Watch
<u>AB 378</u>	<u>Hueso D</u>	Resources: Delta research.	5/3/2013-Failed Deadline pursuant to Rule 61(a)(2). (Last location was A. & A.R. on 3/7/2013)	5/3/2013-A. 2 YEAR	Watch
<u>AB 416</u>	<u>Gordon D</u>	State Air Resources Board: Local Emission Reduction Program.	5/24/2013- Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/1/2013)	5/24/2013-A. 2 YEAR	Watch
<u>AB 423</u>	<u>Torres D</u>	Multiphase affordable housing projects: enforceable obligations.	8/30/2013-In committee: Placed on APPR. suspense file. In committee; Held under submission.	8/30/2013- S. APPR. SUSPENSE FILE	Priority
<u>AB 426</u>	<u>Salas D</u>	Water: water transfers: water right decrees.	10/8/2013- Chaptered by Secretary of State - Chapter 634, Statutes of 2013.	10/8/2013- A. CHAPTERE D	Watch
<u>AB 613</u>	<u>Hueso D</u>	Water: water reclamation.	5/10/2013- Failed Deadline pursuant to Rule 61(a)(3). (Last	5/10/2013-A. 2 YEAR	Watch

			location was PRINT on 2/20/2013)		
<u>AB 662</u> <u>Atkins</u> D	Local government: redevelopment: successor agencies to redevelopment agencies.	10/13/2013- Vetoed by the Governor	10/13/2013- A. VETOED		Watch
<u>AB 741</u> <u>Brown</u> D	Local government finance: tax equity allocation formula: qualifying cities.	3/11/2013- Referred to Com. on L. GOV.	3/11/2013-A. L. GOV.		Priority
<u>AB 793</u> <u>Gray</u> D	Renewable energy: publicly owned electric utility: hydroelectric generation facility.	9/13/2013- Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/3/2013)	9/13/2013-S. 2 YEAR		Watch
<u>AB 803</u> <u>Gomez</u> D	Water Recycling Act of 2013.	10/8/2013- Chaptered by Secretary of State - Chapter 635, Statutes of 2013.	10/8/2013- A. CHAPTERE D		Priority
<u>AB 823</u> <u>Eggman</u> D	Environment: California Farmland Protection Act.	5/3/2013-Failed Deadline pursuant to Rule 61(a)(2). (Last location was AGRI, on 4/30/2013)	5/3/2013-A. 2 YEAR		Watch
<u>AB 850</u> <u>Nazarian</u> D	Public capital facilities: water quality.	10/8/2013- Chaptered by Secretary of State - Chapter 636, Statutes of	10/8/2013- A. CHAPTERE D		Watch

			2013.		
<u>AB</u> <u>1014</u>	<u>Williams D</u>	Energy: electrical corporations: green tariff shared renewable program.	7/12/2013- Failed Deadline pursuant to Rule 61(a)(10)(SEN). (Last location was RLS. on 6/13/2013)	7/12/2013-S. 2 YEAR	Watch
<u>AB</u> <u>1031</u>	<u>Achadjian R</u>	Local government: open meetings.	5/10/2013- Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)	5/10/2013-A. 2 YEAR	Watch
<u>AB</u> <u>1043</u>	<u>Chau D</u>	Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006: groundwater contamination.	7/12/2013- Failed Deadline pursuant to Rule 61(a)(10)(SEN). (Last location was N.R. & W. on 6/13/2013)	7/12/2013-S. 2 YEAR	Watch
<u>AB</u> <u>1078</u>	<u>Quirk D</u>	Water: water recycling technology.	5/10/2013- Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)	5/10/2013-A. 2 YEAR	Watch
<u>AB</u> <u>1104</u>	<u>Salas D</u>	Energy: net energy metering.	5/10/2013- Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)	5/10/2013-A. 2 YEAR	Watch
<u>AB</u> <u>1200</u>	<u>Levine D</u>	Recycled water: agricultural irrigation	10/7/2013- Vetoed by the Governor	10/7/2013- A. VETOED	Watch

		impoundments: pilot project.			
<u>AB</u> <u>1223</u>	<u>Stone D</u>	Safe drinking water act.	5/10/2013- Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)	5/10/2013-A. 2 YEAR	Watch
<u>AB</u> <u>1228</u>	<u>V. Manuel</u> <u>Pérez D</u>	Electricity: eligible fuel cell customer- generators.	5/3/2013-Failed Deadline pursuant to Rule 61(a)(2). (Last location was U. & C. on 4/25/2013)	5/3/2013-A. 2 YEAR	Priority
<u>AB</u> <u>1249</u>	<u>Salas D</u>	Public water systems: water supply assessments.	5/10/2013- Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)	5/10/2013-A. 2 YEAR	Watch
<u>AB</u> <u>1251</u>	<u>Gorell R</u>	Water quality: stormwater.	5/24/2013- Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/16/2013)	5/24/2013-A. 2 YEAR	Watch
<u>AB</u> <u>1259</u>	<u>Olsen R</u>	Sacramento- San Joaquin Valley.	9/6/2013- Chaptered by Secretary of State - Chapter 246, Statutes of 2013.	9/6/2013- A. CHAPTERE D	Watch
<u>AB</u> <u>1301</u>	<u>Bloom D</u>	Oil and gas: hydraulic fracturing.	5/24/2013- Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR.	5/24/2013-A. 2 YEAR	Watch

			SUSPENSE FILE on 5/15/2013)		
<u>AB</u> <u>1320</u>	<u>Bloom D</u>	Redevelopment : allocation of property tax: passthrough payments.	5/3/2013-Failed Deadline pursuant to Rule 61(a)(2). (Last location was L. GOV. on 4/17/2013)	5/3/2013-A. 2 YEAR	Watch
<u>AB</u> <u>1331</u>	<u>Rendon D</u>	Climate Change Response for Clean and Safe Drinking Water Act of 2014.	9/11/2013- Senate Rule 29.3 suspended. (Ayes 24. Noes 7. Page 2353.) From committee chair, with author's amendments: Amend, and re- refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.	9/11/2013- S. N.R. & W.	Priority
<u>AB</u> <u>1349</u>	<u>Gatto D</u>	CalConserve Water Use Efficiency Revolving Fund.	5/24/2013-In committee: Set, second hearing. Held under submission.	5/8/2013- A. APPR. SUSPENSE FILE	Watch
<u>AB</u> <u>1354</u>	<u>Chávez R</u>	Public utilities: net-energy metering.	5/10/2013- Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)	5/10/2013-A. 2 YEAR	Watch
<u>AB</u> <u>1368</u>	<u>Patterson R</u>	Self-generation incentive program.	5/10/2013- Failed Deadline pursuant to Rule 61(a)(3). (Last location was	5/10/2013-A. 2 YEAR	Watch

			PRINT on 2/22/2013)		
<u>SB 24</u>	<u>Walters R</u>	Public employees' retirement: benefit plans.	5/3/2013-Failed Deadline pursuant to Rule 61(a)(2). (Last location was P.E. & R. on 1/10/2013)	5/3/2013-S. 2 YEAR	Watch
<u>SB 40</u>	<u>Pavley D</u>	Safe, Clean, and Reliable Drinking Water Supply Act of 2012.	1/31/2013-Re-referred to Coms. on N.R. & W. and RLS.	1/31/2013-S. N.R. & W.	Priority
<u>SB 42</u>	<u>Wolk D</u>	Safe Drinking Water, Water Quality, and Flood Protection Act of 2014.	9/11/2013-Senate Rule 29.3(b) suspended. (Ayes 25. Noes 5. Page 2341.) From committee with author's amendments. Read second time and amended. Re-referred to Com. on NAT. RES.	9/11/2013-A. NAT. RES.	Priority
<u>SB 43</u>	<u>Wolk D</u>	Electricity: Green Tariff Shared Renewables Program.	9/28/2013-Chaptered by Secretary of State - Chapter 413, Statutes of 2013.	9/28/2013-S. CHAPTERED	Watch
<u>SB 449</u>	<u>Galgiani D</u>	Local water supply programs or projects: funding.	8/30/2013-Failed Deadline pursuant to Rule 61(a)(11). (Last location was N.R. & W. on 8/22/2013)	8/30/2013-S. 2 YEAR	
<u>SB 658</u>	<u>Correa D</u>	Orange County Water District Act:	5/31/2013-Failed Deadline pursuant to Rule	5/31/2013-S. 2 YEAR	Priority

		investigation, cleanup, and liability.	61(a)(8). (Last location was INACTIVE FILE on 5/24/2013)		
<u>SB 691</u>	<u>Hancock D</u>	Nonvehicular air pollution control: penalties.	9/13/2013- Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/12/2013)	9/13/2013-A. 2 YEAR	Watch
<u>SB 699</u>	<u>Hill D</u>	Electricity: electrical corporations: clean distributed energy resources.	8/16/2013- Failed Deadline pursuant to Rule 61(a)(10)(ASM) . (Last location was U. & C. on 8/7/2013)	8/16/2013-A. 2 YEAR	Watch
<u>SB 731</u>	<u>Steinberg D</u>	Environment: California Environmental Quality Act.	9/13/2013- Failed Deadline pursuant to Rule 61(a)(14). (Last location was L. GOV. on 9/11/2013)	9/13/2013-A. 2 YEAR	Watch
<u>SB 735</u>	<u>Wolk D</u>	Sacramento-San Joaquin Delta Reform Act of 2009: multispecies conservation plans.	8/16/2013- Failed Deadline pursuant to Rule 61(a)(10)(ASM) . (Last location was W.,P. & W. on 6/17/2013)	8/16/2013-A. 2 YEAR	Priority
<u>SB 750</u>	<u>Wolk D</u>	Building standards: water meters: multiunit structures.	8/16/2013- Failed Deadline pursuant to Rule 61(a)(10)(ASM) . (Last location was W.,P. & W. on 8/13/2013)	8/16/2013-A. 2 YEAR	Watch

CALIFORNIA STRATEGIES, LLC

Date: October 30, 2013  
To: Inland Empire Utilities Agency  
From: John Withers, Jim Brulte  
Re: October Activity Report

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Listed below is the California Strategies, LLC monthly activity report. Please feel free to call us if you have any questions or would like to receive any more information on any of the items mentioned below.

- As you know, there were a number of transitions at IEUA this month. As such, our regularly scheduled staff meeting did not take place.
- We did, however, participate in calls with the General Manager and specific Board members to discuss the transition and generate information related to those transitions.
- We met with the new Director of External Affairs to brief her on local governments in the service territory and provide a historical account of the role of California Strategies as it relates to our work with IEUA.
- We were asked and we did inform a number of key individuals of the departure of a board member and continued to provide information to key stakeholders in that district that the board would like a wide open selection process with the largest possible pool of qualified candidates.
- We also discussed at the staff and board member level, the MSR process currently underway by the County of San Bernardino Lafco and potential implications for IEUA
- We followed up on the first meeting related to the MSR and have provided staff our assessment of the process.
- Discussed with the General Manager issues related to provision of service to a large industrial project involving the County of San Bernardino and the City of Fontana
- We attended the SCWC Annual Dinner and discussed district issues with Directors Ellie and Camacho

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# CHINO BASIN WATERMASTER

## IV. INFORMATION

1. Cash Disbursements for October 2013
2. Update on Wineville Proof of Concept Project  
(**Board Only**)
3. Update on Archibald South & Chino Airport  
Plumes (**Board Only**)

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	10/03/2013	17255	APPLIED COMPUTER TECHNOLOGIES	2412	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	2412		Database Consulting - September 2013	6052.2 · Applied Computer Technol	3,057.80
TOTAL						3,057.80
Bill	10/03/2013	17256	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	0023230253		Office Water Bottle - September 2013	6031.7 · Other Office Supplies	134.65
TOTAL						134.65
Bill	10/03/2013	17257	CHEF DAVE'S CAFE & CATERING	1227	1012 · Bank of America Gen'l Ckg	
Bill	09/26/2013	1227		Lunch for 9/26/2013 Board Meeting	6312 · Meeting Expenses	431.90
TOTAL						431.90
Bill	10/03/2013	17258	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013			Wash 4 trucks on 9/11/13 and 9/25/13	6177 · Vehicle Repairs & Maintenance	200.00
TOTAL						200.00
Bill	10/03/2013	17259	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	019447404		9/19/13 -10/18/13	6031.7 · Other Office Supplies	94.99
TOTAL						94.99
Bill	10/03/2013	17260	GUARANTEED JANITORIAL SERVICE, INC.	6-29817	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	6-29817		Janitorial - September 2013	6024 · Building Repair & Maintenance	865.00
TOTAL						865.00
Bill	10/03/2013	17261	HOGAN LOVELLS	2166444	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	2766444		Non-Ag Pool Legal Services - September 2013	8567 · Non-Ag Legal Service	4,156.07
TOTAL						4,156.07
Bill	10/03/2013	17262	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	7003730910002744		Miscellaneous meeting & office supplies	6031.7 · Other Office Supplies	519.05
TOTAL						519.05
Bill	10/03/2013	17263	INLAND EMPIRE UTILITIES AGENCY		1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	1800002248		Wineville Basin Cost Share Project	7209.2 · Wineville Basin	32,332.18
Bill	10/02/2013			Registration fee-Kavounas-Leadership Breakfast	6192 · Training & Seminars	20.00
TOTAL						32,352.18
Bill	10/03/2013	17264	MATHIS CONSULTING GROUP	153895	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	153895		Field Operations Specialist	6013 · Human Resources Services	1,942.50

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
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Type	Date	Num	Name	Memo	Account	Paid Amount	
TOTAL						1,942.50	
Bill Pmt -Check	10/03/2013	17265	PARK PLACE COMPUTER SOLUTIONS, INC.	479	1012 - Bank of America Gen'l Ckg		
Bill	09/30/2013	479		IT Consulting - September 2013	6052.1 - Park Place Comp Solutn	2,325.00	
TOTAL						2,325.00	
Bill Pmt -Check	10/03/2013	17266	PAYCHEX	2013092600	1012 - Bank of America Gen'l Ckg		
Bill	09/30/2013	2013092600		September 2013	6012 - Payroll Services	236.53	
TOTAL						236.53	
Bill Pmt -Check	10/03/2013	17267	SANDERS, LAURA		1012 - Bank of America Gen'l Ckg		
Bill	09/30/2013			Transcript for 8/30/13 Court Hearing	6046 - Legal Publications/Services	240.00	
TOTAL						240.00	
Bill Pmt -Check	10/03/2013	17268	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 - Bank of America Gen'l Ckg		
Bill	09/30/2013	00644-92990009		Policy # 00-649299-0009	60191 - Life & Disab.Ins Benefits	456.73	
TOTAL						456.73	
P1 22 TOTAL	Bill Pmt -Check	10/03/2013	17269	STAPLES BUSINESS ADVANTAGE	8026990403	1012 - Bank of America Gen'l Ckg	
	Bill	09/30/2013	8026990403	Miscellaneous office supplies	6031.7 - Other Office Supplies	98.58	
	TOTAL					98.58	
Bill Pmt -Check	10/03/2013	17270	STATE COMPENSATION INSURANCE FUND	1970970-13	1012 - Bank of America Gen'l Ckg		
Bill	10/01/2013	1970970-13		Premium on account 9/26/13-10/26/13	60183 - Worker's Comp Insurance	786.42	
TOTAL						786.42	
Bill Pmt -Check	10/03/2013	17271	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg		
Bill	09/30/2013	20487		Week ending 9/22/13	6017 - Temporary Services	659.20	
				Week ending 9/22/13	6017.1 - Executive Assistant Services	1,811.20	
				Week ending 9/22/13	6017.1 - Executive Assistant Services	520.80	
Bill	09/30/2013	20466		Week ending 9/15/13	6017 - Temporary Services	494.40	
				Week ending 9/15/13	6017.1 - Executive Assistant Services	1,811.20	
				Week ending 9/15/13	6017.1 - Executive Assistant Services	369.60	
TOTAL						5,666.40	
Bill Pmt -Check	10/03/2013	17272	THREE VALLEYS MUNICIPAL WATER DIST	October 31, 2013 Leadership Breakfast	1012 - Bank of America Gen'l Ckg		
Bill	09/30/2013			Leadership Breakfast for Peter Kavounas	6191 - Conferences - General	15.00	
TOTAL						15.00	
Bill Pmt -Check	10/03/2013	17273	UNITED HEALTHCARE	0032608160	1012 - Bank of America Gen'l Ckg		

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	09/30/2013	0032608160		Dental premium - October 2013	60182.2 · Dental & Vision Ins	481.05
TOTAL						481.05
Bill Pmt -Check	10/03/2013	17274	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	01258121521714508		012581121521714508	7405 · PE4-Other Expense	184.09
Bill	09/30/2013	012519116950792103		012519116950792103	6022 · Telephone	520.47
TOTAL						704.56
Bill Pmt -Check	10/03/2013	17275	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	0010178900010		Vision premium - October 2013	60182.2 · Dental & Vision Ins	57.81
TOTAL						57.81
Bill Pmt -Check	10/03/2013	17276	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	10/02/2013	08-k2 213849		Disposal service for October 2013	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53
Bill Pmt -Check	10/11/2013	17277	BOWCOCK, ROBERT	9/26/13 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	09/26/2013	9/26 Board Mtg		9/26/13 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	10/11/2013	17278	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	545178		GM Contract Extension	6073 · BHFS Legal - Personnel Matters	94.50
				Mediation Reservation Fee	6073 · BHFS Legal - Personnel Matters	4,000.00
				Employment	6073 · BHFS Legal - Personnel Matters	3,956.08
Bill	09/30/2013	545179		Audit Response	6078 · BHFS Legal - Miscellaneous	463.05
Bill	09/30/2013	545180		545180	6907.34 · Santa Ana River Water Rights	910.80
Bill	09/30/2013	545181		545181	6907.33 · Desalter/Hydraulic Control	157.50
Bill	09/30/2013	545182		545182	6275 · BHFS Legal - Advisory Committee	1,732.07
Bill	09/30/2013	545183		545183	6375 · BHFS Legal - Board Meeting	7,609.64
Bill	09/30/2013	545184		545184	8375 · BHFS Legal - Appropriative Pool	1,701.45
Bill	09/30/2013	545185		545185	8475 · BHFS Legal - Agricultural Pool	1,701.45
Bill	09/30/2013	545186		545186	8575 · BHFS Legal - Non-Ag Pool	6,980.16
Bill	09/30/2013	545187		545187	6071 · BHFS Legal - Court Coordination	913.54
Bill	09/30/2013	545188		545188	6907.39 · Recharge Master Plan	32,153.95
Bill	09/30/2013	545189		545189	6078.11 · Safe Yield Recalculation	2,605.74
Bill	09/30/2013	545190		545190	6078.12 · CCG Motion	2,883.64
Bill	09/30/2013	545191		545191	6907.42 · RMPU - Fontana Motion	11,815.92
Bill	09/30/2013	545193		545193	6078 · BHFS Legal - Miscellaneous	6,875.21
TOTAL						86,554.90

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/11/2013	17279	CRAIG, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	09/12/2013	9/12 Appro Pool Mtg		9/12/13 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
Bill	09/19/2013	9/19 Advisory Comm		9/19/13 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	09/26/2013	9/26 Board Mtg		9/26/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	10/11/2013	17280	CURATALO, JAMES	9/16/13 Administrative Meeting	1012 - Bank of America Gen'l Ckg	
Bill	09/16/2013	9/16 Admin Mtg		9/16/13 Administrative Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	10/11/2013	17281	DE BOOM, NATHAN	Ag Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	09/12/2013	9/12 Ag Pool Mtg		9/12/13 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	10/11/2013	17282	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	09/12/2013	9/12 Ag Pool Mtg		9/12/13 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	10/11/2013	17283	FEENSTRA, BOB		1012 - Bank of America Gen'l Ckg	
Bill	09/12/2013	9/12 Ag Pool Mtg		9/12/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/26/2013	9/26 Board Meeting		9/26/13 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill Pmt -Check	10/11/2013	17284	GALAXY AUDIO VISUAL	22134	1012 - Bank of America Gen'l Ckg	
Bill	10/07/2013	22134		Adjustment of projector in Board room	6057 - Computer Maintenance	250.00
TOTAL						250.00
Bill Pmt -Check	10/11/2013	17285	GREAT AMERICA LEASING CORP.	14285039	1012 - Bank of America Gen'l Ckg	
Bill	09/29/2013	14285039		Usage for Black Copies	6043.2 - Ricoh Usage & Maintenance Fee	310.42
				Usage for Color Copies	6043.2 - Ricoh Usage & Maintenance Fee	635.14
TOTAL						945.56
Bill Pmt -Check	10/11/2013	17286	HALL, PETE*		1012 - Bank of America Gen'l Ckg	
Bill	09/05/2013	9/05 RMPU Mtg		9/05/13 RMPU Steering Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/10/2013	9/10 RMPU Mtg		9/10/13 RMPU Steering Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/12/2013	9/12 Ag Pool Mtg		9/12/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/19/2013	9/19 Advisory Comm		9/19/13 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/26/2013	9/26 Board Mtg		9/26/13 Board Meeting	8470 - Ag Meeting Attend -Special	125.00

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TOTAL	Type	Date	Num	Name	Memo	Account	Paid Amount
							625.00
	Bill Pmt -Check	10/11/2013	17287	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	09/12/2013	9/12 Ag Pool Mtg		9/12/13 Ag Pool Meeting	8411 · Compensation	25.00
					Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
							<u>125.00</u>
							125.00
	Bill Pmt -Check	10/11/2013	17288	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	09/12/2013	9/13 Ag Pool Mtg		9/12/13 Ag Pool Meeting	8411 · Compensation	25.00
					Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
							<u>125.00</u>
							125.00
	Bill Pmt -Check	10/11/2013	17289	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
	Bill	09/04/2013	9/04 Admin Mtg		9/04/13 Administrative Meeting	6311 · Board Member Compensation	125.00
	Bill	09/12/2013	9/12 Appro Pool Mtg		9/12/13 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
	Bill	09/26/2013	9/26 Board Mtg		9/26/13 Board Meeting	6311 · Board Member Compensation	125.00
	Bill	09/27/2013	9/27 Admin Mtg		9/27/13 Administrative Meeting	6311 · Board Member Compensation	125.00
							<u>500.00</u>
							500.00
	Bill Pmt -Check	10/11/2013	17290	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
	Bill	09/05/2013	9/15 RMPU Mtg		9/15/13 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	09/12/2013	9/12 Ag Pool Mtg		9/12/13 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	09/19/2013	9/19 Advisory Comm		9/19/13 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
							<u>375.00</u>
							375.00
	Bill Pmt -Check	10/11/2013	17291	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
	General Journal	09/28/2013	09/28/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 09/15/13-09/28/13	2000 · Accounts Payable	6,602.94
							<u>6,602.94</u>
							6,602.94
	Bill Pmt -Check	10/11/2013	17292	ROGERS, PETER	9/26/13 Board Meeting	1012 · Bank of America Gen'l Ckg	
	Bill	09/26/2013	9/26 Board Mtg		9/26/13 Board Meeting	6311 · Board Member Compensation	125.00
							<u>125.00</u>
							125.00
	Bill Pmt -Check	10/11/2013	17293	STAPLES BUSINESS ADVANTAGE	8027142923	1012 · Bank of America Gen'l Ckg	
	Bill	09/28/2013	8027142923		Miscellaneous meeting & office supplies	6031.7 · Other Office Supplies	268.21
							<u>268.21</u>
							268.21
	Bill Pmt -Check	10/11/2013	17294	TELECOM SERVICES	5809	1012 · Bank of America Gen'l Ckg	
	Bill	10/03/2013	5809		Install software after power surge-reprogram phone: 6022 · Telephone		507.50
							<u>507.50</u>
							507.50

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
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For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/11/2013	17295	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	09/29/2013	20509		Week ending 9/29/13	6017 - Temporary Services	824.00
				Week ending 9/29/13	6017.1 - Executive Assistant Services	1,811.20
				Week ending 9/29/13	6017.1 - Executive Assistant Services	168.00
TOTAL						2,803.20
Bill Pmt -Check	10/11/2013	17296	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
Bill	09/29/2013	300732989		Fuel - September 2013	6175 - Vehicle Fuel	76.82
TOTAL						76.82
Bill Pmt -Check	10/11/2013	17297	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	
Bill	09/12/2013	9/12 Ag Pool Mtg		9/12/13 Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	09/26/2013	9/26 Board Mtg		9/26/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	10/11/2013	17298	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	09/19/2013	9/19 Advisory Comm		9/19/13 Advisory Committee Meeting	8411 - Compensation	25.00
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
General Journal	10/12/2013	10/12/2013	Payroll and Taxes for 09/29/13-10/12/13	Payroll and Taxes for 09/29/13-10/12/13	1012 - Bank of America Gen'l Ckg	
				Direct Deposist for 09/29/13-10/12/13	1012 - Bank of America Gen'l Ckg	19,780.43
				Payroll Taxes for 09/29/13-10/12/13	1012 - Bank of America Gen'l Ckg	6,308.69
				Payroll Check for 09/29/13-10/12/13	1014 - Bank of America P/R Ckg	555.71
			ICMA-RC	457 Employee Deductions for 09/29/13-10/12/13	1012 - Bank of America Gen'l Ckg	3,293.42
			ICMA-RC	401(a) Employee Deductions for 09/29/13-10/12/13	1012 - Bank of America Gen'l Ckg	923.03
TOTAL						30,861.28
Bill Pmt -Check	10/17/2013	17299	ACWA JOINT POWERS INSURANCE AUTHORITY	00198	1012 - Bank of America Gen'l Ckg	
Bill	10/07/2013	00198		Prepayment - November	1409 - Prepaid Life, BAD&D & LTD	96.90
				October 2013	60191 - Life & Disab.Ins Benefits	96.90
TOTAL						193.80
Bill Pmt -Check	10/17/2013	17300	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	
Bill	10/15/2013	1394905143		Medical Premiums - November 2013	60192.1 - Medical Insurance	5,581.56
TOTAL						5,581.56
Bill Pmt -Check	10/17/2013	17301	CHINO HILLS, CITY OF*	11	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2013	11		July-September 2013	7107.61 - Grd Level-Chino Hills ASR	524.50

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						524.50
Bill Pmt -Check	10/17/2013	17302	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	10/09/2013	88618		Replacement Video card	6055 · Computer Hardware	302.40
Bill	10/11/2013	88647		Speakers for PC	6055 · Computer Hardware	27.00
TOTAL						329.40
Bill Pmt -Check	10/17/2013	17303	CORELOGIC INFORMATION SOLUTIONS	80982783	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	80982783		80982783	7103.7 · Grdwtr Qual-Computer Svc	82.50
				80982783	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	10/17/2013	17304	CUCAMONGA VALLEY WATER DISTRICT	Lease due November 1, 2013	1012 · Bank of America Gen'l Ckg	
Bill	10/15/2013			Lease due November 1, 2013	1422 · Prepaid Rent	6,160.00
TOTAL						6,160.00
Bill Pmt -Check	10/17/2013	17305	EGOSCUE LAW GROUP		1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	10465		Ag Pool Legal Services - September 2013	8467 · Ag Legal & Technical Services	4,537.50
Bill	09/30/2013	10439		Ag Pool Legal Services - August 2013	8467 · Ag Legal & Technical Services	12,375.00
TOTAL						16,912.50
Bill Pmt -Check	10/17/2013	17306	INLAND EMPIRE UTILITIES AGENCY	1800002259	1012 · Bank of America Gen'l Ckg	
Bill	10/11/2013	1800002259		Hickory Basin Arizona Crossing Cost Share Project	7690.3 · Hickory Basin Recharge Imprvmnt	30,900.00
TOTAL						30,900.00
Bill Pmt -Check	10/17/2013	17307	OFFICE TEAM	38891695	1012 · Bank of America Gen'l Ckg	
Bill	10/04/2013	38891695		Week ending 10/04/13	6017.1 · Executive Assistant Services	1,824.80
TOTAL						1,824.80
Bill Pmt -Check	10/17/2013	17308	PREMIERE GLOBAL SERVICES	14681647	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	14681647		Pool agenda/meeting preparation on 9/03 & 9/11	8412 · Meeting Expenses	47.34
				Pool agenda/meeting preparation on 9/03 & 9/11	8512 · Meeting Expense	47.34
				Pool agenda/meeting preparation on 9/03 & 9/11	8312 · Meeting Expenses	47.34
				PK call w/auditors on 9/04	6062 · Audit Services	58.38
				Non-Ag pool meeting call on 9/12	8512 · Meeting Expense	113.83
				Call on pending litigation on 9/17	6073 · BHFS Legal - Personnel Matters	38.67
				Calls on 9/25 re RMPU Presentation dry run	7204 · Comp Recharge-Supplies	123.57
				Monthly fee	6022 · Telephone	17.05
				Monthly fee	6022 · Telephone	19.95
TOTAL						511.47

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount	
Bill Pmt -Check	10/17/2013	17309	RON SHELLEY'S AUTOMOTIVE	3852	1012 · Bank of America Gen'l Ckg		
Bill	10/10/2013	3852		Tire repair	6177 · Vehicle Repairs & Maintenance	40.00	
TOTAL						40.00	
Bill Pmt -Check	10/17/2013	17310	STAPLES BUSINESS ADVANTAGE	8027226963	1012 · Bank of America Gen'l Ckg		
Bill	10/05/2013	8027226963		Miscellaneous office supplies	6031.7 · Other Office Supplies	222.33	
				Copier paper	6031.1 · Copy Paper	374.56	
TOTAL						596.89	
Bill Pmt -Check	10/17/2013	17311	STAULA, MARY L	Oct. 2013	1012 · Bank of America Gen'l Ckg		
Bill	10/15/2013	Oct. 2013		Oct. 2013	60182.4 · Retiree Medical	29.19	
TOTAL						29.19	
Bill Pmt -Check	10/17/2013	17312	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg		
Bill	10/11/2013	20533		Week ending 10/06/13	6017 · Temporary Services	659.20	
TOTAL						659.20	
P1 28 TOTAL	Bill Pmt -Check	10/17/2013	17313	UNITED HEALTHCARE	0032855151	1012 · Bank of America Gen'l Ckg	
	Bill	10/14/2013	0032855151		Dental Premium - November 2013	60182.2 · Dental & Vision Ins	588.27
	TOTAL					588.27	
	Bill Pmt -Check	10/17/2013	17314	VERIZON BUSINESS		1012 · Bank of America Gen'l Ckg	
	Bill	09/30/2013	07551316		07551316 - August	6053 · Internet Expense	1,509.28
	Bill	09/30/2013	08493275		08493275 - September	6053 · Internet Expense	1,518.49
	Bill	10/10/2013	66435497		66435497 - October	6053 · Internet Expense	1,522.63
TOTAL						4,550.40	
	Bill Pmt -Check	10/17/2013	17315	VERIZON WIRELESS	9712689236	1012 · Bank of America Gen'l Ckg	
	Bill	10/15/2013	9712689236		Monthly service	6022 · Telephone	295.57
TOTAL						295.57	
	Bill Pmt -Check	10/17/2013	17316	WESTERN DENTAL SERVICES, INC.	11882	1012 · Bank of America Gen'l Ckg	
	Bill	10/09/2013	11882		Dental Premium - October 2013	60182.2 · Dental & Vision Ins	30.00
TOTAL						30.00	
	Bill Pmt -Check	10/23/2013	17317	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
	Bill	09/30/2013	2013275		2013275	6906 · OBMP Engineering Services	4,164.23
	Bill	09/30/2013	2013276		2013276	6906.71 · OBMP - Misc. GM Requests	3,690.16
	Bill	09/30/2013	2013277		2013277	6906 · OBMP Engineering Services	2,088.75

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	09/30/2013	2013278		2013278	6906 · OBMP Engineering Services	813.75
Bill	09/30/2013	2013279		2013279	6906.1 · OBMP - Watermaster Model Update	12,875.00
Bill	09/30/2013	2013280		2013280	7103.3 · Grdwtr Qual-Engineering	6,743.75
Bill	09/30/2013	2013281		2013281	7104.3 · Grdwtr Level-Engineering	7,752.40
Bill	09/30/2013	2013282		2013282	7107.61 · Grd Level-Chino Hills ASR	2,731.25
Bill	09/30/2013	2013283		Neva Ridge	7107.3 · Grd Level-SAR Imagery	14,000.00
Bill	09/30/2013	2013284		2013284	7107.2 · Grd Level-Engineering	5,869.45
Bill	09/30/2013	2013285		2013285	7108.3 · Hydraulic Control-Engineering	3,424.10
Bill	09/30/2013	2013286		2013286	7108.7 · Hydraulic Control - Prado Basin	1,871.84
Bill	09/30/2013	2013287		2013287	7202.3 · Comp Recharge-Implementation	17,854.47
Bill	09/30/2013	2013288		2013288	7402 · PE4-Engineering	1,387.50
Bill	09/30/2013	2013289		2013289	7502 · PE6&7-Engineering	852.50
Bill	09/30/2013	2013290		2013290	7108.3 · Hydraulic Control-Engineering	3,087.50
TOTAL						89,206.65
Bill Pmt -Check	10/28/2013	17318	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	XXXX-XXXX-XXXX-9341		PK Lunch w/Doug Headrick @ SBVMWD	6909.1 · OBMP Meetings	18.19
				GRA Membership for PK	6111 · Membership Dues	92.91
				Reg.-PK-attend GRA Collaborative Leadership	6193.2 · Conference - Registration Fee	256.62
				Reg.-PK-attend GRA 29th Groundwater Conf.	6193.2 · Conference - Registration Fee	358.38
				PK flight to Sacramento	6191 · Conferences - General	175.91
				Car rental fee	6191 · Conferences - General	225.36
				PK meeting w/Rick Hansen - TVMWD	6312 · Meeting Expenses	20.18
				Reg. fee-PK-attend the SCWC 29th Annual Dinner	6193.2 · Conference - Registration Fee	176.98
				Working lunch for PK and JJ re Human Resources	6141.3 · Admin Meetings	30.22
				Flash card/mini card reader for recorder-boardroom	6031.7 · Other Office Supplies	37.39
				Lunch for completion of RMPU	7204 · Comp Recharge-Supplies	181.22
TOTAL						1,573.36
Bill Pmt -Check	10/28/2013	17319	GEOSCIENCE SUPPORT SERVICES, INC.	4555-11-13	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2013	4555-11-13		August 1 - September 30, 2013	7107.61 · Grd Level-Chino Hills ASR	4,090.00
TOTAL						4,090.00
Bill Pmt -Check	10/28/2013	17320	GRAINGER		1012 · Bank of America Gen'l Ckg	
Bill	10/14/2013	9266436327		Storage clipboards	6151 · Small Tools & Equipment	191.25
Bill	10/14/2013	9268512747		High visibility vest, safety glasses, hard hat	6151 · Small Tools & Equipment	123.07
TOTAL						314.32
Bill Pmt -Check	10/28/2013	17321	GREAT AMERICA LEASING CORP.	14346941	1012 · Bank of America Gen'l Ckg	
Bill	10/16/2013	14346941		Invoice	6043.1 · Ricoh Lease Fee	3,221.64

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
				One-time documentation fee	6043.1 · Ricoh Lease Fee	109.50
				Transitional billing fee for 9/26-10/10	6043.1 · Ricoh Lease Fee	1,503.43
TOTAL						4,834.57
Bill Pmt -Check	10/28/2013	17322	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2013	0111802		Employee deductions - October 2013	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	10/28/2013	17323	OFFICE TEAM	38932219	1012 · Bank of America Gen'l Ckg	
Bill	10/11/2013	38932219		Week ending 10/11/13	6017.1 · Executive Assistant Services	1,779.18
				Overtime week ending 10/11/13	6017.1 · Executive Assistant Services	153.97
TOTAL						1,933.15
Bill Pmt -Check	10/28/2013	17324	PITNEY BOWES CREDIT CORPORATION	6684246	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2013	6684246		Leasing charge	6044 · Postage Meter Lease	548.64
TOTAL						548.64
Bill Pmt -Check	10/28/2013	17325	PRINTING RESOURCES		1012 · Bank of America Gen'l Ckg	
Bill	10/18/2013	60234		Business cards: Bill McLaughlin	6031.7 · Other Office Supplies	146.13
Bill	10/19/2013	60235		Nameplates: Anna Truong and Please Sign In	6031.7 · Other Office Supplies	59.16
TOTAL						205.29
Bill Pmt -Check	10/28/2013	17326	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	10/12/2013	10/12/2013	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 09/29/13-10/12/13	2000 · Accounts Payable	6,693.19
TOTAL						6,693.19
Bill Pmt -Check	10/28/2013	17327	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	10/24/2013	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	482.28
TOTAL						482.28
Bill Pmt -Check	10/28/2013	17328	STAPLES BUSINESS ADVANTAGE	8027324440	1012 · Bank of America Gen'l Ckg	
Bill	10/12/2013	8027324440		Miscellaneous office supplies	6031.7 · Other Office Supplies	12.94
TOTAL						12.94
Bill Pmt -Check	10/28/2013	17329	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	10/13/2013	20575		Week ending 10/13/13	6017 · Temporary Services	164.80
TOTAL						164.80
					Total Disbursements:	367,137.70

**WINEVILLE BASIN PROOF OF CONCEPT PROJECT**  
**Status Update: October 02, 2013**

The Wineville Basin Proof of Concept (POC) is an investigative project that consists of six cells designed to test and evaluate percolation rates at strategic locations throughout the basin. Each of the test cells will be 0.5 acres in size. The test cells will be excavated at different depths to allow the project to gather percolation data for soils above and below the previously identified clay layer. After completion of the testing, a final project report will be developed.

**Status Update:**

Construction was complete September 30, 2013 and the project is in the testing phase. The cells are currently being filled with water obtained from City of Ontario Well 30. Two of the six cells are currently filled, with expectations to fill all six by end of day October 4, 2013. Once each cell has been filled to a predetermined level, the rate of fall of the water level will be monitored. This process will be performed for approximately 30 days.

<u>Schedule Activity:</u>	<u>Finish Date</u>	<u>Notes</u>
- Construction	09/30/2013	Scheduled completion 09/24/13, delayed due to difficulties constructing sand bag berm by MWD reservoir discharges.
- Install Instruments	09/30/2013	Complete - procured and installed pressure transducers
- Testing	10/25/13	In Progress
- Restore Site	11/01/2013	Not Started - Contractor to re-mobilize to restore site to original condition after testing complete.
- Final Report	01/30/2013	Not Started

**Project Budget and Schedule:**

The projected project cost is \$358,300, which is greater than the initial budget of \$300,000 due to the following changes in original scope:

- Additional work activities including weeding, biological surveys and topographic surveys to comply with regulatory permits conditions.
- Bidding Conditions
- Procurement of extra testing equipment (pressure transducers)

In addition to the changes listed above, both CBWM and IEUA have agreed to extend the original testing phase period from 30 days to 60 days to further establish each of the cells percolation decay curves. If the testing period is extended one additional month, it is estimated that an additional \$66,000 will be needed. Therefore, IEUA is requesting CBWM to amend the original cost share agreement contract for the POC project by \$124,300, for a total project cost of \$424,300. Per the cost share agreement, the costs to each Party will be \$212,150. Refer to Table 1 for detailed cost breakdown.

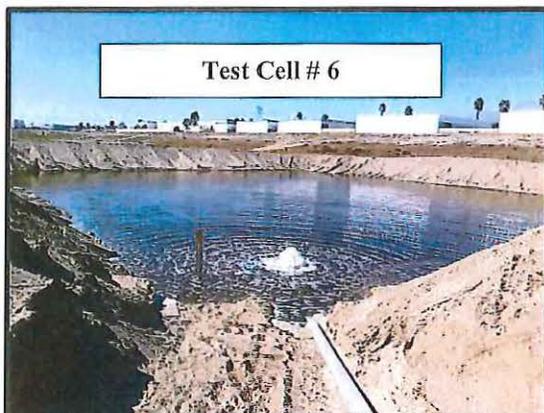
Additional risks associated with extending the testing period includes additional costs from Contractor to remove equipment prior to a rain event and potential washout of temporary facilities from unexpected storm surge.

### Cost Breakdown (Table 1):

Phase	<u>Project Budget</u>		Status	<u>Actual Cost to Date</u>		Note	
	Start	Finish		Initial Budget	Projected Cost		Actual Cost to Date
	\$358,300 – \$424,300			\$68,800			
Design	10/2012	01/2013	In Progress	\$20,000	\$22,000	\$10,000	1
Weeding	09/2013	09/2013	Complete	\$0	\$28,000	\$28,000	2
Permits	03/2013	06/2013	Complete	\$2,200	\$2,200	\$2,200	
Environmental Assistance	03/2013	11/2013	In Progress	\$5,000	\$22,600	\$18,800	3
Survey	09/2013	11/2013	In Progress	\$6,000	\$21,000	\$2,300	4
Construction	09/2013	11/2013	In Progress	\$150,000	\$183,000		5
Extra Equipment			Complete	\$0	\$7,500	\$7,500	6
Construction Contingency				\$30,000	\$0		
Ontario Pumping Costs	10/2013	11/2013	In Progress	\$50,000	\$36,000		7
CM and Testing Support	09/2013	11/2013	In Progress	\$30,000	\$36,000		
Project Contingency				\$10,000	\$0		
<b>Total Project Cost</b>				<b>\$300,000</b>	<b>\$358,300</b>	<b>\$68,800</b>	
			Testing Contingency		\$66,000		8

**Notes:**

- 1) Design complete, pending final project report and consultant support services during testing.
- 2) Weeding activities to allow work to commence prior to regulated bird nesting season. Initial project scope assumed basin would be clear of vegetation to avoid nesting season regulations. Additional weeding was necessary due to aggressive weed growth.
- 3) Additional costs incurred due to biological surveys requirements set forth in regulatory permits. Regulatory permit conditions received after initial budget established.
- 4) Additional site topographic survey requirements set forth in regulatory permits. Regulatory permit conditions received after initial budget established. Work activities include pre and post aerial surveys.
- 5) Low bid price received during bidding phase was \$183,000.
- 6) Procurement of 8 pressure transducers and data logger equipment for data monitoring and basin testing.
- 7) Estimated cost. Pumping cost could range between \$12,000 to \$36,000 per month based upon actual usage.
- 8) Additional cost per month of testing. Includes pumping, labor, equipment, and additional mobilization.



## Monthly Status Report on the South Archibald Plume – November 2013

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**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 – November 2013

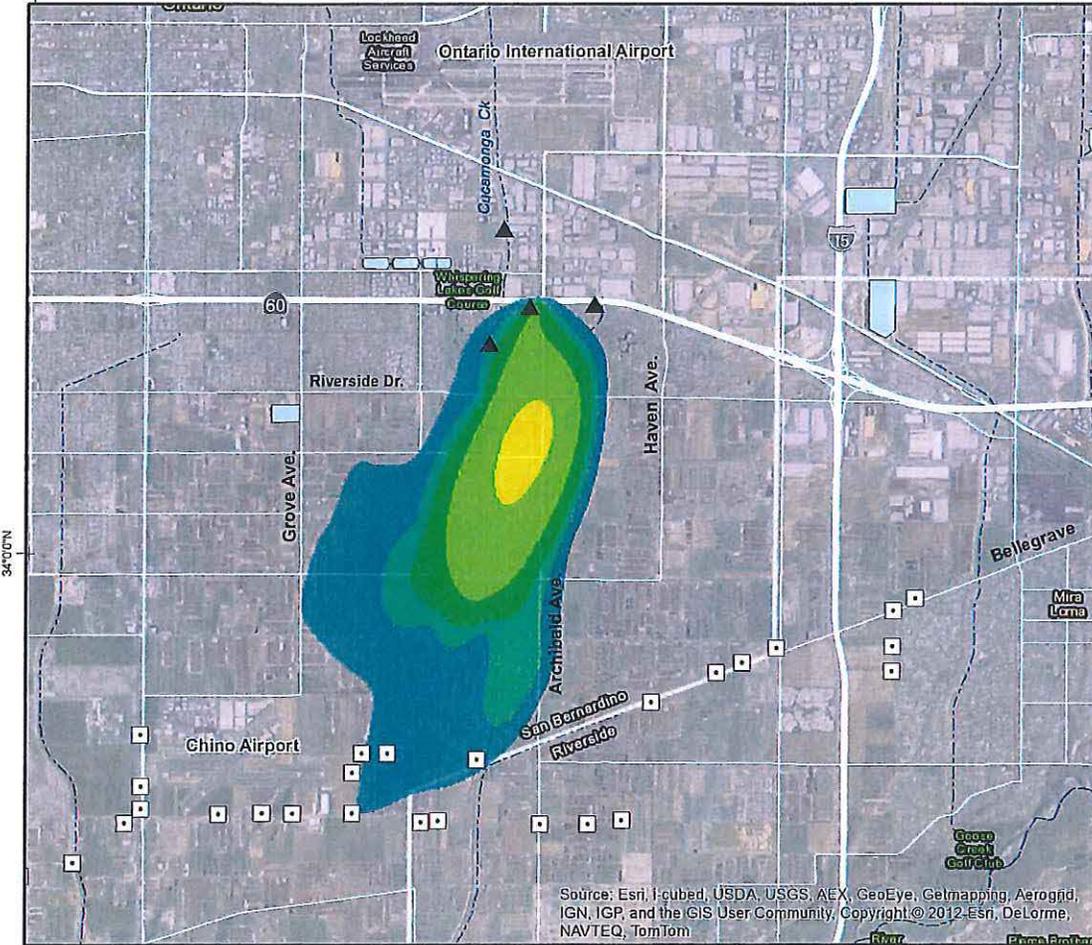
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Several parties recently completed an additional round of sampling at private water supply wells in the area of the plume, and a report of the results was submitted to the Regional Board. With the completion of this work, all wells in the area of the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

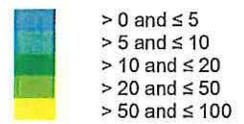
Several parties are in the process of designing and constructing alternate water supply systems (tanks) for additional residences whose wells exceed 80% of the maximum contaminant level (MCL) for TCE. Currently these residences receive bottled water as part of the alternative water supply plan mentioned 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



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, Geomapping, Aerogrid, IGN, IGP, and the GIS User Community, Copyright © 2012 Esri, DeLorme, NAVTEQ, TomTom



117°40'0"W

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Author: VMW  
Date: 10/17/2013  
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 – November 2013

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**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:** On July 2, 2013, the County and their consultant Tetra Tech submitted a comprehensive work plan for the additional characterization of the contamination in soil and groundwater associated with the Chino Airport<sup>1</sup>. The work plan targets several areas of concern identified in a May 2013 site assessment report<sup>2</sup>, and includes the following methodologies: piezocone penetrometer tests; vertical aquifer profiling borings with depth-discrete groundwater sampling; soil gas probes; high-resolution soil sampling and analysis; and real-time data analysis, management, and three-dimensional modeling. The Regional Board approved the work plan on October 28, 2013. It is anticipated that work will occur over a five to seven-month period.

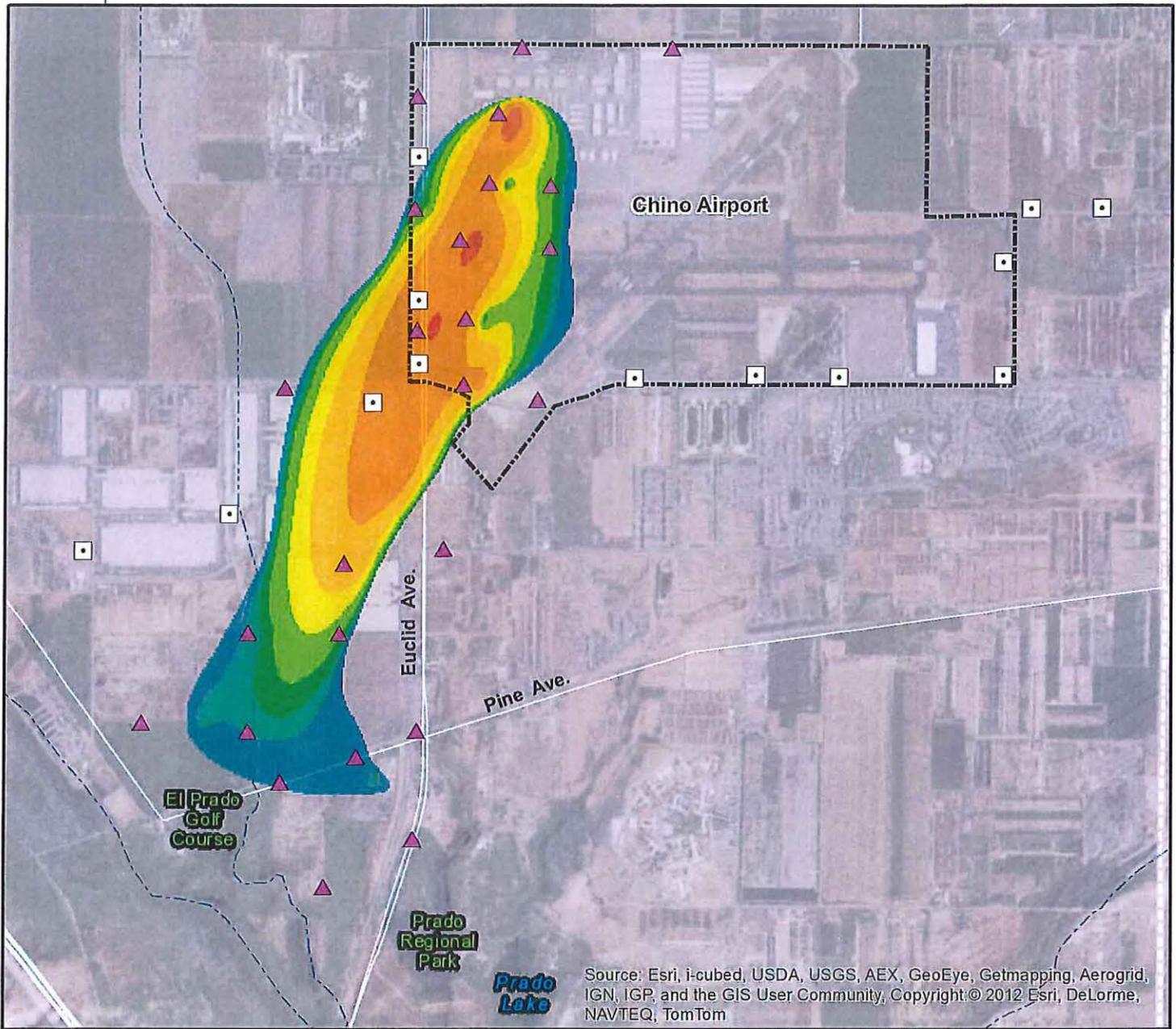
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<sup>1</sup> *Work Plan for Additional Site Characterization – Chino Airport- San Bernardino County, California.* June, 2013. Prepared by Tetra Tech.

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



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